



# SPECIAL COUNCIL MEETING AGENDA

28 JUNE 2022

COUNCIL CHAMBERS

COMMUNITY ADMINISTRATION CENTRE (CAC)

# NOTICE OF MEETING

Notice is hereby given that the special meeting of the Sorell Council will be held at the Community Administration Centre (CAC), 47 Cole Street, Sorell on Tuesday, 28 June 2022, commencing at 5.00 pm.

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## C E R T I F I C A T I O N

I, Robert Higgins, General Manager of the Sorell Council, hereby certify that in accordance with Section 65 of the Local Government Act 1993, the reports in this Agenda have been prepared by persons who have the qualifications and experience necessary to give such information, recommendation or advice.

Council or a 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) that 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.

Notices of Motion and supporting documentation from Councillors are exempted from this certification.

ROBERT HIGGINS  
GENERAL MANAGER  
24 JUNE 2022



## AGENDA

FOR THE SPECIAL COUNCIL MEETING TO BE HELD AT THE  
COMMUNITY ADMINISTRATION CENTRE (CAC), 47 COLE STREET, SORELL ON  
28 JUNE 2022

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**1.0 ATTENDANCE**

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Mayor K Vincent  
Deputy Mayor N Reynolds  
Councillor K Degrassi  
Councillor V Gala  
Councillor G Jackson  
Councillor C Torenus  
Councillor M Reed  
Councillor B Nichols

**2.0 APOLOGIES**

**3.0 DECLARATIONS OF PECUNIARY INTEREST**

**4.0 GOVERNANCE**

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**4.1 ADOPTION OF ANNUAL PLAN 2022-2023**

**RECOMMENDATION**

“That in accordance with Section 71 of the Local Government Act 1993, Council resolves to adopt the Annual Plan for the 2022-2023 financial year.”

**ROBERT HIGGINS**  
**GENERAL MANAGER**  
Attachments: (8)





## SORELL COUNCIL

### ANNUAL PLAN 2022/2023

Sorell Council's Annual Plan for the 2022/2023 financial year has been prepared and adopted by Council in accordance with Section 71 of the *Local Government Act 1993* in that it:

- is consistent with Council's Strategic Plan 2019 – 2029;
- includes a statement of the manner in which Council is to meet the goals and objectives of the Strategic Plan;
- includes a summary of the budget estimates adopted by Council; and
- includes a summary of the major strategies to be used in relation to the Council's public health goals and objectives.

In 2022/2023 Council will engage with our communities and stakeholders to meet the goals and objectives of the Strategic Plan in an inclusive manner.

### COUNCILLORS AT 30 JUNE 2022

Mayor Kerry Vincent

Deputy Mayor Natham Reynolds

Councillor Kerry Degrossi

Councillor Deborah De Williams – resigned 22 June 2022

Councillor Vlad Gala

Councillor Geoffrey Jackson

Councillor Beth Nichols

Councillor Melinda Reed

Councillor Carmel Torenus

### SUMMARY OF THE ESTIMATES FOR THE 2022/2023 FINANCIAL YEAR

Estimated Revenue for Council	\$19,386,747
Estimated Expenditure of the Council	\$20,856,656
Estimated Borrowing by the Council	\$3,190,718
Estimated Capital Works of the Council	\$11,648,440 (\$14,793,597 incl. carry forwards)



## OUR PURPOSE, VISION AND VALUES

### OUR PURPOSE

To facilitate a vibrant, sustainable and liveable South East Region.

### OUR VISION

A proud, thriving and inclusive South East Community.

### OUR VALUES

#### INTEGRITY

We work in good faith, are honest and forthcoming and take accountability for our decisions.

#### UNITY

We work cohesively as one Council, supporting our community and each other to achieve better outcomes.

#### RESPECT

We listen to and consider the opinions and input of each person and acknowledge each other's contribution.

#### INNOVATION

We are committed to finding new solutions, adapting to change and continuously improving in order to deliver the best outcomes for the community.



## KEY OBJECTIVES AND SUMMARY OF STRATEGIES AND INITIATIVES FOR THE 2022/2023 FINANCIAL YEAR

1.0	Facilitate Regional Growth	Strategic Plan Reference
1.1	Support the timely delivery of the South East Transport Plan through an ongoing commitment to engage and critically review fare pricing and the remaining proposed project (Causeway duplications and Midway Point/Sorell township entrances) with the Department of State Growth.	1.1
1.2	Continue engagement with Tasmanian Irrigation 'South-East Integration Project' to secure funding from both State and Federal Governments to enable increased supply and reliability to the region that will activate further agriculture investment.	1.2
1.3	Proactively participate in the Statewide Planning Scheme and Local Provisions Schedule statutory exhibition, submission and hearing process. In particular, undertake remaining statutory exhibition, localised submission and hearing process for any material changes as directed by the Tasmanian Planning Commission.	1.2
1.4	Pursue TasWater to confirm a commitment to deliver growth and capacity plans for development forecasts (sewerage 2032 completion), to address the Environment Protection Authority direction to cease discharge into Pittwater by 2022/2023 (2025 completion), proactively facilitate the development of Inghams Processing site and to accept the Dodges Ferry sewage lagoons.	1.3
1.5	Continue to monitor business investment through engagement with Tasmanian Chamber of Commerce and Industry, Regional Development Australia & Business and Employment Southeast Tasmania (BEST) Workforce Engagement and Development Officer and Business Advisor.	1.4
1.6	Advocate with SERDA partner Councils the key regional requirements of the revised 2020 South East Economic Infrastructure Strategy.	1.1, 1.2, 1.3, 1.4, 1.6
1.7	Support and promote SERDA programs and strategies: <ul style="list-style-type: none"> <li>Identify and align with State and Federal Government programs and election commitments including new Workforce Growth and Jobs Tasmania initiatives.</li> <li>Facilitate and project manage construction of new BEST facility.</li> </ul>	1.5, 1.8
1.8	Collaborate with the Sorell School as required on their redevelopment project to maximise student capacity and integrate site into the township's pedestrian, cycling, public and private transport movements.	1.6



1.9	Facilitate the delivery of additional education capacity and contemporary Kindergarten – Year 12 facilities for the south-east region.	1.6
1.10	Advocate to the State Government for the completion of the Southern Tasmania Regional Land Use Strategy review in 2022/2023.  Complete Outer Hobart Residential Demand Supply Study with partner councils.	1.7, 1.8
1.11	Identify industry sectors where formalised engagement will benefit both parties and pursue the establishment of targeted and productive agreements.	1.8
1.12	Engage with Destination Southern Tasmania as part of their Destination Management Plan (aligns with Tourism Tas / TICT T21 Visitor Economy Action Plan) advocacy roles to determine any associated review of the Tasman Destination Action Plan.	1.9
1.13	Engage with State Government for the timely delivery of lease arrangements for the Dunalley marina with the preferred development proponent.	1.9
1.14	Collaborate with Glamorgan Spring Bay Council to establish Mountain Bike development standards and management guidelines for SERDA's South East Tasmanian Mountain Bike Proposal.  Advocate as a SERDA priority, the provision of capital funding to construct the project following completion of Business Case feasibility.	1.10

2.0	Responsible Stewardship and a Sustainable Organisation	Strategic Plan Reference
2.1	Elected members to review key assumptions and forecasts and adopt Financial Management Strategy and updated 20 Year Long Term Financial Plan with delivery of a sustainable net operating surplus over the forecast period.  Consider revenue generation options required for new / upgrade capital projects including the strategic sale of land assets in conjunction with rate increases.	2.1, 2.6
2.2	Guide employment generating commercial and industrial land zoning and private sector investment to strategically identified locations consistent with the Sorell Land Supply Strategy.	2.2



2.3	<p>Commit to asset revaluation cycles, provision of sustainable new/upgrade capital allocations and managing operational and financial risk profiles, including:</p> <ul style="list-style-type: none"> <li>- Continue to keep WHS risk exposure to a minimum through working to reduce injuries and potential loss. Management practices will involve identifying risks, analysing and treating by taking appropriate action.</li> <li>- Continue to identify areas at risk from weather and emergency events and be proactive in building resilience in the Community through education and works programs.</li> <li>- Continue to be proactive in inspections and reviews of roads, footpaths, written agreements with clubs / user groups, building and financial services, town planning and recreation functions.</li> <li>- Educate community groups on importance and activities involved with risk management.</li> </ul> <p>The stormwater asset management plan, following the revaluation in 2021/22, to be revised and adopted by Council in 2022/23.</p>	2.3
2.4	Incorporate into waste contract renewals and waste management operations, preparation for the introduction of the Container Deposit Scheme, Waste Levy and the growing organics and associated recyclables opportunities.	2.3
2.5	Recognise and manage both the positive and negative impacts of growth and development including movement of people, provision of quality open space/links, employment, housing and recreation opportunities and regional wealth distribution.	2.4
2.6	Measure the operational and financial impacts of new / upgrade capital projects against stated/assumed savings (where applicable).	2.5
2.7	Proactively seek funding opportunities and landowner support for NRM activities.	2.6
2.8	Continue elected members awareness of contemporary governance roles and responsibilities.	2.7
2.9	<p>Facilitate workshops with elected members and staff to establish commitments, resourcing and continuity related to: -</p> <ul style="list-style-type: none"> <li>• Strategies to improve stormwater capacity management and quality discharge to receiving waters through a critical review of the Stormwater System Management Plan, development of a headworks charging methodology (as applicable) and associated policies.</li> </ul>	2.8, 4.1



	<ul style="list-style-type: none"> <li>Positioning the organisation to establish an informed position on appropriate and achievable climate change mitigation and adaptation practices including:               <ul style="list-style-type: none"> <li>developing resilience strategies for infrastructure vulnerable to climate change; and</li> <li>identifying opportunities to reduce emissions from Council activities that contribute to climate change.</li> </ul> </li> </ul>	
2.10	Review advocacy and engagement strategy to ensure government, industry and community partnerships are maintained and aligned to Council's strategic and operational focus.	2.10
2.11	Implement ICT Strategy recommendations on a staged basis.	2.11

3.0	To Ensure a Liveable and Inclusive Community	Strategic Plan Reference
3.1	Complete and promote the South East Community Identity Arts Project.	3.8
3.2	Facilitate the relocation and development of the Sorell Men's Shed as a shared community facility including the identification of necessary capital grant funding.	3.2
3.3	<p>Advocate for and support the delivery of:-</p> <ul style="list-style-type: none"> <li>Sorell and Dodges Ferry School upgrades;</li> <li>child care and social services; and</li> <li>professional and allied health services</li> </ul> <p>that assist in meeting the 2019 to 2042 population projections for the Sorell Municipal Area of 1.15% per annum, reduce demand on transport infrastructure and strengthen the south east region.</p>	3.3
3.4	Deliver staged implementation of the Open Space Strategy commencing with a review of Reserve Management Plans – Blue Lagoon, Samuel Thorne Reserve and Dodges Ferry Recreation Reserve and Foreshore Access Management Plan as applicable.	3.4, 3.9
3.5	Complete review of the Sorell Streetscape Plan and implement LRCI Stage 3 funded upgrades of contemporary streetscape elements centred on Gordon / Cole St intersection that respond to the evolving role of the township and opportunities from the Sorell bypass (scheduled for completion Q1 2022/23).	3.4
3.6	Continue to lobby for a Southern Beaches park and ride facility and increased capacity for Sorell park and ride facility.	3.5





3.7	Advocate for further capital funding that will facilitate ongoing staged re-development and upgrading of the South East Sporting Complex as the regional recreational facility to accommodate forecast growth in the south-east.	2.6, 3.6
3.8	Activate the South East Stadium, with programs and activities targeting a broad community demographic, including youth, seniors and young families.	2.10, 3.8
3.9	Progress the extension of the Sorell Memorial Hall to accommodate a secure location for Sorell Historical Society documentation and valuables, multi-use storage space and change rooms.	3.7, 3.8
3.10	Continue to work with the Community Cultural Precinct Reference Committee to progress the plans, broaden stakeholder engagement and advocate for funding for the Community Cultural Precinct.	2.6, 3.8
3.11	Activate the Sorell Carriage Shed, promoting and encouraging its use for community cultural activity.	2.10, 3.8

4.0	Increased Community Confidence in Council	Strategic Plan Reference
4.1	Ensure elected members and staff appropriately consider Council's Policies, Strategies, Plans and Procedures when making decisions.	4.2
4.2	Implement Year 3 actions identified in the Customer Service Strategy with a whole of organisation Customer Service focus.	4.5
4.3	Deliver Year 4 actions identified in the Communication and Engagement Strategy and undertake a full review of the Strategy. <ul style="list-style-type: none"> <li>Continue the Community Conversation program for elected members to engage with different communities.</li> <li>Continue engagement with the Sorell Business Association and other stakeholders to consider the potential impacts and opportunities of the Eastern Bypass on the Township.</li> <li>Work with community groups and committees to support effective management of community facilities.</li> </ul>	4.6 4.1 4.6 4.7
4.4	Continue to review facility utilisation and capacity to determine opportunities for community groups to establish activities and avoid construction and duplication of assets.	4.7



## PUBLIC HEALTH

### Council will:

- Conduct a school immunisation program aligned with State and Federal Department of Health immunisation goals and targets and continued promotion of immunisation within our community.
- Ensure proper provision of sustainable on-site wastewater management in accordance with the current regulatory framework, codes, standards and best environmental practice.
- Undertake routine inspections of food premises, public events, public health risk activities, unhealthy housing, private water suppliers and water carriers to ensure compliance with relevant legislation.
- Promote safe food handling in our community through the use of media and social media platforms to provide current food safety advice and information to our community.
- Apply the Tasmanian food business risk classification system.
- Provide effective and efficient collection, recycling and disposal of solid waste to the community.
- Promptly investigate public and environmental health complaints.
- Maintain an effective monitoring and analysis program for food, recreational waters and general complaints.
- Continue to actively participate and contribute to policy and legislative development at a regional and State level to further the public and environmental health of our community.





## 4.2 FINANCIAL MANAGEMENT STRATEGY 2022-2032

### RECOMMENDATION

“That pursuant to Section 70A of the Local Government Act 1993 Council resolve to adopt the Financial Management Strategy 2022 / 2032.”

#### Introduction

The preparation and adoption of a Financial Management Strategy (“the Strategy”) is mandated by the Local Government Act 1993 (“the Act”) at S.70A.

The attached first generation Strategy has been developed in combination with the annual review of the Long Term Financial Management Plan (“the LTFP”) similarly mandated by the Act at S.70.

The principal role of the Strategy is to ensure the Council in determining the LTFP, has properly considered the assumptions, forecasts, principles, aims and targets in the context of the Council Strategic Plan and that they are aligned and sustainable.

#### Strategic plan

The Strategy has been developed to align with the Objectives and Outcomes of the Strategic Plan.

The first 4 year review of the 10 year Strategic Plan will occur in Q3 of 22/23. The second generation Strategy may require amending accordingly prior to its adoption in June 22/23.

#### Annual plan

Preparation of the 22/23 Annual Plan has been completed as an integrated output from the Strategic Plan, Strategy, LTFP and operating/capital budgets.

#### Policy

There is no specific Policy relevant to the Strategy.

#### Environmental implications

None specifically relevant to the Strategy.

#### Asset management implications

An inability to financially sustain lifecycle costs across all asset classes represents a significant risk to Council. More particularly, additional depreciation, maintenance and renewal costs associated with new/upgraded assets.



Council has transparent and robust asset management systems linked to sustainable financial management. That is, Council is able to operate, maintain, renew and replace existing assets.

The capital and ongoing operational expense costs associated with new/upgraded assets must be incorporated into the LTFP along with required revenue increases. The LTFP and Strategy have nominated proposed new/upgraded assets from 22/23 to 26/27 which have the largest influence on forecast revenue requirements over the minimum 10 year modelling period.

Further analysis will be carried out in 22/23 of opportunities to realise operational revenue through a review of asset depreciation practices between asset management plans and accounting treatment.

### **Risk management implications**

Prior to commencing the development of the Strategy, a number of existing Financial Management Strategies from other Tasmanian Councils were reviewed to determine their approach, use of benchmarks and the extent to which they provided a transparent and measurable tool for the Council, ratepayers and other stakeholders.

The range of financial and non-financial benchmarks available for local government is extensive. Those that specify recognised targets, however, are limited.

It is only the latter benchmarks that have been adopted in this first generation Strategy. During 22/23, additional benchmarks will be investigated and incorporated into the second generation Strategy (to be adopted June 2023) provided we are satisfied the underpinning data and assumptions accurately provide an informed comparative assessment tool.

Development of the new/upgrade capital projects that impacted the revenue requirements, depreciation and maintenance forecasts of the LTFP carry an inherent risk in that the majority of cost estimates after 22/23 are not based on engineering designs. Given the volatility of the civil construction industry, current unit rates were used as the basis of the cost estimates with a compounding indexation applied up to 26/27.

No provision has been made for additional FTE's over the forecast period.

Revenue generation from new building assets under construction and proposed to be constructed, has only been considered for the former category.

Any material change to the forecast operating and capital expenses and their associated timing will necessitate a review of the LTFP and Strategy.



A key risk management consideration of the Strategy was to increase the minimum cash position from \$2.5m to \$4.0m per annum. This is considered an appropriate level based on the comparative size of the organisation against principally climate related natural hazards occurring – rainfall intensity, flooding, bushfire, sea level rise and storm surge.

### **Community implications**

The Strategy and LTFP have been built in response to the strategic direction of Council and the growing needs and expectations of our communities informed over the last 10 year period.

The results from the Strategy, and more specifically what the Council must do with respect to revenue requirements that deliver financial sustainability, have not yet been broadly communicated.

### **Statutory implications**

Division 2 of the Act sets out the suite of mandatory plans and reports including:

- Strategic Plan
- Long Term Financial Management Plan (LTFP)
- Financial Management Strategy
- Long-Term Strategic Asset Management Plans (AMP)
- Asset Management Policy
- Asset Management Strategy

### **Report**

A range of scenarios were modelled that met the financial strategy targets, addressed revenue requirements triggered by the forecast new/upgrade capital projects from 22/23 to 26/27 and were assessed for capacity to pay impacts. A key focus with the scenario modelling was to ensure Council appropriately made provision for future operational and capital expenditure capacity.

Council has historically set rate increases at the minimum level necessary and generally indexed to CPI. This has been facilitated through additional Federal and State Government operational and capital grant revenue. An effect of these capital grants, is that they have masked the extent to which Council is capable of generating sufficient own source funding. Neither level of government is likely to be able to sustain these levels of capital funding post covid recovery.

A key driver and benefit of the updated LTFP and new Strategy including forecast new/upgrade capital projects is that it establishes necessary rate increases for capital and longer term operational funding.

Ongoing review and development of the Strategy is necessary to ensure it provides robust guidance to Council and represents the longer-term strategic direction that



is sustainable for the organisation and ratepayers. To that end, Council currently reviews the LTFP twice per annum - with the development of each year's operating and capital budgets and separately as part of the mid-year budget review. The bi-annual review of the LTFP has progressively improved the reliability of the underpinning data, forecasts and assumptions. The Strategy will be reviewed once per annum as part of the preparation of the next financial year.

### **Conclusion**

The Strategy supports and is consistent with the Council's LTFP approach and methodology.

A key outcome of the Strategy preparation with the annual review of the LTFP has enabled a transparent pathway to improve the future financial capacity of the Council.

**ROBERT HIGGINS**

**GENERAL MANAGER**

Date: 24<sup>th</sup> June 2022

Attachments (Financial Management Strategy)



**AGENDA  
SPECIAL COUNCIL MEETING  
28 JUNE 2022**



# FINANCIAL MANAGEMENT STRATEGY 2022 / 2032

28 June 2022



Community Coast Country



## FINANCIAL MANAGEMENT STRATEGY

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## FINANCIAL MANAGEMENT STRATEGY

## Executive Summary

Sorell Council's Financial Management Strategy ("FMS") is critical to Council's strategic planning process. It underpins Council's long-term financial sustainability while meeting the needs and expectations of our communities in delivering Council's strategic priorities.

Council is currently in a sound financial position with strong liquidity and cash flow, low debt levels, assets that are in good condition, and an ability to satisfactorily fund its current asset renewal requirements. Council's operating position has also improved in recent years and is sustainable with its recurrent expenses able to be fully met by its recurrent revenue streams.

The document includes Council's Financial Management Strategies and Long-Term Financial Plan ("LTFP") for the next 10-year period.

The FMS is pivotal in setting the high-level financial parameters that guide the development and refinement of Council's annual plan and budget estimates, and generates information that assists decisions about the mix, timing and affordability of future capital and operational outlays. More particularly, for new and upgraded assets and their associated operational costs. This has been the principle limitation with the LTFP to date by not generating a sustainable amount of required capital funding.

The FMS sets out to achieve the following:

- A financially sustainable operating position across all years.
- A minimum cash balance of \$4m at 30 June each year.
- A sustainable financial position with Council being able to comfortably meet its financial obligations as and when they fall due.
- Transparent rating strategy per head of population commensurate with level of Council services and asset provision and performance.

The key challenges ahead for Council in a 10-year planning horizon are meeting the asset and service needs and expectations of our rapidly growing communities and providing capacity to deal with unexpected events.

The FMS highlights the need for Council to self-fund additional new/upgrade capital projects of approximately \$5.0m and ongoing recurrent costs associated with the projects over the next five years. This can be achieved by way of decreasing expenditure or increasing revenue streams (by way of development and user fees, population growth and rate increases).

If Council continues to generate an operating surplus consistent with the LTFP when setting its annual plan and budget, the LTFP will model an improving financial position and financial sustainability into the future.

## Strategic Projects

Council has adopted a range of masterplans and strategies in consultation with the community, government and private sector outlining future community aspirations which, if implemented by Council, require a capital investment of more than \$30m over the next 10 years. In addition to the capital outlays, additional recurrent costs will be incurred and will need to be planned for and carefully managed.



## FINANCIAL MANAGEMENT STRATEGY

The modelling guides Council in how much it is likely to have at its discretion to allocate in future years and the extent and type of capital funding required for new and upgraded assets i.e. State and Federal grants, borrowings or from operating surplus.

Capital and operational outlays in the immediate years are known with greater certainty. Projects that are planned to be delivered over the next 5 years require \$14.9m in new / upgrade capital spending of which \$5.0m is self-funded and includes:

- South East Regional Jobs Hub and Community Cultural Precinct Stage 1
- Pembroke Park Function Centre
- Sorell and Southern Beaches Flood Mitigation Works
- Sorell Streetscape Upgrades Stage 4
- Recreational and Open Space upgrades – paths, tracks, playgrounds and associated community utilities

In addition to the above projects there are a range of medium to long term projects that must also be planned for. For these projects, the FMS is not about determining what and when Council will spend on individual projects with many dependent on grant funding. The FMS sets the various financial strategies that will effectively determine the amount of funds Council will have at its discretion to allocate in future years including the extent to which Council may be required to co-contribute to grant funding. These projects include:

- Community Cultural Precinct Stage 2
- Sport and Recreation masterplans for Pembroke Park including:
  - Tennis courts and clubroom complex;
  - Additional soccer pitch and spectator/club facilities;
- Sorell Streetscape Master Plan Stage 5 and Dodges Ferry Streetscape upgrades
- Stormwater and coastal outfall upgrades
- Unsealed road upgrades to sealed standard
- Community Building and carpark upgrades
- Recreational and Open Space upgrades – paths, tracks, playgrounds and associated community utilities

Operational costs for these projects in later years are not included in the modelling (assumed in the order of 5% of the project capital cost). Budgetary decision making will need to be guided by affordability of proposals having regard to Council's long-term financial sustainability (ability to afford additional operational costs) and be carefully planned and managed to ensure that rate increases are maintained at a reasonable level.

Grant funding opportunities will be actively pursued and will be an important funding source for Council to deliver on the above projects in future years.

The FMS will be updated on an annual basis to account for changes to Council's operating environment and guide Council decision making.



