

MidCoast Council

Combined 2016-2017 Operational Plan

Including the former Councils of Gloucester Shire, Greater Taree City and Great Lakes

Message from the Interim General Manager

MidCoast Council was formed by proclamation on 12th May 2016 and comprises the former Councils of Gloucester Shire, Greater Taree City and Great Lakes. All Councils had prepared their Draft Operational Plans for 2016/17 at the time of the proclamation. For the 2016/17 year the Operational Plan of MidCoast Council will be a composite of the draft operational plans of the three former Councils. The plans represent the services and activities that will be delivered by MidCoast Council during 2016-2017. Council will then undertake consultation with the MidCoast community on a combined Operational Plan for 2017-2018 and future years.

As Interim General Manager I am committed to setting the new Council up for success and to ensure service continuity during the transition period. The NSW Government has set key result areas and performance indicators for the new Council and it is our intention to meet or exceed these wherever possible to benefit our community.

I look forward to working with you during the next 12 months and beyond as we strive to create a strong Council which listens to and is engaged with the local community.

Glenn Handford

Interim General Manager, MCC

Summary of the new and former Council areas

MidCoast Council (MCC) is located on the boundary of the Hunter and Port Macquarie-Hastings regions of NSW. The area of 10,052km² houses an estimated residential population of 90,433 (ABS 2014).

The Council consists of the three former local government areas of Gloucester Shire, Greater Taree City and Great Lakes Councils. The data presented below includes the statistics of the new merged entity and that of the former individual Councils.

	MCC	Former GSC	Former GTCC	Former Great Lakes
Population	90,433	5,061	48,905	36,467
Area (sq km)	10,052	2,950	3,729	3,373
Number of businesses	6,540	708	3,302	2,530
Local jobs	29,426	1,963	16,397	11,066
Total private dwellings	45,217	2,539	21,730	20,948

	MCC	Former GSC	Former GTCC	Former Great Lakes
Road length (including regional & local)	3,575km	757km	1,726km	1092km
Total number of bridges (concrete/steel & timber)	542	150	190	202

Sources:

Australian Bureau of Statistics - Regional Population Growth Australia; Business Counts and Employment by Industry; Dwelling Structure by Local Government Area (Census 2011).

Transition to the new entity

The NSW Government has provided information, guidance and support to assist councils with the complex task of combining three entities into one, in a seamless fashion with uninterrupted service delivery to customers. A merger implementation plan will be developed and delivered to assist MCC in achieving the NSW Government's key result areas.

The NSW Government has developed the following principles to *...provide guidance to communities, Administrators, interim General Managers and staff about the way the NSW Government expects the implementation of new councils to be conducted:*

Principle	Description
Service	Maintain seamless service delivery to communities
Opportunity	Embrace opportunities to improve services and infrastructure for communities
Cohesion	Bring together and build on the strengths of strategies, structures, staff and systems
Engagement	Inform and involve communities, staff and other partners, including industry unions, in planning and implementing change
Integrity	Ensure ethical, open and accountable governance and administration
Respect	Value the knowledge and contributions of staff, communities and other partners

In addition, the NSW Government has identified 10 key results it expects all new councils to have delivered by the end of Phase 1 of the implementation process, as follows:

10 Key Result Areas	
1	Service continuity with smart service improvements
2	Robust governance that delivers confidence to communities
3	Easy to do business with, in person and online
4	Engaged staff who understand their roles and how they contribute to the new council
5	Involved communities who have their say
6	Communities can readily identify with their new council
7	A shared vision and direction for the whole community
8	Rates maintained within existing pathways and resources used wisely to serve the entire council area
9	Expected benefits which are clear, measurable and on target
10	A newly elected council working for the whole community

The NSW Government is also supporting merged councils with funding for implementation costs, community projects and infrastructure.

Service levels

The MCC 2016-2017 Operational Plan (including the budget, revenue policy and fees and charges) is based on the direction provided in the delivery programs and long term financial plans of the former councils. It is a composite of the adopted plans of the former councils. Given the timing of the proclamations, the NSW Government has stated that *it is not expected that new councils' operational plans for 2016-17 will be fully integrated.*

MCC is committed to provision of the services and service levels of the former three councils for the 2016-17 period.

By September 2016, new councils are expected to have documented service levels and planned a service review process. The review will focus on priority operational areas to establish consistent services in line with guidance from the NSW Government. The Government has set September 2017 as the target date for a report for consideration by the newly elected Council, including recommendation on the approach to establishing consistent services for priority operational areas.

Rates (including SRV determination and future direction)

The NSW Government proclamation requires MCC to apply the rating structure, rating categories and sub-categories that applied in each former Council area for 2015-16 in 2016-17.

For the former Gloucester Shire Council this will include the continuation of a previously determined special rate variation.

The rates for the former Greater Taree City and Great Lakes Councils will be based on the rate peg limit set by the Independent Pricing and Regulatory Tribunal (IPART) of 1.8%. Both the former Greater Taree City and Great Lakes Councils had applied to IPART in February 2016 for special rate variations. IPART has since advised that:

...on 11 May 2016, IPART made decisions on these applications but had not yet issued the instruments giving effect to the decisions to the applicant councils. On 12 May 2016, each of the relevant councils was dissolved under an amalgamation proclamation issued by the Governor. As a consequence, IPART can no longer implement the decisions made on 11 May. Hence, no final decisions and instruments can be issued by IPART on these three former councils' applications.

MCC will now consider applying for a special rate variation in accordance with NSW Government policy and advice that may be up to or equivalent to, the amounts applied for by the previous Councils. The former Taree City Council applied for a cumulative % rise over 6 years of 49.2% while the former Great Lakes Council applied for a cumulative % rise over 4 years of 20.7% (both figures are inclusive of the rate peg amount).

Priority will be placed on consolidating the asset and financial information from the former three Councils, to determine the overall position of MCC. The exact special rate proposed will be determined once this information is available, and following consultation with the NSW Government