



KEMPSEY
Shire Council

GENERAL MANAGER'S REPORT

11th December 2007

GM4

ENVIRONMENTAL LEVY

FILE: 483

AVB

{ Folio No. * }

SUMMARY:

To outline the community response to Council's proposal to re-apply for the Environmental Levy

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DESCRIPTION:

In 2003 Council applied to the Department of Local Government and was granted a Special Rate Increase for a five (5) year period to carry out environmental works and was invited to re-apply for an extension of the Levy in 2008. The Levy was a fixed amount per assessment of \$28.00 which has been increased by \$1.00 each year. Council believes that environmental protection is the equal responsibility of all and should not be related to the value of property. Council resolved on the 27 February 2007 to prepare an application for the continuation of the Environmental Levy per rate assessment for the next ten (10) years commencing with the 2008/09 year.

An extensive consultation process has been undertaken with the community including:-

- The preparation of a newsletter and survey response form
- Extensive advertising of the proposal inviting residents to participate in the survey.
- Sending letters to community / ratepayer groups inviting them to participate in the workshop
- Making the newsletter and survey available at each town and village.
- Posting the newsletter and survey to all those residents paying their rates by instalments.
- Making the newsletter and survey available on Council's website
- Holding workshops on the proposal at Bellbrook and Gladstone.

The workshops were not widely attended but there was good response to the survey with over 320 people participating. Survey responses closed on the 27 November but those received up to the date of writing this report have been included. Details of the survey responses are as follows:-

Q1. Do you think that the community has a responsibility to look after the environment in which it lives?

YES	NO	DON'T KNOW
303	11	9

Q2. As the local government authority do you think Council has a responsibility to fund environmental projects?

YES	NO	DON'T KNOW
270	41	12

Q3. Do you believe the programs funded using the Environmental Levy have achieved positive environmental outcomes:

YES	NO	DON'T KNOW
217	48	57

Q4. Do you think Council has a responsibility to continue funding these types of programs in the future?

YES	NO	DON'T KNOW
264	39	16

Q5. From the list below please tick the category of projects you believe should be funded in the future?

Environmental Rehabilitation (e.g. Gills Creek Rehabilitation Project)	188	Stormwater / Pollution Works (e.g. Gross pollutant traps, Landfill site projects)	209
Environmental Education (e.g. "Waterwatch" program for schools)	192	Estuary Management (e.g. Killick and Saltwater Creek plans of management)	210
Environmental Management Plans (e.g. Boyters Lane, Wetland Management Plan)	164	Climate Change (e.g. Projects to reduce energy consumption and greenhouse gas emissions)	199

Specific projects identified that should be given priority include: -

- Ratepayers told to install water tanks
- Ratepayers told to install solar water heaters
- Approaches into and out of Kempsey
- Bale grass after it is mown
- Free kerbside collection of rubbish
- A reduction in chemical use in the environment
- Don't use treated timber on bridge repairs
- Hat Head pedestrian bridge
- Climate Change
- Environmental education
- Stormwater / pollution works
- Estuary management
- Recovery of threatened species or endangered ecological communities
- Killick Creek and Saltwater Creeks
- Macleay River flood Plain Project
- Beach Watch

- Swimming Pools
- Kempsey waste receival and disposal upgrade
- Raising awareness
- Bank protection above tidal and below
- Improve drainage in low lying areas
- Improve effluent at saleyards
- Roadside mowing
- Dredging Macleay River, Frederickton to Kempsey
- Dredge silt out of Spencers Creek
- Allow direct pumping of water from river to water gardens
- Council should use environmental paper
- Provide mulch to residents from green recycling
- Funding of insulation
- Funding of rainwater tanks
- Recycling waste from Saleyards
- Tree protection
- Force Country Energy to bury power lines
- Unblock Macleay River
- Rid Kempsey of Highway traffic
- Weed control
- Investigation of illegal stormwater connections
- Dog control
- Preservation of swamplands behind SWR Refinery
- Clean up Refinery site
- River bank restoration at Willawarrin
- Re-open SWR Back Creek Wetlands
- Weed control on floodplains
- More extensive weed control program
- Floodgates on Sillitoe Drain
- Road spraying left Bank Road, Belmore River
- Review of SWR Structure Plan
- Help farmers revegetate properties
- Educate farmers on diversification and property management
- Clearing of River Bank in eastland South Kempsey
- Water tanks for smaller communities e.g. Bellbrook
- Education of property owners adjoining River
- Extension of recycling program to include schools and business
- Provide litter bins at Sea Street and Sea Street and Broughton Street bus shelters
- Korogoro Creek, Hat Head
- Beach protection
- Open creek adjacent to SWR Surf Club
- Rock stabilisation of the River bank known as Kinchela Beach
- Clean drains out
- Stormwater drain at the cemetery in River Street
- Clean litter Crescent Head Road
- Education on disposal of fluorescent light bulbs
- Open out of town recycling centres more often
- An environmental university campus in Kempsey
- Stuarts Point water supply
- Stuarts Point sewerage
- Estuary management Boyters Lane Wetland
- Encourage re-use, recycle, grow your own food
- A community vegetable garden
- Drainage in Ocean Avenue, Stuarts Point
- Bushfire management on land backing onto Francis Harris Close, SWR
- Garbage bin management and education

