

Annual Plan

For the year ending 30 June 2013



CENTRAL COAST COUNCIL

ANNUAL PLAN 2012-2013

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INTRODUCTION

Under the *Local Government Act 1993* (as amended), all councils are required to prepare and adopt an Annual Plan together with Estimates of its revenue and expenditure for each financial year. The Estimates are to contain details of estimated revenue, expenditure, borrowings, capital works and any other detail required by the Minister. They must be adopted by 31 August each year, but cannot be adopted more than one month before the start of the financial year to which they relate.

The Annual Plan details the major actions the Council will undertake this financial year to work towards achieving the strategies outlined in the Council's Strategic Plan 2009-2014. The Annual Plan therefore forms the basis for the development of each Department's work plan and for monitoring the performance and measuring the success of the organisation on an annual basis. Ongoing operational activities, including payment of accounts, production of Council agendas and minutes etc., are not included in the Annual Plan, but are included in the Estimates for the year.

The last 12 months have seen Council staff working tirelessly to make good the extensive flood damage that occurred on 14 January 2011. It is pleasing to advise that all those works were completed in the timelines required for the Council to access the available assistance from the Natural Disaster Relief and Recovery Arrangements funds.

The redevelopment of the Ulverstone Wharf Precinct has been a major strategic focus for the Council and has taken up considerable staff resources. While the project was off to a slow start, dealing with structural issues that were difficult to identify until piling work commenced, it is now pleasing to see the commencement of the actual building works on the wharf. It is anticipated that both stages of the wharf building will now be completed, including the surrounds, by early October 2012, with the opening of this Precinct also scheduled for later that month.

The Council has in excess of \$325m. of property, plant and infrastructure assets which it is directly responsible for and considerable resources have been focused towards ensuring our Asset Management Plans, including our long-term asset renewal programs, have been updated and are able to be incorporated into our Long Term Financial Plan. As the custodian of our community's assets it is our obligation to ensure that these assets are managed in a responsible way for the benefit of existing and current generations.

The Council's financial position is strong in terms of its cash, liquidity and recent performances against budget.

The Estimates are prepared in conjunction with the Annual Plan and explain how the Council will resource its operational and capital activities for the year.

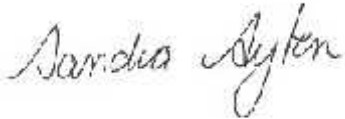
In preparing the Estimates for 2012-2013, the Council has again been challenged in balancing the competing priorities of required services, the continuation of strategic directions/initiatives, maintaining a sound financial position and keeping rate increases to an acceptable level. Fees and charges have been increased to reflect the cost of service provision.

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In the tough economic climate, it's crucial that the Council continues to provide core services for the community. It is also vital that we continue working on capital projects in our area.

I commend the Annual Plan presented to the Council and the community. The Senior Management Team and I believe we have presented for the Council's consideration a financially responsible Annual Plan and Estimates.



Sandra Ayton, General Manager

12 June 2012

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STRATEGIC PLANNING FRAMEWORK

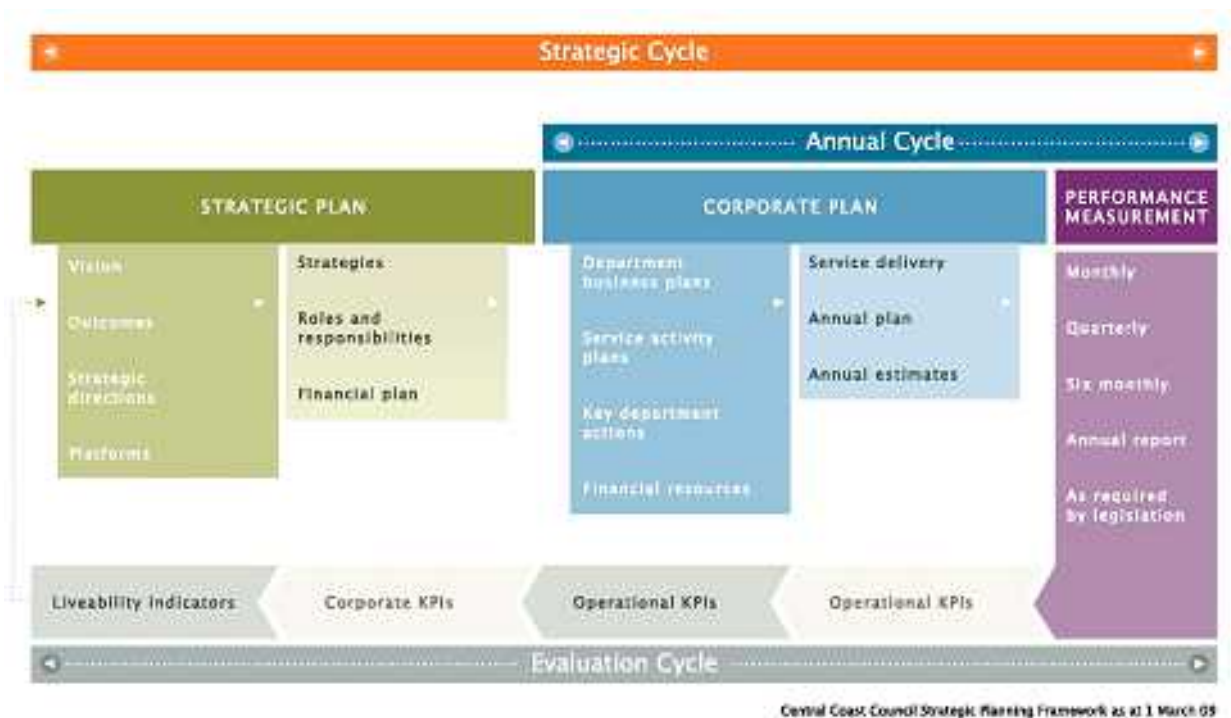
The Council adopted its Strategic Plan 2009-2014 in May 2009. The Strategic Plan identified the Council’s priorities for 2009-2014, to be delivered through the Council’s Annual Plan. The Strategic Plan focuses on the distinctiveness of our location, lifestyle and strengths to achieve the aspirations of local communities and to set the direction for the Council in determining how best to direct its resources and efforts.