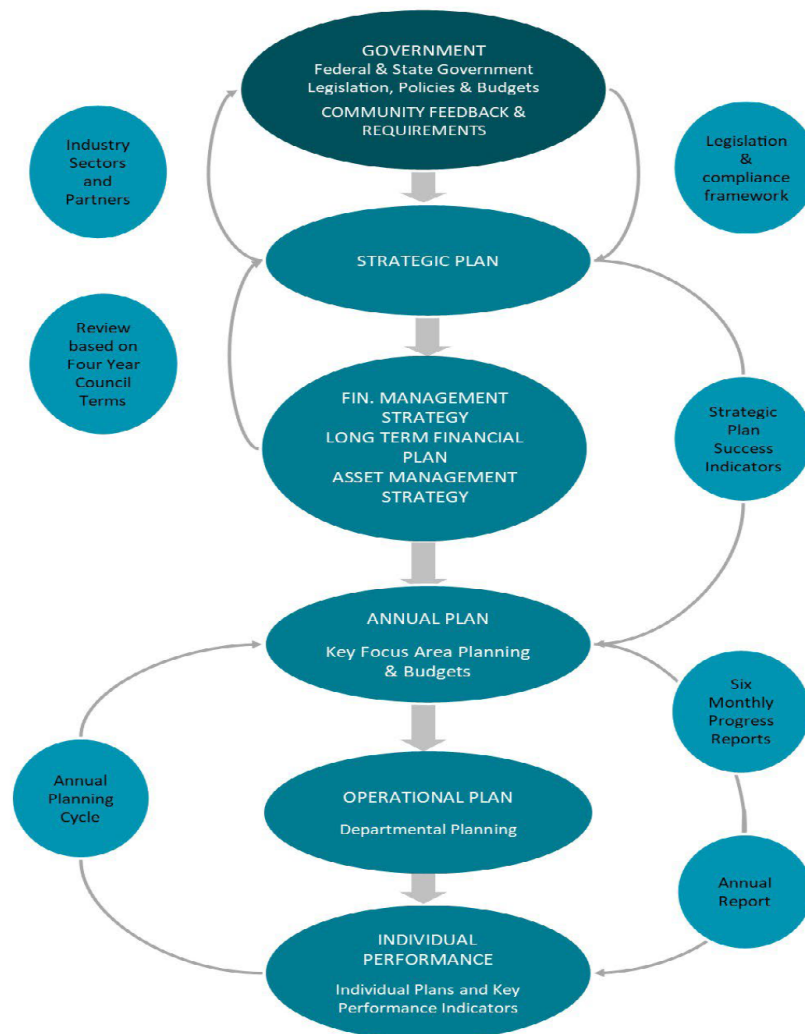
## FINANCIAL MANAGEMENT STRATEGY

## Strategic Context

### Linkages with the Strategic Plan

Council's strategic planning framework guides Council in identifying community needs and aspirations over the long term (10 year Strategic Plan), medium term (4 year Strategic Plan review) and short term (Annual Plan and Budget Estimates) and is accountable and transparent through the Audited Financial Statements and Annual Report.

The Strategic Plan embodies the aspirations of our community and is a shared vision that informs Council's actions over a 10-year period. It gives Council a strong foundation to create and deliver more detailed service and management strategies.



## FINANCIAL MANAGEMENT STRATEGY

This FMS is aligned with the following Objectives and Outcomes set out in the Strategic Plan:

### Objective 1 – To facilitate Regional Growth

Outcomes:

- 1.1 Provision of necessary infrastructure and management of assets.
- 1.2 Increased business investment.
- 1.3 Increased employment opportunities, with local jobs for local people.
- 1.4 A regional centre for quality education with improved educational capacity and training outcomes.

### Objective 2 – Responsible Stewardship and a Sustainable Organisation

Outcomes:

- 2.1 Long-term financial sustainability.
- 2.6 Delivering the services our community requires.

### Objective 3 – To Ensure a Liveable and Inclusive Community

Outcomes:

- 3.1 Maintaining the 'Community, Coast and Country' lifestyle.
- 3.2 Sustained community health and wellbeing.
- 3.3 Improved access to regional services.
- 3.4 Increased connectivity within and between townships.
- 3.6 Increased recreational opportunities and participation levels.
- 3.7 Enhanced community capacity for local arts, culture and history.
- 3.8 Sustainable access to our natural environment.

### Objective 4 – Increased Community Confidence in Council

Outcomes:

- 4.1 Consistent and contemporary Council leadership.
- 4.4 A well informed community that is engaged with Council.

## Legislative Requirements

The *Local Government (Miscellaneous Amendments) Act 2013* mandates Tasmanian Councils to adopt and maintain a long-term financial management plan and strategy. The following sections set out the requirements under the Act: -

#### **70. Long-term financial management plans**

- (1) A council is to prepare a long-term financial management plan for the municipal area.
- (2) A long-term financial management plan is to be in respect of at least a 10-year period.

## FINANCIAL MANAGEMENT STRATEGY

- (3) *A long-term financial management plan for a municipal area is to –*
  - (a) *be consistent with the strategic plan for the municipal area; and*
  - (b) *refer to the long-term strategic asset management plan for the municipal area; and*
  - (c) *contain at least the matters that are specified in an order made under section 70F as required to be included in a long-term financial management plan.*

**70A. Financial management strategies**

- (1) *A council is to prepare a financial management strategy for the municipal area.*
- (2) *A financial management strategy for a municipal area is to –*
  - (a) *be consistent with the strategic plan for the municipal area; and*
  - (b) *contain at least the matters that are specified in an order made under section 70F as required to be included in a financial management strategy.*

The *Local Government (Contents of Plans and Strategies) Order 2014* under Section 70F of the Act outlines the minimum requirements of long-term financial management plans and strategies. This strategy complies with the disclosure requirements of the Order.



## FINANCIAL MANAGEMENT STRATEGY

## Financial Principles

The following principles serve to guide Council in setting its financial management strategies.

**Principle 1: Managing the community's finances responsibly enables Council to invest more and enhance community wellbeing.**

Council will ensure it only raises the revenue it needs and will do so in the most efficient and equitable manner possible. Council will manage community funds according to best practice standards and ensure information regarding its financial management decisions is accessible to the community. Council will ensure it only delivers those services that cannot be delivered more efficiently and effectively by other providers.

**Principle 2: Council will maintain community wealth to ensure the wealth enjoyed by today's generation may also be enjoyed by tomorrow's generation.**

Council will seek to achieve equity across generations by recognising that each generation must pay its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes.)

**Principle 3: Council will apply user pays principles where it is appropriate to do so and there is a clearly identifiable cohort benefit from using those facilities and services.**

Council will ensure that the user pays approach continues as Council's preferred revenue collection method.

**Principle 4: Council's financial position will be robust enough to recover from unanticipated events and absorb the volatility inherent in revenues and expense.**

Council will ensure it accumulates and maintains enough financial resource and has the borrowing capacity to deal with volatility and unexpected events. Council's operational budget will be flexible enough to ensure volatility in revenues and expenses resulting from a changing economic environment can be absorbed.

**Principle 5: Resources will be allocated to those activities that generate community benefit.**

Council will ensure robust and transparent processes are in place for the allocation and prioritisation of resources through budgetary decision-making, as well as choosing the most effective methods for delivering specific services and projects. Strategies will include a cost-benefit analysis in preparing and assessing proposals that require significant funding. Council recognises its service obligations to the community in its decision-making.

## FINANCIAL MANAGEMENT STRATEGY

## Key Financial Strategies & Targets

### Rating Strategy

Council ensures it only raises the revenue it needs and does so in the most efficient and equitable manner possible. Council must balance its service levels with the needs and expectations of the community and set appropriate levels of tax to adequately fulfil its role and responsibilities.

The following factors influence the level of rates and charges:

- Distribution and level of Commonwealth and State funding
- Socio-economic profile of the area (capacity to pay)
- Limited commercial/industrial land with reliance on residential and rural land
- User-pays policies
- Level and range of services including the level of regional responsibility
- Current economic environment

In determining its rates each year Council considers the current economic climate and capacity to pay for services and will always minimise any increase in rates and charges by managing costs where possible throughout the annual budget deliberation process.

The aim of rates and charges decision-making is to spread the burden fairly across the community with those that have the greatest capacity to pay paying more than those with a lesser capacity to pay.

When considering how the rate burden will be distributed, Council must balance capacity to pay with the benefit principle acknowledging there are some groups of the community that have more access to and benefit from specific services.

More information regarding how Council determines Rates and Charges is contained in Council's Rates and Charges Policy.

	Financial Strategy	Target
Operating Margin	Council will seek to achieve equity across generations by ensuring that rates are set at a level that ensures each generation pays its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes.)	Operating Margin Ratio = Greater than 1.0.
Underlying Surplus	Council will seek to achieve an appropriate positive result that assists meeting the key sustainability benchmarks of the LTFP.	Underlying Surplus Ratio = > 0

## FINANCIAL MANAGEMENT STRATEGY

**Cash Management Strategy**

Cash reserves require careful management to achieve optimum investment income and to ensure cash is available when required. Council will accordingly manage its finances holistically and in accordance with its FMS, policy and risk appetite.

Council's Annual Plan and Budget Estimates will be used to provide direction on the term of investments to be placed, to ensure enough funds are on hand to meet all current liabilities. An assessment of Council's cash flow requirements up until the next investment maturity will be completed before new investments are purchased.

Council will ensure its investment portfolio maximises its return on investments while maintaining an acceptable level of risk and retaining flexibility in accessing funds.

Where current borrowing costs exceed the return otherwise able to be achieved on investment of funds, surplus funds may be applied to reduce the loan portfolio or to defer and/or reduce the level of new borrowings that would otherwise be required.

More information regarding how Council's decision-making regarding investment is contained in Council's Investment Policy.

	Financial Strategy	Target
Current Ratio	Council will maintain liquidity to ensure that it can meet its financial obligations as and when they fall due. It will do so by ensuring its short-term assets held are greater than its short-term liabilities as at 30 June each year.	Current Ratio = Greater than 1.0
Net Financial Liabilities	Council will seek to maintain its capacity to meet its financial obligations (net liabilities) from operating income.	Net Financial Liabilities Ratio = 0 – (50%)
Cash Reserves	Council will ensure it accumulates and maintains enough financial resources to deal with volatility, unexpected events and new / upgrade capital projects.	Cash of at least \$4m as at 30 June each year.



## FINANCIAL MANAGEMENT STRATEGY

### Borrowing Strategy

Council manages the financing and funding of future wants and needs through forward financial planning included in its long-term FMS (updated annually).

In considering new debt Council will consider the impact of borrowing costs on the sustainability of operating positions and capacity to repay debt.

Council's operating and capital expenditure decisions are made based on:

- (a) Identified community need and benefit relative to other expenditure options;
- (b) Cost effectiveness of the proposed means of service delivery; and
- (c) Affordability of proposals having regard to Council's long-term financial sustainability.

Council will ensure it maintains sufficient borrowing capacity to ensure it can respond to significant unexpected events.

Council recognises that borrowings are an important funding source as it provides the opportunity to bring unfunded projects forward and ensures that the full cost of infrastructure is not borne entirely by present-day ratepayers.

Borrowings may be used as an effective mechanism of linking the payment for long-term assets (i.e. debt repayments) to the populations who receive benefits over the life of the asset. This matching concept is frequently referred to as 'inter-generational equity'.

Surplus funds not immediately required to cover approved expenditure may be applied to reduce the loan portfolio where possible or to defer and/or reduce the level of new borrowings that would otherwise be required.

Council shall raise all external borrowings at the most competitive rates available including when the State Government offers interest free loans.



## FINANCIAL MANAGEMENT STRATEGY

**Asset Management Strategy**

A key objective of Council's Asset Management is to maintain Council's existing assets at desired condition levels. If funding is not sufficiently allocated to asset renewal, then Council's investment in those assets will reduce along with the capacity to deliver services to the community. Asset management involves the balancing of costs, opportunities and risks against the desired performance of the asset to achieve organisational objectives.

Council's Asset Management Strategy (adopted Sep 2018) outlines Council's approach to improve the way it delivers services from its infrastructure and shows how its asset portfolio will meet service delivery needs into the future. The strategy shows how Council's asset management policy and plans will be achieved and integrated into Council's long-term planning.

Council's Asset Management Policy (adopted Sep 2018) ensures that adequate provision is made for the long-term replacement of major assets by:

- Ensuring Council's services and infrastructure are provided reliably, with the appropriate quality levels of service to residents, visitors and the environment.
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial treatment of those assets.
- Creating an environment where all Council employees will take an integral part in overall management of Council assets (creating an asset management awareness throughout Council.)
- Meeting legislative compliance for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes aligned with demonstrated best practice utilising condition and age base driver appropriately.

	Financial Strategy	Benchmark
Asset Renewals	<p>Council will replace assets as they are wearing out and will fund its asset renewal program through cash provided from operating activities.</p> <p>Council will complete a new suite of asset management plans in 2022/23 with the predicted 'required capital expenditure' over a 10 year period based on asset condition, will be available to calculate a more representative asset renewal funding ratio.</p>	Asset Renewal Funding Ratio = At Least 90%
Asset Consumption	Council will maintain sufficient and proportional 'as new' condition capability across the depreciable asset base through maintenance practices, frequency based inspections and 5-10 year renewal program. # Refer below.	Asset Consumption Ratio = > 60%



## FINANCIAL MANAGEMENT STRATEGY

## Key Outcomes

## Financial Strategy Targets

The following table provides a summary of the key targets and whether or not the financial modelling achieves each of Councils identified targets. Explanatory notes on each of the targets is provided below.

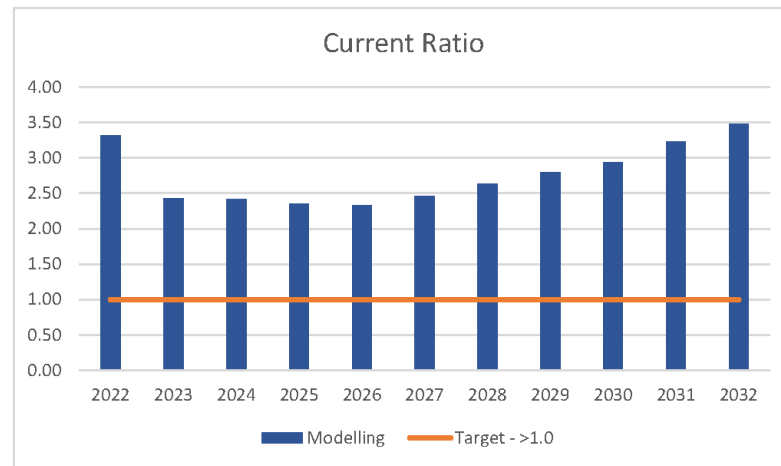
Financial Strategy	Modelling Results																																				
<div>Operating Margin</div> <p>Council will seek to achieve equity across generations by ensuring that rates are set at a level that ensures each generation pays its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes.)</p> <p>Target = Greater than 1.0</p>	<div>Operating Margin Ratio</div> <table><thead><tr><th>Year</th><th>Modelling</th><th>Target</th></tr></thead><tbody><tr><td>2022</td><td>1.05</td><td>&gt;1.00</td></tr><tr><td>2023</td><td>0.93</td><td>&gt;1.00</td></tr><tr><td>2024</td><td>1.02</td><td>&gt;1.00</td></tr><tr><td>2025</td><td>1.03</td><td>&gt;1.00</td></tr><tr><td>2026</td><td>1.04</td><td>&gt;1.00</td></tr><tr><td>2027</td><td>1.03</td><td>&gt;1.00</td></tr><tr><td>2028</td><td>1.02</td><td>&gt;1.00</td></tr><tr><td>2029</td><td>1.01</td><td>&gt;1.00</td></tr><tr><td>2030</td><td>1.01</td><td>&gt;1.00</td></tr><tr><td>2031</td><td>1.02</td><td>&gt;1.00</td></tr><tr><td>2032</td><td>1.02</td><td>&gt;1.00</td></tr></tbody></table>	Year	Modelling	Target	2022	1.05	>1.00	2023	0.93	>1.00	2024	1.02	>1.00	2025	1.03	>1.00	2026	1.04	>1.00	2027	1.03	>1.00	2028	1.02	>1.00	2029	1.01	>1.00	2030	1.01	>1.00	2031	1.02	>1.00	2032	1.02	>1.00
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2032	1.02	>1.00																																			
<div>Underlying Surplus</div> <p>Council will seek to achieve an appropriate positive result that assists meeting the key sustainability benchmarks of the LTFP without unduly disadvantaging ratepayers.</p> <p>Target = &gt; 0</p>	<div>Underlying Surplus Ratio</div> <table><thead><tr><th>Year</th><th>Modelling</th><th>Target</th></tr></thead><tbody><tr><td>2022</td><td>0.00%</td><td>&gt;0.00</td></tr><tr><td>2023</td><td>0.00%</td><td>&gt;0.00</td></tr><tr><td>2024</td><td>0.02%</td><td>&gt;0.00</td></tr><tr><td>2025</td><td>0.03%</td><td>&gt;0.00</td></tr><tr><td>2026</td><td>0.03%</td><td>&gt;0.00</td></tr><tr><td>2027</td><td>0.03%</td><td>&gt;0.00</td></tr><tr><td>2028</td><td>0.02%</td><td>&gt;0.00</td></tr><tr><td>2029</td><td>0.02%</td><td>&gt;0.00</td></tr><tr><td>2030</td><td>0.02%</td><td>&gt;0.00</td></tr><tr><td>2031</td><td>0.02%</td><td>&gt;0.00</td></tr><tr><td>2032</td><td>0.03%</td><td>&gt;0.00</td></tr></tbody></table>	Year	Modelling	Target	2022	0.00%	>0.00	2023	0.00%	>0.00	2024	0.02%	>0.00	2025	0.03%	>0.00	2026	0.03%	>0.00	2027	0.03%	>0.00	2028	0.02%	>0.00	2029	0.02%	>0.00	2030	0.02%	>0.00	2031	0.02%	>0.00	2032	0.03%	>0.00
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## FINANCIAL MANAGEMENT STRATEGY

**Current Ratio**

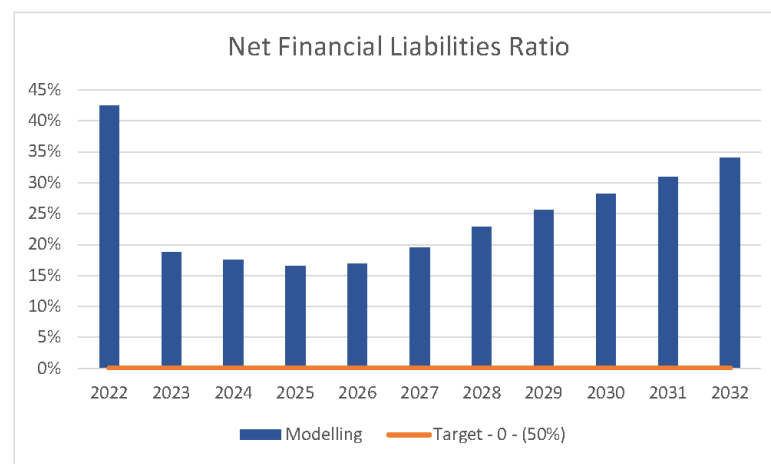
Council will maintain liquidity to ensure that it can meet its financial obligations as and when they fall due. It will do so by ensuring its short-term assets held are greater than its short-term liabilities as at 30 June each year.

*Target = Greater than 1.0*

**Net Financial Liabilities**

Council will seek to strengthen its capacity to meet its financial obligations (net liabilities) from operating income.

*Target = 0 - (50%)*



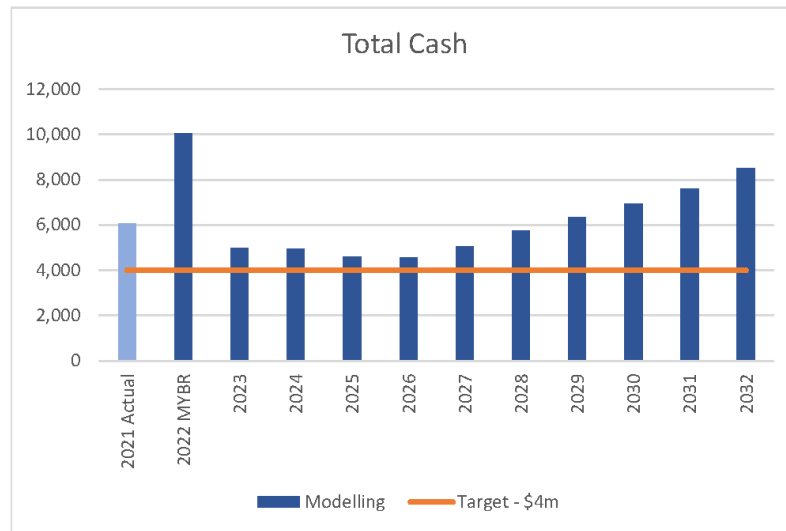
## FINANCIAL MANAGEMENT STRATEGY

**Minimum Cash**

Council will ensure it retains enough cash in reserve to respond to volatility.

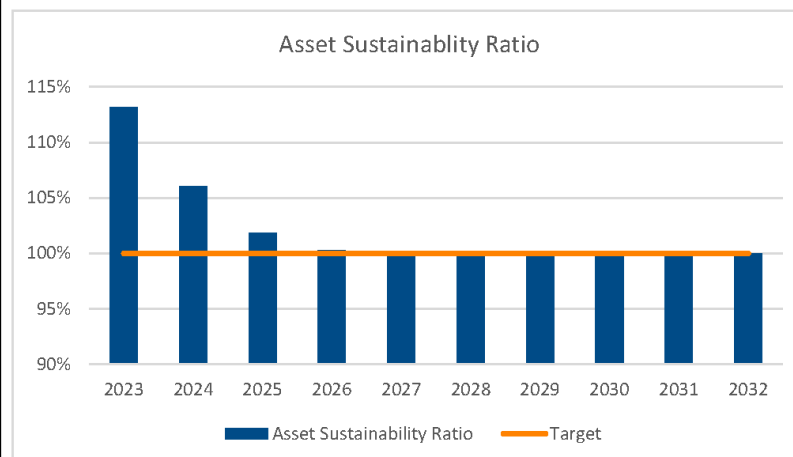
Council will ensure it accumulates and maintains enough financial resources to deal with volatility and unexpected events.

*Target = Cash of at least \$4m as at 30 June each year*

**Asset Sustainability Funding****Asset Sustainability**

Council will maintain a balanced asset renewal investment program across all asset classes.

*Target = > 100%*

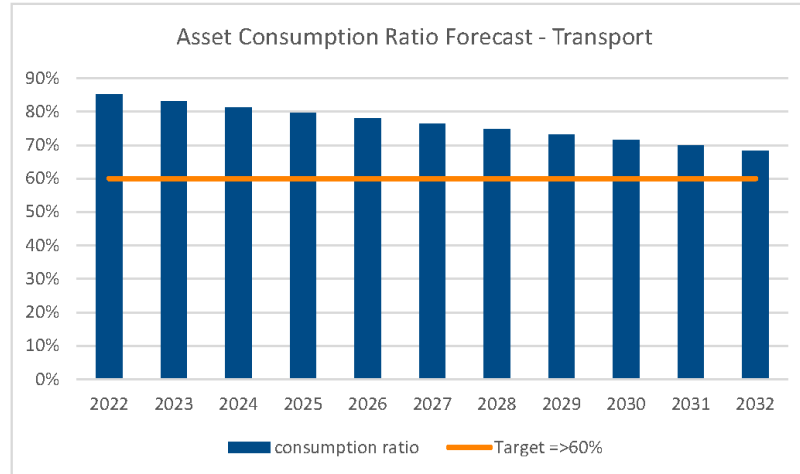


## FINANCIAL MANAGEMENT STRATEGY

**Asset Consumption**

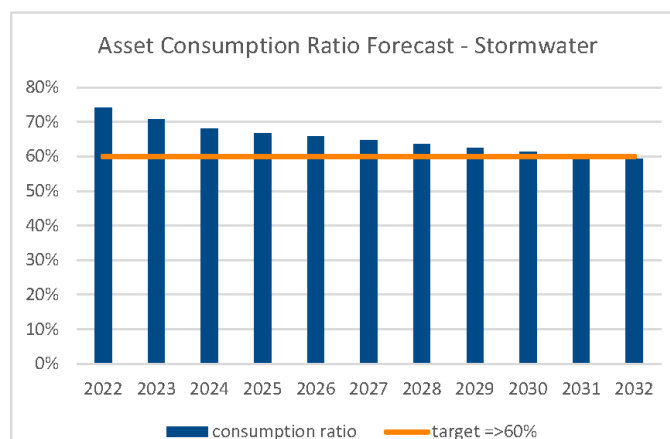
Council will maintain sufficient and proportional 'as new' condition capability across the depreciable asset base through maintenance practices, frequency based inspections and 5-10 year renewal program.

