

Please note, these FAQs will be updated and expanded as additional questions are raised by our community. Questions are now numbered to assist in pointing people to the answers they are looking for. If you have a question that is not addressed below, visit www.midcoast.nsw.gov.au/headoffice and use the “submit a question” function.

10 December 2018

68. Will solar panels be incorporated into the Biripi Way building?

The use of solar panels has been identified by Councillors as an element to be included in the fitout of the building. As we proceed to the detailed design phase this will be more specifically detailed, and will be achieved as part of the overall fitout budget.

67. What documents have been kept confidential and why?

A number of documents have been kept confidential from the general public due to the information contained in them which is of a commercial nature. This information has all been provided to the Councillors and formed part of their decision making process.

66. How will the centralisation project and design consider environmental efficiency and reduction of carbon footprint?

This will be taken into account during the next stage of the project, if the decision is made to progress to the design stage of the project.

65. Why does Gloucester District Office have more staff than other locations with higher populations?

Staffing levels in the Gloucester region are protected under the conditions of the merger, and will remain at a set level. The Gloucester office has a relatively small number of staff.

64. Will the original business case be redone to take into account the changes to the project since it was originally completed?

The original business case has been updated and is available on the website here: www.midcoast.nsw.gov.au/relocation

63. The website states that admin services for Taree will remain in its existing location, however the flyer states that the customer service centre will relocate to Biripi Way – can this be clarified?

Taree customer service will relocate to Biripi Way. The website referred to there being no change in the locality of customer service – so Taree will still retain a customer service point, however the location will move from Pulteney Street to Biripi Way.

62. How will those who can't drive access the Biripi Way site?

There is a bus stop located at the Biripi Way site and the stop is currently part of several bus routes into Taree, including from Old Bar and Forster. We have had initial discussions with local bus providers and will look to work with them in an effort to deliver more regular and accessible services to the site should this be required by the community.

61. What have Australia Post had to say about the flyer deliveries

As indicated in question 45, we followed up concerns raised from the community about the delivery of flyers with Australia Post.

Australia Post were contracted to deliver the flyers between 12-16 November. Australia Post has provided advice to us in writing to indicate the delivery was completed as contracted. Concerns expressed by the community with the mailout will be reported to Councillors as part of the report on the consultation process.



60. Will the merger of the two main offices result in additional staff and therefore shorter turnaround times for DA processes?

Improving DA process times is a priority for council, regardless of the head office centralisation project. There are several programs underway to improve the development application process, to result in quicker determinations for the community, however being in a single site will allow us to deliver these efficiencies more quickly.

These programs include the establishment of a project team to streamline the internal development application referral system and the development of a uniform lodgement process. We are also working to further align our standard conditions across all relevant sections of council to ensure clarity, consistency and relevance.

59. How is the estimated \$15M pa cost savings / benefits of the proposed cultural change planned to be achieved.

Cost savings associated with cultural change are difficult to quantify, however we are confident we will gain a number of savings and benefits as a result of the centralisation of the office into one site by improving the way our employees work together. There is evidence worldwide which shows constructive cultures where teams of staff work cooperatively together deliver significant improvements in productivity and service. The benefits come from reduced staff turnover, reduced wastage, less re-work, and improved collaboration. Page 24 of the October 2018 Cost Benefit Analysis (which is on our website) shows that even with workforce cost efficiencies removed the cost benefit analysis is still very positively in favour of a single site option. It was this information Councillors considered early in 2018 when they determined a single site was the preferred option to pursue.

58. Will office staff reductions occur due to office centralisation?

Council will not be putting staff off as a result of the move, however over time as people leave each position will be reassessed in terms of the new office arrangements and may not always be replaced if efficiencies have been gained in that particular work area or process.

57. Is the Taree library located in rented premises? If so, could this be relocated to the council-owned Pulteney/River Streets site?

Council owns the strata title on the premises where the Taree library is housed. Our intent with the Pulteney Street site is to lease it out to gain income that, along with the rentals on the other three administration buildings in Taree and Forster, would service the \$8 million loan required as part of the draft financing strategy for the office centralisation project.

56. Why was the community not consulted on the loan to finance the acquisition of Biripi Way?

Councils take out loans on a regular basis and it is part of our normal operations to do this. Councils are permitted to borrow for any purpose allowed under the Local Government Act and the acquisition of land is permissible under the Act. Council is required to notify the Office of Local Government of its proposed borrowings and any amendment to its borrowing program. There is not a requirement to consult with the community on the taking out of loans.