The Strategic Plan summarises the key objectives, strategies and actions that the Council plans to pursue over the coming five-year period. The Annual Plan is an annual document that is framed within the Strategic Plan. It outlines the operating environment, key initiatives/ actions and resource requirements for each of the Council’s Service Activities. The Annual Plan then forms the basis of the Estimates.

Performance in achieving the strategic and key department actions outlined in this Annual Plan will be reported to the community through the Council’s Annual Report for 2011-2012.

Additionally the Council will be developing a five-year corporate plan which includes the financial, asset, service delivery and organisation’s capability to deliver priorities and ensure that day-to-day operations align with the identified strategic direction.

This diagram depicts the Council’s strategic planning framework:



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The Annual Plan includes the initiatives and actions to be funded that will contribute to achieving the strategic objectives specified in the Strategic Plan.

'The Vision' and 'Our Values' in the Strategic Plan, along with the Strategic Directions, Strategies and Key Actions for the 2012-2013 year are reproduced below. These provide the basis for our directions for the year and are supported by the Estimates.

The Vision

Central Coast – living our potential

We are a vibrant, thriving community that draws inspiration and opportunities from its natural beauty, land and people. Our clever industries and productive rural resources support economically viable communities as part of a thriving region, meeting all challenges with energy and innovation.

We are diverse coastal and rural communities, connected by a powerful sense of belonging to our place.

Our Values

- Community spirit
- Effective customer service
- Open
- Respectful
- Innovative
- Responsive

The Shape of the Place

Improve the value and use of open space

- Staged implementation of the Dial Regional Sports Complex Master Plan – investigate feasibility (2010-2014)
- Progress the development of the Ulverstone Wharf (2009-2012)
- Implement the Central Coast Open Space and Recreation Plan 2012-2022 asset provision gaps (as identified in the Estimates)
- Undertake a review of recreation grounds in Central Coast

Adopt an integrated approach to land use planning

- Incorporate the Cradle Coast Regional Land Use Plan into the Planning Scheme
- Identify and promote appropriate land for industrial and commercial use

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Conserve the physical environment in a way that ensures we have a healthy and attractive community

- Coordinate the implementation plans for the Penguin Urban Design Guidelines, Ulverstone Urban Design Guidelines, Forth Local Area Plan and the Turners Beach Local Area Plan
- Develop Park Tree Strategy
- Develop Tree Management manual

A Connected Central Coast

Provide for a diverse range of movement patterns

- Create a plan for a network of transport routes to connect communities and attractions throughout Central Coast

Connect the people with services

- Explore options for Gas reticulation to Ulverstone
- Work with NBN Co. re network rollout to Central Coast
- Work with TasRail re Blythe River, Leven River and Forth River railway bridge upgrades/replacements

Community Capacity and Creativity

Improve community wellbeing

- Participate in the Cradle Coast Regional Healthy Communities Project
- Implement and run Get Active programs
- Conduct an audit of the Council's current community development strategies against the Social Planning Framework to identify gaps/opportunities for new actions