*Target = > 60%*

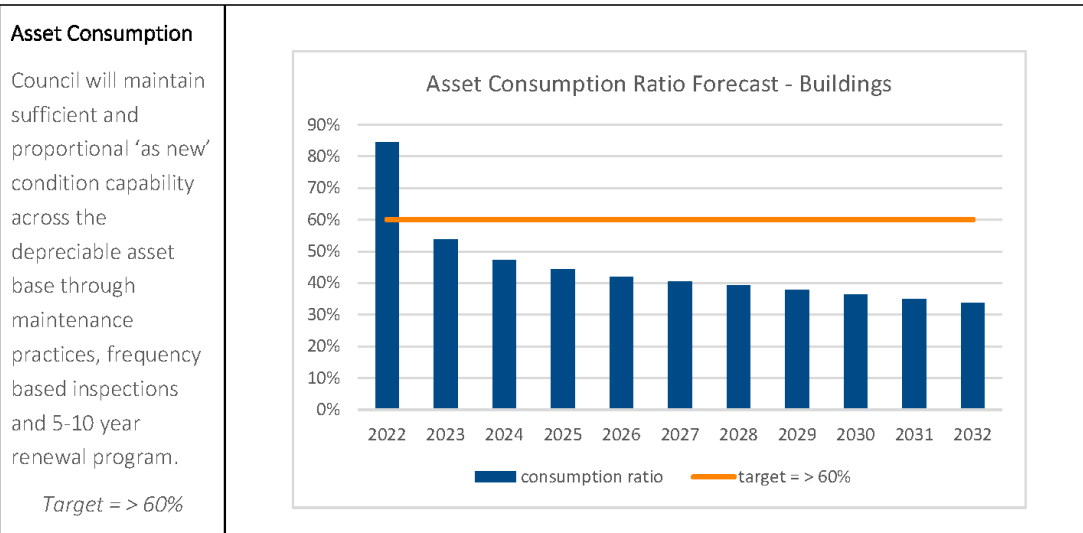
**Asset Consumption**

Council will maintain sufficient and proportional 'as new' condition capability across the depreciable asset base through maintenance practices, frequency based inspections and 5-10 year renewal program.

*Target = > 60%*



## FINANCIAL MANAGEMENT STRATEGY

**# Asset Consumption Ratio:**

This ratio is a financial representation of the average proportion of assets remaining in 'as new' condition. It is intended to highlight the extent to which depreciated assets have been consumed by comparing their current written down value to their 'as new' or current replacement cost.

Council's Building asset class demonstrates a significant decline in this ratio between 2022 and 2023 due to a principal addition to Council's asset base in excess of \$10m in 2023. The ratio decline over 10 years is a product of the predicted depreciation expense on the new building asset along with Council's current depreciation expense on the remaining small ageing asset class.

The consumption ratio for buildings in particular, should be read and understood alongside the Building Asset Management Plan whereby condition based audits have taken place to provide Council with a better understanding for Council's renewal requirements.



## FINANCIAL MANAGEMENT STRATEGY

## Basis of Preparation Modelling

The financial statements included in the FMS portray the projected long-term financial position and performance of the Council over the next ten years in the form of the following statements:

### Comprehensive Income Statement

The projected Comprehensive Income Statement shows the expected operating result over the next 10-year period reflecting Councils known recurrent income and recurrent expenditure.

### Statement of Financial Position

The projected statement of financial position shows the expected net current asset, net non-current asset and net asset positions over the next 10-year period.

The statements are prepared on current knowledge and will be affected by various events that will likely occur in future years. It is important that the long-term financial projections in this strategy be revisited and updated on an annual basis.

The model is a guiding document to be used during the budget deliberation process. If the general thrust of the document is followed Council will maintain financial sustainability.

## Key Influences and Risks

There are a number of risks inherent in the long-term financial modelling. In order to manage these risks Council reviews and updates this strategy on a regular basis and ensures that the most recent economic data and forecasts are used as the basis for developing Council's LTFP.

### External Influences – items outside of Council's control

This section sets out the key estimate influences arising from the external environment within which the Council operates.

1. Unforeseen economic changes or circumstances such as:
  - a) interest rates fluctuations;
  - b) localised economic growth – residential development & new business;
  - c) inflation;
  - d) civil and building construction markets; and
  - e) changes in specific programs such as Federal Assistance Grants.
2. Unforeseen political changes or circumstances such as:
  - a) cost of natural resources and utilities such as fuel, power and water including waste management;
  - b) a change in the level of legislative compliance; and,
  - c) changes to government policy as it affects local government other than fiscal measures.



## FINANCIAL MANAGEMENT STRATEGY

3. Variable Climatic Conditions such as:
  - a) storm events;
  - b) flooding;
  - c) bushfire; and,
  - d) drought.
4. Community needs and expectations.
5. Dividends paid by Tas Water.

Impact of COVID-19 Pandemic

There remains a degree of uncertainty about the continuing impact of the COVID-19 pandemic on the Council's financial position and expenditures.

Continuation of the pandemic will influence Councils service levels and associated operational expenditures and influence Councils capacity to complete design and construction work within planned timelines and budget allocations over the forward estimates period.

Governments currently have a strong focus on covid recovery infrastructure funding which will impact fiscal outcomes, including:

- The timing of project expenditure due to the availability of skills and resources and associated price risks.
- The ability to align construction ready projects with funding opportunities.
- The timing of operational impacts of new project expenditure on Council's recurrent operational budget.

Waste and Resource Recovery Bill

The state government will introduce a waste levy in Tasmania which will come into effect during 2022-2023.

It is proposed that the introduction of the levy be staggered over four years, starting at \$20 per tonne in 2022-23 and rising to \$60 after four years. The level of waste service charges on the Sorell community will increase to recover the additional cost to Council.

The financial projections currently include the increase.

**Internal Influences – items that Council can control**

This section sets out the key estimates' influences arising from the internal environment within which the Council operates.

1. agreed service level review outcomes (both customer/regulatory service and asset condition);
2. infrastructure asset management including depreciation (valuations can be considered an external influence);



## FINANCIAL MANAGEMENT STRATEGY

3. requests to Council to support climate change adaptation for public and private property and assets;
4. rate increases and other financial influences;
5. performance management;
6. efficiencies in service delivery and administrative support; and
7. salaries and wages.

### Modelling Methodology

Following each statement are descriptions of the assumptions specifically applied to produce the long-term estimates. Broad percentages have not been applied universally in the modelling.

The forecast results as at 30 June 2022 have been used as the base point for the long-term modelling. The COVID-19 pandemic has had both recurrent and non-recurrent operational budget impacts. Adjustments have been made to the baseline forecast for impacts that are one-off in nature and not expected to be ongoing including economic recovery grants / targeted capital grants.

### Consumer Price Index (CPI)

Price indexes published by the Australian Bureau of Statistics (ABS) provide summary measures of the movements in various categories of prices over time. They are published primarily for use in Government economic analysis. The CPI reflects the general movement in costs in terms of groceries and other consumables.

Consumer Price Index (CPI)	
All Groups Hobart	
July 2015 to June 2016	1.20%
July 2016 to June 2017	2.30%
July 2017 to June 2018	2.40%
July 2018 to June 2019	2.30%
July 2019 to June 2020	1.30%
July 2020 to June 2021	3.60%
July 2021 to June 2022	5.80%
<b>5 year average</b>	<b>3.08%</b>

### Council Cost Index (CCI)

While CPI is a useful guide to understand shifts in the price of consumables such as groceries and organisational costs, it does not tell the full story around a council's costs.

The Local Government Association Tasmania calculate a Council Cost Index (CCI) each year. The CCI enables councils to consider the specific nature and costs of the services they provide and is affected by factors such as the costs of construction for roads and bridges.

It applies to many of the activity's Council undertake across the municipal area: from community services to general construction of roads, bridges, parks and community facilities as well as ongoing maintenance.





## FINANCIAL MANAGEMENT STRATEGY

The Council Cost Index (CCI) differs from the CPI in that it provides an indication of how council expenditure might change over a period even though what Council is spending money on has not changed.

The CCI is based on ABS data. The CCI formula comprises: wage price index (WPI) (50%), road and bridge construction index (30%) and the consumer price index (CPI) for Hobart (20%).

<b>Council Cost Index (CCI)</b>	
July 2015 to June 2016	1.87%
July 2016 to June 2017	1.50%
July 2017 to June 2018	2.42%
July 2018 to June 2019	3.38%
July 2019 to June 2020	2.18%
July 2020 to June 2021	0.95%
July 2021 to June 2022	4.06%
<b>5 year average</b>	<b>2.60%</b>

**Wage Price Index (WPI)**

Price indexes published by the Australian Bureau of Statistics (ABS) provide summary measures of the movements in various categories of prices over time. They are published primarily for use in Government economic analysis.

The Wage Price Index measures changes in the price of labour services resulting from market pressures and is unaffected by changes in the quality or quantity of work performed. It is unaffected by changes in the composition of the labour force, hours worked, or changes in characteristics of employees (e.g. work performance).

<b>Wage Price Index</b>	
July 2016 to June 2017	2.40%
July 2017 to June 2018	2.30%
July 2018 to June 2019	2.50%
July 2019 to June 2020	2.10%
July 2020 to June 2021	1.30%
<b>5 year average</b>	<b>2.12%</b>



## Financial Modelling

### Statement of Comprehensive Income

The Comprehensive Income Statement has been prepared by setting percentage increases for the various classes of expenditure and income and then reviewing each general ledger account for areas where a variance to this pattern is likely to occur.

	Forecast 2022 \$	Strategic Projections									
		2023 \$	2024 \$	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$
<b>Recurrent income</b>											
Rates & charges	15,459	16,334	17,137	17,979	18,501	19,039	19,592	20,162	20,748	21,352	21,973
User charges	1,346	1,312	1,371	1,433	1,469	1,505	1,543	1,581	1,621	1,662	1,703
Grants	3,456	667	2,654	2,707	2,761	2,817	2,873	2,931	2,989	3,049	3,110
Distributions from water corporation	162	363	363	363	363	302	302	302	302	302	302
Interest	155	142	154	77	76	71	70	78	88	98	107
Other income	960	569	595	621	637	653	669	686	703	721	739
	21,538	19,387	22,273	23,179	23,807	24,387	25,050	25,740	26,452	27,183	27,934
<b>Recurrent expenses</b>											
Employee costs	6,924	7,052	7,334	7,591	7,818	8,053	8,295	8,543	8,800	9,064	9,336
Materials & services	6,184	6,419	6,733	7,044	7,305	7,725	8,174	8,634	9,054	9,354	9,658
Asset impairment	0	0	0	0	0	0	0	0	0	0	0
Depreciation & amortisation	5,139	5,617	5,820	5,925	5,935	5,934	5,932	5,932	5,932	5,932	5,932
Finance costs	91	61	101	103	96	88	80	72	63	53	44
Other	1,595	1,708	1,776	1,838	1,894	1,950	2,009	2,069	2,131	2,195	2,261
	19,933	20,857	21,763	22,502	23,049	23,751	24,490	25,251	25,980	26,598	27,231
<b>Underlying surplus/(Deficit)</b>	<b>1,605</b>	<b>-1,470</b>	<b>510</b>	<b>678</b>	<b>759</b>	<b>636</b>	<b>559</b>	<b>489</b>	<b>472</b>	<b>585</b>	<b>703</b>
<b>Capital Income</b>											
Capital grants	8,517	5,490	5,657	387	387	387	387	387	387	387	387
Other	1,161	0	0	0	0	0	0	0	0	0	0
	9,678	5,490	5,657	387	387	387	387	387	387	387	387
<b>Comprehensive result</b>	<b>11,283</b>	<b>4,020</b>	<b>6,167</b>	<b>1,065</b>	<b>1,146</b>	<b>1,023</b>	<b>947</b>	<b>876</b>	<b>860</b>	<b>972</b>	<b>1,090</b>

## FINANCIAL MANAGEMENT STRATEGY

**Recurrent Income****Rates and Charges**

Rates & Charges are an important source of revenue for Council representing some 79% of the total revenue estimated to be received by Council in 2022-23.

Council must balance its service levels with the needs and expectations of the community and set appropriate levels of tax to adequately fulfil its roles and responsibilities. Rates must be set in the context of a council's Strategic Plan, reflecting community needs and decisions about the level of services.

It is necessary to balance the importance of rate revenue as a funding source and increase rates in line with rising costs to be financially sustainable. The FMS recognises that the price of delivering services to the community over time will increase. This is the case even where the level of service provided remains unchanged.

It has been modelled that rates and charges will be required to increase by 4.5% for 2022-23, 2023-24 and 2024-25 then an average LTFP forecast of 2.5%.

Fire levies are set by the State government and are outside the control of Council. It has been assumed that levies will increase in line with the 5-year average Consumer Price Index (all Groups) Hobart. It should be noted however that in recent years the increase to the community has been higher.

The state government introduction of a waste levy in Tasmania will come into effect 2022-2023 and be staggered over four years, starting at \$20 per tonne and rising to \$60 after four years. The level of waste service charge increase to offset this has been included in the overall revenue indexation in the LTFP.

An allowance of 0.5% has been made for rate growth in line with prior LTFP's over the past 5+ years.

**User Charges**

User charges relate to the recovery of service delivery costs through the charging of fees to users of Council's services. Some charges are levied in accordance with legislative requirements. They include building and planning fees, animal registrations, and the hire of public halls, facilities and sporting grounds.

It has been modelled that user charges will increase by 3.5% for 2022-23 then as per the average LTFP overall revenue indexation forecast.

**Grants**

The main source of recurrent grant revenue is from the State Grants Commission (SGC) in the form of Financial Assistance Grants (FAG). FAG funding levels can increase or decrease with population growth, development sector activity and Council's financial performance. Based on ABS data and Dept. of Treasury forecasts, it has been assumed that the population growth will remain constant over the FMS 10 year period and the current base funding will continue.

Recurrent grants (principally FAGs) have been indexed at a 2% increase.



## FINANCIAL MANAGEMENT STRATEGY

**Interest**

Interest on investments has been calculated based on the estimated average level of investments held during the year. A rate of 1.54% has been used which is consistent with Council's return on its investment portfolio and Council's current weighted average interest rate as at 30 June 2021.

**Dividends from Water Corporation**

Council owns a 1.51% equity interest in the Tasmanian Water & Sewerage Corporation (Tas Water).

Tas Water's Corporate Plan indicates that Councils can expect to receive dividends in the order of \$20m per annum. Based on Council's equity interest in the entity the estimated distribution for the 2022-23 financial year is \$363k.

The modelling assumes that the dividend stream will return in line with the 2019-20 distribution, however, the level of distribution is outside the control of Council and there is some risk that dividends will not be paid in line with the entity's Corporate Plan.

Council relies on this revenue stream as a funding source for recurrent expenditure and therefore if material changes to the distributions occur, Council will need to review its reliance on the dividends as a funding source.

**Recurrent Expenses****Employee Costs**

Council's current Enterprise Agreement (EA) is effective until EOY 2021/22. An increase of 4.0% has been allowed for in 2022/23, 3.5% in 2023/24 and 3.5% or CPI in 2024/25 in line with the current proposed agreement.

Employment wage increases beyond 2025 are unknown but have been incorporated into the overall expenditure (materials and contracts and employee costs) indexation of 3% between 2025 and 2035 with current staffing levels generally remaining constant.

The Superannuation Guarantee Scheme (SGC) rate is currently 10.0%. The compulsory contribution rates for employers is scheduled to increase to 10.5% on 1 July 2022, and 11.0% on 1 July 2023. Existing Council contribution rate is 14.5% (in existence since pre-2012 EBA) and has been modelled at 14.75% 23/24 and 15% 24/25 in line with the proposed agreement.

**Materials and Contracts**

It has been assumed that materials and contracts will increase in line with the LTFP of 5.8% (22/23), 4% (23/24), 3.5% (24/25) then 3% through to 35/36.

**Depreciation and amortisation**

Depreciation is an accounting measure which allocates the value of an asset over its useful life. It is the financial representation of the consumption of the service potential inherent in Council's assets.

The modelling allows for additional operational costs including depreciation for projects expected to be completed over the next 4-year period and that are funded. These projects cover all four major asset classes with an estimated value of \$14.9m and generally comprise:

- Pembroke Park Function Centre - \$2.75m



## FINANCIAL MANAGEMENT STRATEGY

- SE Regional Jobs Hub - \$2.2m
- Sorell Memorial Hall extension - \$500k
- Flood Mitigation Works - \$3.0m
- Sorell Streetscape Upgrades Stage 2 - \$775k
- Recreational and Open Space upgrades – tracks, trails, playgrounds and associated community utilities - \$4.31m

The factors affecting the 'consumption' of an asset are:

- the quality of the original asset;
- the wear and tear to which the asset is subjected;
- the environment in which the asset is operated or constructed;
- the maintenance provided to the asset;
- technical obsolescence; and
- commercial obsolescence.

#### State Levies

State levies include levies paid to the state government for land tax and fire levies. It has been assumed that state levies will increase by CPI each year.

#### Borrowing Costs

Borrowing Costs relate to interest charged by financial institutions on funds borrowed. The level of borrowings and the level of interest rates influence borrowing costs.

Costs have been allowed for in line with the terms and conditions for existing loans. The Strategy includes new borrowings for nominated stormwater new / upgrade capital projects.

#### Remissions and Discounts

Council provided a higher level of remissions and discounts in 2020-21 and 2021-22 as a measure to support the community in response to the COVID-19 pandemic. There was limited take up with an assumption that the level of remissions and discounts will remain consistent with any increases in rates and charges each year.

#### Other Expenses

Other expenses include elected member expenses, audit costs and operational grant expenditure. It has been assumed that other expenses will increase by CPI each year.



### Statement of Financial Position

The projected statement of financial position shows the expected net current asset, net non-current asset and net asset positions over the next 10-year period.

	Forecast	Strategic Projections									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Current assets</b>											
Cash and cash equivalents	10,027	4,977	4,962	4,607	4,564	5,057	5,746	6,352	6,929	7,606	8,524
Receivables	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Inventories	52	52	52	52	52	52	52	52	52	52	52
Other	999	999	999	999	999	999	999	999	999	999	999
	<b>15,028</b>	<b>9,978</b>	<b>9,963</b>	<b>9,608</b>	<b>9,565</b>	<b>10,058</b>	<b>10,747</b>	<b>11,353</b>	<b>11,930</b>	<b>12,607</b>	<b>13,525</b>
<b>Non-current assets</b>											
Property, plant & equipment	278,246	287,372	293,278	294,411	295,365	295,648	295,648	295,648	295,648	295,648	295,648
Investment property	403	403	403	403	403	403	403	403	403	403	403
Other	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535
	<b>306,184</b>	<b>315,310</b>	<b>321,216</b>	<b>322,349</b>	<b>323,303</b>	<b>323,586</b>	<b>323,586</b>	<b>323,586</b>	<b>323,586</b>	<b>323,586</b>	<b>323,586</b>
<b>Total Assets</b>	<b>321,212</b>	<b>325,288</b>	<b>331,179</b>	<b>331,957</b>	<b>332,868</b>	<b>333,644</b>	<b>334,333</b>	<b>334,939</b>	<b>335,516</b>	<b>336,193</b>	<b>337,111</b>
<b>Current Liabilities</b>											
Payables	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305
Borrowings	426	277	287	236	246	258	270	283	295	171	177
Provisions	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Trust funds & deposits	792	792	792	792	792	792	792	792	792	792	792
Liabilities	388	8	8	8	8	8	8	8	8	8	8
	<b>4,232</b>	<b>3,703</b>	<b>3,713</b>	<b>3,662</b>	<b>3,672</b>	<b>3,684</b>	<b>3,696</b>	<b>3,709</b>	<b>3,721</b>	<b>3,597</b>	<b>3,603</b>
<b>Non-current liabilities</b>											
Borrowings	2,328	2,913	2,627	2,391	2,145	1,887	1,617	1,334	1,039	868	691
Provisions	289	289	289	289	289	289	289	289	289	289	289
Other Non-current Liabilities	27	27	27	27	27	27	27	27	27	27	27
	<b>2,644</b>	<b>3,229</b>	<b>2,943</b>	<b>2,707</b>	<b>2,461</b>	<b>2,203</b>	<b>1,933</b>	<b>1,650</b>	<b>1,355</b>	<b>1,184</b>	<b>1,007</b>
<b>Total liabilities</b>	<b>6,876</b>	<b>6,932</b>	<b>6,656</b>	<b>6,369</b>	<b>6,133</b>	<b>5,887</b>	<b>5,629</b>	<b>5,359</b>	<b>5,076</b>	<b>4,781</b>	<b>4,610</b>
<b>Net Assets</b>	<b>314,336</b>	<b>318,356</b>	<b>324,523</b>	<b>325,589</b>	<b>326,735</b>	<b>327,757</b>	<b>328,704</b>	<b>329,580</b>	<b>330,440</b>	<b>331,412</b>	<b>332,501</b>
<b>Equity</b>											
Accumulated surplus	118,996	123,016	129,183	130,249	131,395	132,417	133,364	134,240	135,100	136,072	137,161
Reserves	195,340	195,340	195,340	195,340	195,340	195,340	195,340	195,340	195,340	195,340	195,340
<b>Total Equity</b>	<b>314,336</b>	<b>318,356</b>	<b>324,523</b>	<b>325,589</b>	<b>326,735</b>	<b>327,757</b>	<b>328,704</b>	<b>329,580</b>	<b>330,440</b>	<b>331,412</b>	<b>332,501</b>

## FINANCIAL MANAGEMENT STRATEGY

## Appendix - Table Assumptions

The following tables provides a summary of all assumptions used in determining Councils recurrent income and expenditures in the financial modelling.

Assumptions	Strategic Projections									
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Recurrent Income</b>										
Rates & charges	4.50%	4.50%	4.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
User charges	3.50%	4.50%	4.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Waste	5.80%	4.50%	4.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Growth	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Interest	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%	1.54%
<b>Recurrent Expenses</b>										
Employee Costs	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Materials and Services	5.80%	0.00%	0.50%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%
Emp. Costs & Materials and Services		4.00%	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%



## Appendix – Five Year Upgrade / New Capital Projects 22/23 – 26/27

### Legend -

Green cells = grant or alt funded

Green text = grant or alt funding required / sought

Blue cells = loan funded

Yellow cells = \$ estimate required

TBC column = project is grant dependent and/or TBC if and when proceeding

Location	Job Detail - Upgrade/New Capital	21/22	22/23	23/24	24/25	25/26	26/27	TBC
	<b>TRANSPORT ASSETS</b>							
	<b>Roads-</b>							
Kellevie Road - segs 15/16 & Bream Creek Rd seg 1	Lime stabilise (TBC) 100mm base, drainage & 14/7 seal	\$ 491,674.00						
Bream Creek Road - seg	Lime stabilise (TBC), drainage & 14/7 seal	\$ 186,154.00						
Delmore Road - seg 25	Widening, culvert & acquisition - 22/23 carry fwd subject to scope & cost	\$ 71,000.00						
Bay Road, Boomer Bay - seg?	Guard rail	\$ 34,003.00						
White Hill Road - seg 12	Guard rail	\$ 43,676.00						
Marion Bay & Bay Rds	Works associated with SW upgrade		\$ 54,877.00					
Pamella Rd	Works associated with SW upgrade		\$ 136,132.00					



## FINANCIAL MANAGEMENT STRATEGY

CAC access road	emergency vehicle egress and ped access only		\$ 100,000.00					
Nugent Road - seg 27-30 & 32-33	Lime stabilise, 100mm base, drainage & 14/7 seal - seg 27-30 only		\$ 684,666.00					\$ 600,000.00
Three St - Dodges Ferry	Improve width, sub-grade and seal			\$ 194,566.00				
Wiggins Rd - seg 11 & 10	Widen 750m from White Hill Rd junction incl. passing bays & acquisition costs							\$ -
Marion Bay Road - seg 18, 19 & 20	Lime stabilise, 100mm base, drainage & 14/7 seal							\$ 504,470.00
Shark Point Road - seg 18	Seal 170m from end of original seal to # 641, plus Armco rail							\$ 200,000.00
Lewisham Road - seg 2 & 3	Widen shoulder pavement and seal							\$ -
Urban/Rural sealing program	Urban fringe - e.g Gillingbrook, Valleyfield, Alomes, Heatherbell, Orielton, Branders, Tullamore							\$ -
Urban Street Seal sites	remaining from existing USS list - 6.826klm over 45 roads							\$ -
Urban Street Seal sites	additional to USS list - 14.866klm over 84 roads & 10 non-road segments							\$ -
	<b>Footpaths &amp; Kerbs -</b>							
Pennington Dve/Weston Hill Rd	VRU	\$ 78,700.00						
Main Road, Sorell	VRU	\$ 36,760.00						
First Ave & from Carlton Beach Rd	VRU	\$ 224,000.00						
The Circle & Taylor Drive	VRU	\$ 77,000.00						



