



## GUNDAGAI SHIRE COUNCIL DETAILED ACTION PLAN 2015/16

Actions	Timeframe	Benefits / Risks	Cost Estimate / Assumptions
<p>Management of LSL and AL entitlements to reduce GSC's current and future liability</p>	<p>Report to Council August 2015 to adopt a strategy and any subsequent policy</p> <p>Outcome included within IPR framework reported on quarterly by General Manager</p>	<p>Council recognizes that excessive balances of Long Service Leave and Annual Leave have accumulated over time.</p> <p>As a first step Council is to deal with Annual Leave</p> <p>The increased actual expenditure will see a reduction in the leave liability.</p>	<p>Reduces Councils liability as the leave would have been paid in the form of salary and wages.</p> <p>No particular cost savings apply at this point in time.</p>
<p>Implement Alliance Agreement with TSC to deliver Gocup Road work. <b>(Private Work)</b></p>	<p>Attendance at Gocup Rd Steering Committee Meetings.</p> <p>Construction commencing September 2015</p>	<p>The State Government announced an upgrade to the Gocup Road at a cost of \$70m, over a 5 year period. The parties to undertake works are the RMS Tumut Shire Council and Gundagai Shire Council. It is expected the split will be in the order of 50%, 35%, 15% respectively.</p> <p>As Gundagai does not have road Maintenance Council Contract Accreditation it will in fact be operating as a sub-contractor for Tumut Shire Council, making Gundagai's involvement a "Private Works". The risk Gundagai does not receive the anticipated 15%.</p> <p>Importantly the alliance between Tumut and Gundagai Shire Councils</p>	<p>Expenditure per year over the construction period is estimated at \$14m. And on this basis Gundagai's annual share will be in the order of +2m pa.</p> <p>The estimated surplus in this situation is \$200k pa over the 5 year period, yielding a total of \$1m</p>

		has the capacity to be expanded to incorporate other functions/activities and also provides a template for other Alliances Council may wish to pursue.	
Sporting Ground – hire charges	Meet with sporting bodies by end of October 2015 and implement new charge January 2016	The risks are negligible.  Assumes introduction of partial user pays, ½ increase in 15/16 with movement to \$10k thereafter (adjusted)	The yearly expenditure average for the upkeep of sporting grounds and associated facilities is \$82k. A fee by the 7 sporting clubs and schools to be put towards the cost of mowing, linemarking, cleaning, garbage collection etc, is: 15/16 \$5,000 16/17 \$10,000 17/18 \$10,250 18/19 \$10,500 19/20 \$10,769
Road Royalties – payable by two existing quarry operators	Consultation with quarry operators has occurred in early 2015. Alteration of existing voluntary planning agreements by end of October 2015 and implement new charges January 2016	Application of a fee/royalty to be put towards the cost of repairing damage to the road network.  Assumes agreement reached with quarry operators.	User pay contribution to be implemented over a 3 year period. 15/16 \$5,000 16/17 \$10,000 17/18 \$15,000 And then adjusted by 2.5%
Bourke Estate Sales (Council subdivision)	Marketing plan established. Sales progressing.	Benefit: 28 lot subdivision is fully established.  Risk: Anticipated pace of sales does not materialise.	While the average gross sale price is \$75,000/block the net average is \$61,600 after meeting sales and GST expenses.  It assumed that the sale of blocks is as follows: 2015/16-2018/19 3 blocks pa And then to 4 blocks in 2019/20
Property and Commercial Leases	Review completed April/May 2015.	Benefit: User pays  Risk is negligible.	Realisation of lease rental increase: Caravan Park +\$3,000; grazing leases +\$1.210;

Swimming Pool Operations	October 2015	<p>Council is currently renewing its facilities to include a gymnasium and solar heating.</p> <p>Operational changes to reduce costs are being investigated for inclusion within a new lease. Lease to be negotiated for the 15/16 season.</p>	<p>Revenues and expenses are not able to be determines at this point in time.</p> <p>The Gundagai Swimming pool costs Council a considerable sum to operate and it is believed this situation stems from:</p> <ul style="list-style-type: none"> <li>• Age of pool - +50 years</li> <li>• Increasing safety requirements with pool operations which may be partially offset by classification as a “low patronage” pool which in turn provides for a lower level of supervision.</li> </ul> <p>Gundagai fees are generally in line with those of its neighbours so an increase is difficult to justified on a “comparison” basis.</p> <p>An obvious step for Council would be for it to remove the diving boards which in turn would automatically reduce supervision costs. This move may also bring reduced public liability costs also.</p> <p>Savings will depend upon Councils decision on the boards and classification.</p>
Opportune Investment Strategy	June 2016	<p>Nil risks</p> <p>Benefit: Additional income</p>	<p>Council In assessing loan alternatives for the main street project the loan take up and repayment arrangements, in conjunction with Councils banker NAB, a decision was made to immediately take up the loan with the driving factor being the generation of additional interest income to the tune of \$30,000 in 2015/16.</p>
Insurance Review	In May/April 2015	<p>Benefit is reduced premium.</p> <p>Risk is that there be an incident that occurs which in turn Council fails to</p>	<p>Council undertook a review particularly in the area of property. The outcome was to remove a number of minor items from the property portfolio and also review all</p>