Community Capacity Building

- Implement the Food Experience Strategy
- Scope and develop a range/calendar of events in conjunction with key stakeholders to be conducted from the Ulverstone Wharf Precinct, including food and arts/cultural experiences

Facilitate entrepreneurship in the business community

- Continue to develop the Coast to Canyon Brand/visitor experience
- Support economic and social enterprise and innovation in Central Coast
- Review the Central Coast Local Visitor Strategy
- Support joint Council/Chamber of Commerce initiatives

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- Coordinate the development of a new local demographic/economic profile to support Council planning/decision making

Cultivate a culture of creativity in the community

- Develop an Events Brand for Central Coast
- Staged implementation of the Ulverstone History Museum Strategic Plan and Interpretive Strategy

The Environment and Sustainable Infrastructure

Invest in and leverage opportunities from our natural environment

- Investigate the upgrade of the Leven River embankments
- Investigate rural flood catchments

Contribute to a safe and healthy environment

- Actively participate in the Tasmanian water and sewerage reform process to achieve best practice water and sewerage services in Central Coast (2009-2014)
- Participate in State and regional emergency management (2009-2014)
- Implement the Car Parking Strategy
- Continue with the Council's education campaign to improve public health and food safety standards in Central Coast, including groups and event organisers

Develop and manage sustainable built infrastructure

- Develop and implement Service and Asset Management Plans in accordance with the Council's Asset Management Improvement Strategy (2009-2014)
- Assist in the implementation of the Cradle Coast Regional Waste Management Strategy (2009-2014)
- Finalise the Compliance and Enforcement Policy
- Actively participate in ongoing development of the Dulverton Waste Management Authority (2009-2014)

Contribute to the preservation of the natural environment

- Promote and participate in regional, State and national climate change-related initiatives (2009-2014)
- Investigate and plan for the effects of climate change on the local area (2009-2014)
- Implement suitable climate change adaptation and/or mitigation strategies (2009-2014)

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- Provide support and assistance to community groups engaged in environmental activities in Central Coast, such as Coastcare and Rivercare (2009-2014)
- Coordinate the implementation of the Central Coast Council Climate Action Plan
- Develop urban stormwater management plans

Council Sustainability and Governance

Improve corporate governance

- Develop and implement a Strategic Human Resource/Organisational Development Plan (2009-2014)
- Develop initiatives to achieve the goal of 'zero injuries' across the Council (2009-2014)
- Implement strategic and operational risk management strategies in all Council activities (2009-2014)
- Implement 'organisational values and culture' improvement and development plans
- Implement new Work Health and Safety legislation ready for commencement on 1 January 2013
- Manage the Council's Occupational Health, Welfare and Safety program to meet accreditation standards
- Undertake an auditing program of Level 1 activities (e.g. mechanical repair garages, saw mills, service stations etc.)
- Implement the Integrated Project Management system
- Complete review of rural waste transfer stations and rural garbage/recycling collection service

Improve service provision

- Develop effective services business continuity plans
- Undertake tri-annual community satisfaction surveys and respond to information received
- Identify, prioritise and complete key process and service reviews to achieve best value, including Aged Care Accommodation, Parking Control, Visitor Services and Private Works
- Review and update the placement of dog litter bags and bins
- Increase utilisation of Child Care Services

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- Commence back-scanning of pre-2011 building and plumbing applications to create electronic records
- Commence a program of following up incomplete post-1994 building applications to ensure all completions and occupancies have been issued

Improve the Council's financial capacity to sustainably meet community expectations

- Review and implement the Council's Sustainability Action Plan (2009-2014)
- Develop and implement a Local Economic Development Plan
- Develop Internal Audit Manual
- Complete the 10-year Financial Plan incorporating Asset Management Plans for all asset classes
- Develop plans for sale of Council surplus public land associated with development, e.g. Penguin Depot
- Develop plans for the sale of Council surplus land associated with the Open Space and Recreation Plan

Effective communication and engagement

- Implement measures to promote community awareness of the *Strategic Framework for Settlement and Investment* and involvement in the land use planning process (2009-2014)
- Increase communication and community awareness of the Council's services and activities (2009-2014)
- Ensure effective communication with the Australian and State Governments on matters of importance to the Central Coast community (2009-2014)
- Develop a 'Community Engagement Resource Kit'
- Develop a social media policy and implementation plan
- Conduct 'community conversations' in regards to Community Development and Economic Development projects
- Develop a place based marketing strategy

Strengthen local-regional connections

- Develop and enhance partnerships with governments, regional authorities, the private sector and community groups in achieving significant community goals (2009-2014)
- Actively participate in the development and implementation of regional strategies (2009-2014)
- Investigate resource sharing opportunities through the Cradle Coast Shared Services Project.