## FINANCIAL MANAGEMENT STRATEGY

First Ave/Jetty Rd/Carlton Beach Rd to bakery	concrete path @ 1.5m wide x 190m & k&c & other grant elements	\$ 167,200.00						
Arthur Hwy - Pawleena Rd to Bridge	concrete path @ 2.0m wide x 150m			\$ 52,500.00				
Gatehouse Drive - Weston Hill Dve to #38	concrete path @ 1.80m wide x 430m & k&c x 430m				\$ 211,850.00			
Weston Hill Rd - missing link Gatehouse Dve	concrete path @ 2.00m wide x 100m & 2 x ramps				\$ 35,000.00			
Walker Street - seg 6 & 7	concrete path @ 2.0m wide & k&c on western side x 120m - path impact on trees and heritage properties/streetscape from #31 to Somerville St TBC					\$ 63,600.00		
Shark Point Rd - seg 13 b/w #475 & 479	cantilever culvert crossing x 50m							\$ 200,000.00
Lewisham Scenic Drive - #124 to Gary Street	multi-use path link							\$ -
Burnett Street - seg 1 & 2	k&c on southern side 220m plus grated pits or SEPs x 2							\$ 39,600.00
Shark Point Road	New concrete path 1.8m wide x 2.2kms long - no provision for culverts, cantilevers, earthworks							\$ 693,000.00
	<b>Bridges &amp; Marine Structures -</b>							
Marion Bay Rd - BC100048	Install guard rail and widen approaches	\$ 32,000.00						



## FINANCIAL MANAGEMENT STRATEGY

	<b>STORMWATER ASSETS</b>							
Lewis Court, Lewisham	Drill SW connection from LS Drive to coast #229, reshape drain on RHS from #224	\$ 80,000.00						
Shark Point Rd #585	Install pipe from road culvert SC112262 and extend to foreshore	\$ 50,000.00						
Main Rd to Stores Lane	SW infra tied into DSG bypass	\$ 47,000.00						
81-83 Main Rd, Sorell	Capacity upgrade	\$ 45,000.00						
Kannah St - Blue Lagoon	Road drainage and permanent lagoon ocean outfall - 22/23 carry fwd	\$ 140,000.00						
Lateena Street, Dodges Ferry	Outfall upgrade on PWS foreshore at SE115409 - 22/23 carry fwd	\$ 50,000.00						
Riviera/Shamrock	Connection from SC111895 to SC112203 then outfall from end of culdesac into SC POS - 22/23 carry fwd	\$ 20,000.00						
250 Lewisham Scenic Drive	pipe 34m and pit connecting to SP110419	\$ 10,225.00						
Lloyd St, Carlton - segment 1	K&C and pit into SW system at SD106763- culdesac head #31	\$ 40,000.00						
Kestrel Street, Primrose Sands	K&C and 4 x SEP's connecting to table drain	\$ 30,000.00						
5 Valley View Close	Detention basin - for Tarbook to Devenish system		\$ 250,000.00					
Devenish Dve to CAC	SSMP stage 2 - open channel and road culvert		\$ 875,000.00					
Pamella Road, Dodges Ferry	Road sheet flow control - Part 1 - #37/39 to #21 and Part 2 - Warrentena road reserve to #7		\$ 57,500.00					
Bay & Marion Bay Road	Upgrade road culvert capacities with 1050 and 375, wingwalls and re-direct Bay Rd culvert		\$ 43,784.00					
First Ave	Connect atlantic cells (pipe and pit) direct to creek on DoE land		\$ 30,000.00					



## FINANCIAL MANAGEMENT STRATEGY

17 Robinia St & 5 Rowan Ave	verge treatment to control sheet flow from #21/23 Robinia to Rowan and connect to existing pipe		\$ 35,000.00					
189 Lewisham Scenic Drive	Design for outlet extension over foreshore		\$ 10,000.00					
Three Street, Dodges Ferry	Drainage associated with road upgrade job			\$ 49,946.00				
Seventh Ave, Dodges Ferry	SSMP reco - tie in with 20/21 works in Fifth and Eighth Ave			\$ 1,400,000.00				
Jacob Crt	Installation of downstream SW infrastructure TBC to 7th Ave or Signal Hill Rd		\$ 30,000.00	\$ -				
Gatehouse Drive	SW infrastructure for footpath and k&c job				\$ 150,000.00			
Blue Lagoon SW catchment	Further upgrades TBC						\$ -	
SW outfalls - various	SW outfall upgrades with Fed Grant sought						\$ 2,500,000.00	
Providence Drive - seg 3 & 4	Install road verge drainage to protect road pavement						\$ -	
Wattle Rd - seg 3	Upgrade drain into SD106967 to stop ponding						\$ 37,000.00	
Paneminner St	Extend k&c from CB Road along #88 to protect road pavement						\$ 52,000.00	
Pendell Drive, Forcett	Feasibility assessment/scope required from Pendell Dve to 294 Old Forcett Rd						\$ -	
	<b>BUILDING ASSETS</b>							
Pembroke Park	Stadium	\$ 4,000,000.00						
Lewisham Boat Ramp	Single Toilet - 22/23 carry fwd	\$ 80,000.00						
Pembroke Park	Stadium - dividing net - 22/23 carry fwd	\$ 40,000.00						
Pembroke Park	Function Centre above club rooms		\$ 1,250,000.00	\$ 1,250,000.00				
CAC	SE Jobs Hub - SERDA/BEST & training facility		\$ 750,000.00	\$ 750,000.00				



## FINANCIAL MANAGEMENT STRATEGY

Pembroke Park	Stadium - additional seating x 4 bays			\$ 36,000.00	\$ 36,000.00			
Sorell Memorial Hall	New Historical Society storage to NE corner - including change rooms/toilet			\$ 500,000.00				
Primrose Sands	Single Cubicle Toilet at northern end of beach				\$ 150,000.00			
Pembroke Park	Multi-use BMX building/shed for timing, registration, repair space							\$ -
Pembroke Park	Repurpose netball toilet block							\$ -
Pembroke Park	Stadium - window tinting on upper north windows x 34							\$ 30,000.00
Park & Ride Sorell	Additional Shelter and upgraded shelters							\$ 100,000.00
Pembroke Park	Roofed connection between club rooms and changerooms							\$ 75,000.00
Pembroke Park	Tennis facility clubhouse							\$ 720,000.00
Pembroke Park	Soccer grandstand - 360 person capacity							\$ 915,000.00
Pembroke Park	Soccer clubrooms							\$ 2,831,000.00
Pembroke Park	Indoor Equestrian Facility							\$ 500,000.00
Pembroke Park	Central waste collection facility/compound for users							\$ -
Pembroke Park	PCYC insulation & heating							\$ 45,000.00
Miena Park	Men's Shed multi use facility incl. DF Horse Riding Club, Lions, etc							\$ 1,200,000.00
Sorell Memorial Hall	Airconditioning / heating / alarm							\$ 150,000.00
Sorell Memorial Hall	RSL extension and upgrade incl. outdoor eating area							\$ 1,500,000.00
CAC	Community Hub Project - multi-use facility							\$ 3,400,000.00



## FINANCIAL MANAGEMENT STRATEGY

	<b>LAND IMPROVEMENT ASSETS</b>							
	<b>Paths / Tracks -</b>							
Park Beach - Dodges Ferry	Path and beach access upgrades x 2	\$ 40,000.00						
Moomere St - Carlton Beach Rd - Raprinner St	gravel path connecting Carlton River Rd to Park Beach	\$ 24,705.00						
Railway Line reserve	Gravel path @ 2.0m wide		\$ 175,000.00					
Railway Line reserve	Gravel path @ 2.0m wide		\$ 27,000.00					
Primrose Sands - Tamarix Rd	Gravel path @ 1.5m wide x 580m Nerine St to Carlton Bluff Rd		\$ 90,500.00					
Red Ochre Beach	foreshore access steps - requires long term PWS lease with road maintenance		\$ 20,000.00					
Dodges Ferry Reserve	MTB tracks			\$ 140,000.00				
Penna Lagoons	Link track across TW land to existing car park track incl. bridge			\$ 52,370.00				
Midway Point - Toongabbie to Brady foreshore	Gravel path @ 2.0m wide x 605m - past eastern side of scout hall to Brady St				\$ 96,800.00			
Miena Park - Chromy Sub	gravel path @ 1.5m wide x 210m				\$ 18,000.00			
Miena Park - Chromy Sub	gravel path @ 1.5m wide links to existing @ 25m & 15m				\$ 4,800.00			
Miena Park - Chromy Sub	gravel path @ 1.5m wide link to Wolstenholme Dve - plus 6.0m bridge				\$ 18,000.00			
Lewisham Scenic Drive - Quarry Rd to Gregory St	gravel path @ 1.5m wide x 780m				\$ 93,600.00			



## FINANCIAL MANAGEMENT STRATEGY

Arthur Hwy - Nugent Rd to Pawleena Rd	gravel path @ 1.8m wide x 560m					\$ 80,640.00		
Nugent Rd - Arthur Hwy to Lynch Sub	gravel path @ 1.8m wide x 250m					\$ 36,000.00		
Quarry Rd - Edith Close to Lewisham Scenic Dve	gravel path @ 1.5m wide x 875m					\$105,000.00		
Arthur Hwy - Pawleena Rd to #27	gravel path @ 1.2m x 210m						\$ 20,160.00	
Carlton Beach Rd - Raprinner to East St	gravel path @ 1.5m wide x 1800m						\$ 259,200.00	
Southern Beaches - connecting gravel paths	Various POS links to Crown foreshore or between roads - i.e Carlton River Road - Gate Five Rd to #346 CR Rd @ 1.5m & 220m							\$ 26,400.00
Carlton Beach Rd	Snake Canyon to Moomere St - 210m							\$ 25,200.00
Shark Point Road	New gravel path 1.5m wide x 2.2klms long - no provision for culverts, cantilevers, earthworks							\$ 264,000.00
Sorell to Lewisham Drive	Gravel path @ 2.0m wide - staged approx 6.5k							\$ 1,170,000.00
	<b>Parks / Reserves</b>							
Pembroke Park	Extend height of cricket nets rear fence/roofs & 2 x additional pitches	\$ 45,000.00						
Pembroke Park	2 x netball courts	\$ 384,000.00						
Pembroke Park	BMX facility - club to provide start gates/timing/light poles x 6		\$ 938,000.00					\$ 150,000.00
Midway Point	Hoffman St - park upgrade		\$ 100,000.00					
Sorell Memorial Hall	RSL memorial wall		\$ 12,000.00					



## FINANCIAL MANAGEMENT STRATEGY

Pembroke Park	Entrance signs x 2 locations incl. provision for club names		\$ 10,000.00					
Carlton Park SLSC	Seating / tables / viewing platform @ S/W corner of carpark with disabled access			\$ 50,000.00				
Dodges Ferry Boat Ramp/Park	additional table/chairs			\$ 10,000.00				
Pembroke Park	Soccer perimeter fence			\$ 71,250.00				
Pembroke Park	Playground north of Netball Facility - connected to Attunga Dve			\$ 500,000.00				
Primrose Sands Hall	Additional BBQ and shelter and/or extra playground equipment with re-aligned fencing			\$ 35,000.00				
Midway Point	Kessarios Park - upgraded play equipment				\$ 20,000.00			
Primrose Sands	Playground at northern end of beach and/or seating/BBQ facilities				\$ -			
Pembroke Park	Goal nets behind senior oval x 2					\$ 50,000.00		
Pembroke Park	Goal nets behind soccer oval x 1 - southern end					\$ 18,000.00		
Pembroke Park	Seating around Senior Oval							\$ 31,805.00
Vancouver Park	Further stages - TBC							\$ -
Pembroke Park	Additional senior soccer pitch and reconfigure training pitch incl. lighting							\$ 1,250,000.00
Pembroke Park	Tennis facility - 6 x full courts, 2 x hot shot courts							\$ 1,175,000.00
Pembroke Park	Electronic Scoreboard for Senior Oval							\$ 40,000.00
Dodges Ferry Rec Ground	Electronic Scoreboard							\$ 40,000.00
	<b>Carparks</b>							
Pembroke Park	Access road and carpark for Stadium	\$ 900,000.00						





## FINANCIAL MANAGEMENT STRATEGY

Pembroke Park	Carpark sealing for Function Centre			\$ 250,000.00				
CAC	SE Jobs Hub - SERDA/BEST & training facility - single row behind building			\$ 93,600.00				
Payeena St	near Carlton Beach Rd junction - formalise verge parking - seal, line mark, drain				\$ 75,000.00			
Primrose Sands	Carpark upgrade at northern end of beach				\$ -			
Vancouver Park carpark off Singapore St	Needs DA				\$ 120,000.00			
Carlton Beach SLSC	Seal & line mark @ existing size 650sqm - dune impacts TBD if increasing size					\$ 84,500.00		
Neil Davis Carpark	construct, drain, seal stage 2 - 745sqm							\$ 125,000.00
Miena Park	Access road and carpark for Men's Shed							\$ 350,000.00
Old Forcett Rd-seg 23/Carlton Beach Rd opp. Blue Lagoon	Park & Ride facility - south of Centenary Dve junction or between Mongana & Paneminner							\$ -
Midway Point Scout Hall	Modify and upgrade rear area for yacht club parking							\$ -
	<b>Streetscape</b>							
Sorell Streetscape upgrades	Stage 4 - sig intersection and other sites - scope TBD and limited to LRCIP funds		\$ 775,000.00					
CAC	SE Jobs Hub - SERDA/BEST & training facility - forecourt/civic space			\$ 600,000.00				
Dodges Ferry	Townscape upgrades to shopping area				\$ -			



## FINANCIAL MANAGEMENT STRATEGY

Sorell Streetscape upgrades	Stage 5 - Station Lane / Dubs & Co Drive					\$390,000.00		
Sorell Entrance	Town entrance - after causeways done							\$ -
Midway Entrance	Town entrance - after causeways done							\$ -
Southern Beaches	Town entrance treatment upgrades x 3							\$ -
	<b>PLANT</b>							
Tipper Truck	Parks			\$ 65,000.00				
	<b>IT ASSETS</b>							
Mobile DGPS Unit	3-4 year pay off plus operational efficiencies	\$ 11,500.00						
Pembroke Park	Stadium - 'switches' to enable new hardware to connect to system		\$ 6,534.00					
CAC to Emergency Services Hub	Fibre connection for direct CCTV access by Police		\$ 5,000.00					
	sub-total per year	\$ 7,479,597.00	\$ 6,465,993.00	\$6,100,232.00	\$1,029,050.00	\$827,740.00	\$279,360.00	\$ 20,939,475.00
	grant/loan/land sale funded	\$ 4,891,247.00	\$ 4,961,500.00	\$ 4,903,600.00				
	Required Council funding	\$ 2,588,350.00	\$ 1,504,493.00	\$ 1,196,632.00	\$ 1,029,050.00	\$827,740.00	\$ 279,360.00	



5.0 FINANCE

^

5.1 2022-2023 OPERATING AND CAPITAL BUDGETS

**RECOMMENDATION**

“That Council resolve pursuant to Section 82 of the Local Government Act 1993 to accept and adopt the 2022-2023 Operating and Capital budget estimates.”

**SCOTT NICOL**

**ACTING MANAGER FINANCE**

Date: 10 June 2022

Attachments (20)



SORELL COUNCIL			
SUMMARY DEPARTMENTAL PROFIT & LOSS			
BUDGET FOR THE PERIOD ENDED 30 JUNE 2023			
	MYBR BUDGET 2021/2022	BUDGET 2022/2023	MOVEMENT
<b>OPERATING INCOME</b>			
Rates and Charges	15,459,274	16,334,283	875,009
Statutory Fees and Charges	691,400	634,541	(56,859)
User Fees	654,487	676,735	22,249
Grants Operating	1,501,431	666,694	(834,737)
Contributions Received	86,000	102,500	16,500
Interest	154,751	142,370	(12,381)
Other Income	873,756	467,223	(406,532)
Investment Income from TasWater	162,000	362,400	200,400
<b>TOTAL OPERATING INCOME</b>	<b>19,583,098</b>	<b>19,386,747</b>	<b>(196,351)</b>
<b>EXPENSES</b>			
Employee Benefits	6,924,298	7,052,292	127,993
Materials and Services	6,183,724	6,418,061	234,337
Depreciation and Amortisation	5,139,074	5,617,137	478,063
Finance Costs	90,465	61,299	(29,166)
Other Expenses	1,595,527	1,707,868	112,341
<b>TOTAL EXPENSES</b>	<b>19,933,089</b>	<b>20,856,656</b>	<b>923,568</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(349,991)</b>	<b>(1,469,910)</b>	<b>(1,119,919)</b>
<b>CAPITAL INCOME</b>			
Grants Capital	8,516,513	5,489,917	(3,026,596)
Contributions - Non Monetary Assets	1,183,190	-	(1,183,190)
Net Gain / (Loss) on Disposal	(21,655)	-	21,655
Share of Interest in Joint Ventures	-	-	0
<b>TOTAL CAPITAL INCOME</b>	<b>9,678,048</b>	<b>5,489,917</b>	<b>(4,188,131)</b>
<b>NET SURPLUS / (DEFICIT)</b>	<b>9,328,057</b>	<b>4,020,007</b>	<b>(5,308,050)</b>



**SORELL COUNCIL**  
**SUMMARY DEPARTMENTAL PROFIT & LOSS**  
**BUDGET FOR THE PERIOD ENDED 30 JUNE 2023**

Net results	Budget 2022/2023 PNL	Budget 2022/2023 Cash
<b>Department Net result</b>		
GM & Councillors	(742,990)	(733,930)
Finance	12,582,559	12,697,653
Community & HR	(2,860,790)	(2,205,335)
Engineering, Regulatory Services, IT & Depot	(10,448,690)	(5,611,161)
<b>Total Operating Profit / (Loss)</b>	<b>(1,469,910)</b>	<b>4,147,227</b>
<b>Capital Expenditure</b>		
Renewal and Replacement		(6,144,109)
New / Upgrade		(8,599,488)
<b>Total Capital Expenditure</b>		<b>(14,743,597)</b>
<b>Grant Income</b>		
Grants Received for Capital Works	5,489,917	5,109,516
Grants Received for Operational Works		0
<b>Borrowings</b>		
New Borrowings		862,000
Principal Repayment of Loans		(426,273)
<b>Net Cash Surplus / (Deficit) for 2022/2023</b>		<b>(5,051,127)</b>

<b>Cash &amp; Investments Forecast</b>		
Cash at Bank as at 01/07/2022		10,027,000
Add:		
PNL Cash Surplus		4,147,227
Grants Received for Capital Works		5,109,516
New Borrowings		862,000
		10,118,743
Less:		
Capital Expenditure		(14,743,597)
Grants Received for Operational Works		0
Loan Repayments		(426,273)
		(15,169,870)
<b>Cash at Bank Forecast as at 30/06/2022</b>		<b>4,975,873</b>



SORELL COUNCIL				
DEPARTMENTAL PROFIT & LOSS				
BUDGET FOR THE PERIOD ENDED 30 JUNE 2023				
FOR COST CENTRE - All Cost Centres				
		MYBR 2021/2022	Budget 2022/2023	Movement
1000	<b>OPERATING INCOME</b>			
1100	<b>Rates and Charges</b>			
1105	Rates - General/Ordinary/Residential	12,432,496	13,008,824	576,328
1110	Rates General Written Off	(7,500)	(5,000)	2,500
1115	State Grant Rates Remission	811,493	825,550	14,058
1120	Rates Pensioner Concession	(811,493)	(825,550)	(14,058)
1125	Domestic Waste Annual Charge	2,508,842	2,782,133	273,291
1130	Fire Rates Levy Income	595,993	627,576	31,583
1140	Boat Shed Remissions	0	0	0
1150	Other Remissions	(76,375)	(82,250)	(5,875)
1160	AWTS Maintenance Fee Received	5,818	3,000	(2,818)
1199	<b>Rates and Charges Total</b>	<b>15,459,274</b>	<b>16,334,283</b>	<b>875,009</b>
1200	<b>Statutory Fees and Charges</b>			
1210	132 & 337 Certificate Fees	165,000	150,000	(15,000)
1220	Town Planning Fees	508,400	470,925	(37,475)
1225	Animal Infringements & Fines	6,000	4,000	(2,000)
1230	Other Infringements Fines & Penalties	7,000	5,000	(2,000)
1235	Licences & Permits	2,000	2,116	116
1240	Street Stall Permit Fee	3,000	2,500	(500)
1299	<b>Statutory Fees and Charges Total</b>	<b>691,400</b>	<b>634,541</b>	<b>(56,859)</b>
1300	<b>User Fees</b>			
1303	Animal Management Sundry Income -collars,signs etc	0	0	0
1306	Building Assessment Fees	140,000	108,000	(32,000)
1318	Caravan Licences	13,063	13,754	692
1327	Dog Impounding & Release Fees	1,000	1,200	200
1330	Dog Registration & Renewal	100,000	96,255	(3,745)
1331	Kennel Licences	1,500	1,500	0
1333	Driveway Approval and Inspection Fees	1,000	4,000	3,000
1335	Engineering Inspections & 1% Approval Fee	38,500	75,000	36,500
1336	Fire Abatement Charges	15,000	15,000	0
1342	Food Licences	41,000	44,436	3,436
1351	Photocopy Charges	0	0	0
1354	Plumbing Application Fees	140,000	144,900	4,900
1357	Plumbing Inspection	152,000	157,320	5,320
1360	Amended Plan Fees	4,800	5,000	200



SORELL COUNCIL				
DEPARTMENTAL PROFIT & LOSS				
BUDGET FOR THE PERIOD ENDED 30 JUNE 2023				
FOR COST CENTRE - All Cost Centres				
		MYBR 2021/2022	Budget 2022/2023	Movement
1363	Recreational Vehicle Income	6,624	10,370	3,746
1369	Building Administration Fee (0.1%)	0	0	0
1372	TBCITB Training Levy (0.2%)	0	0	0
1399	<b>User Fees Total</b>	<b>654,487</b>	<b>676,735</b>	<b>22,249</b>
1400	<b>Grants Operating</b>			
1405	Commonwealth Financial Assistance Grant	1,267,825	651,694	(616,131)
1410	Comm'th Grants & Subsidies	0	0	0
1415	State Grants & Subsidies	227,606	15,000	(212,606)
1420	Other Grants & Subsidies	0	0	0
1430	Training Incentive Payment	6,000	0	(6,000)
1499	<b>Grants Operating Total</b>	<b>1,501,431</b>	<b>666,694</b>	<b>(834,737)</b>
1500	<b>Contributions Received</b>			
1505	Public Open Space Contributions	52,000	50,000	(2,000)
1506	Car Parking Cash in Leui Contributions	5,000	27,500	22,500
1507	Subdiv Traffic Management Treatment Contributions	25,000	25,000	0
1510	Contributions Received Other	4,000	0	(4,000)
1549	<b>Contributions Received Total</b>	<b>86,000</b>	<b>102,500</b>	<b>16,500</b>
1550	<b>Interest</b>			
1560	Rates Interest Penalty	110,000	110,000	0
1565	Rates Interest Written Off	(1,600)	(500)	1,100
1570	Rates Legal Costs Recovered	1,500	750	(750)
1575	Interest Received Banks & Other	44,711	32,000	(12,711)
1577	Interest - MPIA	140	120	(20)
1599	<b>Interest Total</b>	<b>154,751</b>	<b>142,370</b>	<b>(12,381)</b>
1600	<b>Other Income</b>			
1605	Bad Debts Recovered	0	0	0
1610	Diesel Fuel Rebate	22,841	24,155	1,313
1615	Donations Received	0	0	0
1620	Hall Hire	87,627	87,975	348
1625	Lease/Rent Fees Received	34,685	55,362	20,677
1627	Lease Fees - Copping Tip	104,482	107,085	2,603
1630	Other Facility Hire	51,095	129,370	78,275
1632	SERDA - External Labour Hire Recoveries	428,074	0	(428,074)
1633	External Labour Hire Recoveries	0	0	0
1634	NRM Recoveries	0	0	0
1635	Other Sundry Income	71,255	2,000	(69,255)
1637	Insurance Recoveries	0	0	0
1645	Vehicle FBT Recoveries	56,096	55,827	(269)



SORELL COUNCIL				
DEPARTMENTAL PROFIT & LOSS				
BUDGET FOR THE PERIOD ENDED 30 JUNE 2023				
FOR COST CENTRE - All Cost Centres				
		MYBR 2021/2022	Budget 2022/2023	Movement
1655	Workers Compensation - Reimbursement	1,000	0	(1,000)
1656	Copping Public Cemetery Trust Net Income	8,300	3,300	(5,000)
1659	Information Board Revenue - Dunalley Hall	0	0	0
1660	Grave Site Sales - Dunalley Hall	8,300	2,150	(6,150)
1662	Wheelie Bin Stabiliser Income	0	0	0
1689	<b>Other Income Total</b>	<b>873,756</b>	<b>467,223</b>	<b>(406,532)</b>
1690	<b>Investment Income from TasWater</b>			
1694	TasWater Interim Dividend	162,000	362,400	200,400
1699	<b>Investment Income from TasWater Total</b>	<b>162,000</b>	<b>362,400</b>	<b>200,400</b>
1999	<b>Operating Income Total</b>	<b>19,583,098</b>	<b>19,386,747</b>	<b>(196,351)</b>
2000	<b>Capital Income</b>			
2100	<b>Grants Capital</b>			
2105	Roads to Recovery Funding	387,296	387,296	0
2110	Comm'th Grants new or upgraded assets	4,551,742	2,567,031	(1,984,711)
2115	State Grants for new or upgraded assets	3,520,475	2,080,353	(1,440,122)
2120	Other Grants for new or upgraded assets	57,000	455,237	398,237
2199	<b>Grants Capital Total</b>	<b>8,516,513</b>	<b>5,489,917</b>	<b>(3,026,596)</b>
2200	<b>Contributions - Non-monetary Assets</b>			
2205	Developer Contributions for assets	1,183,190	0	(1,183,190)
2299	<b>Contributions - Non-monetary Assets Total</b>	<b>1,183,190</b>	<b>0</b>	<b>(1,183,190)</b>