		collect insurance on.	insurable values saving Council \$20,000
Cleaning Contract	The current contract expires on 30.06.2015.	Risk is negligible Benefit is money is available for other purposes	It is proposed to streamline the service under the new contract, moving from 100% to around 60% (cleaning at 3 days per week with staff undertaking the balance).  Estimated saving \$16,000
Private Works Increase	Stabilising Machinery was purchased 2014.	Council has recently introduced a Road Stabilising Machinery into its fleet. A benefit is this will cut down Council's reliance on high contract costs for this activity, and is the most cost effective way to manage poor pavement quality with the increase in heavy vehicle use.  Benefit: The machinery is in demand in the region and will be hired to neighbouring Council's.	Cost \$400,000  Daily hire rate is \$4,000
FBT Review	A review was undertaken in July 2014	Historically Council's total FBT liability has rested entirely in the area of motor vehicles and a deviation from this position appears to be unlikely in the short term at least.  Benefit: By selecting appropriate liability options Council is able to free up money for other purposes.  A risk is staff not completing log books.	Review revealed some additional liabilities but these have been entirely offset by insuring appropriate liability formulas being applied for motor vehicles.
Street Sweeping and Toilet Cleaning	Reviewed the staffing and costing arrangements May 2015.  A contractual arrangement will be	The matter was raised while examining wages costings and this led to consideration of the task being undertaken by contract.	It was assumed contract payments amounted to \$55/hr all inclusive, working 5 days @ 2 hours / day and 2 days @ 1½ hours compared to standard funding

	investigated by 1 January 2016 with implementation in 16/17.	Benefit: Tasks will be done at reduced cost to Council  This process would free up staff to undertake works currently not, or only partially undertaken. In the longer term it may see a rationalisation of employees.	arrangements sees a reduction in expenditure of \$28k.
Communications	Council has moved to VOIP (digital) phone service in 14/15.	Benefit is that we are able to operate our telephone system at a substantially reduced rate.  Council's current Alcatel PABX would cost approx \$20k for disaster recovery if the system was to crash, whereas the VOIP system would require only minimum expense.	The savings provided for 15/16 will be \$24k
IT Systems	January 2016	Substantial savings possible	Council will look to move our physical servers into the cloud system with expected additional savings of around \$7,000
Legal Fees	Council has reviewed its expenditure on legal expenses in 2014/15.	Benefit is to reallocate the saving to other Council services.  Risk is if Council is exposed to unanticipated events.	A reduction in the order of \$10,000.
Staff Motor Vehicle Leases	Review was undertaken May/April 2015. A new lease policy will be established by October 2015.	Benefit: Staff will be paying an appropriate rental.  Risk: Current leases will go out for some time and as such will provide little opportunity for savings.	Subject to award provisions, increase contributions for vehicle leasing of existing and particularly new employees at market rates.

General Fees and Charges Review	<p>Council undertook a minor review of its fees and charges for implementation for 15/16.</p> <p>Council will undertake a comprehensive review of fees and charges by March 2016 for inclusion within 16/17.</p> <p>Council has prepared a draft section 94 plan for development generating heavy vehicle usage of local roads for public exhibition in August 2015.</p>	<p>S94 allows Council to establish an appropriate fee and cost recovery for all new developments.</p> <p>S94 may stifle new or upgraded developments</p>	<p>General fees and charges will provide revenue reflective of cost recovery at a minimum.</p> <p>Section 94 yet to be analysed.</p>
Planning and Building Services Review	<p>Council is implementing a succession plan where a trainee building inspector is becoming qualified to undertake accredited inspections in Dec 2015.</p>	<p>A Planning &amp; Building consultant is currently employed for 2 day/week this will reduce to 1 day per week on trainee becoming qualified.</p>	<p>This generates a saving of \$30k pa in 15/16. With a further saving of \$20k in 16/17.</p>
Infrastructure Depreciation / Asset Condition Assessment	<p>The reports were adopted by Council as reference documents in June 2015. This work will be incorporated into a revision of Councils Asset Management Plans by September 2016.</p>	<p>Detailed condition assessment reports were undertaken on our transport and building assets, by specialist, experienced professional consultants.</p> <p>Benefit is that we are getting realistic information from independent professionals which in turn adds to the creditability of our asset information.</p> <p>Threats are negligible.</p>	<p>The analysis undertaken by the consultants removed the need for assumptions.</p>
Resource Sharing- Environmental Services Staff	<p>Council will to investigate resource sharing benefits for the provision of services for noxious weed control and ranger responsibilities with TSC by April 2016.</p>	<p>Benefit is that this provides for a more efficient use of employee services (achieve greater productivity).</p> <p>Risk is that Councils may have different priorities and goals providing</p>	<p>Should be no additional cost rather it is just a better use of an existing resource.</p>