Council has a number of loans at any given time as part of a prudent financial management strategy to spread the cost of large infrastructure projects over many years to provide an equitable approach to the provision of infrastructure that will serve our community for many years. Full disclosure of Council's finances for each year are reported in the Annual Financial Statements once they have been audited by the NSW Audit Office.



55. What is the total cost of this project?

- Purchase of the building \$7 million
- Financing Strategy for fitout of building \$20 million

There has been interest in additional areas of expense associated with a centralised office location including:

- Interest on building purchase loan - \$7 million loan over 20 years at a current interest rate of approximately 4% results in annual repayments of \$510,127 (principle and interest)
- Interest on fitout loan - \$8 million over 20 years on a fixed interest rate of 4.5% would make annual repayments of \$608,750 pa (principle and interest)
- Legals associated with the purchase of the building \$6,207
- Consultants and studies done to date as part of Council's due diligence \$210,000
- IT costs are \$2.6 million (for the single site option) or \$3.9 million for a campus option

Please note:

Council does not pay stamp duty

Council is reimbursed any GST paid

54. What options other than the campus model and the head office model were considered?

A business case, prepared by an independent consultant in January 2018 looked at three options for moving forward: doing nothing, operating a campus model and consolidating into a single location.

The initial business case determined that 'do nothing' was not an option for a number of reasons, including:

- the majority of the equipment is beyond its useful life, particularly the IT resources
- several of the offices require substantial refurbishment and renovation to continue to operate, including a new roof for the Forster Administration Centre
- the Forster Administration Centre is already at maximum capacity
- continued staff time invested in travelling between offices
- the opportunity for operational efficiencies would be minimal

The business case then went on to explore the cost benefit analysis of two options, the campus option and the single site option.

The single site option was assessed as the preferred option due to a range of factors including long term lower operating costs and greater efficiencies. More details can be found in the business case. The Cost Benefit Analysis undertaken by Syneca Consulting as part of the Business Case was updated in October 2018 to reflect changes in valuations of current administration buildings – view the October 2018 Cost Benefit Analysis at www.midcoast.nsw.gov.au/relocation. With the updated valuation figures included the cost benefit analysis continues to “strongly favour the single site option”.

53. When will Councillors make the final decision on the Biripi Way Office Centralisation?

Councillors are expected to review the community consultation report and discuss the issue next at an ordinary council meeting in February 2019.

52. Can you explain the sale process and how MidCoast Council purchased the building when there were other interested buyers?

Council purchased the building in December 2017 through a competitive process in which we submitted an expression of interest to purchase the site to agents Cushman & Wakefield, who were managing the sale on behalf of the owner. The sale process was under the control



of the agent, not council. We were not aware of details of any other potential purchasers or the amount of any other offers the real estate agent may have received.

Councillors resolved unanimously on 2 November 2017 to proceed with the purchase of the site. The sale was finalised in December 2017, and was reported to the community through various means, including the media and council publications, and via our website.

51. Is it possible to see the architect's concept plans for the fitout proposed and costed for the single site and campus options?

A test fit design has been undertaken for the single site option. A test fit allows for detailed costings to be prepared to fit out the building and includes all facilities such as air conditioning, lighting, kitchens amenities meeting rooms desks and equipment required to fit out the building as an office. The test fit is not the final design and Council would not undertake a final design until it has made the final decision to proceed with the project. The test fit is a normal part of pre-construction investigations for a project of this scale and it provides detailed information to enable a quantity surveyor to prepare a cost plan. Due to a decision being made by Councillors in February 2018 to pursue the single site option over the campus option, concept plans were not required for the campus option. The costings for the campus option were prepared based on standard unit rates for refurbishing buildings. The architects engaged by Council have visited and reviewed the existing council buildings so have an understanding of the refurbishment requirements applicable to the existing buildings.

50. Will the feedback be published?

The feedback from the consultation process will be compiled and reported to Councillors in the new year to assist in their decision making process around the project. The report will include survey results, submissions, attendance at information sessions, the frequently asked questions submitted through the website and other detail of the communications and consultation activities undertaken.

This report will also be publicly available on our website in the new year.

49. Information sessions – I don't live in Taree, Forster or Gloucester – can we hear about the project?

We are conducting five community information sessions on this project, two in Forster, two in Taree and one in Gloucester. We are happy to come and talk to other communities about the project if they wish us to do so.