SORELL COUNCIL				
DEPARTMENTAL PROFIT & LOSS				
BUDGET FOR THE PERIOD ENDED 30 JUNE 2023				
FOR COST CENTRE - All Cost Centres				
		MYBR 2021/2022	Budget 2022/2023	Movement
2300	<b>Net Gain/(Loss) on Disposal</b>			
2305	(Profit) / Loss on Disposal of Assets	(30,869)	0	30,869
2320	Recognition / De-recognition of Assets	9,213	0	(9,213)
2399	<b>Net Gain/(Loss) on Disposal Total</b>	<b>(21,655)</b>	<b>0</b>	<b>21,655</b>
2400	<b>Share of Interests in Joint Ventures</b>			
2410	Fair value adjustment - Investment in Associate	0	0	0
2420	Revenue from Investment in Associates	0	0	0
2499	<b>Share of Interests in Joint Ventures Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
2899	<b>CAPITAL INCOME TOTAL</b>	<b>9,678,048</b>	<b>5,489,917</b>	<b>(4,188,131)</b>
2999	<b>TOTAL INCOME</b>	<b>29,261,146</b>	<b>24,876,663</b>	<b>(4,384,483)</b>
3000	<b>Expenses</b>			
3100	<b>Employee Benefits</b>			
3102	ADO Expense	60,912	61,646	733
3103	Annual Leave	460,034	496,763	36,730
3109	Conferences	3,000	3,000	0
3111	Drug and Alcohol Testing	3,500	3,750	250
3112	FBT Expenses - Gift Cards / Gifts	1,550	3,000	1,450
3114	FBT Expenses - Entertainment (FBT)	4,867	4,500	(367)
3115	Fringe Benefit Taxes	37,821	33,321	(4,500)
3118	Health and Well Being	3,500	4,000	500
3124	Long Service Leave	202,591	169,234	(33,357)
3127	Medicals	1,760	2,600	840
3130	Occupational Health and Safety	0	0	0
3136	Other Employee Costs	0	0	0
3139	Overheads Recovered	(73,073)	(63,881)	9,192
3145	Payroll Tax	309,341	305,397	(3,944)
3148	Protective Clothing & Accessories	27,500	28,250	750
3151	Recruitment Costs	0	0	0
3154	Salaries	5,016,290	5,074,787	58,497
3156	Salaries transferred to WIP	(222,298)	(198,183)	24,114
3163	Staff Training	56,700	66,500	9,800
3166	Superannuation - Council Contribution	751,697	793,645	41,948
3169	Temp Staff Employed Through Agency	12,800	0	(12,800)
3172	Travel and Accommodation	500	500	0
3175	Uniforms / Clothes Purchased	14,000	14,000	0
3181	Workers Compensation Expense Claims	0	0	0
3184	Workers Compensation Insurance	251,306	249,463	(1,843)
3199	<b>Employee Benefits Total</b>	<b>6,924,298</b>	<b>7,052,292</b>	<b>127,993</b>



<b>SORELL COUNCIL</b>				
<b>DEPARTMENTAL PROFIT &amp; LOSS</b>				
<b>BUDGET FOR THE PERIOD ENDED 30 JUNE 2023</b>				
<b>FOR COST CENTRE - All Cost Centres</b>				
		<b>MYBR 2021/2022</b>	<b>Budget 2022/2023</b>	<b>Movement</b>
3200	<b>Materials and Services</b>			
3201	Abandoned Cars & Dumped Rubbish Disposal Costs	5,000	5,000	0
3202	Advertising	113,385	96,156	(17,230)
3204	AWTS Maintenance Charge	4,363	2,250	(2,113)
3206	Cleaning	188,648	213,496	24,848
3208	Computer Hardware / Hardware Maintenance	29,040	14,350	(14,690)
3212	Computer Software Maint and Licenses	257,594	257,708	114
3214	Consultants Other	299,625	198,996	(100,629)
3216	Contractors	301,466	236,905	(64,561)
3217	Contractors - Common Services	0	0	0
3218	Copping Tip Disposal Costs	2,000	0	(2,000)
3220	Mornington Park transfer station disposal costs	125,000	150,000	25,000
3221	Electronic Notices / Reminders	1,475	2,025	550
3222	Electricity	223,139	209,659	(13,480)
3223	Emergency Management	2,000	2,000	0
3224	Fire Hazard Reduction (Private Land)	9,000	9,000	0
3226	Fuel	184,561	201,728	17,167
3232	Internet, Telephone & Other Communication Charges	44,641	49,645	5,004
3234	Land Survey Costs	15,000	10,000	(5,000)
3236	Legal Fees (Advice etc)	124,500	97,000	(27,500)
3237	Line Marking	29,000	32,000	3,000
3240	Municipal Waste (Reserves)	0	0	0
3241	Operating Capital	58,700	105,500	46,800
3244	Plant & Motor Vehicle Repairs & Services	110,000	113,000	3,000
3246	Plant Hire - External	35,000	37,000	2,000
3248	Plant Hire - Internal Usage	30,445	23,219	(7,226)
3250	Plant Hire Recovered	(91,271)	(83,105)	8,166
3252	Plant Registration Fees	36,484	39,003	2,520
3254	Printing	32,400	35,808	3,408
3256	Recycling Centres	120,000	166,106	46,106
3257	Recycling Hub	2,000	2,000	0
3258	Registrations, Licenses and Permits	2,280	3,592	1,312
3259	CEMETERY Repairs and Maintenance	8,200	10,000	1,800



<b>SORELL COUNCIL</b>				
<b>DEPARTMENTAL PROFIT &amp; LOSS</b>				
<b>BUDGET FOR THE PERIOD ENDED 30 JUNE 2023</b>				
<b>FOR COST CENTRE - All Cost Centres</b>				
		<b>MYBR 2021/2022</b>	<b>Budget 2022/2023</b>	<b>Movement</b>
3260	Repairs and Maintenance	1,754,281	1,750,022	(4,259)
3261	Road Kill Collection Fees	1,500	2,645	1,145
3262	Kerbside Green Waste Collection	218,000	243,340	25,340
3263	Kerbside Green Waste Disposal	55,000	63,480	8,480
3264	Kerbside Hard Waste Collection	156,000	179,860	23,860
3265	Kerbside Hard Waste Disposal	25,500	42,320	16,820
3266	Kerbside Recycling Collection	266,000	298,660	32,660
3267	Kerbside Recycling Disposal	168,000	177,744	9,744
3268	Kerbside Garbage Collection	458,000	577,334	119,334
3269	Kerbside Garbage Disposal	105,857	195,730	89,873
3270	Security	22,336	26,496	4,159
3273	Signage & Guide Posts	144,450	94,600	(49,850)
3276	Settlement Costs ONLY	7,000	5,000	(2,000)
3278	Stationery & Office Consumables	34,974	41,951	6,977
3279	Street Bin Collection Contract	244,000	258,152	14,152
3280	Tools/Equipment Expensed (under \$1,000)	41,040	23,700	(17,340)
3282	Tyres	15,296	15,000	(296)
3284	Valuation Expenses	50,000	50,000	0
3290	Water Charges (Works Order)	112,814	131,987	19,173
3292	Wheelie Bin Stabiliser Expenses	0	0	0
3299	<b>Materials and Services Total</b>	<b>6,183,724</b>	<b>6,418,061</b>	<b>234,337</b>
3390	<b>Impairment of Debts</b>			
3399	<b>Impairment of Debts Total</b>			
3400	<b>Depreciation and Amortisation</b>			
3405	Depreciation Expense	5,097,495	5,487,591	390,095
3410	Amortisation Expense	33,505	121,514	88,010
3415	Amortisation Expense (Right of Use Asset)	8,074	8,032	(42)
3499	<b>Depreciation and Amortisation Total</b>	<b>5,139,074</b>	<b>5,617,137</b>	<b>478,063</b>
3500	<b>Finance Costs</b>			
3505	Interest on Loans	89,708	60,727	(28,981)
3515	Interest on Overdue Accounts	0	0	0
3521	Interest Expense (Lease Liability)	758	572	(185)
3599	<b>Finance Costs Total</b>	<b>90,465</b>	<b>61,299</b>	<b>(29,166)</b>
3600	<b>Other Expenses</b>			
3604	Audit Fees	36,350	33,108	(3,243)
3606	Audit Panel Expenses	7,000	7,000	0
3608	Bad & Doubtful Debts	0	0	0
3612	Bank Fees & Charges	43,968	40,119	(3,848)
3616	Bank Fees Recovered	(1,500)	(3,690)	(2,190)



<b>SORELL COUNCIL</b>				
<b>DEPARTMENTAL PROFIT &amp; LOSS</b>				
<b>BUDGET FOR THE PERIOD ENDED 30 JUNE 2023</b>				
<b>FOR COST CENTRE - All Cost Centres</b>				
		<b>MYBR 2021/2022</b>	<b>Budget 2022/2023</b>	<b>Movement</b>
3620	Cashiers Rounding Adjustments	75	25	(50)
3624	Commissions Paid	23,750	26,295	2,545
3636	Councillor Allowances	145,265	151,690	6,425
3640	Councillor Expenses	9,000	2,000	(7,000)
3644	Councillor Vehicle Allowance	5,600	5,600	0
3656	Deputy Mayors Allowance	15,331	16,010	679
3660	Dog Pound & Other Animal Management Expenses	5,000	5,000	0
3661	Dog Home & Vet Fees	2,000	1,000	(1,000)
3664	Donations and Section 77 Expenses	65,000	65,000	0
3668	Election Expenses	7,500	72,243	64,743
3672	Employee Sub, Licences and Memberships	94,688	92,344	(2,344)
3676	Functions & Programs	73,440	52,650	(20,790)
3680	Excess Payable on Insurance Claims	3,000	3,000	0
3688	Food & Beverages	5,715	4,084	(1,630)
3692	General Insurance	103,520	123,100	19,580
3704	Government Contribution (Voluntary)	572,153	602,473	30,320
3712	Immunisations	3,000	3,500	500
3720	Land Tax	60,100	61,778	1,678
3724	Mayor's Allowance	40,347	42,134	1,786
3731	NRM Expenses	11,375	20,000	8,625
3732	Motor Vehicle Insurance	34,513	36,490	1,976
3736	Other roundings	20	25	5
3740	Other Sundry Expenses	2,926	3,471	545
3744	Photocopier Leases & Operating Costs	10,857	12,140	1,283
3748	Postage	53,966	54,102	136
3752	Public Liability Insurance	140,662	154,728	14,066
3760	Reference Materials	1,000	1,500	500
3768	Sampling, Testing and Monitoring	8,000	6,000	(2,000)
3770	Storage Costs	1,200	1,500	300
3771	SERDA Internal Organisational Support	2	0	(2)
3784	Voluntary Contributions	10,704	11,449	746
3799	<b>Other Expenses Total</b>	<b>1,595,527</b>	<b>1,707,868</b>	<b>112,341</b>
3990	<b>EXPENSES TOTAL</b>	<b>19,933,089</b>	<b>20,856,656</b>	<b>923,568</b>
3995	<b>SURPLUS/(DEFICIT)</b>	<b>9,328,057</b>	<b>4,020,007</b>	<b>(5,308,050)</b>
	<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(349,991)</b>	<b>(1,469,910)</b>	<b>(1,119,919)</b>
	<b>CAPITAL INCOME</b>	<b>9,678,048</b>	<b>5,489,917</b>	<b>(4,188,131)</b>
	<b>NET SURPLUS / (DEFICIT)</b>	<b>9,328,057</b>	<b>4,020,007</b>	<b>(5,308,050)</b>



<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
<b>ROADS</b>						
Sorell, CAC Access Road	Emergency vehicle egress and pedestrian access only	New - Extends from RD103181	2			
Marion Bay, Bay Road	road works associated with SW upgrade	RD103347	23			
Dodges Ferry, Parnella Road	road works associated with SW upgrade	RD104713, RD104710, RD104709, RD104709	7, 6, 5, 4			
Nugent, Nugent Road	Chip Seal + Lime Stabilisation	RD103576, RD103569	60, 71			
Wattle Hill, Nugent Road	Lime stabilise, 100mm base, drainage & 14/7 seal -	RD103977, RD103979, RD103982, RD103983	27-30			
Primrose Sands, Primrose Sands Road	Reconstruction with AC Surface - \$129,552 & \$170,288 from Franklin St	RD104776, RD104778, RD104783	26, 27, 28			
Primrose Sands, Grevillea Street	Reconstruction with Chip Seal Surface	RD104491, RD104492	1, 2			
Orielton, Allambie Road	Reconstruction with Chip Seal Surface	RD103328, RD103329	1, 2			
Primrose Sands, Oak Street	Reconstruction with Chip Seal Surface	RD104702	4			
Marion Bay, Bay Road	Reconstruction with Chip Seal Surface	RD103347	23			
				\$ 1,701,280	\$ 975,675	\$ 2,676,955
<b>RESHEETING</b>						
Primrose Sands, Abelia Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Forcett, Alomes Road	2 segments resheet, 100mm new gravel	see unsealed tab	2,3			
Dunnalley, Annie Street	2 segments resheet, 100mm new gravel	see unsealed tab	2,3			
Dodges Ferry, Church Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Primrose Sands, Elm Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Carlton, Eularminner Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Forcett, Heatherbell Road	4 segments resheet, 100mm new gravel	see unsealed tab	1,4			
Carlton, Josephs Road	7 segments resheet, 100mm new gravel	see unsealed tab	1,7			
Bream Creek, Marchwiell Road	7 segments resheet, 100mm new gravel	see unsealed tab	1,7			
Forcett, Matthews Road	1 Segment resheet, 100mm new gravel	see unsealed tab	3			



<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
Carlton River, McGinness Road	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Nugent, Mill Road	6 Segment resheet, 100mm new gravel	see unsealed tab				
Nugent, Nugent Road	16 segments of Nugent Road, 100mm new gravel	see unsealed tab	32-40, 47, 52, 54, 57, 62, 64, 65, 68			
Orielton, Orielton Road	4 segments resheet, 100mm new gravel	see unsealed tab	2,3,5,6			
Carlton, Parker Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Dodges Ferry, Pengana Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Carlton River, Reardons Road	4 segments resheet, 50mm new gravel	see unsealed tab	5,6,7,8			
Carlton, River Street	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Sorell, Rosendale Road	2 segments resheet, 100mm new gravel	see unsealed tab	2,3			
Wattle Hill, Shrub End Road	2 segments resheet, 100mm new gravel	see unsealed tab	7,8			
Kellevie, Stokes Road	2 segments resheet, 100mm new gravel	see unsealed tab	1,2			
Forcett, Topley Drive	1 Segment resheet, 100mm new gravel	see unsealed tab	1			
Wattle Hill, Wiggins Road	11 Segments resheet, 100mm new gravel	see unsealed tab	1,11			
				\$ 1,324,701	\$ -	\$ 1,324,701
<b>RESEALS</b>						
Dunnalley, Bay Street	Asphalt Reseal + Prep Work	RD104179	2			
Primrose Sands, Carlton Bluff Road	Asphalt Reseal + Prep Work	RD104312	2			
Dodges Ferry, Junction Street	Asphalt Reseal + Prep Work	RD104544	1			
Primrose Sands, Kruvale Court	Asphalt Reseal + Prep Work	RD104561	1			
Sorell, Montagu Street	Asphalt Reseal + Prep Work	RD104653	1			
Boomer Bay, Pelican Place	Asphalt Reseal + Prep Work	RD103634	1			
Sorell, Station Lane	Asphalt Reseal + Prep Work	RD104914, RD104921	1,2			
Dodges Ferry, Tiger Head Road	Asphalt Reseal + Prep Work	RD104978	1			
Dodges Ferry, Jetty Road	Asphalt Reseal + Prep Work	RD104543	1			
Dodges Ferry, First Avenue	Asphalt Reseal + Prep Work	RD104427, RD104433	4,5			

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<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
<b>Location</b>	<b>Detailed Description</b>	<b>Asset ID</b>	<b>Segment No.</b>	<b>Renewal/ Replacement 2022/2023</b>	<b>Upgrade/New 2022/2023</b>	<b>Original Approved Budget 2022/2023</b>
Dodges Ferry, Dodges Hill Road	Reseal with Chip Seal	RD103446, RD103447, RD103452	7, 8, 9			
Dodges Ferry, Elima Court	Chip Seal 7mm	RD104371	1			
				<b>\$ 971,443</b>	<b>\$ -</b>	<b>\$ 971,443</b>
<b>STORMWATER</b>						-
Dodges Ferry, Parnella Road	Road sheet flow control - Part 1 - #37/39 to #21 and Part 2 - Warrentena road reserve to #7					
Bay and Marion Road	Upgrade road culvert capacities with 1050 and 375, wingwalls and re-direct Bay Rd culvert					
Sorell, Devenish Drive to CAC	SSMP stage 2, open channel and road culvert					
Sorell, Valley View Close to Gatehouse Drive	Detention basin for Tarbrook to Devenish system					
Lewisham, 189 Lewisham Scenic Drive	Repair of SW Line	SD107002 & SD106999				
Nugent, Nugent Road	Extension to twin 600 culverts	SC112174	RD103574			
First Ave	Connect atlantic cells (pipe and pit) direct to creek on DoE land					
Primrose Sands, 17 Robinia St & 5 Rowan Ave	verge treatment to control sheet flow from #21/23 Robinia to Rowan and connect to existing pipe					
Municipality - Various - New Numbers will be added as required	Reactive minor jobs that can be capitalised - 50k					
				<b>\$ 115,000</b>	<b>\$ 1,291,284</b>	<b>\$ 1,406,284</b>



<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
<b>FOOTPATHS &amp; KERBS</b>						
Junction Street Asphalt Footpath Renewal	Renewal of footpath from Carlton Beach Rd to Bingham St - 1.5m Asphalt	PW102682				
Lewisham Scenic Drive Footpath Renewal	Renewal of footpath between Hurst and Mary St - 1.5m Asphalt	PW102708 PW102705				
Valley View Close Footpath Renewal	Renewal of footpath - 1.5m Asphalt	PW103041				
Carlton River Road Footpath Renewal	Renewal of footpath - 1.5m Asphalt	PW102463				
Penna Road Footpath Renewal	Renewal of footpath from Reynolds Rd to San Francisco Street - 1.4 - 1.8m Concrete	PW102834, PW102835				
				\$ 260,050	\$ -	\$ 260,050
<b>BRIDGE REPLACEMENTS</b>						
Carlton River, Sugarloaf Road	Install culvert headwalls - cost is for U/S & D/S \$25k if U/S done only	BC114660				
				\$ 35,000	\$ -	\$ 35,000
<b>BUILDINGS</b>						
Sorell, Pembroke Park	Function Centre above club rooms					
CAC	SE Jobs Hub - SERDA & training facility					
				\$ -	\$ 2,000,000	\$ 2,000,000
<b>PLANT AND EQUIPMENT</b>						
CAC & Depot	Light fleet replacement - 6 MVs - 3x Mitsubishi Outlanders, 2x Ford Rangers, 1x Mitsubishi Trison (+ provision for required accessories)					
Parks	Zero turn mower (to replace H87QT)					
Roads	Truck to replace DAF (C16LE) (HF-XX-007)					
Roads	Honda Power generator compressor					
				\$ 466,215	\$ -	\$ 466,215
<b>IT</b>						
CAC - Fibre connection & hardware to Emergency Hub	For the purpose of CCTV footage direct to police					





<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
Pembroke Park Stadium	switches to enable new hardware to connect to system					
CAC - Server renewal Option 2						
CAC - Backups offline						
CAC - Magiq Docs - Renewal/Upgrade						
CAC - PC Renewal for Engineering	x6 plus 2x QHD monitors					
				\$ 139,249	\$ 11,543	\$ 150,792
<b>LAND IMPROVEMENTS (PARKS &amp; RESERVES)</b>						
Dodges Ferry, Red Ochre Beach	Foreshore access steps - requires long term PWS lease with road maintenance					
Primrose Sands, Tamarix Road	Gravel path @ 1.5m wide x 580m Nerine St to Carlton Bluff Rd					
Sorell, Railway Line Reserve to Devenish	Gravel path @ 2.0m wide - CAC concrete SW culvert to Devenish Drive - works tied in with SW upgrade & incl. fence along drain					
Sorell, Railway Line Reserve to Dubs & Co	Gravel path @ 2.0m wide - CAC concrete SW culvert to Dubs & Co access road - works tied in with SW upgrade					
Sorell, Pembroke Park BMX	BMX facility - club to provide start gates/timing/light poles x 6					
Midway Point, Hoffman Street	Hoffman St - park upgrade					
Sorell, Sorell Memorial Hall	RSL memorial wall					
Sorell Tennis Courts	Council contribution to Tennis Club's Community Support & Recreation (CSR) Grant					
St George's Square	Renewal of two Benches and Bike Rack	OF101480, OF101483, OF101482				
Dodges Court Renewal of Park Equipment	Renewal / Replacement of Audiophone and Soundboard	PE101735, PE101736				
Dunalley Canal Visitor Information Shelter	Renewal of Visitor Information Shelter	OS101579				
Lewisham Boat Ramp Playground	Renewal of Softfall and Bench	PL103107, OF101424				
Boat Park Rubbish Bin	Renewal of Rubbish Bin Surrounds	OF101393				



<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
<b>Location</b>	<b>Detailed Description</b>	<b>Asset ID</b>	<b>Segment No.</b>	<b>Renewal/ Replacement 2022/2023</b>	<b>Upgrade/New 2022/2023</b>	<b>Original Approved Budget 2022/2023</b>
Bench Replacement	Renewal of Bench at DF Rec Centre and Fenton St Park	OF101376, OF101431				
				\$ 54,500	\$ 1,362,500	\$ 1,417,000
<b>STREETSCAPE</b>						
Sorell, Streetscape upgrades	Stage 3 - sig intersection and other sites - scope TBD and limited to LRCIP funds					
				\$ -	\$ 775,000	\$ 775,000
<b>PRELIMINARY WORK IN 2022/23</b>						
Dunalley, Franklin Street	Reconstruction with Chip Seal Surface - design for 23/24	RD104449	1			
Lewisham, 189 Lewisham Scenic Dve	Design for outlet extension over foreshore for 23/24	SE115527				
Lewisham, 223 Lewisham Scenic Dve	Investigation and design for sub road flow for 23/24	RD104594				
Dodges Ferry, Jacobs Court	Investigation and design for connection across 14 SH Rd for 23/24	SE118973				
Sorell, Pembroke Park	Scope and design for re-use of old changerooms - potential job for MYBR 22/23 TBC	BD100134				
Dodges Ferry, Seventh Ave	Eng design and estimate for SSMP SW project for 23/24					
				\$ 75,000	\$ 90,000	\$ 165,000



SORELL COUNCIL						
CAPITAL WORKS BUDGET FOR 2022/23						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
CARRYOVERS FROM 2021/2022						
CARRY OVERS - ROADS						
Bream Creek, Bream Creek Road		RD103357, RD103358	20,22			
Nugent Road	Lime stabilise and seal from segment before Nelsons Tier Road to sealed segment 31	RD103977, RD103979, RD103982, RD103983	27,28,29,30			
Pawleena, Pawleena Road	Reconstruct and 2 coat seal 14/7	RD103630, RD103631, RD103633, RD103626	9,10,11,12			
Forcett, Delmore Road - W Beam	W Beam new					
Pawleena, Pawleena Road	W Beam replacement					
Forcett, 532 Wiggins Road	Potential road widening job (Designers, Surveyors)					
Forcett, Delmore Road - Road Widening	Preliminary Costs for road widening and widen box culvert					
				\$ 93,645	\$ 204,205	\$ 297,850
CARRY OVERS - STORMWATER						



<b>SORELL COUNCIL</b>						
<b>CAPITAL WORKS BUDGET FOR 2022/23</b>						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
Dodges Ferry, Blue Lagoon	Stormwater upgrade projects - improved infrastructure and reduce the risk of flooding					
Sorell, 81- 83 Main Road	Replace & upgrade 300dia to 1050dia with bypass works	SD108936				
Primrose Sands, Kestrel Street	K&C, SEP's x 4 & connection to table drain					
Sorell, Main Road & Stores Lane	Council's contribution to DSG bypass stormwater works under Main Road					
Dodges Ferry, Lateena Street	Outfall upgrade on PWS foreshore at SE115409					
Municipality	Preliminary Costs - Stormwater					
				\$ -	\$ 306,411	\$ 306,411
<b>CARRY OVERS - FOOTPATHS &amp; KERBS</b>						
Lewisham, Lewisham Scenic Drive	Asphalt footpath renewal between Gregory and Hurst Street	PW102700, PW102704				
Dodges Ferry, Park Beach Road	Footpath and kerb to beach car park	PW102803				
Sorell, Main Road	VRU - Main Road	PW102700, PW102704				
Sorell Rotary Club Bus Shelters	2 Bus Shelters 2021/22					
Sorell, Brinktop Road	SRRP project					
Dodges Ferry to Carlton Beach	Beach Accesses to Carlton and Park Beaches					
				\$ 295,308	\$ 491,019	\$ 786,327



SORELL COUNCIL						
CAPITAL WORKS BUDGET FOR 2022/23						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
CARRY OVERS - BRIDGES & OTHER STRUCTURES						
Penna, Shark Point Road	Bridge refurbishment					
				\$ 492,718	\$ -	\$ 492,718
CARRY OVERS - BUILDINGS						
Lewisham - boat ramp toilet	Single berth toilet & AWTS (or equivalent)	PP101819				
CAC	Railway Carriage shed restoration/renewal works					
				\$ -	\$ 455,120	\$ 455,120



SORELL COUNCIL						
CAPITAL WORKS BUDGET FOR 2022/23						
Location	Detailed Description	Asset ID	Segment No.	Renewal/ Replacement 2022/2023	Upgrade/New 2022/2023	Original Approved Budget 2022/2023
CARRY OVERS - PLANT & OTHER EQUIPMENT						
CAC & Depot	Light fleet replacement - 2x Isuzu D-Max (+ provision for required accessories)					
				\$ 90,000	\$ -	\$ 90,000
CARRY OVERS - IT						
CAC	Navision Finance System Upgrade to Business Central Cloud					
				\$ 30,000	\$ -	\$ 30,000
CARRY OVERS - PARKS & RESERVES						
Dunalley Golf Club (Tennis Court construction)	Dunalley Tennis Court					
				\$ -	\$ -	\$ -
CARRY OVERS - LAND						
Pawleena, Pawleena Rd, Arthur Highway roundabout	Preliminary acquisition costs					
				\$ -	\$ 50,000	\$ 50,000
CARRY OVERS - LAND IMPROVEMENTS (Parks & Reserves)						
Penna, Penna Beach Foreshore	Walkway and Fencing					
Sorell, Pembroke Park Soccer field dugouts	Dugouts installation in soccer field					
Sorell, BMX Track	Preliminary Costs for BMX Track					
				\$ -	\$ 47,337	\$ 47,337
CARRY OVERS - PEMBROKE PARK STADIUM						

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## 5.2 LONG TERM FINANCIAL PLAN

### RECOMMENDATION

“That Council resolve pursuant to Section 70 of the Local Government Act 1993 to accept and adopt the revised Long Term Financial Plan.”

