



## Special Variation Application Form Part B

Tamworth Regional Council

# Application Form

2024-25

Local Government >>



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## Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

## Contact details

Enquiries regarding this document should be directed to a staff member:

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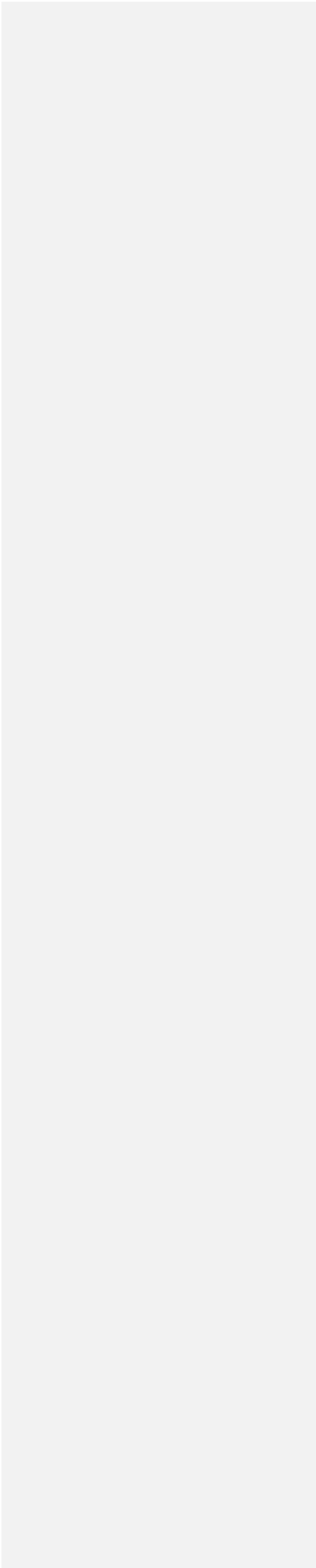
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## The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).



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## Council Information

Please fill out the table below.

<b>Council name</b>	Tamworth Regional Council
<b>Date submitted to IPART</b>	5 February 2024

# 1 About this application form

This application form is to be completed by councils applying for a special variation (SV) to general income for 2024-25 under section 508(2) or 508A of the *Local Government Act 1993* (LG Act). The application form is in two parts:

1. Application Form [Part A](#) (separate Excel spreadsheet)
2. Special Variation Application Form Part B (this MS Word document)

The SV Application Form Part B collects:

- Description and Context information for the SV
- Evidence against:
  - Criterion 1: Need for the variation
  - Criterion 2: Community awareness and engagement
  - Criterion 3: Impact on ratepayers
  - Criterion 4: IP&R documents
  - Criterion 5: Productivity improvements and cost containment strategies
  - Criterion 6: Other relevant matters
- Council certification and contact information

It also provides a List of attachments and checklist to assist councils.

When completing this Application Form, councils should refer to:

- The 'Apply for a SV or minimum rates (MR) increase' page of IPART's [website](#)
- The Office of Local Government (OLG) [Guidelines](#) issued in November 2020
- IPART's SV Guidance Booklet – *Special Variations: How to prepare and apply* available on our [website](#).

We encourage Councils to contact IPART early in their preparation to apply, or potentially apply, for an SV.

## 2 Description and Context

These questions seek information not tied to a specific criterion in the OLG guidelines.

### Question 1: What type and size of SV is the council applying for?

In , please use the checkboxes to indicate the type of SV the council is applying for. In , please provide, rounded to **2 decimal places**:

- the total percentage increase (including the rate peg) and,
- for a section 508A SV, the cumulative percentage increase over the SV period.

Should an SV be approved, the instrument will list the approved percentage(s) and cumulative percentage rounded to 2 decimal places, unless council has specifically applied for a different number of decimal places.

If applying for a Crown Land Adjustment (CLA), please **do not** include the CLA percentage in Table 2. Information about CLAs is collected in Question 2 below.

In Table 3, please explain if the council would like its instrument issued to a different number of decimal places and if it has used an assumed rate peg that is not 2.50%.

Our [Guidance Booklet - Special variations: How to prepare and apply](#) has an example of these questions completed.

Table 1 Type of special variation

<b>What type of SV is this application for?</b>	<input type="checkbox"/> Section 508(2)	<input checked="" type="checkbox"/> Section 508A	
<b>Are you applying for Permanent or Temporary?</b>	<input checked="" type="checkbox"/> Permanent	<input type="checkbox"/> Temporary	<input type="checkbox"/> Permanent + Temporary

Table 2 The council's proposed special variation

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Is this year in the SV period?	yes	yes	no	no	no	no	no
Percentage increase	18.50%	15.00%					
Rate peg	4.90%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Cumulative percentage increase over the SV period for s 508A	18.50%	36.28%					
Indicate which years are permanent or temporary	Permanent	Permanent					



Table 3 Further questions

Question	The council's response
Does the council wish its potential SV instrument to be issued with a different number of decimal places?	Yes, round to one decimal place as this is the amount of the proposed increase that council consulted with the community on (36.3% cumulative).
If the council used an assumed rate peg that is not 2.50%, please briefly justify why it did so.	The assumed rate peg for 2024-25 at the time of community consultation on the SV was 3.50%. This was based on an estimate using the old rate peg methodology and data as at the end of Q1 2023, which was the most recent data available at the time. The Long Term Financial Plan (LTFP) and this SV application has since been updated to include the actual 2024-25 rate peg that was announced on 21 November of 4.90%... All years from 2025-26 onward in the LTFP assumes a 2.50% rate peg.