Communities can submit an expression of interest for a talk via our website – go to the apply to host a session section on our website www.midcoast.nsw.gov.au/headoffice

48. I have submitted a question via the website - why hasn't it been answered?

We are monitoring all questions received via our website and are answering the commonly asked questions via this FAQs document. We have not committed to answering all questions received, so while you may not see your exact question, you will see a question and answer that address the same or similar issues. We encourage everyone to read this document carefully and fully to get a complete picture of the project.

47. The engagement strategy talks about 'involving' our community. How is this going to be achieved?

Our engagement strategy for the Biripi Way office centralisation project is based on the IAP2 framework. One of the levels of engagement under the framework is 'involve'. This is defined as working with the community to ensure concerns and aspirations are understood and considered.

As part of our engagement on this project we are gathering information, through a range of inputs, such as the questions submitted via our website, the responses to the survey, formal



submissions and other comments provided which provides us with a picture of the concerns and aspirations of our community.

These will be reported as part of the final engagement report on the project. This report will be provided to Councillors, who are the community's elected representatives, to consider as part of their decision making process and will be made publicly available.

46. Can't technology provide a solution, rather than moving into one building?

The use of technology can provide a number of solutions to improve systems and processes across MidCoast Council, and we are pursuing these solutions regardless of whether we end up with a head office model or a campus option.

However a centralised model is much more efficient, and has a significant impact, on the back end infrastructure required to run an organisation of our size.

To run a campus model requires duplicate servers, duplicate connections, duplicate desktops, printers, scanners and support. All of this comes at a cost.

45. I haven't received my flyer yet

Australia Post was contracted to deliver 51,000 flyers between 12-16 November, to ensure delivery before any of the information sessions.

We now understand there are areas that have yet to receive the flyers. We are actively following this up with Australia Post.

The flyer is also available online and at our customer service centres.

Information sessions have also been promoted in local media, on facebook and our website.

44. What information is being submitted to the Office of Local Government?

A report will be submitted in accordance with the Office of Local Government Capital Expenditure Guidelines. The Office of Local Government is aware we are consulting on the draft financing strategy for this project and they will be provided with a copy of our consultation report.

43. Why have IT costs been left out of the project cost?

IT is a cost of doing business, not a project cost. It would have to be spent no matter which model is chosen. It is \$1.3M more to provide IT in a campus model than in the centralised model.

42. Are there enough carparks?

Yes, we believe there are. There are 281 carparks, with space for up to 60 cars on the road and ample space on the site to develop more carparks if required. There will be carparks set aside for the community to allow them easy access for customer service transactions and to attend council meetings and functions.

41. How much money has been saved from the merger and where has it been spent?

An amount of \$4 million per year has been identified as merger savings, and all these funds have been directed to our \$30 million roadcare program. For more details

<https://www.midcoast.nsw.gov.au/Council/Works-and-Projects/Council-Projects/Our-30-Million-Roadcare-Program>

40. How much is left from the State Government's contribution to the merger?

A total of \$20 million was received from the State Government to assist in the merger. This was spent in the following way:

- \$14 million for infrastructure
- \$1 million for community groups
- \$5 million for integration projects, including planning, IT and employee integration activities



The \$14 million infrastructure funding has all been applied to our \$30 million roadcare program – along with \$4 million per year in merger savings. For more details on this program see <https://www.midcoast.nsw.gov.au/Council/Works-and-Projects/Council-Projects/Our-30-Million-Roadcare-Program>

39. In the draft financing strategy, when referring to the reserves, the term miscellaneous is used – can you tell us what those miscellaneous reserves were from?

A \$1 million reallocation of miscellaneous reserves including the Local Infrastructure Renewal Scheme (LIRS) Reserve, Workers Compensation Premium Reserve and Swimming Pool Inspection Reserve.

38. What is the estimated interest paid on the proposed \$8M fitout loan?

While it is difficult to give a precise answer, due to variable interest rates, we can say that if we borrow \$8 million over 20 years on a fixed interest rate of 4.5% we would make annual repayments of \$608,750, and will repay a total of \$4.1 million in interest over the 20 years. Interest payable on borrowings need to be considered in the context that borrowing for long term assets such as buildings is a sensible and appropriate funding strategy as it spreads the cost of the asset over many years. Council recognises that loan borrowings for capital works are an important funding source and that the full cost of infrastructure should not be borne entirely by present-day ratepayers, but be contributed to by future ratepayers who will also benefit. The Biripi Way site provides a long term building asset for Mid Coast Council. As mentioned in in other FAQs all interest and principle payments on the \$8 million load will be serviced from rental received from the current administration buildings.