**SCOTT NICOL**  
**ACTING MANAGER FINANCE**  
Date: 10 June 2022  
Attachment (15 pages)





**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2016 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
Operating Revenues	18,545	16,443	18,024	17,871	18,705	19,133	19,759	21,538	19,387	22,273	23,179	23,807	24,387	25,050	25,740	26,452	27,183	27,934	28,707	29,505	30,327	31,176
less: Operating Expenses	14,548	16,107	17,212	17,322	17,278	17,229	18,185	19,933	20,857	21,763	22,502	23,049	23,751	24,490	25,251	25,980	26,598	27,231	27,875	28,525	29,199	29,892
<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>3,997</b>	<b>336</b>	<b>812</b>	<b>549</b>	<b>1,427</b>	<b>1,904</b>	<b>1,574</b>	<b>1,605</b>	<b>(1,470)</b>	<b>510</b>	<b>678</b>	<b>759</b>	<b>636</b>	<b>559</b>	<b>489</b>	<b>472</b>	<b>585</b>	<b>703</b>	<b>832</b>	<b>980</b>	<b>1,128</b>	<b>1,284</b>
<b>LESS: Net Outlays on Existing Assets</b>																						
Capital Expenditure on Renewal or Replacement of Existing Assets	2,994	2,337	5,503	4,217	4,297	5,180	4,635	4,562	6,144	5,820	5,925	5,935	5,934	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932
less Depreciation, Amortisation & Impairment	(4,185)	(4,702)	(5,014)	(5,160)	(5,116)	(5,153)	(5,229)	(5,139)	(5,617)	(5,820)	(5,925)	(5,935)	(5,934)	(5,932)	(5,932)	(5,932)	(5,932)	(5,932)	(5,932)	(5,932)	(5,932)	(5,932)
less Proceeds from Sale of Replaced Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Outlays on Existing Assets</b>	<b>(1,191)</b>	<b>(2,365)</b>	<b>489</b>	<b>(943)</b>	<b>(819)</b>	<b>27</b>	<b>(594)</b>	<b>(577)</b>	<b>527</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

<b>LESS: Net Outlays on New or Upgraded Assets</b>																						
Capital Expenditure on New/Upgraded Assets	3,969	3,662	2,935	2,270	3,029	1,999	8,014	8,713	8,599	6,406	1,133	954	283	0	0	0	0	0	0	0	0	0
less Amounts Specifically for New/Upgraded Assets	(1,798)	(1,362)	(1,506)	(1,622)	(2,269)	(1,277)	(4,598)	(8,517)	(5,490)	(5,657)	(387)	(387)	(387)	(387)	(387)	(387)	(387)	(387)	(387)	(387)	(387)	(387)
less Proceeds from Sale of Surplus Assets	(17)	(998)	(189)	(426)	(628)	(132)	(412)	0	0	(500)	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Outlays on New or Upgraded Assets</b>	<b>2,154</b>	<b>1,302</b>	<b>1,240</b>	<b>222</b>	<b>132</b>	<b>590</b>	<b>3,004</b>	<b>196</b>	<b>3,109</b>	<b>249</b>	<b>746</b>	<b>567</b>	<b>(104)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>	<b>(387)</b>
<b>EQUALS: Net Lending / (Borrowing) for Financial Year</b>	<b>3,034</b>	<b>1,399</b>	<b>(917)</b>	<b>1,270</b>	<b>2,114</b>	<b>1,287</b>	<b>(836)</b>	<b>1,986</b>	<b>(5,106)</b>	<b>261</b>	<b>(68)</b>	<b>192</b>	<b>740</b>	<b>947</b>	<b>876</b>	<b>860</b>	<b>972</b>	<b>1,090</b>	<b>1,219</b>	<b>1,367</b>	<b>1,516</b>	<b>1,671</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

As at 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>ASSETS</b>																						
<b>Financial Assets</b>																						
Cash and Cash Equivalents (Including Investments)	4,048	4,180	4,161	5,366	7,476	8,860	8,854	7527	2477	2,462	2,107	2,064	2,557	3,246	3,852	4,429	5,106	6,024	7,066	8,376	9,832	11,440
Cash Investments Reserve	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Trade & Other Receivables	848	1,721	567	524	656	881	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Current Other Financial Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non Current Other Financial Assets	25,056	25,555	25,944	26,443	30,759	25,207	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535	27,535
<b>Total Financial Assets</b>	<b>32,452</b>	<b>33,956</b>	<b>33,172</b>	<b>34,833</b>	<b>41,391</b>	<b>37,448</b>	<b>42,839</b>	<b>41,512</b>	<b>36,462</b>	<b>36,447</b>	<b>36,092</b>	<b>36,049</b>	<b>36,542</b>	<b>37,231</b>	<b>37,837</b>	<b>38,414</b>	<b>39,091</b>	<b>40,009</b>	<b>41,051</b>	<b>42,361</b>	<b>43,817</b>	<b>45,425</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

<b>Non Financial Assets</b>																					
Inventories	49	129	112	58	67	49	52	52	52	52	52	52	52	52	52	52	52	52	52	52	52
Investment Property	1,127	297	297	297	356	365	403	403	403	403	403	403	403	403	403	403	403	403	403	403	403
Infrastructure, Property, Plant & Equipment	195,483	213,661	232,104	241,370	243,803	263,431	268,949	278,246	287,372	293,278	294,411	295,365	295,648	295,648	295,648	295,648	295,648	295,648	295,648	295,648	295,648
Other Assets	298	346	441	448	499	747	999	999	999	999	999	999	999	999	999	999	999	999	999	999	999
<b>Total Non Financial Assets</b>	<b>196,957</b>	<b>214,433</b>	<b>232,954</b>	<b>242,173</b>	<b>244,725</b>	<b>264,592</b>	<b>270,403</b>	<b>279,700</b>	<b>288,826</b>	<b>294,732</b>	<b>295,865</b>	<b>296,819</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>	<b>297,102</b>
<b>Total Assets</b>	<b>229,409</b>	<b>248,389</b>	<b>266,126</b>	<b>277,006</b>	<b>286,116</b>	<b>302,040</b>	<b>313,242</b>	<b>321,212</b>	<b>325,288</b>	<b>331,179</b>	<b>331,957</b>	<b>332,868</b>	<b>333,644</b>	<b>334,333</b>	<b>334,939</b>	<b>335,516</b>	<b>336,193</b>	<b>337,111</b>	<b>338,153</b>	<b>339,463</b>	<b>340,919</b>
<b>LIABILITIES</b>																					
<b>Current Liabilities</b>																					
Trade & Other Payables	790	880	811	600	715	645	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305
Borrowings	271	163	175	187	200	273	1,628	426	277	287	236	246	258	270	283	295	171	177	57	60	63
Provisions	954	960	974	1,004	1,092	1,259	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Trust Funds and Deposits	581	465	448	659	829	777	792	792	792	792	792	792	792	792	792	792	792	792	792	792	792
Contract Liabilities	0	0	0	0	0	838	3,291	380	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Liabilities	0	0	0	0	0	2	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
	<b>2,596</b>	<b>2,468</b>	<b>2,408</b>	<b>2,450</b>	<b>2,836</b>	<b>3,794</b>	<b>8,345</b>	<b>4,232</b>	<b>3,703</b>	<b>3,713</b>	<b>3,662</b>	<b>3,672</b>	<b>3,684</b>	<b>3,696</b>	<b>3,709</b>	<b>3,721</b>	<b>3,597</b>	<b>3,603</b>	<b>3,483</b>	<b>3,486</b>	<b>3,489</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

As at 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Non-current Liabilities</b>																						
Trade & Other Payables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Borrowings	2,605	2,442	2,267	2,080	1,880	1,907	1,529	2,329	2,914	2,627	2,391	2,145	1,887	1,617	1,334	1,039	868	691	634	574	511	511
Provisions	97	122	186	251	316	356	289	289	289	289	289	289	289	289	289	289	289	289	289	289	289	289
Other Non-current Liabilities	0	0	0	0	0	0	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27
	2,702	2,564	2,453	2,331	2,196	2,263	1,845	2,645	3,230	2,943	2,707	2,461	2,203	1,933	1,650	1,355	1,184	1,007	950	890	827	827
<b>Total Liabilities</b>	5,298	5,032	4,861	4,781	5,032	6,057	10,190	6,877	6,933	6,656	6,369	6,133	5,887	5,629	5,359	5,076	4,781	4,610	4,433	4,376	4,316	4,253
<b>Net Assets</b>	224,111	243,357	261,265	272,225	281,084	295,983	303,052	314,335	318,355	324,523	325,589	326,735	327,757	328,704	329,580	330,440	331,412	332,501	333,720	335,087	336,603	338,274
<b>EQUITY</b>																						
Accumulated Surplus	73,090	85,588	89,997	89,645	94,919	100,826	107,713	118,996	123,016	129,183	130,249	131,395	132,417	133,364	134,240	135,100	136,072	137,161	138,380	139,747	141,263	142,934
Asset Revaluation Reserves	149,971	156,719	170,218	181,530	185,115	194,107	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290	194,290
Other Reserves	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Adjustment to Cash & Borrowings for effects of inflation																						
<b>Total Equity</b>	224,111	243,357	261,265	272,225	281,084	295,983	303,052	314,336	318,356	324,523	325,589	326,735	327,757	328,704	329,580	330,440	331,412	332,501	333,720	335,087	336,603	338,274



Sorell Council Long-term Financial Plan  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Operating Revenue</b>																						
Rates	8913	9,290	9,665	10,563	11,025	11,504	11,803	12,349	12,924	13,573	14,255	14,684	15,127	15,582	16,052	16,535	17,033	17,547	18,075	18,620	19,181	19,758
Charges	2,193	2,283	2,414	2,536	2,683	2,859	2,941	3,110	3,410	3,563	3,724	3,817	3,912	4,010	4,110	4,213	4,318	4,426	4,537	4,651	4,767	4,886
Statutory Fees	339	335	350	430	511	603	768	691	635	664	693	711	729	747	765	785	804	824	845	866	888	910
User Fees	509	406	416	577	656	578	748	655	677	707	738	758	777	796	816	836	857	879	901	923	946	970
Childcare Fees	311	308	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants - FAG	3456	1,019	3,172	2,070	2,165	2,445	2,178	3,223	652	2,638	2,691	2,745	2,799	2,855	2,913	2,971	3,030	3,091	3,153	3,216	3,280	3,346
Grants - Non FAG	1161	617	247	81	49	29	218	233	15	16	16	17	17	18	18	19	19	19	20	20	21	21
Investment (Interest) Income	276	261	247	235	318	234	185	155	142	154	77	76	71	70	78	88	98	107	117	131	147	167
Tas Water Investment Income	486	495	498	487	302	162	162	162	363	363	363	363	302	302	302	302	302	302	302	302	302	302
Other	901	1,429	904	892	996	719	756	960	569	595	621	637	653	669	686	703	721	739	757	776	795	815
<b>Total Operating Revenue</b>	<b>18,545</b>	<b>16,443</b>	<b>18,024</b>	<b>17,871</b>	<b>18,705</b>	<b>19,133</b>	<b>19,759</b>	<b>21,538</b>	<b>19,387</b>	<b>22,273</b>	<b>23,179</b>	<b>23,807</b>	<b>24,387</b>	<b>25,050</b>	<b>25,740</b>	<b>26,452</b>	<b>27,183</b>	<b>27,934</b>	<b>28,707</b>	<b>29,505</b>	<b>30,327</b>	<b>31,176</b>



Sorell Council Long-term Financial Plan  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Operating Expenses</b>																						
Employee Benefits	5010	5,478	5,427	5,516	5,796	6,070	6,275	6,924	7,052	7,334	7,591	7,818	8,053	8,295	8,543	8,800	9,064	9,336	9,616	9,904	10,201	10,507
Materials and Services - Other	2512	2,435	3,080	3,481	3,099	3,029	3,404	4,422	4,659	4,845	5,015	5,165	5,320	5,480	5,644	5,814	5,988	6,168	6,353	6,543	6,740	6,942
Materials and Services - Repairs and Maintenance	1383	1,950	2,232	1,720	1,687	1,477	1,751	1,762	1,760	1,887	2,029	2,140	2,404	2,694	2,990	3,240	3,365	3,490	3,602	3,710	3,821	3,936
Asset Impairment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation and Amortisation	4185	4,702	5,014	5,160	5,116	5,153	5,229	5,139	5,617	5,820	5,925	5,935	5,934	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932
Finance Charges	203	173	157	145	133	120	108	91	61	101	103	96	88	80	72	63	53	44	43	36	33	30
Other	1255	1,369	1,302	1,300	1,447	1,380	1,418	1,595	1,708	1,776	1,838	1,894	1,950	2,009	2,069	2,131	2,195	2,261	2,329	2,399	2,471	2,545
<b>Total Operating Expenses</b>	<b>14,548</b>	<b>16,107</b>	<b>17,212</b>	<b>17,322</b>	<b>17,278</b>	<b>17,229</b>	<b>18,185</b>	<b>19,933</b>	<b>20,857</b>	<b>21,763</b>	<b>22,502</b>	<b>23,049</b>	<b>23,751</b>	<b>24,490</b>	<b>25,251</b>	<b>25,980</b>	<b>26,598</b>	<b>27,231</b>	<b>27,875</b>	<b>28,525</b>	<b>29,199</b>	<b>29,892</b>
<b>Operating Surplus / (Deficit)</b>	<b>3,997</b>	<b>336</b>	<b>812</b>	<b>549</b>	<b>1,427</b>	<b>1,904</b>	<b>1,574</b>	<b>1,605</b>	<b>(1,470)</b>	<b>510</b>	<b>678</b>	<b>759</b>	<b>636</b>	<b>559</b>	<b>489</b>	<b>472</b>	<b>585</b>	<b>703</b>	<b>832</b>	<b>980</b>	<b>1,128</b>	<b>1,284</b>





**Sorell Council Long-term Financial Plan**  
**Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
<b>Year Ending 30 June:</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>	<b>Year 13</b>	<b>Year 14</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>MYBR</b>	<b>Budget</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'001</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Physical Resources Free of Charge (Contributions - Non Monetary Assets)	0	2,099	997	2	1,804	5,298	1,212	1,183	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amounts specifically for new or upgraded assets	1,798	1,362	1,506	1,622	2,269	1,277	4,598	8,517	5,490	5,657	387	387	387	387	387	387	387	387	387	387	387	387
Gain / (Loss) on Disposal	(3)	(768)	52	(3,376)	(942)	(2,336)	(1,224)	(22)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recognition/ Derecognition of Property and Infrastructure Assets	0	9,451	0	0	(74)	0	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Joint Venture Profit Share	34	81	229	178	731	1,001	608	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fair value adjustments for investment property	0	0	0	0	59	9	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Surplus / (Deficit)</b>	<b>5,826</b>	<b>12,561</b>	<b>3,596</b>	<b>(1,025)</b>	<b>5,274</b>	<b>7,153</b>	<b>6,886</b>	<b>11,283</b>	<b>4,020</b>	<b>6,167</b>	<b>1,065</b>	<b>1,146</b>	<b>1,023</b>	<b>947</b>	<b>876</b>	<b>860</b>	<b>972</b>	<b>1,090</b>	<b>1,219</b>	<b>1,367</b>	<b>1,516</b>	<b>1,671</b>
Asset disposal & fair value adjustments	2,242	0	13,339	7,572	3,585	9,634	183	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Comprehensive Income	187	417	161	321	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Comprehensive Income</b>	<b>8,255</b>	<b>12,978</b>	<b>17,095</b>	<b>6,868</b>	<b>8,859</b>	<b>16,787</b>	<b>7,069</b>	<b>11,283</b>	<b>4,020</b>	<b>6,167</b>	<b>1,065</b>	<b>1,146</b>	<b>1,023</b>	<b>947</b>	<b>876</b>	<b>860</b>	<b>972</b>	<b>1,090</b>	<b>1,219</b>	<b>1,367</b>	<b>1,516</b>	<b>1,671</b>





**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Year Ending 30 June:	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
Capital expenditure projected as required in the AMP on Renewal or Replacement of Existing Assets:																						
Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land under Roads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land Improvements	488	120	0	138	18	139	319	336	368	368	368	368	368	368	368	368	368	368	368	368	368	368
Buildings	766	264	78	0	38	86	611	532	596	720	795	861	867	867	867	867	867	867	867	867	867	867
Leasehold Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Equipment	249	427	163	400	310	779	444	421	467	473	668	677	677	677	677	677	677	677	677	677	677	677
Fixtures, fittings and furniture	0	0	0	0	0	0	111	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Computers and Telecommunications	144	66	35	0	107	239	68	51	47	54	58	58	58	58	58	58	58	58	58	58	58	58
Roads	675	1,266	2,655	3,458	2,328	2,460	2,433	2,458	2,826	2,849	2,861	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863
Bridges	356	24	2,146	0	1,158	17	239	247	250	251	251	251	251	251	251	251	251	251	251	251	251	251
Footpaths & Cycleways & Kerb and Channel	296	170	365	221	338	376	241	244	0	18	43	44	50	51	51	51	51	51	51	51	51	51
Storm Water	0	0	61	0	0	182	607	624	743	755	776	795	797	797	797	797	797	797	797	797	797	797
Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bulk Earthworks	0	0	0	0	0	661	45	42	129	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Transport Infrastructure	0	0	0	0	107	109	111	112	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	2,994	2,337	5,503	4,217	4,404	5,048	5,229	5,091	5,429	5,488	5,820	5,918	5,931	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932	5,932



Sorell Council Long-term Financial Plan  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'000	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Capital Expenditure on New/Upgraded Assets:</b>																						
Land	223	6	0	0	0	8	0		50													
Land under Roads	0	0	0	0	0	0	0															
Land Improvements	2,259	1,225	394	352	251	423	287	732	47	1,532	276	784	283									
Buildings	114	186	303	29	92	529	4,056	4,884	2,994	2,663	205											
Leasehold Improvements	0	0	0	0	0	0	0	0														
Plant & Equipment	0	22	564	183	287	67	20	40	1,362	68												
LED Lights	0	0	0	0	0	169	0															
Fixtures, fittings and furniture	2	0	0	0	0	0	0															
Computers and Telecommunications	62	89	27	0	0	0	9	20	12													
Roads	1,003	1,441	740	1,535	1,555	168	1,557	1,758	1,180	205	0	0	0	0	0	0	0	0	0	0	0	0
Bridges	0	5	456	52	0	0	831	70														
Footpaths/Cydeways & Kerb and Channel	250	232	363	42	324	280	0	889	1,266	55	272	73										
Storm Water	0	456	88	78	520	128	1,254	320	1,689	1,522	165											
Waste	0	0	0	0	0	0	0															
Formation Earthworks	56	0	0	0	0	69	0															
Other Intangible Assets & ROU Assets	0	0	0	0	0	17	0															
Other Transport Infrastructure	0	0	0	0	0	141	0			361	215	97										
<b>Total:</b>	<b>3,969</b>	<b>3,662</b>	<b>2,935</b>	<b>2,270</b>	<b>3,029</b>	<b>1,999</b>	<b>8,014</b>	<b>8,713</b>	<b>8,599</b>	<b>6,406</b>	<b>1,133</b>	<b>954</b>	<b>283</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total available to be spent						2,996	6,169	9,782	2,914	5,596	739	865	738	654	576	548	643	873	990	1,245	1,383	1,527





Sorell Council Long-term Financial Plan  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	MYBR	Budget	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
<b>Amounts Received Specifically for New/Upgraded Assets:</b>																						
Commonwealth Grant	310	50	170	0	48	17	2,540	4,552	2,567	2,872												
State Grants	1,202	486	575	1,051	1,979	874	1,644	3,521	2,081	2,398												
Other Grants	0	0	61	0	0	0	27	57	455													
Roads to Recovery	286	816	700	571	242	386	387	387	387	387	387	387	387	387	387	387	387	387	387	387	387	387
<b>Total:</b>	<b>1,798</b>	<b>1,362</b>	<b>1,506</b>	<b>1,622</b>	<b>2,269</b>	<b>1,277</b>	<b>4,598</b>	<b>8,517</b>	<b>5,490</b>	<b>5,657</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>	<b>387</b>
<b>Proceeds from Sale of Assets:</b>																						
Land	0	0	0	267	478	0	252			500												
Plant & Equipment	17	218	189	142	150	132	160															
Buildings	0	780	0	0	0	0	0															
Other Surplus Asset	0	0	0	17	0	0	0															
<b>Total:</b>	<b>17</b>	<b>998</b>	<b>189</b>	<b>426</b>	<b>628</b>	<b>132</b>	<b>412</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Capital Expenditure on Renewal or Replacement of Existing Assets:</b>																						
Land	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land under Roads	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land Improvements	488	120	0	138	18	139	141	6	54	368	368	368	368	368	368	368	368	368	368	368	368	368
Buildings	786	264	78	0	38	86	87		20	795	861	867	867	867	867	867	867	867	867	867	867	867
Leasehold Improvements	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Equipment	249	427	163	400	310	779	561	554	556	668	677	677	677	677	677	677	677	677	677	677	677	677
Fixtures, fittings and furniture	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0	0	0	0
Computers and Telecommunications (including intangibles)	144	66	35	0	107	239	74	131	169	58	58	58	58	58	58	58	58	58	58	58	58	58
Roads	675	1,266	2,655	3,458	2,328	2,460	3,293	3,549	4,147	2,861	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863
Bridges	356	24	2,146	0	1,158	17	359	99	528	251	251	251	251	251	251	251	251	251	251	251	251	251
Footpaths/Cycleways & Kerb and Channel	296	170	365	221	338	376	0	199	555	43	44	50	51	51	51	51	51	51	51	51	51	51
Storm Water	0	0	61	0	0	182	120	24	115	776	795	797	797	797	797	797	797	797	797	797	797	797
Waste	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0	0	0	0
Formation Earthworks	0	0	0	0	0	661	0			0	0	0	0	0	0	0	0	0	0	0	0	0
Other Transport Infrastructure	0	0	0	0	0	241	0			0	7	4	2	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,994</b>	<b>2,337</b>	<b>5,503</b>	<b>4,217</b>	<b>4,297</b>	<b>5,180</b>	<b>4,635</b>	<b>4,562</b>	<b>6,144</b>	<b>5,820</b>	<b>5,925</b>	<b>5,935</b>	<b>5,934</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>