### Question 2: Is the council applying for a Crown Land Adjustment (CLA) in 2024-25?

Please fill out the table below if the council is also applying for a CLA, otherwise leave it blank.

Is the council also applying for a CLA?	No
If so, by what percentage?	X.XX%
What is the dollar (\$) value for the CLA?	\$Click to enter amount
Who was the prior owner of the Crown Land?	Click or tap here to enter text.
Briefly outline the reason for the land becoming rateable.	Click or tap here to enter text.

### Question 3: What is the key purpose of the requested SV?

In the text box below please summarise the key purpose(s) of the proposed SV.



The purpose of the proposed Special Variation (SV) is to allow Tamworth Regional Council (Council) to achieve financial sustainability and maintain fit for purpose infrastructure. The proposed special rate variation will enable Council to deliver current services and maintain assets, while ensuring financial sustainability in the longer-term. It will also allow Council to address backlogs in key asset categories, such as roads, buildings and open space. Refer to Attachment 1 – SRV Background Paper for further details.

Council has experienced increasing costs which have outpaced revenue growth and constrain Council's ability to continue providing services at levels as expected by the community now and into the future. Council's 2023-25 Resourcing Plan, adopted 28 June 2022, included its 2022-32 Long Term Financial Plan (LTFP) which highlighted the *"constraints on Council's ability to raise general fund income and limited recurrent government funding, combined with inflationary pressures on the costs of labour, plant and materials, are so significant that they are potentially leading to a widening gap between the amount of funding needed and the amount of funding available for the maintenance and renewal of assets and a lack of capacity to provide new facilities or increase current service levels with consideration of offsets or funding options"* (Attachment 2 – TRC Resourcing Plan 2023-25 (adopted 28 June 2022), p13).

In 2023, Council then engaged independent consultants (Morrison Low) to undertake a financial sustainability assessment, which confirmed Council's unsustainable financial position for the General Fund. Consultation with councillors and staff was undertaken, a detailed review of Council's asset data and 2023-2034 Long Term Financial Plan (Attachment 3 - TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023<sup>a</sup>) along with an updated Asset Management Strategy (also in Attachment 3) and Asset Management Plan (Attachments 4 – 6) were developed.

The analysis demonstrated that the continuation of its current financial trajectory (the base case) was unsustainable. Under the base case, Council will experience deficits for at least five years between 2026-27 and 2031-32. After which the operating result returns to surplus due to the underfunding of asset maintenance. However, this reduction in spending means that many of Council's assets will have deteriorated and will require additional work to bring the assets back to a satisfactory condition. The proposed SV would arrest deficits seen in the base case and allows Council to maintain appropriate surpluses. That is, revenues will fully cover expected operating expenditure and capital renewal.

The implementation of an SV results in a forecasted modest and growing surplus. Therefore, Council can sufficiently invest in assets and address some of the backlog of infrastructure that is below a satisfactory condition. Over the forecast period, Council would be able to sustain an asset renewal ratio over the 100% benchmark that would maintain assets at their current condition. As a result, Council's backlog remains relatively consistent averaging 0.6% of total asset value. Whereas under the base case, the backlog would grow to around 1.7% over the ten-year forecast period.

<sup>a</sup> This adopted LTFP did not include the announced rate peg for 2024-25, as this was announced the day of the council meeting. Council is currently updating the LTFP to include the announced rate peg of 4.9%, it is this version that will be available on Council's website. Council will take the updated version to the next Council Meeting on 13 February to adopt. Given this is only a minor change to update based on the announced rate peg, Council does not need to re-exhibit the Resourcing Plan.

A significant component of the proposed SV is to ensure that Council has sufficient funds to maintain and renew its road infrastructure. For the ten years from 2024-25, Council will need an additional \$8.7 million per year for capital works and maintenance on roads. This is supported by the recent 2022 Community Survey. "Maintaining local roads" was the area with the most significant gap (53%) between the community's level of importance (96%) and level of satisfaction (43%). In the same survey, 55% of respondents were also supportive of increasing rates to invest in new facilities and develop/maintain infrastructure and 63% supported rate rises to improve and drive economic outcomes. Refer to Attachment 1 – SRV Background Paper, p15.

#### Question 4: Is the council proposing to increase minimum rates in conjunction with the special variation?

Complete Table 4 if the council proposes to increase minimum ordinary and/or Table 5 if the council proposes to increase special rates in conjunction with the SV for 2024-25. Otherwise, leave it blank. IPART will also use data provided in Application Form [Part A](#) to understand the details of the proposed SV and minimum amounts of rates.

In some situations, a minimum rates increase will be subject to IPART approval. In these cases, councils will need to also complete *Minimum Rate Increase Application Form Part B 2024-25* (Word document) available on our [website](#). Please see Table 2.4 of the [Guidance Booklet - Special variations: How to prepare and apply](#) for further information on when an additional MR increase application may be required. Councils do not need to submit another Application form [Part A](#) (Excel document).

Table 4 Minimum rates increase for ordinary rates

Does the council have an ordinary rate(s) subject to a minimum amount?	No
Does the council propose to increase the minimum rate(s) above the statutory limit for the first time? (If yes, you must complete a separate minimum rate increase application form.)	No
Does the council propose to increase the minimum rate(s) above the proposed SV percentage(s)? (If yes, you must complete a separate minimum rate increase application form, even if the council has been approved to increase its minimum rate above the statutory limit in the past.)	No
Has the council submitted an application for a minimum rate increase?	No

In the text box below, provide the council's proposed minimum rates increase (both in percentage and dollar terms) and to which rating category (or sub-category) the increase is to apply for each year (this can be table form).

n/a.

