



# HUON VALLEY COUNCIL

## Special Meeting of Council Wednesday 07 June 2023

### AGENDA

**Notice is hereby given** that the Special Meeting of the Huon Valley Council will be held at 6pm in the Council Chambers, Huonville on Wednesday 07 June 2023.

**JASON BROWNE  
GENERAL MANAGER**

**Dated 02 June 2023**

## **DISCLAIMER**

Please read the following important disclaimer before proceeding:

Statements or decisions made at this meeting should not be relied or acted upon by an applicant or any other person until they have received written notification from the Council. Notice of all approvals, including planning approvals and any conditions attaching thereto, will be given to applicants in writing. The Huon Valley Council expressly disclaims liability for any loss or damages suffered by a person who relies or acts on statements or decisions made at a Council meeting before receiving written notification from the Council.

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# **AGENDA FOR SPECIAL MEETING OF COUNCIL**

## **07 JUNE 2023**

### **AUDIO RECORDING**

The Mayor will advise the commencement of the recording.

### **ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS**

The Mayor will acknowledge the traditional custodians of this land and pay respect to them and their customs, and to their elders, past, present and emerging.

#### **1. Attendance**

#### **2. Non-Attendance**

##### **2.1 Apologies**

##### **2.2 Leave of Absence**

##### **2.3 Absent**

#### **3. Declarations of Interest**

#### **4. People and Corporate Services Reports**

##### **Presented by Director People and Corporate Services**

16.010/23\* Adoption of the Long-Term Financial Plan, 2023/2024 Budget Estimates and Rates and Charges and Annual Plan

16.011/23 Adoption of Fees and Charges for the 2023/24 Financial Year for Community Wellbeing

#### **5. Infrastructure, Climate and Environmental Services Reports**

##### **Presented by Director Infrastructure, Climate and Environmental Services**

17.005/23\* 2022 Natural Resource Management Environment Grant Program Assessment Outcome

#### **6. Close**



# HUON VALLEY COUNCIL

## Special Meeting of Council Wednesday 07 June 2023

### REPORTS

#### Certificate of Qualified Advice

##### Background

To comply with section 65 of the *Local Government Act 1993* (Tas):

1. A general manager must ensure that any advice, information or recommendation given to the council or a council committee is given by a person who has the qualifications or experience necessary to give such advice, information or recommendation.
2. A council or council committee is not to decide on any matter which requires the advice of a qualified person without considering such advice unless -
  - (a) the general manager certifies, in writing -
    - (i) that such advice was obtained; and
    - (ii) the general manager took the advice into account in providing general advice to the council or council committee; and
  - (b) a copy of that advice or, if the advice was given orally, a written transcript or summary of that advice is provided to the council or council committee with the general manager's certificate.

##### Certification

I certify that:

- (i) the advice of a qualified person has been sought where required;
- (ii) this advice was taken into account in providing general advice to the council or council committee; and
- (iii) a copy of the advice, or a written transcript or summary of advice provided orally, is included with the agenda item.

**JASON BROWNE**  
**GENERAL MANAGER**

Dated 02 June 2023

**SPECIAL MEETING OF COUNCIL**  
**07 JUNE 2023**

**AUDIO RECORDING**

The Acting Mayor will advise the commencement of the recording.

**ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS**

The Acting Mayor will acknowledge the traditional custodians of this land and pay respect to them and their customs, and to their elders, past, present and emerging.

**1. ATTENDANCE**

**Councillors:**

**Council Officers:**

**2. NON-ATTENDANCE**

**2.1 Apologies**

**2.2 Leave of Absence**

**2.3 Absent**

**3. DECLARATIONS OF INTEREST**

The following declarations of interest were made in respect of the specified agenda item(s):

<b>Councillor</b>	<b>Agenda Item (s)</b>

<b>Title</b>	<b>ADOPTION OF THE LONG-TERM FINANCIAL PLAN, 2023/2024 BUDGET ESTIMATES AND RATES AND CHARGES AND ANNUAL PLAN</b>
<b>Agenda Number</b>	16.010/23*
<b>Strategic Plan Reference</b>	10
<b>File Reference</b>	10/14, 12/28, 19/39
<b>Author</b>	Director People and Corporate Services
<b>Responsible Officer</b>	General Manager and Directors
<b>Reporting Brief</b>	The Director People and Corporate Services presenting a report on the adoption of the <i>Huon Valley Council Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/203</i> , the adoption of the <i>Huon Valley Council Estimates and Annual Budget 2023-2024</i> , the making of the rates and charges and adoption of the <i>Huon Valley Council Annual Plan 2023-2024</i>
<b>Attachments</b>	A. Huon Valley Council Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033 B. Huon Valley Council Estimates and Annual Budget 2023-2024 C. Rates Resolution D. Huon Valley Council Annual Plan 2023-2024

## Background

1. The Council has an existing *Financial Management Strategy and Long-Term Financial Plan*. This Plan is a key component of Council's strategic and financial management framework. It enables the Council to plan strategies and key actions to be undertaken to ensure its long-term financial sustainability. However, this Plan was last reviewed and updated in 2016.
2. Due to changed circumstances since the 2016 review, including the impacts of COVID-19, a substantially revised plan was tabled for Council adoption in June 2022, but was deferred until after the local government elections in October 2022 to allow the incoming Council to consider and adopt a plan.
3. The document has again been reviewed and updated for the forthcoming 10-year period, having considered Council's financial position and the current and future needs of the Council.
4. Each year the Council is responsible for preparing and adopting budget estimates for the coming financial year. These estimates are prepared taking into account the Council's *Financial Management Strategy and Long-Term Financial Plan* and are now consistent with this document.
5. The Council sets the level of rates and charges necessary to generate the income required to deliver the services detailed in the Council's budget.