**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 Actual \$'000	Year 0 MYBR Budget \$'000	Year 1 Budget \$'000	Year 2 Plan \$'000	Year 3 Plan \$'000	Year 4 Plan \$'000	Year 5 Plan \$'000	Year 6 Plan \$'000	Year 7 Plan \$'001	Year 8 Plan \$'000	Year 9 Plan \$'000	Year 10 Plan \$'000	Year 11 Plan \$'000	Year 12 Plan \$'000	Year 13 Plan \$'000	Year 14 Plan \$'000
<b>Depreciation, Amortisation &amp; Impairment - Existing and Replaced Assets</b>																						
Land Improvements	168	229	296	391	303	303	319	336	368	368	368	368	368	368	368	368	368	368	368	368	368	368
Buildings	242	560	564	592	594	604	611	532	598	720	795	861	867	867	867	867	867	867	867	867	867	867
Leasehold Improvements	24	25	25	7	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Equipment	332	343	350	409	464	448	444	421	467	473	668	677	677	677	677	677	677	677	677	677	677	677
Fixtures, fittings and furniture	152	151	155	154	143	137	111	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Computers and Telecommunications	139	123	126	123	87	71	68	51	47	54	58	58	58	58	58	58	58	58	58	58	58	58
Roads	2,385	2,536	2,595	2,476	2,427	2,450	2,433	2,458	2,826	2,849	2,861	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863
Bridges	146	165	166	182	183	183	239	247	250	251	251	251	251	251	251	251	251	251	251	251	251	251
Footpaths & Cycleways	124	122	128	143	142	154	170	172	0	18	43	44	50	51	51	51	51	51	51	51	51	51
Kerb and Channel	133	75	78	59	61	67	71	72	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Storm Water	256	321	479	522	519	589	607	624	743	755	776	795	797	797	797	797	797	797	797	797	797	797
Waste	52	52	52	52	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intangible Assets & ROU Assets	32	0	0	50	28	38	45	42	129	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Transport Infrastructure	0	0	0	0	107	109	111	112	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,185</b>	<b>4,702</b>	<b>5,014</b>	<b>5,160</b>	<b>5,116</b>	<b>5,153</b>	<b>5,229</b>	<b>5,091</b>	<b>5,429</b>	<b>5,488</b>	<b>5,820</b>	<b>5,918</b>	<b>5,931</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>





**Sorell Council Long-term Financial Plan**  
Summary of Financial Performance and Position for the Years Ending 30 June 2015 to the 30 June 2036

Year Ending 30 June:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	MYBR	Budget	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'001	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Depreciation, Amortisation &amp; Impairment - New Assets</b>																						
Land Improvements									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings								48	122	75	67	5	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Equipment									6	195	10	0	0	0	0	0	0	0	0	0	0	0
LED Lights									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fixtures, fittings and furniture									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Computers and Telecommunications									7	4	0	0	0	0	0	0	0	0	0	0	0	0
Roads									23	12	2	0	0	0	0	0	0	0	0	0	0	0
Bridges									1	0	0	0	0	0	0	0	0	0	0	0	0	0
Footpaths & Cycleways & Kerb and Channel									18	25	1	5	1	0	0	0	0	0	0	0	0	0
Kerb and Channel									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Storm Water									12	21	19	2	0	0	0	0	0	0	0	0	0	0
Waste									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Intangible Assets & ROU Assets									0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Transport Infrastructure									0	0	7	4	2	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>188</b>	<b>332</b>	<b>106</b>	<b>17</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



### 5.3 2022-2023 RATES AND CHARGES POLICY

#### RECOMMENDATION

“That Council resolve in accordance with Section 86B of the Local Government Act 1993 to adopt the amended Rates and Charges Policy inclusive of the Charitable Remissions Procedure.”

SCOTT NICOL

ACTING MANAGER FINANCE

Date: 22 June 2022

Attachments (11)







## RATES AND CHARGES POLICY

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TITLE:	Rates and Charges Policy
RESPONSIBLE OFFICER:	Manager Finance
APPROVED BY COUNCIL:	10 July 2012
RESOLUTION NO	67/2012
AMENDED ON	June 2022
RESOLUTION NUMBER:	XX/2022
REVIEW DATE	June 2023

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### 1. INTRODUCTION

1.1 Rates and charges are an important revenue source for local government, comprising approximately 75% of Council's operating income. In setting its rates and charges Council has the challenge of balancing the need to fund existing services, the continual demand for increased services, the need to maintain and renew essential infrastructure and the desire to keep increases to rates and charges to a minimum.

1.2 The other 25% of Councils income is sourced from the following:

- Statutory and user charges – charges raised from the provision of goods and services, such as: animal management; environmental and health control; engineering development; building and plumbing applications and inspections; town planning and development fees; and the usage of parks and reserves, sporting facilities and community halls.
- Grants and subsidies – funds provided by other levels of government (from their taxation revenues), that are either general purpose grants or grants provided specifically for the provision of upgraded and new assets.
- Investment income – the investment of temporarily surplus funds generates revenue.
- Other Income – primarily made up of reimbursements and donations.



## 2. POLICY STATEMENT

- 2.1 This policy is designed to explain to ratepayers within the Sorell municipality how Council underpins its annual rates and charges.
- 2.2 This policy is to communicate to ratepayers that rates are a method of taxation and as such the total amount of rates paid may not directly relate to the services used by each ratepayer.
- 2.3 Property values (set by the Office of the Valuer-General) are critical in determining how much each individual ratepayer contributes to the cost of delivering Council services and activities.
- 2.4 All land within the Council area, except for land designated under the Act as exempt, is rateable. Council also raises revenue through fees and charges, which are established based on the cost of the service provided.

## 3. OBJECTIVE

- 3.1 The purpose of this policy is to communicate to all ratepayers and other stakeholders Council's long term strategic focus in determining rates to ensure ongoing sustainability and efficiency in the provision of services to the Sorell municipality.

## 4. LEGISLATION AND REFERENCES

- 4.1 This policy is intended to complement and be implemented in conjunction with:
  - Part 9 of the *Local Government Act 1993* (Tas);
  - *Valuation of Land Act 2001* (Tas);
  - *Fire Service Act 1979* (Tas);
  - Sorell Council Strategic Plan 2019-2029;
  - Sorell Council Long Term Financial Plan 2016-2036;
  - Sorell Council Asset Management Plans 2014-2033;
  - Sorell Council Rates Resolution 2022-2023;
  - Sorell Council Charitable Remissions and Rebates Procedure; and
  - Sorell Council Financial Hardship Assistance Policy.

## 5. DEFINITIONS

- 5.1 Part 9, Section 86 of the Act comprises the definitions of key terms applicable to the rating processes of local government.



## 6. COUNCIL SERVICES

6.1 Council delivers a wide range of services to the community. The table below lists examples to improve ratepayers and other stakeholders understanding of the services provided by Council:

<b>Infrastructure</b> <ul style="list-style-type: none"> <li>➤ Street lighting</li> <li>➤ Maintenance of roads, footpaths, walkways and bridges</li> <li>➤ Stormwater &amp; water infrastructure</li> <li>➤ Buildings</li> <li>➤ Land improvements</li> </ul>	<b>Animal Management</b> <ul style="list-style-type: none"> <li>➤ Dog registration</li> <li>➤ Dog control</li> <li>➤ Dealing with complaints including roaming, barking or dangerous dogs</li> <li>➤ Kennel licenses</li> <li>➤ Management of dog exercise areas</li> </ul>
<b>Environmental</b> <ul style="list-style-type: none"> <li>➤ Fire hazard management/control</li> <li>➤ Environmental protection</li> <li>➤ Tree and weed management</li> <li>➤ Household waste and recycling collection</li> <li>➤ Roads and footpaths, street cleaning, kerb and gutter crossovers and driveway care</li> <li>➤ Operation of Sorell recycling station</li> </ul>	<b>Health</b> <ul style="list-style-type: none"> <li>➤ Public Health announcements</li> <li>➤ Water quality</li> <li>➤ Air quality</li> <li>➤ Noise control/complaints</li> <li>➤ School based immunisation program</li> <li>➤ Food Safety training</li> <li>➤ Food business inspections</li> <li>➤ Food business registration</li> <li>➤ Temporary permits</li> </ul>
<b>Development</b> <ul style="list-style-type: none"> <li>➤ Traffic control</li> <li>➤ Town planning and development control</li> <li>➤ Process building and plumbing applications</li> </ul>	<b>Community</b> <ul style="list-style-type: none"> <li>➤ Australia Day awards</li> <li>➤ Community grants program</li> <li>➤ Community facilities and hire</li> <li>➤ Maintenance of sports and recreational facilities and sportsgrounds</li> <li>➤ Maintenance of parks reserves and playgrounds</li> <li>➤ Management of two cemeteries (Copping and Dunalley)</li> </ul>

6.2 Council has a number of internal functions, which support the provision of these services, including customer service and administration, finance, information technology, human resources, communications, risk management and governance.

## 7. RATES IN SORELL

- 7.1 Council has chosen to raise part of its general rate as a fixed rate applicable to all ratepayers. As per Section 91 of the Act, Council has set a fixed general rate representing around 37% of the total 2022-2023 general rate revenue.
- 7.2 The remaining 63% of Council's general rate revenue is derived from having a variable rate, calculated on a rate in the dollar applied to the Assessed Annual Value (AAV) of the rateable property.
- 7.3 AAV is the estimated gross annual rental value of the property. The AAV takes into account the economic circumstances of each property, including the location of the property and the predominant use of the property. On this basis Council has approved AAV as the valuation approach to calculate its variable rate.
- 7.4 Council has chosen to vary its variable rate in accordance with Section 107 of the Act, according to the subcategory of use or predominant use of the land, set out as uses of land in the most recent Land Use Codes provided by the Valuer-General.
- 7.5 Annual service charges apply for the collection and disposal of garbage and recycling on a per waste bin basis in accordance with the rate charge specified in Council's rates resolution.
- 7.6 The minimum waste management rates apply to all properties with a residential dwelling, business or industry regardless of whether the building is occupied or not. The rate may be remitted for businesses or industries that already have their own commercial waste and recycling service.
- 7.7 The minimum waste management service provided is an 80L garbage (weekly) and 140L recycling (fortnightly) kerbside collection service, with access to a pre-booked green waste (monthly) and hard waste (quarterly). Other waste management services also include recycling centres and collection of waste from public bins situated in streets, parks and reserves. The waste management service rate is not charged to vacant land or land only containing farm buildings, unless the property owner requests these services.
- 7.8 A property owner may make an application for a larger size garbage or recycling bin and the rates will be adjusted accordingly, as per the rates charge specified in Council's Rates Resolution. If an application is received from a tenant the application must be signed by the property owner, unless the tenant is the ratepayer.
- 7.9 A property owner may make an application for a garbage or recycling bin stabiliser. The annual charge for the stabiliser will be in accordance with the charge specified in Council's Rates Resolution. If an application is received from a tenant the application must be signed by the property owner, unless the tenant is the ratepayer.
- 7.10 Annual service charges also apply for wastewater treatment systems if an individual contract has



not been signed with an authorised maintenance contractor.

- 7.11 Council collects fire rate levies on behalf of the State Fire Commission, based on a cents in the dollar applied to the AAV of the rateable property, with a minimum fire levy charge. The fire levies will be in accordance with the charge specified in Council's Rates Resolution.
- 7.12 Council has no role in the assessment of objections to valuations. The lodgement of an objection does not alter the due date for the payment of rates. Rates must be paid in accordance with the rates notice until otherwise notified by Council.

## 8. REBATES AND REMISSIONS

- 8.1 Under section 87 of the Act, Council is required to grant a rebate of the General Rate to specific properties that are owned for specific purposes outlined in the Act.
- 8.2 Applications for the rebate of rates under section 87 of the Act must be made in writing and include appropriate documentation to support the application.

## 9. PENSION REMISSIONS

9.1 The State Government's pensioner rates remission provides a remission for Council rates. Eligibility of a pensioner remission is determined by the State Government Department of Treasury and Finance. Eligible pensioners will receive the following remissions, noting that limits apply:

- State Government – 30% (maximum limits apply).
- State Fire Commission – 20% (of the fire levy service rate).

To be eligible to receive a remission as at 1 July each year:

1. You must be the liable to pay the rates on the property for which you are claiming a remission and the property must be your principal place of residence.
2. You must hold one of the following valid cards:

- Pensioner Concession Card (PCC)
- Health Care Card (HCC) – Seniors Cards do not qualify
- Department of Veteran Affairs 'Gold Card' endorsed with TPI or War Widow

The date the card was granted on must be on or before 1st July of the current financial year. The card must be presented to Council's Customer Service Officers when submitting an application form.

In the case of joint property ownership, at least one of the owners must meet the above eligibility criteria. There is a limit of one remission per year per pensioner household.

Applications for pensioner rate remissions cannot be received prior to 1 July of the current financial year. All applications must be received by 31 March to receive the remission for the current financial year.

Retrospective applications can be submitted, however, conditions apply.

9.2 Ratepayers seeking a rate concession are not to withhold payment of rates pending assessment of an application by the State Government. Rates must be paid in accordance with the rates notice.

9.3 A refund will be paid to an eligible person if Council is advised a concession applies and rates instalments have already been paid in full.

## 10.0 CHARITABLE REMISSIONS

Section 87(1)(d) of the Act specifies that land or part of land owned and occupied exclusively for charitable purposes is exempt from general and separate rates, averaged area rates, rates collected on behalf of statutory authorities (Section 88 of the Act) and construction rates and charges (Section 97 of the Act).

Council requires a written request for consideration of a remission of the general rate under Sections 87(1)(d), 88 and 97 of the Act. The written request needs to be completed on a per annum basis and submitted to the Rates Division.

## 11 PAYMENT OF RATES

11.1 There are three methods for paying Council rates:

- Council rates are paid in full on or before the 60<sup>th</sup> day following the date of issue of the relevant rates notice.
- Council rates are paid by four (4) approximately equal instalments. The first rates instalment is to be made on or before the 30<sup>th</sup> day following the date of issue of the relevant rates notice. The balance is to be paid respectively in three instalments by 12<sup>th</sup> October 2022, 11<sup>th</sup> January 2023 and 8<sup>th</sup> March 2023.
- Council rates are paid by approximately equal regular instalments through a direct debit facility with an approved financial institution. This direct debit payment method is only available if Council and a ratepayer enter into a suitable agreement.

11.2 Any ratepayer who may, or is likely to, experience difficulty with meeting the standard quarterly payment should contact the Rates Division of Council's Finance Department to discuss alternative payment arrangements. Enquiries are treated confidentially by Council. If an alternative payment arrangement is agreed with Council, section 10 of this Policy (Late Payment of Rates) will apply to payments under that payment arrangement.

11.3 Any ratepayer who is experiencing genuine and serious financial hardship can apply for an



appropriate level of rates relief in accordance with the Council's Financial Hardship Assistance Policy.

## 12 LATE PAYMENT OF RATES

- 12.1 Council has determined that interest and penalties for late payments will be imposed in accordance with section 128(1)(c) of the Act.
- 12.2 In the event that any rates or charges payable to Council are not paid by the due date, a penalty of 8.50% of the unpaid rate or instalment will be charged.
- 12.3 In the event that any rates or charges payable to Council are not paid by the due date, interest of 3.00% per annum calculated on a daily basis, will be charged on the unpaid rate or instalment for the period during which it is unpaid.

12.4 Pursuant to section 129 of the Act, a ratepayer may apply to the Council for remission of all or part of any rates paid or payable or any penalty imposed or interest charged under section 128 of the Act. If a ratepayer incurs penalty and/or interest for the late payment of a rates instalment, they may apply in writing to the General Manager for a remission of the penalty and interest. A remission will only be approved if the ratepayer has not been late in paying an instalment in the previous 3 years and no previous penalties or interest amounts have been remitted for the three years prior to the application, or the ratepayer qualifies for a remission under Council's Finance Hardship Assistance Policy.

## 13 RECOVERY OF RATES

- 13.1 The Rates Division of Council's Finance Department will institute debt management practices to rate debtors. This includes an ongoing review of rates in arrears and following a systematic debt recovery approach.
- 13.2 Rates, which remain in arrears past the paid in full due date or the instalment due date, will be subject to recovery action.
- 13.3 Council can seek to recover a rate debt in accordance with section 133(3) of the Act.
- 13.4 Prior to taking legal action, Council will take all reasonable steps to establish a payment arrangement or negotiate settlement of the outstanding debt.
- 13.5 If Council take legal action against a ratepayer, the ratepayer may be liable for the legal costs associated with the action.

## 14. OBJECTIONS TO RATES NOTICE

- 14.1 Council will consider any objections to a rates notice in accordance with Section 123 of the Act.



## 15. SALE OF LAND FOR NON-PAYMENT OF RATES

- 15.1 Division 11 of Part 9 of the Act provides that a Council may sell any property where the rates have been in arrears for a period of three years or more. Council is required to;
- (a) Notify the owner of the land of its intention to sell the land;
  - (b) Provide the owner with details of the outstanding amounts; and
  - (c) Advise the owner of its intention to sell the land if payment of the outstanding amount is not received within 90 days. Except in extraordinary circumstances, Council will enforce the sale of land for arrears of rates.

**Robert Higgins**  
GENERAL MANAGER







## CHARITABLE REMISSIONS PROCEDURE

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<b>TITLE:</b>	<b>Charitable Remissions Procedure</b>
<b>RESPONSIBLE OFFICER:</b>	<b>Manager Finance</b>
<b>APPROVED BY COUNCIL:</b>	<b>18 June 2019</b>
<b>RESOLUTION NO</b>	<b>88/2019</b>
<b>AMENDED ON</b>	<b>June 2021</b>
<b>RESOLUTION NUMBER:</b>	<b>78/2021</b>
<b>REVIEW DATE</b>	<b>June 2023</b>

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### 1. OBJECTIVE

This procedure has been implemented to provide Council staff clarity and consistency in applying Section 87(1)(d) of the *Local Government Act 1993* ("the Act"). Council needs to ensure the appropriate governance is established around these exemptions to transparently and consistently manage our rate revenue.

### 2. POLICY CONTEXT

Section 87(1)(d) of the Act specifies that land or part of land owned and occupied exclusively for charitable purposes is exempt from general and separate rates, averaged area rates, rates collected on behalf of statutory authorities (Section 88 of the Act) and construction rates and charges (Section 97 of the Act).



### 3. PROCEDURE

3.1 Council requires a written request for consideration of a remission of the general rate under Sections 87(1)(d), 88 and 97 of the Act.

3.2 The written request needs to be completed on a per annum basis.

3.3 The written request is assessed individually for eligibility against Section 4 of this procedure and Section 87(1)(d) of the Act, including the following:

- The organisation must meet the charitable purposes definition at Section 5 of this procedure.
- The land must be owned and occupied by a charitable organisation to be eligible for the remission. The ownership of the land will be verified by Council staff through the Tasmanian Government's Land Information System Tasmania (The LIST).
- Vacant land, unless adjacent to an occupied building and an integrated part of the charitable organisation's adjacent structure, is not considered an occupied property.
- The property must be owned and occupied exclusively for charitable purposes. If the property is used for a non-charitable purposes (e.g. commercial enterprise, such as a bar or kiosk), the non-charitable purpose must only be incidental, and not a dual purpose of owning and occupying the land.

3.4 The written request must be supported by all of the following documents and information. The application will not be assessed until the following are provided:

- A statutory declaration.
- A copy of the Australian Taxation Office charity tax concession status.

3.5 If the remission is granted, it is applicable from the 1<sup>st</sup> July in the relevant financial year.

3.6 If the remission is granted, the applicant will be notified in writing, including advice that the application is only valid for the relevant financial year.

#### 4. ELIGIBILITY

Council considers the following remissions under this procedure:

##### 4.1 Remission of rates – religious purposes

The rates on land containing a church or other building used exclusively for the advancement of religion (and any grounds), or land solely used for religious purposes.

##### 4.2 Remission of rates – public cemeteries

The rates on land being used for the purposes of a public cemetery.

##### 4.3 Remission of rates – community services organisation

The rates on land used exclusively for service delivery and administration by a community service not-for-profit organisation with charitable purposes.

##### 4.4 Remission of rates – aged care facilities

Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the *Aged Care Act 1997* (Commonwealth) or a day therapy centre and is operated by a not-for-profit organisation.

#### 5. DEFINITION

Council considers the definition “exclusively for charitable purposes” as an entity that meets all of the following criteria:

- Incorporated on a not-for-profit basis and exists for the benefit of the public.
- Its purposes are charitable within the legal sense of the term and its sole or principle purpose is charitable.
- Does not restrict its services to only persons who are members of the body.

Charitable institutions include certain public benevolent, religious and other charitable institutions. An entity that is exempt from payment of income tax under the *Income Tax Assessment Act 1997* (Commonwealth), will be regarded by Council as a not-for-profit organisation with charitable purposes.

## 5.4 2022-2023 RATES AND CHARGES RESOLUTION

### RECOMMENDATION

“That in accordance with the provisions of the Local Government Act 1993 and the Fire Services Act 1979, Council adopt the following 2022-2023 Rates and Charges Resolution for rateable land within the Council’s municipal area for the period 1st July 2022 to 30th June 2023.”

**SCOTT NICOL**  
**MANAGER FINANCE**

Date: 22 June 2022

Attachments (5)



## SORELL COUNCIL

## RESOLUTION

## 2022-2023 RATES AND CHARGES

*Local Government Act 1993 (Tas) – Part 9*

In accordance with the provisions of the *Local Government Act 1993* (Tas), the Sorell Council (the ‘Council’) hereby makes the following rates and charges upon rateable land within the municipality of Sorell (‘the municipal area’) for the period commencing 1 July 2022 and ending 30 June 2023:

**1. DEFINITIONS AND INTERPRETATION**

- (1) ‘the Act’ means the *Local Government Act 1993* (Tas);
- (2) ‘land’ means land as defined in Section 86 of the Act; and
- (3) ‘rateable land’ is the land referred to in Section 87(1) of the Act.

**2. GENERAL RATE & VARIATIONS**

- 2.1. Pursuant to Sections 90 and 91 of the Act, Council hereby makes the following two-part general rate for all rateable land within the municipal area for the financial year commencing on 1 July 2022 and ending on 30 June 2023:

- (a) a rate of 3.7788546 cents in the dollar of Assessed Annual Value (AAV); and
- (b) a fixed charge in the amount of \$507.68.