16 November 2018

37. I want to provide my feedback on the paper flyer I received in my mailbox – how can I do this?

If you wish to return the paper survey to us, rather than undertaking the survey online, it can be returned to one of our customer service centres or mailed to us, **free of charge**, at MidCoast Council, Reply Paid 482, Taree NSW 2430.

36. Why aren't we being asked if we support the decision to centralise council functions to Biripi Way?

While we understand the community would have liked the chance to assist in parts of the original decision making process ie choosing a campus model or single site, that part of the process was completed back in February with Councillors deciding to pursue a head office model. Our conversations with the community right now are about advising on how we plan to finance this centralisation. If you would like to understand more about the history of the project, head to our website at www.midcoast.nsw.gov.au/relocation

35. Will rate-payers who don't live in the region be able to provide feedback? How will they be notified?

Yes, anyone with an interest in the MidCoast region is invited to come along to the information sessions, review the information on our website, and provide input by completing the survey.

A flyer providing details of information sessions and the survey will be distributed to all businesses and residents within the MidCoast region during the week commencing 12 November. Those outside the region have been made aware of the upcoming consultation phase in our last quarterly newsletter which was sent to all rate-payers mid-October. In this we asked everyone to keep an eye on the website for details of the consultation phase.

34. Which properties will be sold?

Council owns a number of commercial buildings and land holdings and will be looking at selling some of that portfolio – not buildings currently used for council purposes such as



administration buildings. At this stage the properties to be sold are not being disclosed for commercial reasons, however once sold the property and the price gained will be reported to council and become public information.

33. Which properties will be leased?

We will be looking at leasing the buildings that are currently used as administration buildings in Taree and Forster – 2 Pulteney Street Taree and 4 and 16 Breese Parade, Forster. The Muldoon Street Taree premises are currently leased out.

32. What is the timeframe on the Council component of the civic precinct in Forster?

The council component of the Civic Precinct project is the first stage of the development. Construction is due to start on this stage early next year, 2019, with the council facilities – library, visitor information centre, customer service centre and community space – scheduled to be completed by September 2020.

31. If the Biripi Way Office Centralisation is supported by Council, when would be the expected timeframe be for Council to move?

It is expected to be a 12-15 month process between a decision and occupation.

30. How were the present council buildings devalued from \$14.5 million to \$4.8 million, how does this happen when real estate everywhere else is going up, and if the old properties can't be sold or rented at true market value will they sit vacant?

The buildings haven't been devalued from \$14.5 million to \$4.8 million. This confusion has come from an initial valuation of the current council buildings (\$14.5 million) and our financing strategy which indicates we are looking to make \$4.8 million from the sale of assets. The assets we are planning on selling are not the current council buildings, so we are talking about two different sets of figures for two different things. We are looking at selling commercial and land holdings. Our intent is to lease the current council administration buildings. We have had expert advice from leading property consultants so will be setting realistic lease figures.

12 November 2018

29. Shouldn't the money borrowed for Masters be used on things like fixing the roads and a new hospital in Forster?

Council understands roads are a priority for our community and have committed \$100 million to improving our roads over the next four years, to address the backlog of road repairs and maintenance in the region.

As an organisation we need to ensure we address each of our responsibilities equally and the office relocation is required to deliver services more efficiently to our community. Funding for hospitals is a State Government responsibility, not a function of MidCoast Council.

28. Will there be any sort of subsidy for staff who will now have to travel a lot further as this will increase expense and time spent travelling?

The Local Government Award provides information for councils on a variety of allowances payable to employees, including a travel allowance. This allowance may be payable to approximately 70 MidCoast Council staff if their place of work is changed to Biripi Way.

The approximate number of staff impacted and eligible for this allowance is roughly the same under both the single site and campus options. Under the campus option teams would be based at a common location (housed in either the existing Taree or Forster administration centres). This means that some staff in both the existing Taree and Forster administration centres would be required to change their place of work so that they are located with their team rather than have a team spread across various sites. This has been taken into account in the initial modelling done as part of the [business case](#).



Over time the number of staff eligible for the allowance under both the single site and campus options will decrease as new employees will not be eligible.

27. Why did council have to wait for a government grant to add shade to playgrounds but can borrow millions at the drop of a hat for Masters?

When council borrows money it needs to be able to demonstrate a way in which those funds are able to be repaid. The loans for this project will be repaid by the leasing of the current administration buildings which means council has a clearly identified source of funds to repay the loan. It is responsible financial management to finance assets which have a long life such as buildings through loans. Doing this spreads the cost of the asset over a longer period which is a more equitable way to fund projects. In this case the former Masters Building is a modern building with a life of 50 years plus. We are proposing to borrow a portion of the fit out cost over a loan term of 20 years to more equitably spread this cost.

