



MAYORAL COLUMN: 16 May 2023

BUDGET & OPERATIONAL PLAN

The end of a financial year is also budget time for all levels of government. A tough time for the bean counters in any organisation and Walcha Council is no different. This year's Draft Budget will be presented to Council today, 17 May, and all going according to plan will then be on public display for 28 days. This period allows the public to make relevant submissions to Council in relation to the budget prior to formal adoption on the 28 June. The budget will form part of the Operational Plan which in turn links to the Delivery Plan and Community Strategic Plan, a requirement under the Independent Planning and Reporting legislation.

Since presenting a Special Rate Variation (SRV) to our community last year based on the detailed assessment of Professor Joseph Drew, everyone within the organisation has worked hard to present a balanced budget. Ensuring projects are delivered on time and within budget, a focus on our core business and trimming non-targeted expenditure (the fluffy bits) has contributed to an improvement in Council's financial position. The bottom line is obviously contingent on a successful SRV outcome, an announcement that is imminent.

As the saying goes "one swallow doesn't make a summer" we must then adhere to our budget and continually focus on maintaining a positive financial position. In the ensuing years we must constantly reevaluate what services we provide to the community, the most efficient way to deliver them, and most importantly, be transparent in our reporting and cost to deliver. Anyone who has had anything to do with Local Government understands the tight financial and governance control the State Government have in both setting our income, cost shifting onto councils and imposing and raising costs at their will.

EMERGENCY SERVICES LEVY

A recent example of the aforementioned cost shifting to councils is the increase in the Emergency Services Levy. While no one questions that funding of emergency services is essential, the source of the funds is the contentious issue. The ESL is effectively Council funds raised through rates and paid to the State Government who provide the services. A quick read of the draft budget sees Council's cost to RFS @ \$290,000, Urban Fire Brigade @ \$35,000 and Emergency Services Levy @ \$36,000. This total is in the vicinity of \$361,000 out of a current General Rates revenue of \$3.8m – i.e. 10% of all rate revenue. These payments are compulsory and are not capped like our rate revenue is. As I said earlier no one would ever dispute the funding of these services, especially after the devastating natural disasters we have witnessed in the last 5 years but it's not reasonable to push these costs onto Local Government. The cost alone to



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the RFS for this year has risen from \$186,000 to \$289,000 including depreciation, while our capacity to fund this increase is capped at 2.7% (\$5,000).

VOLUNTARY PLANNING AGREEMENT (VPA)

As part of any large development the developer is obligated to offer a Voluntary Planning Agreement to the relevant Council. The Winterbourne Wind Project is no different. Despite what you may have heard, read or interpreted Walcha Council has not finalised an agreement for this project. The draft VPA presented to both Uralla and Walcha Councils was rejected by both and we will continue to negotiate on behalf of the community for a fair and equitable outcome that has correct governance surrounding it. With more projects mooted for our area Council needs to mandate a set of criteria that recognises and compensates our community for their impacts, both on infrastructure and social. Last year Council resolved to take a neutral position on this project, a position it still holds while maintaining a critical dialogue with both the proponent and the Department of Planning. Council acknowledges the State Significant Development process and the Department of Planning's ability to make just recommendation to the Independent Planning Commission who ultimately will have the final say.

While ever projects are sitting in this phase it continues to cause division in this community but the reality is there may be over a year to go yet.

COMMUNITY ENGAGEMENT

Being widely advertised at the moment is Council's next round of community engagement meetings. Interim General Manager Phil Hood felt we should do this earlier during budget season to allow residents to ask questions in relation to the budget. While the budget is centrepiece to these visits no part of Council's performance is off the table. Roads are always front and centre and with Council being the recipient of healthy State Government funding in this area we will be asking for your thoughts on where this money is being spent. Water security, renewable energy, waste management, services and their delivery, sustainability and any other issue that Council is responsible for can be on the table. I encourage you to attend one of the venues listed elsewhere in this fine publication and ask your questions. This is your money we are spending and transparency of this process is vital to Council, remembering that it is a fine line between service delivery and financial security.

Accompanying Councillors and staff on these visits will be Kruthika Nagananda Council's Disaster Risk Reduction Coordinator. This is a grant funded position, with the aim of having our community prepared when and if another disaster occurs. Holding a Masters in Disaster Reduction and Sustainable Development, Kruthika's role



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is to identify risks and offer mitigation support to businesses and individuals. I believe that historically for a community like Walcha this may not have been a priority, but the devastating bushfires, constant closure of the Oxley Highway, the 2018 windstorm and severe flood damage highlight issues that impact the day to day operation of any business. Personally I would like to see drought included as a natural disaster to make accessing information easier but at this stage it is not. Besides our Regional Meetings there will be plenty of opportunity to engage with Kruthika around risk, grants and funding that is available.

Clr Eric Noakes
Mayor of Walcha