(here referred to as the ‘General Rate’)

- 2.2. Pursuant to Section 107(1)(a) of the Act and Regulation 33(c) of the *Local Government (General) Regulations 2015* (Tas), Council hereby varies the General Rate (as previously made) according to the subcategories of use or predominant use of the land set out as uses of land in the most recent Land Use Codes provided by the Valuer-General in accordance with the following table:

Land Use Code Use Subcategories	General Rate Variation
<ul style="list-style-type: none"> <li>C14 (Shopping Centre)</li> </ul>	the rate of 3.7788546 is increased to 11.4407400 cents in the dollar of AAV

<ul style="list-style-type: none"> <li>• C34 (Car Park)</li> <li>• C8 (Marine Services)</li> <li>• C40 (Hotel/Motel)</li> <li>• C41 (Tavern)</li> <li>• P822 (Medical Centre - Authority)</li> <li>• C51 (Private Hotel/Boarding House)</li> <li>• C52 (Holiday Apart / Resident. Club)</li> <li>• C54 (Tourist Complex)</li> <li>• C (Commercial)</li> <li>• C0 (Business and Residence)</li> <li>• C180 (Service Station –self serve)</li> <li>• C181 (Service Station – not self-serve)</li> <li>• C21 (Bank)</li> <li>• C22 (Professional Room)</li> <li>• C3 (Commercial Services)</li> <li>• C33 (Restaurant)</li> <li>• P11 (Telecom. Services Incls Post)</li> <li>• C1 (Retail/Business)</li> <li>• C9 (Service Industry)</li> <li>• C10 (Shop)</li> <li>• C11 (Department Store)</li> <li>• C12 (Mixed Shops/Offices)</li> <li>• C13 (Showroom/Store)</li> <li>• C15 (Supermarket)</li> <li>• C16 (Nursery/Roadside outlet – Retail)</li> <li>• C17 (Yard- Motor)</li> <li>• C2 (Office Space)</li> <li>• C20 (Office)</li> <li>• C31 (Studio/Atelier)</li> <li>• S21 (Indoor Sport – Private)</li> <li>• I0 (Warehouse)</li> </ul>	<p>the rate of <b>3.7788546</b> is increased to <b>8.5836138</b> cents in the dollar of AAV</p>
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Land Use Code Use Subcategories	General Rate Variation
<ul style="list-style-type: none"> <li>• I10 (Manufacturing Workshop)</li> <li>• I11 (Manufacturing Factory)</li> <li>• I111 (Manuf. Factory – Not Food Processing)</li> <li>• I1 (Manufacturing)</li> <li>• I112 (Manufacturing others)</li> <li>• I13 (Sawmill)</li> <li>• I17 (Storage Compounds) (Ltd Bldgs)</li> <li>• Q1 (Mine)</li> <li>• Q11 (Mine-Private)</li> <li>• Q2 (Quarry – Sand, Gravel etc.)</li> </ul>	
<ul style="list-style-type: none"> <li>• C6 (Day Care Centres/Child Minding)</li> <li>• P20 (School – Primary, Secondary)</li> <li>• P201 (School – Primary, Secondary - Private)</li> <li>• P202 (School – Primary, Secondary - Public)</li> <li>• P21 (Colleges – Tertiary)</li> </ul>	<p>the rate of <b>3.7788546</b> is increased to <b>10.4316000</b> cents in the dollar of AAV</p>

### 3. SEPARATE SERVICE CHARGES - WASTE MANAGEMENT SERVICES

Pursuant to Section 94 of the Act, the Council hereby makes the following separate service charges for waste management services supplied by Council for the period commencing on 1 July 2022 and ending on 30 June 2023:

Description of Service Charge	Charge (\$)
General Waste Collection 80L	151.30
General Waste Collection 120L	200.97
General Waste Collection 140L	200.97
General Waste Collection 240L	291.48
Recycling Service 140L	151.30
Recycling Service 240L	219.40
Bin Stabiliser (all size bins)	33.35

### 4. FIRE SERVICE CONTRIBUTION

Pursuant to sections 93 and 93A of the Act, the Council hereby makes the following service rates for the purpose of collecting the fire service contribution from all rateable land in the municipality sufficient to pay the contribution that Council is required to make pursuant to the notice received by Council from the State Fire Commission given in accordance with Section 81B of the *Fire Service Act 1979* (Tas) for the period commencing on 1 July 2022 and ending on 30 June 2023:

- (a) for all lands within the **volunteer brigade rating district**, a rate of **0.276462** cents in the dollar of AAV, **subject to** a minimum amount payable of **\$44.00**; and
- (b) for all **general land in the municipal area**, a rate of **0.307989** cents in the dollar of AAV, **subject to** a minimum amount payable of **\$44.00**.



## 5. PAYMENT OF RATES AND CHARGES

5.1. Subject to clauses 5.2 and 5.3, pursuant to Section 120(5)(b) and Section 124 of the Act, the rates and charges set out in parts 2, 3 and 4 of this resolution shall be paid by four (4) instalments in accordance with the following payment schedule:

- (a) First instalment due on or before the 30th day following the date of issue of the relevant rates notice made in accordance with Section 122 of the Act;
- (b) Second instalment due on or before 12 October 2022;
- (c) Third instalment due on or before 11 January 2023; and
- (d) Fourth and final instalment due on or before 8 March 2023.

5.2. Pursuant to Section 120(5)(a) of the Act, the rates and charges set out in parts 2, 3 and 4 of this resolution can be paid in full on or before the 60th day following the date of issue of the relevant rates notice made in accordance with Section 122 of the Act.

5.3. Pursuant to Section 124 of the Act, upon request being made by a ratepayer the Council may enter into an agreement with that ratepayer whereby the Council may permit that ratepayer to pay the rates and charges set out in parts 2, 3 and 4 of this resolution by regular instalments at intervals other than those set out in the payment schedule in clause 5.1(a) through a direct debit facility with the ratepayer's financial institution.

## 6. Late Payments

6.1. Pursuant to Section 128(1)(c) of the Act, if any rate, instalment or charge is not paid on or before the date that it falls due for payment then:

- (a) There is payable a penalty of 8.50% of the unpaid amounts of the rate, instalment or charge; and
- (b) Interest of 3.00% per annum calculated on a daily basis will be charged on the unpaid amounts of the rate, instalment or charge for the period during which it is unpaid.

## 5.5 FINANCIAL HARDSHIP ASSISTANCE POLICY

### RECOMMENDATION

“That Council resolve to continue to offer and implement the revised Financial Hardship Assistance Policy, inclusive of the Application for Financial Hardship Assistance form and carry out an annual review by June 2023.”

**SCOTT NICOL**  
**MANAGER FINANCE**

Date: 22 June 2022

Attachments (16)



AGENDA  
SPECIAL COUNCIL MEETING  
28 JUNE 2022



## FINANCIAL HARDSHIP ASSISTANCE POLICY

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<b>TITLE:</b>	Financial Hardship Assistance Policy
<b>RESPONSIBLE OFFICER:</b>	General Manager
<b>APPROVED BY COUNCIL:</b>	21 April 2020
<b>RESOLUTION NO:</b>	45/2020, 56/2020
<b>AMENDED ON</b>	June 2022
<b>RESOLUTION NUMBER:</b>	XX/2022
<b>REVIEW DATE</b>	June 2023



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## 1 Introduction

### 1.1 Purpose

The purpose of the Financial Hardship Policy (“Hardship Policy”) is to enable Council to provide assistance to community members who are suffering financial hardship by providing an appropriate level of relief from Local Government rates.

### 1.2 Scope

#### 1.2.1 Application and Intent

The Hardship Policy applies to:

- Ratepayers experiencing genuine and serious financial hardship and needing assistance to meet both their basic needs and their rate payment obligations to Council.
- Commercial/business ratepayers within the Commercial Land Use Category who are experiencing hardship due to the loss of operating revenue or reduced disposable income.

The Hardship Policy is not intended to be used to maintain financial positions for those who do not need it and are not genuinely impacted by serious financial hardship.

The Hardship Policy applies only to Council rates and charges levied in accordance with Part 9 – Rates and Charges of the *Local Government Act 1993*. The Hardship Policy does not apply to rates or fees collected on behalf of other authorities in accordance with section 88 of the *Local Government Act 1993*, such as fire service contributions collected pursuant to section 79B of the *Fire Service Act 1973*.

#### 1.2.2 Background

The Hardship Policy was developed and implemented during the 2020 COVID-19 coronavirus pandemic that spread across the world. To respond to the disease, governments around the world shut down social activities and interaction to prevent transmission, which necessarily caused significant impacts on many economic activities and transactions. As a result, many people have lost jobs, their clients or their business, destroying incomes and spending. Council is determined to assist those most critically impacted by the economic slowdown caused by the pandemic with a robust and fair hardship policy.

Despite this, serious financial hardship can occur at any time, so the Hardship Policy is designed to address a range of circumstances.

### 1.3 Principles

The Hardship Policy will be applied in accordance with the following principles:

- (1) Consistent, equitable and respectful treatment of all residents and ratepayers that is sensitive to their specific circumstances.
- (2) Maintaining Council’s ability to provide essential services to our community through appropriately applied rating.



- (3) Assisting ratepayers who are suffering serious financial hardship, so that they may overcome these circumstances and return to financial stability and contributing equitably to local services.
- (4) Ensuring that those able to contribute to local services, continue to do so.
- (5) Minimising the opportunity for misuse, exploitation or fraud by ensuring decisions made to provide special relief or assistance are supported by sufficient evidence.
- (6) Maintaining confidentiality and privacy of applicants and ratepayers, their applications and any information provided.

An additional principle applies to Commercial/Business ratepayers:

- (7) Proportionality – namely, that any agreed arrangements will take into account both individual and community wide circumstances (such as the COVID-19 pandemic) on commercial ratepayers, with specific regard to their revenue, expenses, and profitability.

## 2 Related Policies and Legislation

The Hardship Policy relates to and depends on other Council policies, as well as Tasmanian Government legislation, including:

- *Local Government Act 1993*, Part 9 – Rates and Charges<sup>1</sup>, particularly:
  - Section 86A – General principles in relation to making or varying rates
  - Sections 125-127 – Postponement of payment
  - Section 128 – Late payments
  - Section 129 – Remission of rates
- *COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020*<sup>2</sup>
- *COVID-19 Disease Emergency (Commercial Leases Code) Act 2020*
- Rates and Charges Policy (pursuant to section 86B of the *Local Government Act 1993*).

### 2.1 Policy Review and Update Cycle

The Hardship Policy is to be reviewed annually in June of each year.

## 3 Policy

### 3.1 Genuine Financial Hardship

According to the Australian Taxation Office (ATO)<sup>3</sup>, individuals are considered to be in serious hardship when they are unable to provide the following for themselves, their family or other dependants:

- (1) Food;
- (2) Accommodation;

<sup>1</sup> See: <https://www.legislation.tas.gov.au/view/html/inforce/current/act-1993-095#HP9@HD9@EN>

<sup>2</sup> See: <https://www.legislation.tas.gov.au/view/whole/html/inforce/current/act-2020-011>

<sup>3</sup> See: <https://www.ato.gov.au/General/Financial-difficulties-and-serious-hardship/Individuals-with-serious-hardship/>

- (3) Clothing;
- (4) Medical treatment;
- (5) Education;
- (6) Other basic necessities.

A number of factors can contribute to or trigger serious financial hardship, including:

- (1) Loss of employment of the property owner, family member or household primary income earner;
- (2) Serious illness, including physical incapacity, hospitalization, or mental illness of the property owner or family member;
- (3) A natural disaster;
- (4) A public health emergency or declared state of emergency;
- (5) Family tragedy;
- (6) Family breakdown;
- (7) Financial misfortune;
- (8) Other serious or complicating circumstances.

Community wide issues and circumstances, such as the COVID-19 pandemic, may impact financial hardship, but hardship is always assessed at an individual level, and requires reviewing personal circumstances.

Serious financial hardship involves both low income/cash flow and a low asset base. Personal property portfolios beyond a primary residence or a business's primary operating space can be employed to improve an applicant's cash flow and financial sustainability.

### 3.2 Evidence of Financial Hardship

Applicants will need to provide evidence of their circumstances of financial hardship to justify Council's special consideration of their case. The type of evidence required will depend on your circumstances and may include one or more of the following:

- Evidence of you qualifying for Job Seekers support;
- Assessment by an independent accredited financial counsellor demonstrating an inability to both pay rates and to rearrange asset portfolios to facilitate payment;
- A statutory declaration from an appropriate and independent professional, familiar with the applicant's circumstances (e.g. a family doctor for health-related evidence, a bank official, insurance policy manager, etc.);
- Pending disconnection of essential services, like water, electricity, gas (does not include mobile phone or internet bills);
- Notice of impending legal action;
- Letter from charitable organisation regarding loss of employment or inability to provide for basic necessities;
- Bank notice for example, overdraft call or mortgaged property repossession;
- Employer notice of redundancy or termination of employment;
- Overdue medical bills;



- Letter from doctor verifying the inability to earn an income due to illness or caring for a sick family member;
- Final notice from school regarding payment of mandatory fees;
- Funeral expenses;
- Repossession notice of essential items, like a car or motorcycle;
- Other documentation demonstrating that your experiencing financial hardship; and
- Information on current weekly income and expense details (for rates remission relief only).

In addition to the evidence listed above, for Commercial/Business ratepayers, evidence may also include, for example, one or more of the following:

- Evidence of your business qualifying for the JobKeeper support package;
- Details of closure - including Government enforced closure as a requirement of COVID-19;
- Tenant correspondence requesting relief (if applicable);
- Accountant or bank statements and notices;
- Statutory Declaration from an independent professional, familiar with your circumstances;
- Evidence of the quantum of revenue lost (due to COVID-19), compared to the same period in the previous year; and
- Other documentation demonstrating that your business is experiencing financial hardship.

All arrangements to support businesses will be proportionate to the evidence of hardship provided.

**Businesses eligible for the JobKeeper Program will automatically be treated as experiencing genuine financial hardship.**

### 3.3 How Council Can Help

The *Local Government Act 1993* provides Council with three methods of rate relief:

- (1) Postponing rate payments (sections 125-127);
- (2) Remission of late payment penalties or interest (section 128); and
- (3) Remission of rates (section 129).

#### 3.3.1 Postponing Rate Payments – Deferral Arrangements

In confirmed cases of financial hardship, Council may choose deferral of individual rates payments within a defined period, in whole or in part, to be paid back at a later date, subject to any conditions Council determines. The deferral arrangement applies to specified payments and other rate payments are not affected and continue to accrue as normal.

The terms of rate deferral arrangements will be proportionate to the applicant's demonstrated financial hardship circumstances, so supplying sufficient evidence of these circumstances is important for developing the appropriate terms.



Rate payment deferrals approved under this section are typically deferred by 3 months. However, rate deferral arrangements can only defer individual payments up to a maximum of two (2) years and only in the most serious circumstances.

All deferred payments must be repaid as specified in accordance with the deferral arrangement, otherwise regular late payment penalties and/or interest will apply.

Ratepayers who are subject to a deferral arrangement who overcome their financial hardship circumstances are encouraged to begin repaying their deferred rates payments as early as they are able.

Note that Council may revoke any postponement of rates payments at any time, in accordance with section 127 of the *Local Government Act 1993*, by giving 60 days notice in writing to the ratepayer.

### 3.3.2 Remitting Late Payment Penalties and Interest

For typical circumstances that are not of financial hardship, rates must be paid by the due date and Councils may charge a penalty or daily interest or both for each late payment. However, for confirmed cases of financial hardship, Council may waive either the applicable late payment penalties, or the interest accumulated, or both, for a specified period that relates to the period of financial hardship.

### 3.3.3 Remitting Rates

Remission of any rates, late payment penalties or interest, in part or in full, is reserved only for the most serious and exceptional of financial hardship cases. Even in these cases, deferral of rate payments must be applied for and granted first, before an application for rates remission can be considered.

After the applicant has entered into a deferral arrangement with Council, the applicant may apply for remission of rates. The application must demonstrate:

- (1) Financial hardship;
- (2) Exceptional and serious circumstances;
- (3) How the applicant's exceptional financial hardship circumstances make the maximum term deferral arrangement under section 3.3.1 unfeasible and unreasonable to fulfil; and
- (4) How enforcing fulfilment of the maximum term deferral arrangement would only deepen the seriousness of applicant's financial hardship and critically impact their ability to provide for the basic living necessities (food, accommodation, clothing, medical treatment) of the applicant and dependents.

In the interests of community fairness and equity, wherever possible and appropriate in determining rates remission applications:

- (1) Deferral arrangements are preferable to rates remission;



- (2) Amounts or proportions of rates to be remitted are to be minimised, for example, below \$1000 or 50%; the remainder subject to payment arrangements;
- (3) Instances of rates remission are to be minimised to no more than one rates remission per applicant.

## 4 Applications

### 4.1 Applying for Financial Hardship Assistance

To seek financial hardship assistance from Council, an application must be made in writing, addressed to the General Manager, and submitted as follows:

- Emailed to [sorell.council@sorell.tas.gov.au](mailto:sorell.council@sorell.tas.gov.au) ; or
- Mailed to: PO Box 126, Sorell, 7172.

Applications must:

- Demonstrate and provide evidence for financial hardship and circumstances (see section 3.2 – Evidence of Financial Hardship);
- Describe the type of assistance sought, being:
  - Postponing rate payments (a deferral arrangement);
  - Postponing or waiving late payment penalties or interest;
  - Remitting rates, late payment penalties or interest, in part or in full;
- Address the requirements of the relevant subsections of section 3.3 – How Council can Help.

### 4.2 Assessing Applications

Applications for deferral arrangements must be decided by:

- (1) For amounts less than \$2,500 – the Manager Finance and Information; or
- (2) For amounts of \$2,500 or greater – the General Manager.

Applications for remission of any rates or late payment penalties or interest charges must be decided by Council and require absolute majority to be approved in accordance with the *Local Government Act 1993*. However, Council has current delegations for specific remission decisions subject to them complying with any adopted Policy. The Hardship Policy provides the framework for the exercise of this limited delegation.





PO Box 12 Telephone 03 6269 0000  
 47 Cole Street Fax 03 6269 0014  
 SORELL TAS 7172 sorell.council@sorell.tas.gov.au  
 ABN 12 690 767 695 www.sorell.tas.gov.au

## Application for Financial Hardship Assistance

If you are a Sorell Council ratepayer you may be eligible for hardship assistance in the payment of overdue rates and charges<sup>1</sup> where you are experiencing genuine and serious financial hardship.

Ratepayers and tenants are encouraged to apply for assistance as soon as possible<sup>2</sup>.

For further information, see Sorell Council Financial Hardship Assistance Policy.

### Applicant Information

This application is to apply the following concession(s) on the basis of financial hardship

(Please select at least one):

- ☐ Postponing rate payments (extension of time)
- ☐ Waiver of late payment penalties or interest for the period of financial hardship
- ☐ Rates remission.

Remission of any rates is reserved only for the most serious and exceptional of financial hardship cases. Even in these cases, deferral of rate payments must be applied for and granted first, before an application for rates remission can be considered.

If you are applying for assistance for more than one property you must complete an application for each property, as the nature, type and ownership of each may differ.

1. This application applies only to Council rates and charges levied in accordance with Part 9 – Rates and Charges of the *Local Government Act 1993*.
2. Applications for assistance on residential investment properties will not be considered.



The following questions are designed to provide the Council with as much information as possible to assist in the application assessment process.

**Name of the Property Owner(s):**

**Name of Applicant:**

**Please tell us why you are applying for hardship assistance:**

Is this application being made as a result of the COVID-19 Pandemic?      Yes ☐      No ☐

Are you the owner of the property?      Yes ☐      No ☐

For what type of property are you applying?      Residential ☐      Commercial ☐

For Residential property – is this property your primary place of residence?      Yes ☐      No ☐

If your answer is No, please specify the primary purpose of the residential property below:

.....

.....

**Rateable Property Details (information as it appears on your rates notice):**

PID	<input type="text"/>		
Street Address	<input type="text"/>		
Address Line 2	<input type="text"/>		
Suburb	<input type="text"/>	Postcode	<input type="text"/>

**Please provide details of how we can contact you:**

Name	<input type="text"/>
Phone number/s	<input type="text"/>
Email address	<input type="text"/>



**For Residential Property Applications ONLY:**

To assist with the assessment process, please attach documentary evidence to assist us to review and assess your hardship application.

Please include one or more of the following:

Note: as much supporting documentation as possible should be provided.

- ☐ Evidence of you qualifying for Job Seeker support.
- ☐ Assessment by an independent accredited financial counsellor demonstrating an inability to both pay rates and to rearrange asset portfolios to facilitate payment.
- ☐ A statutory declaration from an independent professional, familiar with your circumstances.
- ☐ Notice of impending legal action.
- ☐ Employer notice of redundancy or termination of employment.
- ☐ Letter from charitable organisation regarding loss of employment or inability to provide for basic necessities.
- ☐ Accountant or bank statements and notices.
- ☐ Overdue medical bills.
- ☐ Letter from doctor verifying inability to earn an income due to illness or carer responsibilities.
- ☐ Funeral expenses.
- ☐ Final notice from school regarding payment of mandatory fees.
- ☐ Repossession notice of essential items, like a car or motorcycle.
- ☐ Other documentation demonstrating that you are experiencing financial hardship (please describe below):

**For Residential Property Applications – RATES REMISSION RELIEF OPTION ONLY****Current Weekly Income Details:**

Pension or other government benefit (complete details below)	\$ <input type="text"/>
Compensation/Superannuation/Insurance or Retirement income	\$ <input type="text"/>
Spouse or partners income (if applicable)	\$ <input type="text"/>
Other income (rental income, child support)	\$ <input type="text"/>
Interest from banks and financial institutions	\$ <input type="text"/>
Total weekly income	\$ <input type="text"/>

**Pension/Benefit details (if applicable):**

Type of Pension/Benefit	<input type="text"/>
DVA or CRN Number	<input type="text"/>
Date of Issue	<input type="text"/>
Expiry	<input type="text"/>
Do you have a current pensioner remission on your rates?	Yes <input type="checkbox"/> No <input type="checkbox"/>

**Current Weekly Expenses:**

Mortgage(s)	\$ <input type="text"/>
Other loans/credit cards	\$ <input type="text"/>
Utilities	\$ <input type="text"/>
Insurance(s)	\$ <input type="text"/>
Other living expenses	\$ <input type="text"/>
Total weekly expenses	\$ <input type="text"/>



**For Commercial Property Applications ONLY:**

Company Name:

Who is currently paying rates for this property?

Is the property a rental property?

Yes ☐No ☐**Please attach documentary evidence to assist us to review and assess your hardship application****Note: as much supporting documentation as possible should be provided.**

- ☐ Evidence of your business qualifying for the JobKeeper support package – this alone will qualify as evidence of experiencing genuine financial hardship.
- ☐ Assessment by an independent accredited financial counsellor demonstrating an inability to both pay rates and to rearrange asset portfolios to facilitate payment.
- ☐ Accountant or bank statements and notices.
- ☐ Details of closure - including Government enforced closure as a requirement of COVID-19.
- ☐ Tenant correspondence requesting relief (if applicable).
- ☐ Commercial and leasing arrangements as a direct result of the COVID-19 pandemic;
- ☐ A statutory declaration from an independent professional, familiar with your circumstances.
- ☐ Notice of impending legal action.
- ☐ Other documentation demonstrating that you are experiencing financial hardship (please describe below):



Please describe and provide other documentation demonstrating the quantum of revenue lost  
(compared to the same period in the previous year):



**Submission and Assessment**

Please make sure your application and documentary evidence is addressed to the General Manager, and submitted as follows:

- Emailed to [sorell.council@sorell.tas.gov.au](mailto:sorell.council@sorell.tas.gov.au) ; or
- Mailed to PO Box 126, SORELL TAS 7172

Please use the title '**Hardship Assistance Application**' to assist our staff to identify your application quickly. We will be in contact with you as soon as possible to acknowledge your application and provide advice regarding the assessment process. If you have any enquiries or need assistance completing your application, please contact the Rates Division of the Finance Department on 6269 0000.

**Declaration and signature**

I confirm that the information provided within this Application for Financial Hardship is accurate, and there have been no misrepresentations or omissions of fact that would otherwise influence the review and decision of Sorell Council. I have read and understand Sorell Council's Financial Hardship Assistance Policy.

Signature \_\_\_\_\_

Name \_\_\_\_\_

Date \_\_\_\_\_

**Personal Information Protection Statement**

The personal information that Council is collecting from you is deemed personal information for the purposes of the *Personal Information Protection Act 2004*. The supply of the information by you is voluntary. However, if you cannot provide or do not wish to provide the information sought, Council may be unable to process your application or request.

You may make application for access or amendment to your personal information held by the Council. Enquiries concerning this matter can be addressed to the Rates Division of the Finance Department.



## 17.0 ACRONYMS

ACWC	Arts & Cultural Working Committee
AGM	Annual General Meeting
ASU	Australian Services Union
CAC	Community Administration Centre
CLRS	Councillors
CPR	Cardiopulmonary Resuscitation
CRDSJA	Copping Refuse Disposal Site Joint Authority
DASC	Development Assessment Special Committee
DEDTA	Department Economic Development, Tourism & The Arts
DPAC	Department of Premier & Cabinet
DSG	Department of State Growth
DST	Destination Southern Tasmania
EOI	Expressions of Interest
EPA	Environment Permit Authority
EWaste	Electronic Waste
FMAC	Fire Management Assessment Committee
GM	General Manager
ICT	Information Communication Technology
LGAT	Local Government Association of Tasmania
LPS	Local Provisions Schedule
LTFP	Long Term Financial Plan
LTI	Lost Time Injury
MAST	Marine & Safety Tasmania
MERS	Manager Engineering & Regulatory Services
MEMC	Municipal Emergency Management Committee
NBN	National Broadband Network
NRM	Natural Resource Management
RDA	Regional Development Australia
RSL	Returned Services League
RTI	Right to Information
SEI	South East Irrigation
SERDA	South East Region Development Association
SES	State Emergency Service
SMH	Sorell Memorial Hall
SMT	Senior Management Team
STCA	Southern Tasmanian Councils Association
SWSA	Southern Waste Strategy Association
SWS	Southern Waste Solutions
TCF	Tasmanian Community Fund
TOR	Terms of Reference