Worksheets 4, 5 and 7 (WS 4, 5 and 7) of the [Part A](#) application form collects more detailed information about the proposed minimum rates increase.

### Table 5 Minimum rates increase for special rates

Does the council propose to increase the minimum amount of a special rate above the statutory limit?	No
What will the minimum amount of the special rate(s) be after the proposed increase?	\$n/a
Has the council submitted an application for a minimum rate increase?	No

The council must ensure that it has submitted [MR Increase Application Form Part B](#), if required. No separate Part A is required.

### Question 5: Does the council have an expiring SV?

Complete the table below if the council has a temporary SV which is due to expire:

- on 30 June 2024, or
- at the end of any year in the period the requested SV would apply.

To calculate the amount to be removed from general income when the SV expires, Council must follow the terms of the relevant condition in the SV instrument. Councils may find the example in Attachment 1 to the [OLG SV Guidelines](#) useful. The OLG's SV Guidelines also specify that councils must contact the OLG to confirm the calculation of this amount.

Does the council have an SV which is due to expire on 30 June 2024?	No
Does the council have one or more SV/s due to expire during the proposed SV period?	No
If Yes to either question:	n/a

a. When does the SV expire?	
b. What is the percentage to be removed from the council's general income?	n/a
c. What is the dollar amount to be removed from the council's general income?	n/a
Has OLG confirmed the calculation of the amount to be removed?	n/a

#### Attachments required:

- Instrument(s) approving any SV which expires at the end of the current financial year or during the period covered by the proposed SV.
- OLG advice confirming calculation of the dollar amount to be removed from general income as a result of the expiring SV.

### Question 6: Does the council have an existing (ongoing) section 508A special variation which applies in 2024-25?

Complete this question if the council has an existing section 508A multi-year SV instrument which approves an increase to general income above the rate peg for 2024-25 and future years within the period covered by the council's SV application.

If the council has an ongoing section 508A SV and is seeking additional changes to general income during the term of that existing SV, IPART will need to vary the original instrument if the application is approved, rather than issuing a separate SV instrument to apply for 2024-25 (or later years).

Does the council have a section 508A multi-year SV instrument that applies in 2024-25?	No
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If yes to the above question, in the text box below:

- Specify the percentage increase(s) and duration of the SV.
- Outline the council's actions in complying with conditions in the instrument approving the original SV
- Describe any significant changes relevant to the conditions in the instrument since it was issued.

Supporting documents could include extracts from annual reports or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

n/a.

#### Attachments required:

- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument on the council's official letterhead.
- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument, e.g. extracts from annual reports or any other publications in which compliance with the terms of the SV has been reported to ratepayers

### Question 7: Has IPART *ever* approved a special variation (including additional special variations in 2022-23)?

Complete this question if IPART has ever approved an SV for the council.

You **do not need** to complete the text box for this question if the relevant information has been provided in the council's response to Question 6.

Does the council have a section 508(2) or 508A SV which IPART has approved?

Yes

If yes, in the text box below, for each SV approved by IPART, briefly:

- Specify the type of SV and the increase to general income approved.
- Outline the council's actions in complying with conditions in the SV instrument(s) or where the council has failed to comply with the conditions, provide reasons and list the corrective actions undertaken.
- Describe any *significant* changes relevant to the conditions in the SV instrument(s) since it was issued.

Supporting documents could include extracts from annual reports (or webpage hyperlinks to them) or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

Council applied for a 20.6% one-year permanent increase for the 2012-13 financial year, of which IPART approved a 14.6% permanent increase. The instrument and relevant extracts from Annual Reports demonstrating compliance with requirements of this SV are provided in attachments 7 (TRC Instrument for 2012-13 SV), 8 (TRC Annual report extracts for 2012-13 to 2021-22) and 10 (TRC Annual report extract for 2022-23), respectively.



Council was also approved for a 1.3% Additional Special Variation for 2022-23, which took the total rate increase for that year to 2.0%. The instrument and relevant extract from 2022-23 Annual Reports demonstrating compliance with requirements of the ASV are provided in attachment 9 (TRC ASV Instrument for 2022-23) and 10 (TRC Annual report extract for 2022-23), respectively. Council's 2022-23 Annual Report, adopted in 12 December 2023 did not include the relevant section addressing the additional funds raised as a result of ASV implementation. Council will take the updated Annual Report, including the ASV section, to the 13 Feb 2024 Council meeting to address this omission.

The General Manager has also provided a declaration confirming that Council complied with both the requirements for the 2012-13 SRV and the 2022-23 ASV, this is provided in Attachment 11 (General Manager Declaration).

#### Attachments required:

- A copy of the relevant instrument(s) approving SVs issued by IPART.
- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument(s).
- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s).
- If applicable, supporting documents providing evidence of the corrective actions undertaken in the event of a failure to comply with the conditions in the SV instrument(s).

### Question 8: Does the council have deferred general income increases available to it?

Complete the question box below if the council has decided not to apply the full percentage increases to general income available to it in one or more previous years under sections 506, 508(2) or 508A of the LG Act.