6. The Council sets fees and charges for the provision of services. These were set at the 24 May 2023 ordinary meeting by resolution 16.009/23\*. As recent history of increasing fees by less than cost increases has increasingly placed pressure on service delivery, there has been a reliance on ratepayer revenue to subsidise services. To ease this, Council has transitioned to a user-pays model in a number of areas including significant changes to building, planning and waste management fees.
7. The Council is the custodian of a large asset portfolio on behalf of the community. This is valued at approximately \$434 million (replacement value 30/06/2022). The management of these assets is articulated in Council's *Asset Management Policy* and *Strategy* and *Asset Management Plans* for major asset classes. Each *Asset Management Plan* (excepting the land asset class) includes a schedule which details proposed expenditure over a ten-year period. The schedules are updated annually in line with Council's budget documents.
8. The Council is also required to adopt an *Annual Plan* which identifies the actions to be undertaken throughout the financial year to meet the strategic objectives of the strategic plan and in line with resources provided within the budget.
9. The purpose of this Report is to adopt the *Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033*, the *Huon Valley Council Estimates and Annual Budget 2023-2024*, make the rates and charges for the 2023/2024 financial year and to adopt the *Huon Valley Council Annual Plan* for 2023-2024.

### **Council Policy**

10. Estimates are prepared taking into account the Council's *Financial Management Strategy and Long-Term Financial Plan*.
11. Asset renewal schedules are prepared taking into account the principles of the *Asset Management Policy, GOV-ASSET 003*.
12. Council's Rates and Charges are set taking into account the *Huon Valley Council Rates and Charges Policy GOV-FIN 005* and the rates resolution is consistent with the Policy.
13. The actions detailed in the *Annual Plan* accord with a range of Council's policy and strategic documentation.

### **Legislative Requirements**

14. Sections 70 and 70A of the *Local Government Act 1993* (the Act) requires the Council to prepare a long-term financial management plan, and a financial management strategy for the municipal area for at least a ten-year period.
15. Section 82 of the Act requires the General Manager to prepare budget estimates of the Council's revenue and expenditure for the coming financial year.

16. The budget estimates are to contain details of the following:
  - the estimated revenue of the Council;
  - the estimated expenditure of the Council;
  - the estimated borrowings by the Council;
  - the estimated capital works of the Council;
  - any other detail required by the Minister.
17. The budget estimates are to be adopted by 31 August each year.
18. The rates and charges are levied pursuant to Part 9 of the *Local Government Act 1993*.
19. Division 2 of Part 7 of the Act requires the Council to adopt various plans and strategies to ensure the effective management of finances and assets for the municipal area. These include asset management policies, strategies and plans. These are to be reviewed at least every four years and the *Local Government (Content of Plans and Strategies) Order 2014* provides for the contents of the strategies and plans. Asset renewal schedules are prepared in accordance with these plans.
20. Section 71 of the Act requires a Council to prepare an Annual Plan for the municipal area for each financial year.
21. An Annual Plan is to –
  - be consistent with the strategic plan; and
  - include a statement of the manner in which the council is to meet the goals and objectives of the strategic plan; and
  - include a summary of the adopted budget estimates; and
  - include a summary of the major strategies to be used in relation to the council's public health goals and objectives.
22. As soon as practicable after a council adopts an annual plan, a copy of the plan is to be:
  - made available for public inspection at the public office during ordinary business hours;
  - published on the Council's website; and
  - provided to the Director of Local Government and the Director of Public Health.
23. An absolute majority is required for the recommendation for adopting the budget estimates and the rates resolution which includes variations to the general rate, a variation of a service charge according to the level of service provided as well as the granting of remissions to classes of ratepayers.

## **Risk Implications**

24. Council will be in breach of the legislation if a budget and annual plan are not adopted as outlined under Legislative Requirements above. Council has been engaged over several months in the development of the budget and Long Term Financial Plan and annual plan with the timing confirmed through the induction of councillors.