		for greater dysfunction.	
Main Street Redevelopment Project	Main Street Project is under construction in 215/16.	Council has contained project costs of all elements of the project by looking at alternate options through the planning phase, namely that the design was undertaken to minimize the adjustments to underground services, and the selection of materials provides for a modest cost compared to other options.  Risk is cost overrun.	This Project importantly reduces an infrastructure backlog to the tune of \$4M (incl of \$750k water utilities).  Funding from the principal General Fund was supported by a SRV which was enacted to repay a \$3m loan, with the agreement of the community.
Environmental Waste Management Initiatives.	GSC is introducing an Organics collection system and processing facility in September 2015. GSC is replacing its two remaining village landfill sites with waste transfer stations in July 2015. Rural waste charges adopted .June 2015.	Benefits are a more all embracing and effective waste management system.  Deals with ever pressing environmental issues, short and long term.  Risk is unauthorized use of facilities through the dumping of asbestos and toxic waste.	Currently have 2 grants projects incorporating organic waste collections and town landfill operations to the tune of \$58k and \$101,600 for 16/15 and a further \$7,200 for organic waste in 16/17.
Riverina JO working parties	GSC will participate in this initiative during 2015/16.  Regional Arts and Culture Programming Shared Staff – GSC will participate in this initiative during 2015/16..  A network of video conferencing facilities in each council and maybe the REROC office - GSC will participate in this initiative during 2015/16.  The Riverina JO has identified water	A Regional Planning and Environment Unit – this has been raised by a few councils. The Riverina JO will explore how this would actually work, how the staff would be shared and resourced and how the work would be allocated.  Regional Arts and Culture Programming Shared Staff - this came from discussions during the Eastern Riverina Arts Strategic Planning sessions with councils. A number of councils expressed concern that they	JO membership subscription

	and sewer as a regional priority and the work on our IWCM strategy will be undertaken collaboratively using the available skills within the region. GSC will participate in this initiative during 2015/16.	<p>had great arts and culture facilities that were under-utilised. This position would arrange for arts and cultural events to be programmed into these spaces. Council envisages the person being located at Eastern Riverina Arts to ensure that there was no duplication of effort.</p> <p>Network of video conferencing facilities would could cut down on the travelling for meetings etc.</p>	
Innovation Fund proposal	Preparation of a proposal by December 2015.	<p>Gundagai has a specific issue that we may potentially target for the Innovation Fund to do with our Timber haulage routes – poor pavements, increasing b-doubles, distance for maintenance, hence high cost. Consequently, a detailed engineering analysis is required for the best long term solution.</p> <p>Evaluation is required of the potential benefits of investing in Primer Sealing on our remote gravel pavements, which are subjected to increasing heavy vehicle loading, immediately following pavement rehabilitation with our new stabilisation machinery.</p> <p>The principal object is to save on ongoing and increasing maintenance costs, and preserve the investment in pavement recycling.</p>	Smaller rural councils will get additional help to explore new ways of working together through a new \$4 million Innovation Fund
Business Improvement Planning Sessions	Council will incorporate regular Business Improvement Planning sessions to be held by December 2015.	These sessions aim to empower Councillors and staff to focus on our business, strategically, where we can improve, how we can cut costs, how we can offer better services, and think about big picture improvements by	Not identifiable at this time.



		<p>looking outside the square.</p> <p>Real opportunities towards sustainability are an expected outcome.</p> <p>This will be driven by the General Manager with a session.</p>	
Service Reviews by all GSC staff	Council will incorporate a performance based bonus system in 15/16	<p>Savings are expected to be generated though efficiencies identified around better practice.</p> <p>This will be driven by the General Manager through GSC's Consultative Committee.</p>	Not identifiable at this time.
Lobby for State to pay rates on its land where used for a commercial activity (particularly NSW Forest lands)	Council will participate in the 2015/16 Rating Review process and seek an amendment to the LG Act to allow for additional rating revenue above the current notional rate income, to be paid by commercial entities of the State such as NSW Forestry.	<p>Gundagai has 13% of its land area that is currently not attracting rates by NSW Forestry (the other rate payers of GSC meet this commitment)</p> <p>If these lands were to attract rates in excess of the rate peg, these monies could be allocated towards our infrastructure in the Forestry areas.</p>	<p>Extra money for Council as rates in relation to these lands are in effect paid by the rate payers of GSC.</p> <p>The extra money could be directed toward the infrastructure in the Forestry areas.</p>
Update Asset Management Plans.	Assets Engineer to update by September 2015.	<p>Following the work undertaken to meet FFTF benchmarks – those strategies, alterations and updated information from Condition Assessment Reports undertaken, are to reflected in revised updated data within the corporate CIVICA Authority system: AMPS</p> <p>Benefit is we are able to target actions to address infrastructure concerns on a prioritized basis.</p>	<p>Cost of consultant initial condition assessment program cost \$60k and is to be undertaken on a tri annual basis.</p> <p>Asset management software was purchased at a cost of \$7k with a small annual fee.</p>

		More efficient use of the limited dollars available for asset infrastructure.	
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