



## DIRECTOR SHIRE SERVICES REPORT

20<sup>th</sup> June 2005

**DSS1                      REVOTES**  
**FILE: \***

### SUMMARY:

Reporting on requests for revotes for Shire Services Department.



Attached at [Appendix A](#) is a list of projects not yet completed and funds not fully expended seeking a revote of funds for 2005/2006. A number of projects will be partly completed and a number of projects, being undertaken by contractor, will have the funds committed but not expended.

The Elbow Street Car Park project is on hold pending purchase of the property. Funds for the development of Forth Street are only \$6,670. Plans have been developed to provide for a Bus/Caravan Parking area in Forth Street, at an estimated cost of \$60,000. Council is asked to revote these funds, and provide a supplementary vote in 2005/2006 of \$24,000 to allow that project to proceed.

Some Water & Sewer projects are continuing schemes over a number of years, like Hat Head Sewerage. South West Rocks Water Treatment Plant is a contract project subject to tender with completion due at the end of 2005.

Open Space & Recreation projects, generally a combination of revenue and Section 94 funds, are utilized by User Groups or Sports Associations, with the timing of expenditure dependent on volunteers. It is felt that to withdraw these funds would be counterproductive for Council.

I need not remind Council that the road network is in serious need of a huge injection of funds. If successful, the application for the Special Rate Variation will provide a much-needed injection of funds to prevent further deterioration in our road network such as:

- Reductions in the surface condition, ride, comfort and safety for motorists

- A decrease in the life expectancy of the road pavement
- Low priority sealed roads may revert to a gravel surface
- An increase in the backlog of works and resultant financial burden
- An increase in risk exposure for Public Liability claims.

Without a special rate increase, Council's current projected budget for 2005/06 for specific road maintenance such as resealing, pavement strengthening and gravel resheeting, is \$2.25 million. The actual required budget to fund necessary works in 2005/06 is \$8.16 million resulting, in a deficit of \$5.91 million. Unless current funding levels are increased for specific road maintenance, the accumulated deficit in deferred works will increase from \$5.91 million in 2005/06 to \$37.91 million in 2016/17.

For every dollar spent now can save up to ten times the cost of future road repairs by undertaking periodic preventative maintenance.

Council's strategic emphasis for roads is to give priority to funding specific maintenance so that the existing road network is maintained at sustainable levels ahead of new capital works.

## **REPORT IMPLICATIONS:**

- *Environmental*

*Nil*

- *Social*

*Revoting of the funds requested will allow completion of the projects nominated and address community expectations.*

- *Economic (Financial)*

*The economic implications are shown throughout the report.*

- *Policy or Statutory*

*Grant funds are acquitable for specific projects and cannot be reallocated without Agency approval. Grant funds have a final date for expenditure of either July 31<sup>st</sup> or September 30.*

- *Director's Comment*

*Council is asked to support the recommendations.*

## **RECOMMENDATION:**

1. That the funds shown within the appendix be revoked.
2. That consideration be given to providing \$24,000 in the 2005/2006 budget for the Forth Street Bus/Caravan Area.

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K J Finnie  
DIRECTOR SHIRE SERVICES