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ESTIMATES PREPARATION

The 2012-2013 Estimates presented in this report have been developed through a process of consultation and review with the Council and Council officers.

It is the view of the General Manager and Senior Management Team that the Estimates are financially responsible and support the strategies included in the Strategic Plan.

Nevertheless, the Estimates are considerably detailed and are proposed on the basis of comparison with the past financial year. This provides an excellent guide for analysis purposes but, in any case, care should be taken to ensure that all variables and procedural changes have been taken into account when comparing the past with the present.

These Estimates also include a description of all the Council's Service Activities to be funded and how they will contribute to achieving the strategic actions identified in the Strategic Plan 2009-2014. Key Department Actions have also been identified and included under the relevant Service Activities. They also include the Capital Works Program to be undertaken and other financial information that the Council requires in order to make an informed decision about the adoption of the Estimates.

The Estimates forecast a small underlying operating surplus of \$43,200. The Council's financial position is positive due to its level of cash reserves. It will be necessary to achieve future revenue growth from other sources in order to achieve financial sustainability in the long term. To this end, the Council is continuing its sustainability project to look at other opportunities for raising revenue over the next few years.

INFLATION

While the Consumer Price Index (CPI) is not particularly relevant when applied to the operations of local government, the March 2012 quarter announcement by the Australian Bureau of Statistics advises that the annual rate of inflation for Australia (Hobart) is 2.10%.

While the CPI is a benchmark for councils to look at in terms of groceries and other consumables, it is not necessarily appropriate in terms of the cost drivers of local government outlays as the business of councils has a broader range of impacts and extends to activities related to general construction in terms of infrastructure provision. However, in terms of this year's Estimates process the Senior Management Team was very mindful of the cost of living pressures which are facing our community and has worked to ensure that the services provided to our community are at an affordable level.

The Local Government Association of Tasmania has produced a council cost index to assist councils with their rate setting, and the Association is proposing that the average movement in costs for the average council in Tasmania would be in the vicinity of 1.70%.

ESTIMATES 2012-2013

The rates this year reflect changes in the operations of the Council, and increased costs due to increases in services and increases in costs from suppliers.

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The major areas of increase are in household garbage, parks and recreation. It is important to note that there are continuing pressures on the overheads of the Council, commonly referred to as the cost of doing business. Unless the Council maintains a realistic approach to the development of its Estimates and therefore the levying of its rates, then the overheads (and any external influences) will start to bite into the level of works and services traditionally provided by the Council.

The removal of water and sewerage operations from the Council does have a consequential impact on the general rate, brought about because some of the Council's fixed administrative costs can no longer be spread over the water and sewerage operations. This, combined with no expectation of receiving a dividend from Cradle Mountain Water until November 2013, has made the budget setting process particularly challenging. The Council has now phased out the impact of not receiving a priority dividend from Cradle Mountain Water and as priority dividends are phased out in November 2013 and dividends start to flow to the Council it is advocated through its Long Term Financial Plan that these be targeted to sustainable maintenance programs in accordance with our Asset Management Policy and to our asset renewal and identified strategic works.

Directors will have to ensure that all the programs, operations and finances of the Council are kept within budget in order that the Council continues to stay in a sound financial position.

The Estimates are presented with a recommended increase in the General Rate of 2.09%.

There is an increase in the Waste Management Service Charge due to the Regional Waste Management contract. There is also an increase in the Fire Service Levy. The Fire Service Contribution has been calculated in accordance with recent amendments to the *Fire Service Act 1979* and Council returns. Changes to the *Fire Service Act 1979* included a smoothing out of spikes in valuations by adopting a six-year rolling average of assessed annual values.

The Council also allows a discount of 5% on the early payment of rates (rates being paid in full by 30 September 2012).

At this time, it would seem that the program as set out is achievable.

RATES AND CHARGES 2012-2013

A schedule of rates and charges with comparative figures is set out at *Table 1*. Examples of changes over the municipal area are listed in *Table 2*.

BORROWINGS

The Capital Program for 2012-2013 is supported by borrowings. The Council limits its borrowings to those services/projects which are long-term investments and single high-cost developments which provide a peak within the Capital Program. The Wharf Redevelopment project falls within this category.

The Council's debt is also at a manageable level.

The 2011-2012 year has seen the Council pay out \$126,454 in loan principal. It is estimated that approximately \$108,967 will be paid out in the 2012-2013 year, leaving principal

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outstanding at 30 June 2013 estimated at \$2,580,521. This includes new borrowings of \$450,000.

FEES AND CHARGES

Fees and Charges for the 2012-2013 year are set out at the end of this document. Some of the fees are statutory and are therefore set by other authorities.

Fees and Charges have been updated in accordance with the current fees and charges policy and the community service obligations applied.