Does the council have deferred general income increases available to it from one or more previous years under section 511 of the LG Act?	No
If Yes, has the collection of this additional income been included in the Council's Long Term Financial Plan (LTFP)?	n/a

In the text boxes also explain:

a. The quantum, rationale and timing of any deferred increases in general income.

n/a.

b. When council plans to catch up on the deferred general income through the catch up provisions and whether this been included in the LTFP.

n/a.

c. How does this deferred income impact on the council's need for the SV and its cumulative impact on ratepayers' capacity to pay? The council may also wish to further expand on this question in of OLG Criterion 1 below.

n/a.



### 3 OLG SV Criterion 1 – Financial need

Refer to the [OLG SV Guidelines](#) as needed, and section 3 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section.

In below, please explain how the council met each component of Criterion 1. Please also provide a reference to evidence in the IP&R documents.

The [Part A](#) application form also collects information for this criterion in Worksheets 9 (WS 9 - Financial), 10 (WS 10 - LTFP) and 11 (WS 11 - Ratios).

Table 6 OLG Criterion 1 components

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
<p>The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the SV) is clearly articulated and identified in the council's IP&amp;R documents.</p>	<p>Councils 2023-33 Community Strategic Plan (CSP) identifies a priority to ensure its "financial position is strong and able to meet our current and future obligations to our community" (p32). The CSP identifies the strategy to "ensure long term financial sustainability through short, medium and long term financial planning": and effectively manage assets "through sustainable and cost effective lifecycle management" (p32).</p> <p>Council's 2023-25 Delivery Program (DP) extends this strategy into actions including review and updated LTFP annual and improved asset management processes to align with and support the LTFP (p52-53). In the same DP, the financial sustainability challenges ahead were articulated with options to reverse course, including SV (p70)</p> <p>Council's 2022-32 Resourcing Strategy, which included the 2022-32 LTFP flagged "a widening gap between the amount of funding needed and the amount of funding available for the maintenance and renewal of assets" (p.13).</p> <p>Council undertook a review of its financial position in mid-2023 and as a result identified the need for an SV. The 2023-34 Resourcing Plan, which includes the 2023-34 LTFP, reflects the need and purpose of a different rate path that resulted from this review. The 2023-34 LTFP demonstrates that Council's "the current financial situation of Council was one of relatively persistent deficits. Assets renewals were not funded sufficiently to maintain their current conditions". "Council had limited unrestricted cash balances for day-to-day operations" (p.17).</p>	<p><a href="#">Attachment 12 – TRC Community Strategic Plan 2023-33 (p32)</a></p> <p>Attachment 13 – TRC Delivery Program 2023-25 and 2023-24 Operating Plan (p52-53) (p70)</p> <p>Attachment 2 – TRC Resourcing Plan 2023-25 (adopted 28 June 2022) (p13)</p> <p>Attachment 3 – TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023) (p.17)</p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>The 2023-34 LTFP demonstrates an unsustainable base case (scenario 1) and presents two sustainability scenarios with a one-year SV (scenario 2) and a two-year SV (scenario 3 – preferred) that would enable Council to ensure its ongoing financial sustainability. The two-year SV (scenario 3) was preferred by Council as it better balances the needs to ensure its ongoing financial sustainability with the impact on rate-payers.</p>	
<p>In establishing need for the SV, the relevant IP&amp;R documents should canvass alternatives to the rate rise.</p>	<p>The 2023-34 LTFP modelled a base case and two SV options, as outlined above. It also looked at alternatives to a rate rise.</p> <p>Council undertook an Organisational Sustainability Review and Improvement Plan (Attachment 14) to identify and implement cost savings, other revenue sources and efficiency gains. These have been built into the LTFP modelling but would not fully address the sustainability challenge Council faces.</p> <p>The 2023-34 LTFP also looked at what would happen if the council was not successful in receiving the proposed SV. The figures on page 34 show the impact on Council's financial position if it tried to ensure its ongoing sustainability of assets without an SV. On page 62, Council considers the impact on assets, particularly roads and sports and recreation of not receiving the proposed SV.</p>	<p><a href="#">Attachment 14 – TRC Organisational Sustainability and Improvement Plan</a></p> <p><a href="#">Attachment 3 – TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023) (p34 and 62)</a></p>
<p>In demonstrating this need councils must indicate the financial impact in their LTFP.</p>	<p>The 2023-34 LTFP includes the impact of the three scenarios (base case and the two SV options) on the General Fund (excluding Domestic Waste) financial statements on pages 26, 42 and 55.</p>	<p><a href="#">Attachment 3 – TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023) (p26, 42 and 55)</a></p>
<p>Evidence of community need/desire for service levels/projects and limited council resourcing alternatives.</p>	<p>The proposed SV is focussed on financial sustainability with adequate investment in renewal and maintenance of current assets. This involves maintaining current service levels and not increasing services or funding new projects.</p> <p>In undertaking the Organisational Sustainability and Improvement Plan (Attachment 14), Council looked at alternative revenue sources where possible for these services, including expansion of advisory services to other organisations, reducing Community Service Obligation (CSO) for sports facilities and increasing user pays fees, reviewing Developer Contributions Scheme, and reviewing pricing matrix for a number of fees for service areas. Council undertakes regular surveys of community satisfaction with Council services. The recent Community Research Report from Feb 2022 show while the community is generally satisfied with Council's performance, the highest importance and lowest satisfaction area was maintaining the overall condition of local roads. This supports the proposed SV, which is focused on adequately funding required renewal and maintenance of road infrastructure and assets generally.</p>	<p><a href="#">Attachment 14 – TRC Organisational Sustainability and Improvement Plan (pp. 15-18)</a></p> <p><a href="#">Attachment 15 – TRC Community Research Report Feb 2022</a></p>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	<p>Council provides essential community facilities to small regional towns and villages. It is impractical to charge the users of these facilities a price that is reflective of the cost to provide however the continued provision of these facilities and services is crucial to the fabric of these communities. Community members have been extremely vocal with regards to ensuring the continuance of providing basic services and recreational facilities regardless of population size.</p>	
<p>Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies</p>	<p>There are no recent examples of other government agencies conducting a financial sustainability assessment of Council. As already noted, Council did engage Morrison Low to undertake an independent financial sustainability review, which has been reflected in the Council's SRV Background Paper (Attachment 1), and the 2023-34 Resourcing Plan, which includes the LTFP and Asset Management Strategy (Attachment 3).</p>	<p>Attachment 1 – SRV Background Paper  Attachment 3 – TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023).</p>
<p>If applicable, has the council not applied the full percentage increases available to it in one or more previous years under section 511 of the Local Government Act? If a council has a large amount of revenue yet to be caught up over the next several years, it should explain in its application how that impacts on its need for the SV.</p>	<p>Not applicable – Council has applied the full amount of approved percentage increases in prior years.</p>	<p>n/a.</p>