25. The Audit Panel communicated its concerns to Council over the delays in adopting a Long Term Financial Plan (LTFP) that outlines a return to an underlying surplus and sustainable financial position at the December 2022 Council meeting. Adopting the attached LTFP, and delivering on its objectives, will address this concern and risk noted by the Audit Panel.
26. The LTFP, annual budget and annual plan may be inconsistent with the strategies of Council including the overall financial strategy. The outcomes to be delivered in the LTFP, annual budget and annual plan have been prioritised against the Councillor 4 year objectives, strategic framework and risk management framework of Council.
27. Spending across the financial year may be inconsistent with the annual budget and annual plan. Council receives monthly financial reporting against the budget and quarterly reporting against the outcomes committed to in the annual plan.
28. The ratepayers and service users may not be able to afford the services outlined in the LTFP and annual budget, and initiatives / outcomes committed to in the annual plan. As has been noted in previous budget reports, Council has low rates compared to other councils and has recently further assessed the level of fees and rates against comparative councils.
29. While it was noted some Council fees are higher due to the unique requirements of servicing the area, the average rates in the Huon Valley are the fifth lowest in the state or 25<sup>th</sup> of the 29 councils. The Future of Local Government Review dashboard data confirmed that Council average 2020/21 rates were up to 15% lower than comparable Tasmanian councils, such as Northern Midlands and Waratah-Wynyard (both rated rural agricultural, very large) and our neighbouring councils. Further analysis confirmed that average 2020/21 rates for the Huon Valley as a percentage of the 2021 median household income (2021 Census) was 26% lower than that of the average rates and incomes for Northern Midlands and Waratah-Wynyard. This is further discussed at paragraph 55.
30. It has also been noted that Council is rated more positively/advantaged to Northern Midlands and Waratah-Wynyard in the Australian Bureau of Statistics (ABS) socio-economic index, a ranking system that compares areas socio-economic advantages and disadvantages for areas across Australia.
31. Council has a Hardship Policy to support ratepayers experiencing difficulty with fees and rates instalments.
32. Insufficient funding being allocated to Council owned assets may result in poor community, customer and visitor experiences. Upgrade, renewal and maintenance requirements of Council's assets are captured through the asset management system and policies, which are reviewed annually for inclusion in the budget and annual plan.
33. Insufficient funding being allocated to mitigating and managing Council's strategic and operational risks may result in risks exceeding the appetite of Council and the community. Key risks for Council were reviewed in the lead up to the prepared LTFP, budget and annual plan, and initiatives and resourcing has been allocated with these risks in mind.

34. There may be doubt as to whether Council is delivering its services in an efficient and effective way to the community, customers and visitors. Council established an Innovation and Productivity program in its 2022/23 annual budget and annual plan to support the growth of a culture of continuous improvement. The program in its early stages has delivered \$110,000 in benefits to 31 March 2023 and with momentum building will help to keep price and rate increases to a minimum, particularly in the current high price increase environment.

## **Engagement**

35. The Council has discussed and reviewed the structure of its budget for 2023/2024, at workshops with the Executive Leadership Team and other Council staff on 1 March, 15 March, 27 March, 19 April, 3 May and 17 May 2023.
36. Aspects of the budget have been built around feedback from the 2019 Community Satisfaction Survey and community and customer feedback on service experiences.
37. Pursuant to section 118 of the Act the General Manager will, within 21 days after the making of the rates and charges, notify their making together with a summary of the rates and charges made in a daily newspaper circulating in the municipal area and provide the Director of Local Government with a copy of the resolution relating to the making.
38. Engagement associated with this decision will be undertaken at Inform Level by inclusion within the Council meeting Minutes that will be available to the public on the Council's website and at Council's Customer Service Centre.
39. The adopted Budget estimates and Plans will also be made publicly available on the Council's website and at the Council's Customer Service Centre and on the Council's website.

## **Human Resource and Financial Implications**

40. The *Financial Management Strategy and Long-Term Financial Plan* (LTFP) sets out the strategies and key actions to be undertaken to ensure Council's long-term financial sustainability and is included as Attachment A to this Report.
41. Council's budget estimates are adopted based upon rates and charges income, fees and charges income (set at the May 2023 Council meeting) and grant funding and government financial allocations.
42. Specific details associated with the budget estimates are included within Attachment B to this Report.
43. The appropriate management of Council's asset portfolio and the replacement of assets as they expire is an important component of Council's financial stewardship to ensure assets are maintained in a condition to enable services to be delivered by the Council to meet community expectations. A summarised Asset renewal schedule is included within the Council's Budget.
44. The draft rates resolution is included within Attachment C to this Report.