All fees and charges include GST unless otherwise indicated.

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Table 1 - Schedule of rates and charges comparisons

Rates	2011-2012	2012-2013	Percentage change
General	9.00c	9.20c	+2.22
General - residential	8.21c	8.38c	+2.07
General - primary production	7.02c	7.17c	+2.14
General - vacant land	7.00c	7.15c	+2.14
Minimum Amount	\$200.00	\$220.00	+10.00
Waste Management Service Charge	\$170.00	\$176.00	+3.53
Fire Protection Service Rate			
Penguin and Ulverstone	0.38c	0.395c	+3.95
Forth, Leith, Heybridge and Turners Beach	0.38c	0.395c	+3.95
Other Areas	0.28c	0.31c	+10.71
Minimum Amount	\$35.00	\$36.00	+2.86

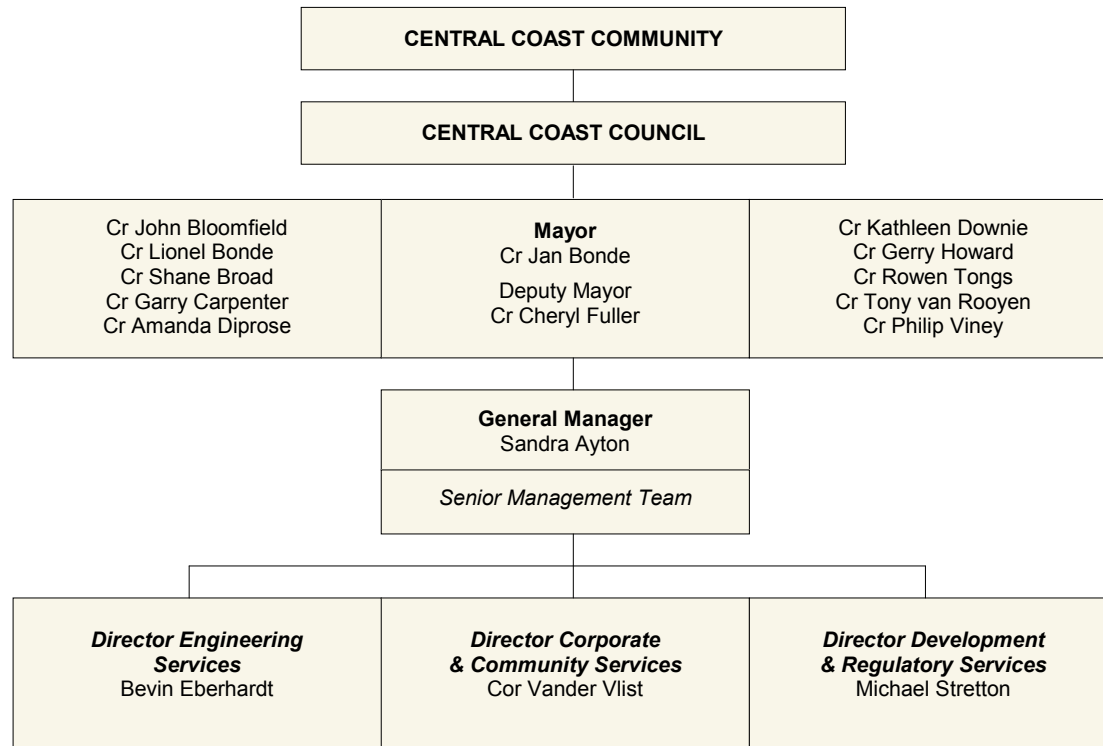
Table 2 - Rate changes between years

Area	2011-2012	2012-2013	Percentage change
Rural (small farm)	\$1,300.86	\$1,332.94	+2.47
Rural (large farm)	\$3,942.00	\$4,039.20	+2.47
Ulverstone (residential medium)	\$935.03	\$957.15	+2.37
Ulverstone (residential large)	\$1,889.72	\$1,932.76	+2.28
Forth (rural/residential)	\$1,141.26	\$1,179.86	+2.36
Heybridge (residential)	\$896.61	\$917.93	+2.38
Ulverstone (CBD)	\$2,155.90	\$2,205.31	+2.29
Penguin (shopping centre)	\$1,682.77	\$1,721.34	+2.29
Vacant land	\$263.48	\$269.38	+2.24
Vacant land (minimum amount)	\$235.00	\$256.00	+8.94