### 3.1 Additional information required for councils with an existing SV applying for an additional percentage increase

If the council has **an existing SV**, then explain the **need for a variation to that SV** to increase the annual percentage increases.

n/a.

### 3.2 Any other factors that demonstrate the council's financial need (optional)

In the text box please give a brief explanation of any other factors not already mentioned that may be relevant to demonstrate the council's need.

For instance, the council may wish to discuss the impact of **non-rateable** properties.

n/a.

Worksheet 12 (WS 12) in the [Part A](#) Excel application form can also be used to provide additional data.

## 4 OLG SV Criterion 2 – Community awareness and engagement

Refer to the OLG SV Guidelines as needed, and section 4 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and materials for completing this section. Please also note that section 4 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) is the IPART fact sheet referred to in the OLG SV Guidelines under Criterion 2 that provides guidance to councils on the community awareness and engagement criterion for special variations.


### 4.1 How did the council engage with the community about the proposed special variation?

In Table 7 please provide evidence as to how the councils community engagement met Criterion 2.

Table 7 Evidence of the council's community engagement demonstrating Criterion 2

Criteria	Evidence of meeting this criterion	Reference to application supporting documents
Evidence that the community is aware of the need for and extent of a rate rise.	<p>Council conducted community consultation on the proposed SV from 13 September 2023 to 31 October 2023, after council resolved on 12 September to engage with the community on the proposed rate increase.</p> <p>Council documented the outcomes of the community consultation in its Community Awareness and Engagement Strategy Outcome Report. The key elements from engagement are outlined in this table.</p> <p>Of 872 survey responses received, 89% indicated that they understood why there is a need and purpose of the SV and 11% indicated that they did not (Attachment 17, p.1).</p>	<p><a href="#">Attachment 16 – TRC Council report and resolution on SRV consultation</a></p> <p>Attachment 17 – TRC Community Awareness and Engagement Strategy Outcome Report</p>



Criteria	Evidence of meeting this criterion	Reference to application supporting documents																				
<p>The council need to communicate the full cumulative increase of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category.</p>	<p>Council articulated the full cumulative increase of the proposed SV (36.3%) in all communications materials and presentations on the proposed SV.</p> <p>In materials and presentation, Council also provided an impact in dollar terms on average rates per category and in some circumstance, per rating category and location.</p> <p>Council also provided a rates calculator on the SRV website, so that residents and businesses could understand the impact of the SRV on their own properties.</p> <p>Information on the materials and presentations provided during community consultation can be seen on the Council's Have Your Say page on the SRV proposal. (<a href="https://haveyoursay.tamworth.nsw.gov.au/srv">https://haveyoursay.tamworth.nsw.gov.au/srv</a>). Examples of materials and presentation are also available on pages</p>	<p><a href="https://haveyoursay.tamworth.nsw.gov.au/srv">https://haveyoursay.tamworth.nsw.gov.au/srv</a></p> <p>Attachment 17 – TRC Community Awareness and Engagement Strategy Outcome Report (pp.20-43)</p>																				
<p>The Delivery Program and LTFP should clearly set out the extent of the General Fund rate rise under the SV, for the average ratepayer, by rating category.</p>	<p>The 2023-34 LTFP provides the full extent of the General Fund rate rise under the SV for average ratepayers by rating category on page 48 and again on page 61. As shown in the table below.</p> <table border="1" data-bbox="368 1003 906 1193"> <thead> <tr> <th>Rating Category</th> <th>2023-24 Average Rates</th> <th>2024-25 Average Rates</th> <th>2025-26 Average Rate</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>\$1,197.28</td> <td>\$1,418.78</td> <td>\$1,631.59</td> </tr> <tr> <td>Business</td> <td>\$4,154.01</td> <td>\$4,922.50</td> <td>\$5,660.88</td> </tr> <tr> <td>Farming</td> <td>\$2,147.96</td> <td>\$2,545.33</td> <td>\$2,927.13</td> </tr> <tr> <td>Mining</td> <td>\$10,073.39</td> <td>\$11,936.97</td> <td>\$13,727.51</td> </tr> </tbody> </table>	Rating Category	2023-24 Average Rates	2024-25 Average Rates	2025-26 Average Rate	Residential	\$1,197.28	\$1,418.78	\$1,631.59	Business	\$4,154.01	\$4,922.50	\$5,660.88	Farming	\$2,147.96	\$2,545.33	\$2,927.13	Mining	\$10,073.39	\$11,936.97	\$13,727.51	<p>Attachment 3 – TRC Resourcing Plan 2023-34 (adopted 28 Nov 2023) (p.48 and 61)</p>
Rating Category	2023-24 Average Rates	2024-25 Average Rates	2025-26 Average Rate																			
Residential	\$1,197.28	\$1,418.78	\$1,631.59																			
Business	\$4,154.01	\$4,922.50	\$5,660.88																			
Farming	\$2,147.96	\$2,545.33	\$2,927.13																			
Mining	\$10,073.39	\$11,936.97	\$13,727.51																			
<p>Council should include an overview of its ongoing efficiency measures and briefly discuss its progress against these measures, in its explanation of the need for the proposed SV.</p>	<p>Council outlined the efficiency measures that it has implemented and plans to implement from the Organisation Sustainability Review and Improvement Plan (Attachment 14) in key materials and presentations to the community.</p> <p>This is best outlined on page 2-3 of the SRV Background Paper, which served as the source of truth for all consultation materials and was also published on Council's SRV Have Your Say page as a stand-alone document.</p> <p>A snapshot of this is also provided in the public forum presentations as below. This can be found in Attachment 17, p.41.</p> <div data-bbox="363 1659 1002 1995">  </div>	<p>Attachment 1 – SRV Background Paper (pp.2-3)</p> <p>Attachment 17 – TRC Community Awareness and Engagement Strategy Outcome Report (p.41)</p>																				