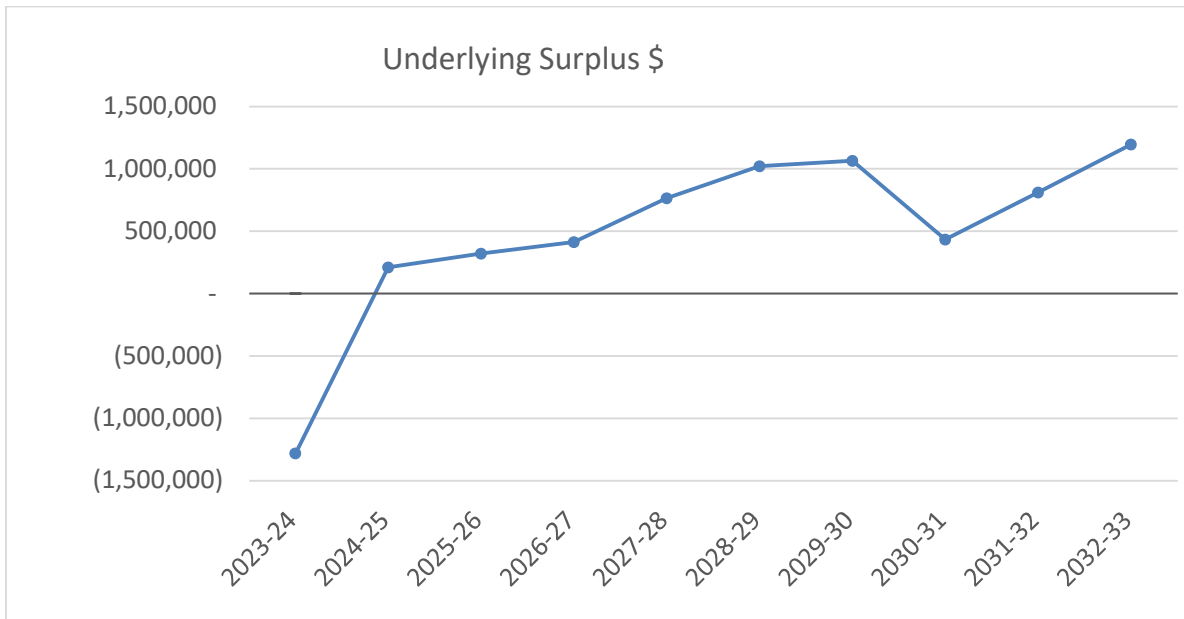
45. The Annual Plan 2023-2024 outlines the key initiatives of the Council for the upcoming financial year utilising the resources specified in the Council's Budget. The Annual Plan is included within Attachment D to this Report.

## **Discussion**

### Huon Valley Council Financial Management Strategy and Long-Term Financial Plan

46. The LTFP has been developed with Council's key financial strategies at its core: moderate underlying surpluses, sufficient liquidity and cash flow, and asset renewal requirements being adequately funded.
47. The forecasts contained within the LTFP are necessarily based upon assumptions and these are detailed in this Plan. The forecasts show:
- An operating deficit in 2023/24 but substantially reduced from 2022/23;
  - A small underlying operating surplus in 2024/25 with the remaining years across the plan period achieving slightly larger, but still modest surpluses;
  - A low level of debt – and which will be fully paid in the 2023/24 financial year;
  - Sound cash balances for operational and capital purposes; and
  - Asset renewal needs being fully funded.
48. The achievement of the above will mean Council meets all accepted measures of financial sustainability while being able to meet community expectations for services.
49. Financial sustainability has been a topical issue for local government for many years, primarily caused by too many councils across the country recording operating deficits and a seeming inability to fund to the required level the replacement of infrastructure as it ages. There are several reasons for this including policy choices by councils, increased demand for services, population growth, service and cost transfers from other levels of government, and large portfolios of infrastructure that require significant funds to operate, maintain and replace. Councils also face community pressure regarding increases in rates.
50. The operating deficit situation needs to be resolved. Council needs to generate sufficient revenue to cover all costs, and to provide a small margin for contingencies and emergencies. To this end a full review of fees and charges has been undertaken with increases introduced, particularly in building, planning and waste management. To address the deficit, rates, being low compared to other councils, must play a role. Accordingly, an increase in rates of twelve percent (12%) is proposed. Despite these measures, Council remains in an operating deficit situation.
51. Rates and charges are Council's largest source of income. Consistent with the role of local government, few services fully pay for themselves and as a result they need subsidising, either in part, or full, from rates income.
52. Rates and charges include revenue from the General Rate, the stormwater removal charge, the waste management charge for kerbside refuse collection and kerbside recycling collection, the fire rate (to pay the State Government's fire contribution levy), and supplementary rates. Late payment penalties and interest appear in fees and fines.

53. Annual rate increases (General, waste and stormwater) have been assumed at 12% for 2023/24, 8% for 2024/25, then 6% for 2025/26, then decreasing to 4% and 3.25% for the remaining years of the plan. Council is currently recording operating deficits as expenses are greater than revenue and this needs to be remedied. Whilst not the only option available, being the largest revenue source rates must be a contributor to correcting this situation. This is not including the State Government fire levy, any redistributive effects of property revaluations, property value indexation between revaluations, or changes to Council rating policy.
54. This Plan is not in any way affected by changes in the Council's rating strategy – it simply models total rate revenue required per annum irrespective of how that is apportioned to individual properties. For the same reason, the Plan is unaffected by periodic revaluations of the application indexing by the Valuer-General.
55. A challenge to be faced by Council is that it is not operating sustainably. That is, it is incurring operating deficits. The budget for 2022/2023 was for an underlying deficit of \$2.97M. By policy choice Council has traditionally charged its ratepayers low rates. The average rates in the Huon Valley are the fifth lowest in the state or 25<sup>th</sup> of the 29 councils. The Future of Local Government Review comparison data shows that for the 2020/21 financial year, council's average rates (excluding fire levy) were \$1,275. The statewide average was \$1,748, and our neighbouring councils of Kingborough and Derwent Valley were \$1,617 and \$1,382 respectively. Waratah-Wynyard and Northern Midlands were \$1,400 and \$1,493 respectively.
56. This cost versus revenue imbalance, which has gradually arisen over a period of years, is a situation which is being addressed through a variety of means including productivity improvements, consideration of the level of fees and charges for services, and consideration of the services and service levels that are valued by the community and provided by Council. Rates, being Council's largest revenue source, necessarily must also contribute. Council's current financial performance and the necessity for rate increases of the order set out above is explained within the Plan.
57. The assumptions in the Plan, including those for rate increases, produce the forecast of Council's underlying operating result. The graph below, showing Council's forecast underlying operating results for the next ten years, demonstrates the necessity for these actions in the initial years. A return to operating surplus is forecast for 2024/2025.