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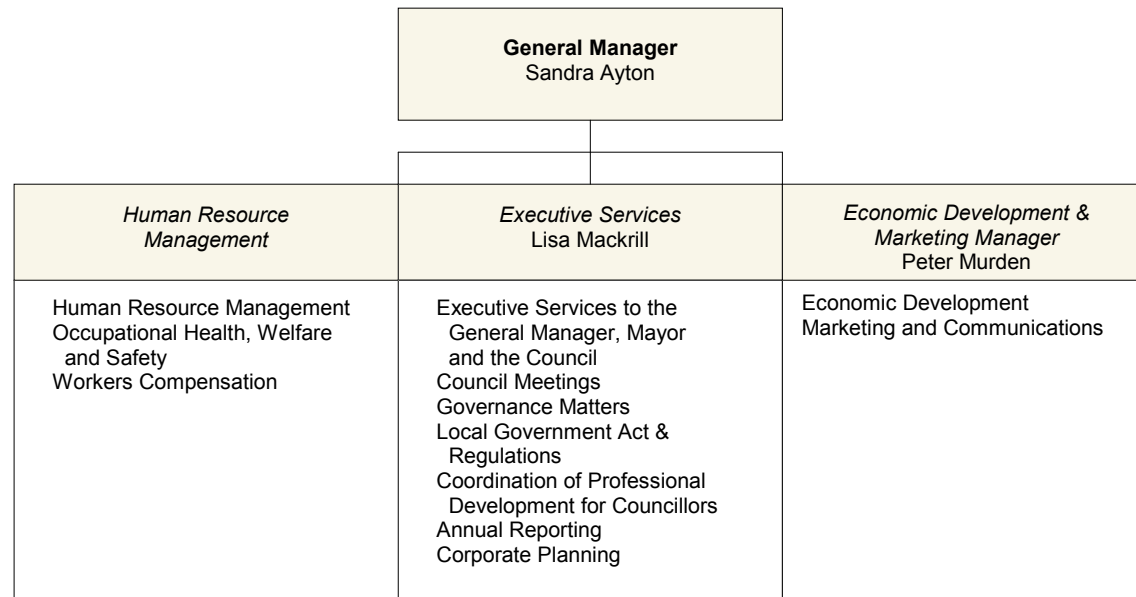
ORGANISATIONAL CHART



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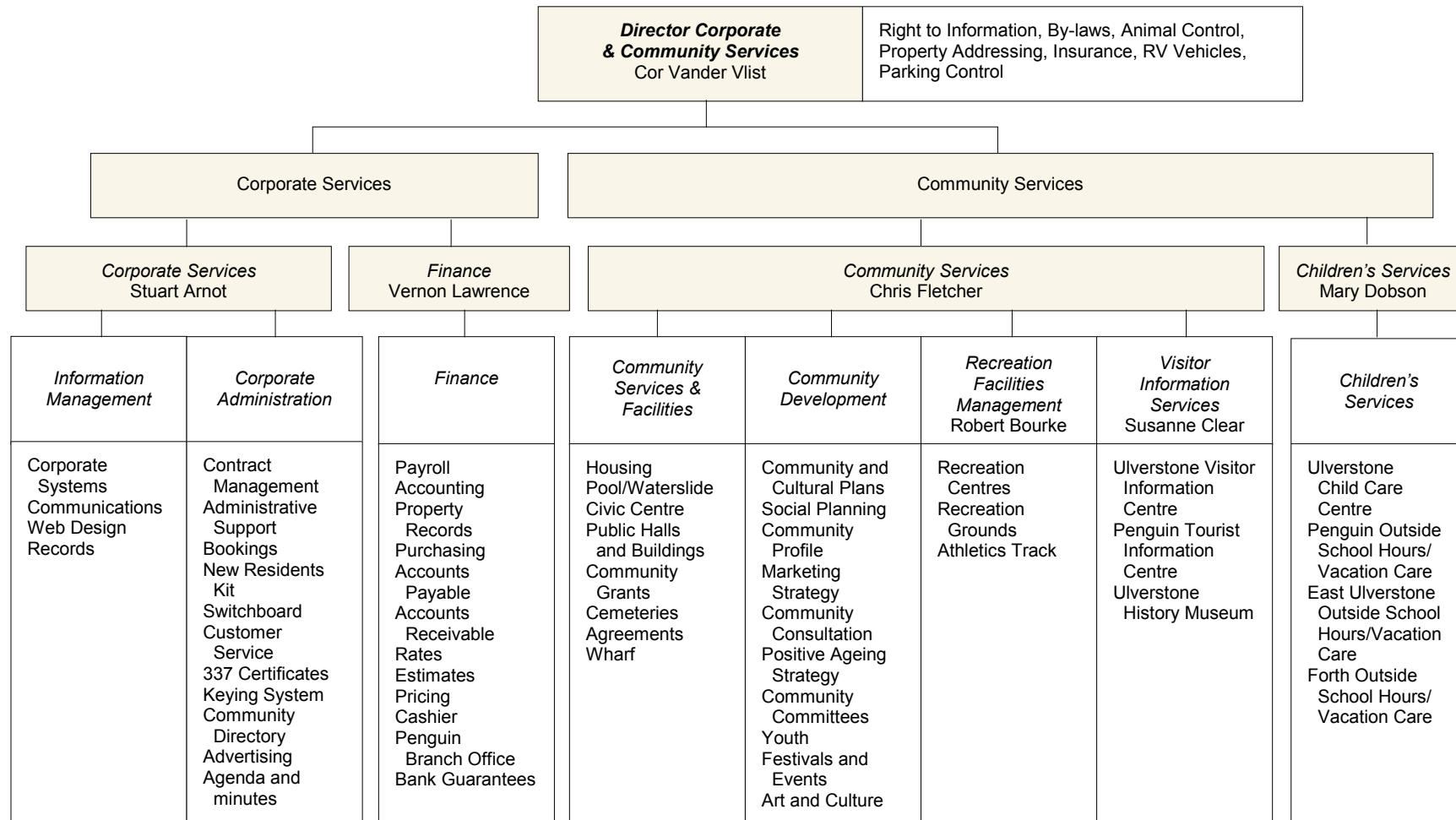
ORGANISATIONAL CHART - General Management