Criteria	Evidence of meeting this criterion	Reference to application supporting documents
<p>The council's community engagement strategy for the SV must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur.</p>	<p>Section 2 of the Community Awareness and Engagement Strategy Outcome Report outlines Council's engagement approach and methods including print, radio and television advertising, community factsheet, social media campaign, letterbox drop, media releases, an online consultation platform, printed communications collateral and community forums and a recorded presentation.</p> <p>Council developed an engagement plan that considered the community demographics and designed a variety of engagement methods to ensure that there was adequate opportunity for everyone in the community to understand the proposal and provide feedback if they wanted. The engagement plan is provided in Appendix A of the Community Awareness and Engagement Strategy Outcome Report (Attachment 17) and it also formed part of the Council report of 12 September 2023 for Council to consider when resolving to proceed with community consultation on the SV.</p>	<p>Attachment 17 – TRC Community Awareness and Engagement Strategy Outcome Report (pp.6-11 and Appendix A)</p> <p><a href="https://haveyoursay.tamworth.nsw.gov.au/srv">https://haveyoursay.tamworth.nsw.gov.au/srv</a></p>
<p>Explain the action, if any, the council took in response to feedback from the community</p>	<p>The key themes of the engagement and Council's response to them is provided in Section 4 of the Community Awareness and Engagement Strategy Outcome Report.</p> <p>In addition to the response to feedback outlined in the report, Council also considered and resolved to increase its pensioner rate concessions by \$50 in 2024-25 to \$300 and by a further \$50 in 2025-26 to \$350 if the SV is approved. This decision was in response to a key concern in the consultation feedback on the affordability of the rate rise on those with fixed incomes particularly pensioners. The 2023-34 LTFP was also updated to include the cost of this decision on modelling.</p> <p>Council has also reviewed its ratepayers hardship policies including the Financial Hardship Policy, Ratepayers Pensioner Policy and Debt Recovery Policy for Property Debts. Drafts of these policies were placed on exhibition from 12 Dec 2023 to 10 Jan 2024 (<a href="https://haveyoursay.tamworth.nsw.gov.au/document-s-public-exhibition/ratepayers-hardship-policy">https://haveyoursay.tamworth.nsw.gov.au/document-s-public-exhibition/ratepayers-hardship-policy</a>). No significant feedback was received, and the policies will be formally adopted by Council at its second meeting in February on 27 February 2024. Copies of report and resolution to place on exhibition and final policies are provided in the attachments.</p> <p>These policies enable Council to ensure equity to all ratepayers whilst assisting those experiencing financial hardship. They allow Council the flexibility to consider the unique circumstances for each individual ratepayer facing hardship and a variety of measures to resolve financial hardship. Including referrals to independent, free expert advice to 'stop the clock' mechanism for suddenly incapacitated or unemployed ratepayers.</p>	<p>Attachment 17 – TRC Community Awareness and Engagement Strategy Outcome Report (pp.14-17)</p> <p>Attachment 18 – TRC Council report and resolution to apply for SV. (p5 and resolution)</p> <p>Attachment 19 - TRC Council report and resolution on hardship policy</p> <p>Attachment 20 – TRC Ratepayers Hardship Policy – final draft</p> <p>Attachment 21 – Ratepayers Pensioner Policy – final draft</p> <p>Attachment 22 – Debt Recovery Policy for Property Debts – final draft</p>

In the text box below, provide any other details about the council's consultation strategy, timing or materials that were not captured in Table 7.



All details of Council's consultation strategy are provided in Appendix A of the Community Awareness and Engagement Strategy Outcome Report (Attachment 17), which outlines the engagement plan developed and executed by Council.

In the text box below, please provide any other details about the community's involvement in, engagement with or support of or opposition to the proposed SV not captured in Table 7.

All details of Council's consultation strategy, execution and outcomes are provided in Appendix A of the Community Awareness and Engagement Strategy Outcome Report (Attachment 17).

Please list out any other attachments in Table 8 that the council has relied on to respond to Criterion 2 that was not otherwise outlined in Table 7.