26. How will the relocation affect libraries and other services?

This project has no impact on our libraries, Visitor Information Centres, MidCoast Assist, our depots and public facilities such as our waste management facilities. All these services will operate as they do now, in their existing locations.

25. What's included in the fitout? What is the \$20 million made up of?

The costing for the project is estimated at \$18.1 million, made up of three components. The first is \$14.661 million for building costs – which includes converting the current building into an office space suitable for up to 350 staff, including a customer service area, council chambers and required facilities. The costing for the building element has been based on a mid-range level of office fitout.

The other components of the \$18.1 million project cost include \$1.853 million for consultancy fees and a \$1.580 million contingency. The draft financing strategy is for \$20 million, which allows an extra contingency to be financially prudent. We will be aiming to deliver the project at, or under, the \$18.1 million forecast. Any savings delivered during the procurement process will result in a reduction in borrowings.

24. What facilities will there be for the community in the new building? eg will meeting rooms be open to the public, and will it provide a venue for community events?

At this stage there are no community spaces planned, however there is opportunity for this to be considered in the future, as not all the space is to be occupied in the initial stage.

23. What is the economic impact of removing staff from the two main shopping precincts in Taree and Forster?

An economic impact assessment has not been carried out on this element of the project, however the [business case](#) has looked at the issue. It has indicated that it is expected some household spending will be diverted from Forster to Taree as a result of the move. Initially the major impact would be on staff lunches, but this could change over time if people decide to drive into Taree to do their household shopping. However it is expected the current Forster Administration Building, once leased would contain a number of employees who would provide economic benefit to the shopping precinct.

22. Will a Development Application (DA) be lodged for the project, and if so, who would ensure this was managed fairly and without bias?

A DA would be lodged for the project and will be assessed by an external party. The outcome would be referred to NSW Government's Joint Regional Planning Panel for determination.

Planning Panels operate across the State to provide independent, merit-based decision making on regionally significant development.



21. Traffic congestion from both directions is already bad during peak hour along Manning River Drive. Has the impact of additional traffic been considered, and what measures are proposed for managing the increase?

The current level of traffic congestion is acknowledged and the impact of a relocation to the Biripi Way site in terms of additional traffic generation will need to be assessed during the DA process.

20. What services will be available at each of the five customer service centres? Will the same services be replicated at each customer service centre?

The same level of service is not currently provided at each of our current centres. We are currently looking at all of our customer service activities at all of our service centres to ensure our community has access to the services they require.

This project is independent of the head office project, as we are committed to improving the customer service experience for our community regardless of which office accommodation model is eventually delivered.

19. Will professional staff like duty planners or building surveyors be available to meet with in person at each of the five customer service locations?

Access to professional staff will be part of our overall review of the customer service experience. It is our intention to ensure access to professional staff is maintained when and where required. We will be looking at a range of models for delivering this contact with professional staff.

18. Will there be an opportunity to use technology to connect with experts electronically? Has this option been considered or included in the costings?

It will be one of the options we consider. The IT solutions planned for the head office site include improved customer service platforms, to be scoped more fully as we move further into the project.

17. Will enough customer parking be provided at the head office location? Will it be free and untimed?

Yes, enough customer car parking will be provided at the new location. It will be free and untimed.

16. Will loading zones for couriers and deliveries be provided with easy access to the building?

Yes, we will ensure loading zones are provided with easy access to the appropriate part of the building for deliveries.

2 November 2018

15. What costs are associated with establishing a head office in Taree?

Purchase of the building - \$7 million

Fitout - \$20 million

14. How is this being funded?

The purchase has been funded through a loan that is being repaid through rental from other existing assets.

The fitout will be funded from:

- cash reserves, result of efficiencies as a result of the Council merger - **\$7.2 million**
- the sale of property assets - **\$4.8 million**
- a loan, with repayments to be made from the rental income received from leasing out buildings currently used as administration centres - **\$8 million**



13. Why do we have a special rate variation (SRV) in place for roads, when the money now available for the head office fitout could have been diverted to roads?

The \$7.2 million from cash reserves and \$4.8 million from the sale of assets are one-off sources of funds and the balance of \$8 million will be sourced from loan funds, to be repaid through rental income from the current administration buildings (which will be surplus to Council's needs if the office is relocated to Biripi Way).