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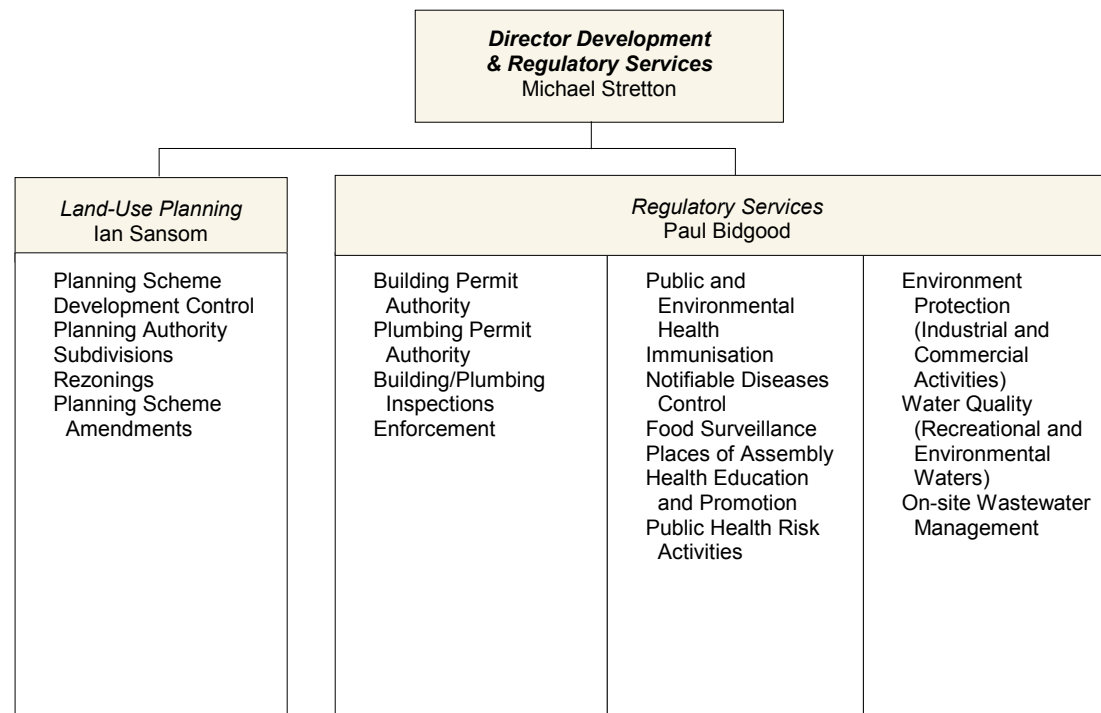
ORGANISATIONAL CHART - Corporate & Community Services Department