58. The development of a LTFP is always an evolving process as circumstances change, financial years are completed, or new information comes to light. However, this LTFP also requires the further development of some underpinning processes. These include the costing of various plans and strategies, the development of Council's capital works program, and the development of a new Community Vision and consequent strategic and annual plans. It is intended the LTFP will be updated and re-adopted by Council annually.
59. Also, the state government review, announced in 2021, of the Future of Local Government is underway. This is a three-stage, 18-month review program, including direct engagement with local government, communities, and users of local government services to identify specific needs and opportunities for reform in the sector. The stage 2 interim report has been released. The report highlights the need for amalgamations, mergers or adjustments of municipal boundaries. It is important Council moves to a financially sustainable position in order to be in a strong negotiating position as these reforms come to fruition. The review outcomes will need to be incorporated into the LTFP, when known.

Budget Estimates

60. The budget estimates for the 2023/2024 financial year are set out in Attachment B to this Report.
61. The 2022/2023 Budget was a budget of response – responding to community feedback by allocating additional resources into areas such as roads, strategic land use planning, governance and communications. These inclusions gave rise to a significant operating deficit situation.
62. The 2023/2024 Budget continues the theme of responding to community service standards and expectations and responding to its operating deficit situation. Council needs to generate sufficient revenue to cover all costs, and to provide a small margin for contingencies and emergencies. Fees and charges have been reviewed and endorsed, and to address the deficit, rates being comparatively low must play a role. Accordingly, an increase of twelve (12%) is proposed. Despite these measures, Council remains in an operating deficit situation.

63. Investments this year include in the areas of:
- climate change;
  - emergency management and response;
  - traffic management;
  - information technology to generate efficiency gains in Council and committee reports and agenda preparation;
  - people management;
  - cemetery operations; and
  - transitioning Council's document management system to be cloud hosted.
64. The catch up process of investing into the business, as described in last year's budget document, continues.
65. The Budget funds a range of improvements and initiatives for community benefit. These include:
- An allocation of \$500,000 towards the upgrade of the Dover Medical Centre (including \$300,000 from reserves);
  - An increased allocation to roads maintenance of \$100,000 to allow for additional traffic management for the safety of staff and the public;
  - Major investment will go toward relining both the Huonville and Port Huon swimming pools;
  - Stormwater improvements including \$580,000 for Channel Highway between Smith St and Thorp Street;
  - Continued road improvements including Peverata Road bridge;
  - \$220,000 for Shipwrights Point jetty;
  - \$85,000 for the Huonville foreshore playground;
  - Increased resourcing in a number of areas to improve community service levels. These include in Planning assessment, climate change to lead our response and strategies, and in the important area of emergency management and recovery.
  - \$100,000 for a strategic rating review;
  - Additional investment into strategic land use planning together with allocations to improve efficiency through investments in technology; and
  - a 50% discount on planning fees for applicants who have been approved to receive a first homeowners grant.

### Rates and Charges

66. Rates are Council's largest revenue source and the long term financial plan is based upon some significant rate increases over forthcoming years in order to place Council on a sustainable financial footing. For 2023/2024, this is proposed at twelve per cent (12%).
67. Rate revenue is forecast at \$19,279,000 being an increase of \$2,662,000 compared with the 2022/2023 budget, with the increase representing the change in the general rate, increases in service charges, growth in the rate base from development (ie. new dwellings), additional properties serviced by the kerbside waste collection service, and the increased state government fire service levy.



68. Service charges have been increased to ensure the costs of those services are fully paid for by the users of those services. These increases are:
- An increase in the kerbside recycling collection service charge from \$119 to \$128, and kerbside waste collection service charges from \$195 to \$225 for a 120-litre bin, and from \$292 to \$345 for a 240-litre bin, reflecting increased costs; and
  - An increase in the stormwater removal charge of \$125 to \$140.
69. It is acknowledged the increase in rates and fees might cause financial hardship. Council has a *Financial Hardship and Payment Assistance Policy* which provides assistance to ratepayers and community members experiencing difficulty in meeting financial obligations to Council due to genuine financial hardship. The Policy provides various options for relief including flexible payment arrangements, payment deferrals, waiver of penalty and interest and remissions. Council encourages ratepayers and community members to contact Council at the earliest opportunity if they find themselves experiencing financial difficulty where they unable to meet their payment obligations to Council.