Table 8 Other Criterion 2 attachments

Attachment number	Name of document	Page references

## 5 OLG SV Criterion 3 – Impact on ratepayers

Refer to the [OLG SV Guidelines](#) as needed, and section 5 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section. The [Part A application form](#) also collects information for this criterion in [Worksheet 7 \(WS 7 - Impact on Rates\)](#).

### 5.1 How did the council clearly show the impact of any rate rises on the community?

Please articulate in the text box below how the council demonstrated this question.

In your response, please include references to the Delivery Program, LTFP and relevant community consultation materials to support the council's claims.

Council demonstrated the impact of the proposed SV on ratepayers by average rate increases for each rating categories as detailed in the SRV Background Paper (Attachment 1, p6), the 2023-34 LTFP (Attachment 3, p.61) and in a variety of engagement collateral and presentations as seen at <https://haveyoursay.tamworth.nsw.gov.au/srv..> The table presenting the average increases per category is as follows:

Rating category	2023-24	2024-25	2025-26	Cumulative increase
Residential	\$1,197.28	\$1,418.78	\$1,631.59	\$434.31
Business	\$4,154.07	\$4,922.50	\$5,660.88	\$1,506.87
Farming	\$2,147.96	\$2,545.33	\$2,927.13	\$779.17
Mining	\$10,073.39	\$11,936.97	\$13,727.51	\$3,654.12

### 5.2 How has the council considered affordability and the community's capacity and willingness to pay?

Please articulate in the text box below how the council demonstrated this question.

In your response, please provide references to the Delivery Program, LTFP and community consultation materials where the council has considered the affordability and the community's capacity and willingness to pay.

Council engaged Morrison Low to undertake an independent analysis and evaluation of the community's capacity to meet the financial impacts of the proposed SV (Attachment 23 – TRC Capacity to Pay report). The analysis highlights that there are levels of advantage and significant disadvantage within the Tamworth Regional Council LGA. Overall, it scores towards the lower end on Socio-Economic Index of Areas (SEIFA) rankings, placing it the 24th percentile for Index of Relative Socio-Economic Disadvantage (IRSD) and 23rd for Index of Relative Socio-Economic Advantage (IRSAD). This is lower than the Regional NSW averages of 36th and 32nd respectively, and fractionally above the New England and North West averages of 24th and 21st.

At both a grouping and a locality level, it is apparent that there is substantial inequity within the LGA, and it was important that Council acknowledges these levels of disadvantage within the community, ensuring it does not significantly marginalise particularly vulnerable individuals and households. It has done this through its review of ratepayer hardship policies and the increase to pensioner rate concessions. However, as average residential land values generally align to the levels of advantage and disadvantage across the LGA, the increases proposed under the SV options are relatively proportionate.

Council also benchmarked its proposed SV with other similar councils and when compared with similar regional town/city councils (OLG group 4 classification), Tamworth's current average residential rates sit well below the average of comparison councils. If one of the SV options is implemented, by the end of 2025/26, residential rates across the LGA are estimated to move more towards the upper end of this grouping of comparative councils (sixth or seventh out of 25 reporting councils).

### 5.3 How has the council addressed (or intend to address) concerns about affordability?

Does the council have a hardship policy?	Yes
If yes, is an interest charge applied to late rate payments?	Yes

To inform our assessment, Worksheet 12 (WS 12) in the [Part A](#) application form also collects data on overdue rates notices, pensioner concessions and rates notices subject to hardship provisions.

Please provide the council's response in the text boxes below.

a. Explain the measures the council proposes to use to reduce the impact of the proposed SV on vulnerable ratepayers, or alternatively, explain why no measures are proposed.

Council has resolved to increase its pensioner rate concessions by \$50 in 2024-25 to \$300 and by a further \$50 in 2025-26 to \$350 if the SV is approved. This decision was in response to a key concern in the consultation feedback on the affordability of the rate rise on those with fixed incomes particularly pensioners. The 2023-34 LTFP was also updated to include the cost of this decision on modelling.

Council has also reviewed its ratepayers hardship policies including the Financial Hardship Policy, Ratepayers Pensioner Policy and Debt Recovery Policy for Property Debts. Drafts of these policies were placed on exhibition from 12 Dec 2023 to 10 Jan 2024 (<https://haveyoursay.tamworth.nsw.gov.au/documents-public-exhibition/ratepayers-hardship-policy>). No significant feedback was received, and the policies will be formally adopted by Council at its second meeting in February on 27 February 2024. Copies of report and resolution to place on exhibition and final policies are provided in the attachments (Attachments 19-22).

These policies enable Council to ensure equity to all ratepayers whilst assisting those experiencing financial hardship. They allow Council the flexibility to consider the unique circumstances for each individual ratepayer facing hardship and implement a variety of measures to resolve financial hardship. Including, referrals to independent, free, expert financial/budgeting advice to a 'stop the clock' mechanism for suddenly incapacitated or unemployed ratepayers..

b. Indicate whether the hardship policy or other measures are referenced in the council's IP&R documents (with relevant page reference or extract provided).

The revision of ratepayers hardship policies and the increases to pensioner rate concessions are referenced in Council's 2023-34 LTFP (Attachment 3, p.35)

c. Please explain how the council makes its hardship policy or other measures known to ratepayers.

Drafts of these policies were placed on exhibition from 12 Dec 2023 to 10 Jan 2024 ( they are formally adopted by Council at its next meeting on 13 February 2024, the policies will be placed on Council's website replacing the superseded policy here - <https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/policies>.