- Low level river crossing to reduce car population and pollution through Kempsey CBD
- Habitat links in the lower Macleay
- Projects to reduce energy conservation and gas emissions
- Projects to encourage water conservation
- Stop pumping water out of Hat Head national Park
- Protect native flora at SWR
- Control Bitou Bush and other weeds on Council controlled land
- Stop broadacre burning
- Stop killing of wildlife
- Priority to projects dealing with conservation of natural habitats and biodiversity
- Eradicate Camphor Laurel
- Discourage urban land release until services are available
- Reverse garbage program for craft works
- Provide incentives to keep stock away from river
- Provide information on fire retardant trees and shrubs that can be planted
- Education for control of domestic pets and affects on natural fauna
- Comprehensive Koala Plan of Management
- Vegetation mapping
- Estuary Management in the Belmore and upper reaches of Belmore River
- Education on discarding rubbish
- Front Creek to Lagoon SWR needs to be cleaned up
- Recycling bins at Frederickton and Clybucca
- Recycling bin at SWR Tip
- Clean out River banks
- Sewerage at Aldavilla
- Control flooding at culver near Willawarrin Hall
- Water restrictions in Kempsey Shire
- Bellbrook Water
- Climate Change – recycling, carbon store, no tree felling and home gardens
- ASS Hot Spot program
- Macleay River Floodplain project
- Rehabilitation of Gills Creek
- Pest and weed control
- Recycling depot for building materials
- Beach access to Hat Head Beach
- Clearing of rural drains and creeks
- Water quality improvement Christmas Creek
- Clean up Middleton Street
- Investigate eradication of Indian Mina birds
- Clearing of water drain western border of SWR Golf Course
- Stop development on right hand side of Gregory Street after Spencers Creek
- Wetland rehabilitation
- Waste reduction and recycling
- Close access road to the Macleay River at Nagles Falls
- Back Creek pollution
- Dune care at Hat Head
- Tozer Street drain
- Wetlands behind Frederickton need to be re-established
- Sand dune management
- Sunshade over children's playground at Stuarts Point
- Boyters Lane board walk

- Planting of liquid amber trees in Gregory Street from SWR Entrance to Livingstone Street
- Bridge from caravan park to north beach SWR
- Access road to centre of Trial Bay beach
- Mow Council land
- Get rid of old School Building in Gregory Street SWR
- Tree planting
- Yarrahapinni wetland
- Get rid of gravel strip mining
- Reduction of energy consumption within Council buildings
- Small battery return facilities
- Central Kempsey drain near IGA cleaning
- Algae on Macleay River near Greenhills
- Brush forest 20 metres either side of Macleay River
- Stabilisation of banks at Korogoro Creek
- Reduce siltation of creek mouth Hat Head
- Dredging of Macleay River
- Use of STEDS for Stuarts Point sewerage
- Provision of siltraps
- Solar cells on Council buildings
- Clear silt and weed from Kempsey Boat Ramp
- Solar or wind generated electricity
- Nuclear power station
- Don't charge for use of tip
- Keep Ryans Cut open to ocean
- Open up Belmore River to ocean
- Land use zoning to retain habitat corridors
- Onsite stormwater retention
- Koala study and recovery action
- Rehabilitate degraded areas of the Upper Macleay River
- Stop the logging at Five Day Creek
- Rehabilitate land infested with scotch thistle
- Reduce Council sewerage discharge into Macleay River
- Drainage system at Willawarrin

Some of the suggestions did not relate to environmental works but related to ordinary services. The most nominated projects were;

- Killick Creek
- Korogoro Creek
- Saltwater Creek
- Back Creek
- Environmental education programs
- Riverbank restoration
- Weed control
- Boyters Lane Wetland and
- Floodplain management

Areas that the community thought that Council should not be allocating resources to included;

- funding of studies and
- funding on Council infrastructure

The Department of Local Government has advised that if Council is not to apply for a special variation for the Environmental Levy for 2008 / 09 Council's general income is to be reduced by \$428,651.