### Asset Renewal Schedules

70. The total asset replacement budget for 2023/2024 is \$7,118,178.
71. The asset replacement budget focuses on the investment required for the replacement and rehabilitation of the infrastructure assets.
72. A summary of the renewal budget allocation for the asset category is shown below and a summarised asset renewal schedule is included within the budget:

<b>Asset Category:</b>	<b>2023/2024</b>
	<b>\$</b>
Roads	2,894,466
Sports facilities	1,356,000
Buildings	980,000
Plant and Fleet	581,230
Bridges	339,800
Marine facilities	220,000
Stormwater	193,000
Footpath and kerb	154,382
Playgrounds	152,300
Car parks	82,000
Street furniture	80,000
Information Technology	70,000
Walking tracks	15,000
<b>Total Asset Renewal</b>	<b>7,118,178</b>

## New Assets

73. For the 2023/2024 financial year, an allocation of \$1,645,000, including \$720,000 for stormwater upgrades, \$300,000 for Port Huon swimming pool ventilation upgrade, \$25,000 for a large animal enclosure at Ranelagh, \$15,000 for a security gate at the Huonville sporting precinct, and \$70,000 for Information Technology. Allocations of \$100,000 for leachate management at the waste transfer stations, and \$119,000 for wheelie bins are also included.

## Annual Plan

74. A copy of the Draft Annual Plan for 2023/24 is included within Attachment D to this Report. The Annual Plan for 2023/24 has been developed in line with the Council's new four-year Plan format, following the election of new Councillors in October 2022.
75. The Plan differs from the norm, by envisaging a broader four-year planning period to ensure alignment with the Council term, as well as to embrace best-practice across many Australian councils.
76. This Plan identifies the high-level outcomes for each of the strategic objectives of the current Strategic Plan 2015-2025. For each outcome, a risk-based approach has been utilised to identify key initiatives, with the emphasis on continuity from last year, and the need to address financial sustainability. Key performance measures and strategic risks are also outlined in the Plan.

## **Conclusion and Recommendation**

77. Council is required to adopt an Annual Plan for each financial year.
78. Council is required to adopt budget estimates for the coming financial year to allocate resources required to provide the services of Council and deliver the Annual Plan outcomes.
79. The Council is required to make a rates resolution to raise what is the substantial portion of income required for the Council to meet its budget estimates for the coming year.
80. It is therefore recommended to adopt the *Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033*, the *Huon Valley Council Estimates and Annual Budget 2023/2024*, adopt the asset renewal schedules, make the rates resolution and adopt the *Huon Valley Council Annual Plan 2023-2024*.



16.010/23\*

**RECOMMENDATION**

That:

- a) The report on the adoption of the Huon Valley Council *Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033*, the adoption of the *Huon Valley Council Estimates and Annual Budget 2023/2024*, the making of the rates and charges and adoption of the *Huon Valley Council Annual Plan 2023-2024* be received and noted.
- b) Pursuant to section 70 of the *Local Government Act 1993*, the *Huon Valley Council Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033* included as Attachment A to this Report is adopted.
- c) Pursuant to section 82 of the *Local Government Act 1993*, the *Huon Valley Council Estimates and Annual Budget 2023/2024* (including the updated summarised asset renewal schedule) included as Attachment B to this Report is adopted.
- d) Rates and Charges are made and levied for the purposes contemplated under the *Local Government Act 1993* for the financial year 1 July 2023 to 30 June 2024 in accordance with the resolution set out in Attachment C to this Report.
- e) Pursuant to section 71 of the *Local Government Act 1993*, the *Huon Valley Council Annual Plan 2023/2024* included as Attachment D is adopted subject to final editing, updating of statistics and proofing.
- f) A copy of the *Huon Valley Council Financial Management Strategy and Long-Term Financial Plan 2023/2024-2032/2033*, the *Huon Valley Council Estimates and Annual Budget 2023/2024* and the *Huon Valley Council Annual Plan 2023-2024* be placed on the Council’s website and copies be made available for inspection and available free of charge.

**ABSOLUTE MAJORITY REQUIRED**

<b>Councillor</b>	<b>For</b>	<b>Against</b>	<b>Councillor</b>	<b>For</b>	<b>Against</b>
Doyle			Thorpe		
Gibson			Armstrong		
O’Neill			Jessop		
Cambers-Smith			Temby		
Burgess					

<b>Title</b>	<b>ADOPTION OF FEES AND CHARGES FOR THE 2023/24 FINANCIAL YEAR FOR COMMUNITY WELLBEING</b>
<b>Agenda Number</b>	16.011/23*
<b>Strategic Plan Reference</b>	5
<b>File Reference</b>	10/14
<b>Author</b>	Acting Director Community Wellbeing
<b>Responsible Officer</b>	Director People and Corporate Services
<b>Reporting Brief</b>	Director People and Corporate Services presenting a report on the adoption of Fees and Charges for the 2023/24 financial year for Community Wellbeing.
<b>Attachments</b>	A. Fees and Charges for Community Wellbeing

## Background

1. This report addresses an administrative error in the fees and charges table appended to agenda item 16.009/23\*.
2. The correction brings Community Wellbeing's fees in line with the consistent increase applied to other departments.
3. The setting of fees and charges is a requirement as described under Section 205 of the *Local Government Act 1993*. Some Community Wellbeing fees also respond to requirements under the *Retirement Villages Act 2004*.