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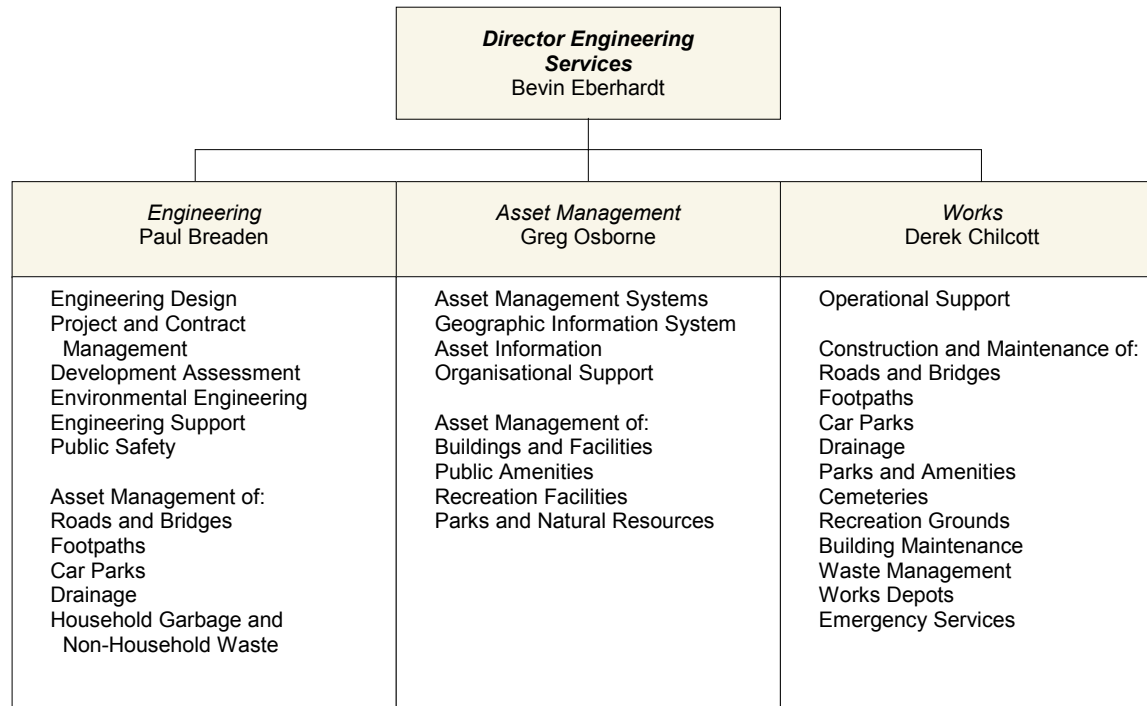
ORGANISATIONAL CHART - Development & Regulatory Services Department



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ORGANISATIONAL CHART - Engineering Services Department



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COUNCIL SPECIAL COMMITTEE STRUCTURE

There are a number of special committees, i.e. committees comprising membership other than just Councillors.

All decisions of a policy nature are made by the Council, i.e. Councillors sitting in Council as a whole.



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MEMBERSHIP OF STATUTORY BODIES

The Council is a member of the following statutory bodies:

Body	Representatives
Cradle Coast Authority	Cr J. Bonde (Mayor) Cr C. Fuller
Dulverton Regional Waste Management Authority	Cr C. Fuller Mr M. Stretton
Local Government Association of Tasmania (incl. General Management Committee, Premier's Local Government Council)	Cr J. Bonde (Mayor)
Mersey Region Emergency Management Planning Committee	Cr J. Bonde (Mayor) Central Coast Municipal Coordinator Central Coast Deputy Municipal Coordinator Central Coast Council Recovery Officer Central Coast Council Deputy Recovery Officer

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EMPLOYEE STATISTICS - STAFFING STRUCTURE

Central Coast Council Staffing - Budgeted Employee Numbers

	Full-time equivalents			Total
Department	Full-time	Part-time	Casual*	
Total Workforce				
General Management	6	-	-	6
Engineering Services	69	5	1	75
Corporate & Community Services	23	31	40	94
Development & Regulatory Services	10	3	4	17
Total	108	39	45	192

* Casuals include relief staff as required.

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GENERAL STATISTICS

Statistics	2010-2011
Area	932km ²
Population	21,747
Non Current Assets	\$396,812,071
Non Current Liabilities	\$4,620,314
Net Wealth of the Council	\$394,165,712
Revenue	\$24,621,984
Rates	\$11,565,980
Rates per Capita	\$532
Loan Debt	\$2,340,942
Cost of Debt Ratio	0.47%
Roads Length	666km
Roads Bridges	75
Rateable Properties	10,434
Planning and Building Applications	745
Rates Outstanding	2.65%
Electors (2010)	16,327

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SUMMARY OF THE ESTIMATES

	Estimated 2011-2012 (\$)	Projected 2011-2012 (\$)	Estimated 2012-2013 (\$)
Recurrent Revenue	31,362,000	31,745,750	30,876,000
Recurrent Expenses	28,434,000	27,631,100	28,982,000
Reserves Revenue	1,176,000	1,215,702	1,131,000
Reserves Expenses	1,456,000	1,277,276	1,306,000
Capital Sources of Funding	12,884,118	11,130,692	9,287,029
Capital Funding	12,517,000	10,732,463	9,713,000