Councils wishing to apply for a special variation to increase their general income in 2008 / 2009 will need to determine whether they want to apply under section 508(2) or 508A of the Local Government Act 1993.

Section 508(2) enables the Minister for Local Government to approve a percentage increase for a specified year that is greater than the general variation percentage approved under section 506 of the Act. While an increase under section 508(2) is for a specific year, the period for which the increase is to apply may be fixed or ongoing.

Section 508A allows a council to increase its general income by an amount that is greater than the general variation each year, up to a maximum of 7 years. It should be noted that the 7-year limit does not apply under section 508(2).

Council will need to make application under section 508A if it wants a continuation of the Levy but will only be able to apply for a maximum of 7 years rather than the preferred 10 years.

The assessment of a s508A application is extensive and usually requires on-going consultation with the council before an appropriate recommendation can be made to the Minister. It is therefore unlikely that approval will be granted for the entire period sought in the year the application is lodged. For example, where an application is lodged just prior to the commencement of the 2008 / 09 rating year, it is likely that the first year of approval under this section will be 2009 / 10. If a council lodging an application under s508A wishes to increase rates in 2008 / 09, it will be required to complete an SV1 form in addition to its submission. This will allow the first year of the application to be assessed under s508(2).

Generally, an application to exceed the rate-pegging limit under section 508A will only be considered where, following an exhaustive examination of alternative funding options, the additional income is deemed necessary to implement essential and strategically significant initiatives.

As part of a section 508A application, councils are required to submit to the department a rigorous ten-year financial plan (which separately identifies additional income generated through the special variation). Evidence of the council's commitment to the plan, including how this commitment will be sustained over the long-term should be disclosed. The council would also need to demonstrate its progress in the area of integrated planning, policy development and benchmarking of standards for its maintenance and construction operations.

Fortunately Kempsey Shire has been proactive in its Management System development. It has adopted a 10 year Financial Plan and has introduced integrated planning having adopted a long term Community Plan that incorporates its ESD Strategy and Social Plan. Council's Management Plan is aligned with the Community Strategic Plan with the goals of the Community Strategic Plan being the goals of the principal activities in the Management Plan. All of council's services have measured KPI's which are benchmarked.

It is expected that all special variation applications, whether under section 508(2) or 508A, will relate to initiatives of a specific and strategic nature,

which require funding beyond any identifiable sources available to council over either the shorter or longer term. Each council is required to demonstrate that broad community support has been received for its initiatives, and that adequate communication and consultation on these initiatives, including the impact upon its ratepayers, has been carried out.

The SVI form requires council to outline why the variation is necessary and provides financial information and the proposed rating structure in 2008 / 09. This cannot be completed until Council has adopted its draft budget. Budget sessions have been set down for 19, 20 and 26 February. It is important that budget deliberations do not continue past this point as the draft Management Plan for 2008 / 09 period forms part of the SVI application.

REPORT IMPLICATIONS

- ***Environmental***

Without the Environmental Levy Council will have to reduce its environmental program significantly.

- ***Social***

Nil

- ***Economic (Financial)***

Much of the past environmental program has been financed through the raising of loans. Council will still be required to repay these loans as the borrowing periods were greater than 5 years. Without the Levy expenditure on other service areas will need to be reduced.

- ***Policy or Statutory***

Nil

- ***General Manager's Review***

Nil

RECOMMENDATION:

1. That Council apply to the Minister for Local Government for a Special Rate Variation for an Environmental Levy equivalent to \$33.00 per assessment for the 2008 / 09 year and increasing by \$1 per assessment per year during the term of the approval.
2. That a ten year program of works to be funded by the Environmental Levy be prepared for Council's consideration.

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A V Burgess
GENERAL MANAGER