## Council Policy

4. Council annually sets fees under the *Local Government Act 1993* and these form part of its overall budget.

## Legislative Requirements

5. The fees are required to be formally adopted by Council pursuant to Section 205 of the *Local Government Act 1993*.

### *s. 205 Fees and charges*

- (1) *In addition to any other power to impose fees and charges, but subject to subsection (2), a council may impose fees and charges in respect of any one or all of the following matters:*
  - (a) the use of any property or facility owned, controlled, managed or maintained by the council;*
  - (b) services supplied at a person's request;*
  - (c) carrying out work at a person's request;*
  - (d) providing information or materials, or providing copies of, or extracts from, records of the council;*
  - (e) any application to the council;*
  - (f) any license, permit, registration or authorisation granted by the council;*
  - (g) any other prescribed matter.*

- (2) *A council may not impose a fee or charge in respect of a matter if –*  
*(a) a fee or charge is prescribed in respect of that matter; or*  
*(b) this or any other Act provides that a fee or charge is not payable in respect of that matter.*
- (3) *Any fee or charge under subsection (1) need not be fixed by reference to the cost to the council.*

### **Risk Implications**

6. The risk of not correcting this administrative error is that the incorrect fee increase will impact budgeting, not reflect the intended increase, and be inconsistent with the approach applied to the other Council Departments.

### **Engagement**

7. The proposed fees have been reviewed by the Council's Executive Leadership Team as well as discussed with Councillors at workshops.
8. Engagement associated with this decision will be undertaken at Inform Level by inclusion within the Council meeting Minutes which will be available to the public on the Council's website and at the Customer Service Centre.

### **Human Resource and Financial Implications**

9. Council's budget and estimates are adopted in part based upon fees and charges income that provides for the operational running of the respective areas of Council. Fee and charge income is a significant proportion of Council total revenue.

### **Discussion**

10. The fees and charges for 2023/24 have been reviewed as part of Council's budget preparation. Care is taken to ensure fees are:
- maintained at affordable levels;
  - consistent with levels applied by other councils;
  - consistent with levels applied by private enterprise;
  - representative of value for money; and
  - reflective of costs of service delivery where applicable.
11. Subsequent to endorsement of the fees and charges presented in agenda item 16.009/23\* at the May 2023 Ordinary Council Meeting, it was discovered that the fee increases included in the appended table for Community Wellbeing were incorrect.
12. A copy of the correct 2023/24 Fees and Charges for Community Wellbeing is included as Attachment A within the Attachments to the Reports.

### **Conclusion and Recommendation**

13. It is recommended that the correct Community Wellbeing Fees and Charges for the 2023/24 financial year included in the Attachments to the Reports be adopted.

**16.011/23\***  
**RECOMMENDATION**

**That:**

- a) **The report on the adoption of Fees and Charges for the 2023/24 financial year for Community Wellbeing be received and noted.**
- b) **Pursuant to Section 205 of the *Local Government Act 1993*, and the *Retirement Villages Act 2004* where applicable, the amended Fees and Charges for Community Wellbeing for the 2023/24 financial year, included as Attachment A to this Report, be adopted.**
- c) **Copies of the Fees and Charges for the 2023/24 financial year be placed on the Council’s website and made available for inspection to reflect the correct fees for Community Wellbeing.**

<b>Councillor</b>	<b>For</b>	<b>Against</b>	<b>Councillor</b>	<b>For</b>	<b>Against</b>
Doyle			Thorpe		
Gibson			Armstrong		
O’Neill			Jessop		
Cambers-Smith			Temby		
Burgess					

<b>Title</b>	<b>2022 NATURAL RESOURCE MANAGEMENT ENVIRONMENT GRANT PROGRAM ASSESSMENT OUTCOME</b>
<b>Agenda Number</b>	17.005/23*
<b>Strategic Plan Reference</b>	1
<b>File Reference</b>	02/88
<b>Author</b>	Coordinator Natural Resource Management
<b>Responsible Officer</b>	Coordinator Natural Resource Management
<b>Reporting Brief</b>	The Director Infrastructure, Climate and Environment Services presenting a report from the Coordinator Natural Resource Management on the awarding of the NRM Environment Grants 2023.
<b>Attachments</b>	A. 2023 NRM Environment Grant Guidelines B. Grant Assessments

## Background

1. The Huon Valley Council's (Council) Natural Resource Management (NRM) Unit delivers an annual grant program to provide financial support for local care groups to carry out environmental projects. These grants are provided after a formal agreement is signed between Council and the recipient, detailing the specifics of the project and what is expected of each party. The NRM Unit provides grant recipients with technical and administrative support and monitors project progress.
2. The NRM Environment Grant Program 2023 opened on 28 April 2023 and closed on 22 May 2023. There were two streams of grants that could be applied for: Project Grants (up to \$4,000); and Support Grants (up to \$500). Applicants must be part of a Landcare or similar registered group.
3. Four applications to the grant program were received and assessed against the Grant Guidelines (attachment A). The recommendations of the assessment panel are detailed in attachment B.

## Council Policy

4. The annual NRM Environment Grant round is a program of the Huon Valley Council NRM Strategy 2016. The two relevant objectives are:
  1. Objective 1: To protect and enhance natural land, coast and waterway systems and the flora and fauna that relies on them and the cultural and natural values within them.
  2. Objective 2: To establish and strengthen relationships with key strategic partners and Huon Valley industries and communities, including Aboriginal communities through NRM initiatives.

