



GENERAL MANAGER'S REPORT

9th August 2005

GM3	COMPARATIVE STATISTICS
FILE: * AVB	{ Folio No. * }

SUMMARY:

Reporting on comparisons made between Kempsey Shire and other Councils as outlined in the Department of Local Government Comparative Information Guide.



DESCRIPTION:

The Department of Local Government has released its comparative information on New South Wales Local Government Councils for 2003 - 2004. I have compiled a comparison between Kempsey and fourteen other coastal Councils [Appendix A](#). The third last column of the comparison ranks Kempsey between lowest and highest for each classification.

The comparative indicators can be used to make very simple comparisons between Councils over a number of activities. However they are limited because they are basically quantitative and the information provided without analysis can lead to inaccurate or misleading conclusions being reached about Councils' performance. In addition:

- The groupings of Councils are useful only as a means of narrowing the basis for comparison but as they are based purely on population they do not take into account other factors, such as location (metro or regional) or complexity. For this reason I have grouped Kempsey with other regional Coastal Councils.
- No benchmarks are set and therefore it is impossible to ascertain what good or poor performance is. One Council might have higher expenditure in one area than another but it cannot be concluded from that information that one has performed better or worse than the other. A Council's priorities determine the level of expenditure.

- There are no indicators for asset management and infrastructure spending and yet these are areas of tremendous importance to Councils and the community.
- There are no particular indicators aimed at measuring environmental, social or economic sustainability and therefore no triple bottom line measurements.
- The Comparative Indicators are not timely, with the information arriving at best, a year after the end of the financial year being reported on.
- There is no information on trends apart from simple quantitative comparisons between years on particular items. Therefore there is no possibility to be future looking, and for the information to be used to anticipate performance so that corrective action can be taken.

There are however some comparisons that are worth noting. Council has the second highest debt service ratio. Although our General Fund Debt Service Ratio is average for a Council our size, the debt service ratios for Water and Sewerage is high as infrastructure works are generally paid for by borrowings.

We have the third lowest average Residential Rate and the fourth lowest average Business Rate. We have the second lowest Residential Garbage Charge as we have no kerbside recycling service which is reflected in us having the fourth lowest recyclables kilograms per capita. On the other side of the coin we have the highest Water Rates and the third highest Sewerage Rates.

We are accused by some groups as having the highest level of Grant Income for our size Council. Apparently having other levels of government contribute towards the cost of services is inefficient. In any case we are only the sixth highest grant receiver.

Sustainable Development performs well with Council having the second lowest Mean Time and the third lowest Median Time to determine Development Applications even though we have the sixth highest number of applications to process.

The unrestricted current ratio is a measure of Councils ability to meet its financial obligations such as paying for goods and services supplied. A ratio of less than 1.5:1 is seen as unsatisfactory. Council's ratio for 2002 / 03 was 1.55.

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- *Economic (Financial)*

Nil

- *Policy or Statutory*

Nil

RECOMMENDATION:

That the information be noted.

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A V Burgess
GENERAL MANAGER