The SRV delivers an ongoing source of funds directly into roads to enable the road network across Council's large area to be brought up to standard and then maintained to a satisfactory level over the long term.

We have leveraged the SRV funds with a \$50 million grant from the State Government which together with the SRV income will deliver a \$100 million program over four years.

As an organisation we need to ensure we address each of our responsibilities equally and the office relocation is required to deliver services better and more efficiently to the community. The business case identifies efficiencies which will be achieved by moving to one office.

12. What happens if the properties aren't sold or don't attract the sale price used to calculate the funding package?

Less than 25% of total funding relies on the sale of existing properties. Our property consultants Knight Frank have undertaken a review of available assets to determine those included in the financing package as the most strategically suitable. We are confident in these investigations and that the required funding will be achieved.

11. Will my rates go up to fund the head office fitout?

No. The portion of the funding package based on a loan is funded from rental income from other properties.

10. Will money be diverted from our roads program to fund the head office fitout?

No. We have worked hard to deliver a roads program that will deliver an unprecedented level of spend in the region over coming years. This includes the \$100 million road renewal package announced earlier this year, made possible through quarantined SRV funds. This is in addition to our existing capital works budget, maintenance budget, and project-specific funding. In 2018/19 alone our investment in roads and bridges totals around \$70 million.

9. Who has prepared the draft financing strategy?

The proposed draft financing strategy has been prepared by Council's financial professional staff based on valuations and estimates provided by external consultants, and will be reviewed again by RSM Australia a division of RSM Global, before proceeding. RSM is a world leading provider of audit, tax and consulting services, with offices in over 120 countries.

8. Will services be cut in other parts of the region?

No. All your over-the-counter transactions like paying your rates or registering your pets can still be done just as they always have been, in person over-the-counter.

In Forster, the customer service point will be located in the new Civic Precinct once it is opened (it will remain in Breese Parade until that time).

In Taree, customer service will move to the Biripi Way head office, a short drive across the Martin Bridge.

Current operations in Stroud, Gloucester and Tea Gardens will not be impacted, neither will libraries, depots, waste management facilities or MidCoast Assist.



Some of your dealings with us may require a meeting with specialist staff members, which in many cases currently requires an appointment to be made. This system will still be available to everyone, though the days and times for these appointments may vary depending on where you live.

7. Does the fitout include the entire building? Or will parts of the building remain unused?

The former trade supply section of the building is not required for current staff levels and options will be explored for other uses including commercial tenants or other government authorities. This area also provides options for further expansion in the future if required.

6. Was there always a plan to centralise once the merger was confirmed?

We have been looking across the entire organisation since merger to identify areas for cost efficiencies. This has included a review of how best to maximise the use of our existing administration buildings, as well as a range of different options for co-locating or relocating staff to optimise outcomes for our community. Of all options, a centralised head office location has been shown to provide the greatest value for money over the long term. Councils which have merged across Australia eventually end up in a central office location due to the efficiencies of operating the administration in one centralised location.

5. Was an extension of any of the current offices ever considered?

Yes, a review of all existing administration buildings has been undertaken to determine how best to proceed as a much larger, unified Council with approximately 350 administrative staff.

4. Was a purpose-built facility ever considered?

Yes, a purpose-built facility was considered as part of the review undertaken to determine how best to proceed as a much larger, unified Council with approximately 350 administrative staff. The estimated cost for a purpose built facility is \$60 million.

3. Did council consider leasing office space/s to house council's various business units?

Yes, a review of other options, including leasing office spaces, has been undertaken to determine how best to proceed as a much larger, unified Council with approximately 350 administrative staff.

2. How much interest is payable on an \$8 million loan?

You can review the draft financing strategy on our website, which shows annual repayments (principal and interest) applicable to a \$1 million loan taken over a 20 year period at a fixed rate of between 4 and 5.5%. The loan amount included in the financing strategy will be up to a maximum of \$8 million. Repayments on the borrowings are identified as coming from rental income generated from offering surplus properties to the market.

1. Why do the costings on the sale of assets only amount to \$4.8 million when initially it said it was \$11.5 million?*

There were a number of different financing strategies proposed, that looked at selling different assets. Under the draft strategy presented for consultation, we will only sell assets worth \$4.8 million and will hold on to other assets for better rental returns.

* This question was cited on social media, however the figure quoted of \$11.5 million is incorrect if it refers to the value of current council buildings. This value totals \$14.5 million.

More information: Visit www.midcoast.nsw.gov.au/headoffice