## Legislative Requirements

- The provision of grant funding is covered in section 77 of the *Local Government Act 1993*. The development of the program and the process followed is in line with this section.

### **Risk Implications**

- There is a risk that projects that are funded are not completed or delivery is of a lower standard than expected. This will be managed by the NRM Unit regularly engaging with grant holders and inspecting project progress. This will allow for early identification of potential issues and provide an opportunity for the NRM unit to provide guidance on corrective measures. A grant agreement, which will be entered into by successful applicants, includes provisions to safeguard Council's investment. A project acquittal process is required once the project implementation period closes, and provisions are included that allow for the return of funds for poorly acquitted projects.

### **Engagement**

- The availability of grant funding was advertised via social media, website and email networks. Grant proposals were accepted via the Customer Service Centre and Huon Valley Council email. The NRM Coordinator provided advice to potential applicants with regards to understanding the grant guidelines and processes.
- Engagement associated with this decision will be undertaken at Inform Level by inclusion within the Council meeting Minutes that will be available to the public on the Council's website and at Council's Customer Service Centre.

### **Human Resource and Financial Implications**

- The Council's role in the grant agreement will require the NRM Coordinator to monitor and assist with funded projects. This is within the current budget, will be achievable and will not impact negatively on existing projects.
- A total amount of \$10,300 was allocated in the 2022/23 budget to fund the grant program. The cost of projects recommended for funding is specified in the table below:

<b>Project title - Group</b>	<b>Grant amount</b>
Waterwatch – Upper Huon Wildlife Monitoring Landcare group	\$3,620
Strategic gorse control – Petchey's Bay Anti-Gorse Association	\$3,300
Gorse mulching and community field day – Gorse-be-Gone Landcare group	\$3,380
<b>Total:</b>	<b>\$10,300</b>

Table 1: Financial details of proposed supported projects:

## Discussion

11. The use of grant funding is considered a cost-effective manner to leverage capacity to achieve focused environmental outcomes. Where an organisation, such as Council's NRM Unit has limited human and equipment resources, the provision of grant funding is able to support not for profit organisations and their extensive human resource networks to undertake work that is consistent with the grant guidelines.
12. The projects proposed for funding under the 2023 grant program will provide a valuable contribution to Council's strategic and operational objectives. The Waterwatch program initiated under a previous NRM grant has resulted in volunteer engagement that well exceeded expectations; volunteer water quality testing is now regularly occurring at ten sites across the Huon Valley. The proposed project intends to double the number of volunteer testing sites by engaging more volunteers and increasing capacity of existing groups. The nutrient analysis component of the Waterwatch project provides for more detailed analysis of waterway condition and contributes to baseline data essential for identifying and rectifying issues that impact freshwater systems across the Huon.
13. The Petcheys Bay Anti-Gorse Association and Gorse-be-Gone Landcare groups are made up of landowners in the Petcheys Bay area who have been collaboratively managing gorse for several years. All landowners involved in the groups have demonstrated an ongoing commitment to investing in gorse control on their own properties and engaging with their neighbours to pool resources and plan treatment to be of strategic benefit at the broader community scale (i.e., prioritising control of outlying infestations that could spread elsewhere over internal infestations that impact on own resources). The neighbourly, community-focused approach used by the groups provides an excellent model for a weed treatment approach in gorse-rich communities. The Gorse-be-Gone group intend to host a field day as part of their project which will provide an opportunity to showcase their collaborative approach and a variety of control methods.
14. In total, four grant applications were received, the combined budgets for which exceeded the amount available. After careful review the panel recommended that one of the three proposals for project grants be fully funded, two partially funded, and a proposal for a support grant be supported by the NRM Unit outside of the grant program. Summaries of the submissions, scoring, and panel notes are provided in attachment B.
15. The NRM Coordinator will be available to grantees for technical and administrative assistance as required. Regular monitoring will also be undertaken to confirm work is on track to deliver on the expected outcomes. This will ensure that the Council's investment is properly managed and delivers the desired outcomes.

## Conclusion and Recommendation

16. Project proposals have been assessed and the recommendation made by the assessment panel is to support all submitted projects.

**17.005/23\***  
**RECOMMENDATION**

**That:**

- a) The report on the awarding of NRM Environment Grants 2023 be received and noted.**
- b) Pursuant to Section 77 of the *Local Government Act 1993* an NRM Environment Project Grant be awarded to:**
  - i) the Upper Huon Wildlife Monitoring Landcare Group: Waterwatch project - \$3,620.**
  - ii) the Gorse be Gone Landcare Group: gorse mulching and field day project - \$3,380.**
  - iii) the Petcheys Bay Anti Gorse Association: Strategic gorse control - \$3,300.**

<b>Councillor</b>	<b>For</b>	<b>Against</b>	<b>Councillor</b>	<b>For</b>	<b>Against</b>
Doyle			Thorpe		
Gibson			Armstrong		
O'Neill			Jessop		
Cambers-Smith			Temby		
Burgess					



## **CLOSURE**

The meeting closed at        pm.

## **CONFIRMED**

**CR DOYLE  
MAYOR**