Council also communicates the availability of measures outlined in its various debt recovery and hardship policies in individual communications with affected property owners. Council has always preferred to work with impacted ratepayers. Council's debt recovery provider will also at an individual level work with ratepayers to facilitate measures outlined in Council's policies.

## 5.4 Are there any other factors that may influence the impact of the council's proposed rate rise on ratepayers (optional)?

Describe the impact of any other anticipated changes in the rating structure (e.g. receipt of new valuations), or any changes to other annual ratepayer charges such as for domestic waste management services.

You may also explain how the number of **non-rateable properties** may impact the council's average rates, if relevant to your council.

You can provide additional data using Worksheet 12 (WS 12) in the [Part A](#) Excel application form. For instance, providing the number of non-rateable versus rateable properties.

Click here to enter text.

## 6 OLG SV Criterion 4 – Exhibition and adoption of IP&R documents

Refer to the [OLG SV Guidelines](#) as needed, and section 6 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing consultation strategy and material for completing this section.

Table 9 seeks information which demonstrates that the council has met the formal requirements for the preparation, exhibition, adoption and publication of the current IP&R documents.

Table 9 IP&R documents

IP&R Document	Exhibition dates	Link to council minutes that outlines the resolution to publicly exhibit	Adoption date	Link to council minutes that outlines the resolution to adopt	Link to the adopted IP&R document on the council's website
Community Strategic Plan	11 May 2022 to 7 June 2022	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=10">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=10</a> Resolved 10 May 2022	28 June 2022	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=9">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=9</a>	<a href="https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan">https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan</a>
Delivery Program	10 May 2023 to 7 June 2023	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=5">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=5</a> Resolved 9 May 2023	29 June 2023	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=4">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=4</a>	<a href="https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan">https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan</a>
Long Term Financial Plan	13 September 2023 to 31 October 2023	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=2">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=2</a> Resolved 12 September 2023	28 November 2023	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=1">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=1</a>	<a href="https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan">https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan</a>

IP&R Document	Exhibition dates	Link to council minutes that outlines the resolution to publicly exhibit	Adoption date	Link to council minutes that outlines the resolution to adopt	Link to the adopted IP&R document on the council's website
Asset Management Plan (which contain long-term projections of asset maintenance, rehabilitation and replace, including forecast costs).	n/a	n/a Under current Integrated Planning and Reporting Guidelines, Asset Management Plans and Workforce Management Plans are not required to be exhibited before adoption by Council.	28 November 2023	<a href="https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=1">https://www.tamworth.nsw.gov.au/about/the-council/council-meetings/business-papers-and-minutes?PagingModule=4438&amp;pg=1</a>	<a href="https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan">https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/community-strategic-plan</a>



## 7 OLG SV Criterion 5 – Productivity improvements and cost-containment

Refer to the [OLG SV Guidelines](#) as needed, and section 7 of IPART's [Guidance Booklet - Special variations: How to prepare and apply](#) when preparing for and completing this section.

### 7.1 What is the council's strategic approach to improving productivity in its operations and asset management?

Please provide the council's response in the text box below.

Tamworth Regional Council's approach to improved productivity of operations and assets includes a continuous review of our efficiency and effectiveness and catering for what Council "can do" in keeping with the overall aim of fiscal responsibility.

Council has been on an extensive, long-term improvement journey already and remains committed to continuing with saving initiatives as part of a whole-of-organisation improvement plan.

In mid-2023 Council undertook an organisational sustainability review to identify financial and operational opportunities that can guide Council through an improvement plan, outlining productivity gains, cost savings, increased income and/or additional resource needs for long-term operational sustainability. This review and improvement plan sought to focus on cost containment strategies and productivity improvements that have been utilised by Council in the past and present, as well as opportunities for improvement in the future. (See Attachment 14 – TRC Organisational Sustainability and Improvement Plan)

The objectives of a sustainability review and undertaking an improvement journey are:

- Long-term financial and operational sustainability and viability across the organisation with a collaborative approach to solutions.
- Utilising the combined knowledge of the organisation to create a range of productivity improvements.
- Providing an improvement plan for future decision-making that embeds 'sustainability' principles in decisions at all levels.
- Enable engagement with the community on the alternative options and choices to an SV.
- Demonstrate to the Independent Pricing and Regulatory Tribunal (IPART) that Council has considered and consulted on a range of improvements prior to making any application.

- Demonstrate to IPART and the Office of Local Government (OLG) that Council has a prioritised program of ongoing service reviews aimed at continuous improvement and optimisation of its services.
- Cost savings, revenue increases and productivity improvements as a means of reducing the amount of any SV.

In addition to this, Council is embarking on a technology strategy and roadmap that will see a significant upgrade of its digital, information and technology capabilities, along with significant cost and efficiency gains (See Attachment 14 – TRC Organisational Sustainability and Improvement Plan, Appendix A). Overall, the Technology Blueprint program is currently expected to deliver a variety of long-term benefits, including:

- Improving efficiency by removal of paper based and duplicative processes, and automation of, manual, administrative and non-value adding activities.
- Increasing convenience through remote and mobile access to systems.
- Creating a seamless experience across the end-to-end customer journey including appropriate self service capabilities.
- Cost savings through sunsetting existing platforms that are no longer in use and rationalising of licences and systems that are in use.
- Reducing revenue loss and improving revenue generation through new and easier payment methods improving efficiency by automation of manual, administrative and non-value adding activities.

As part of the work undertaken to update Council's Asset Management Strategy and Plan, an asset management improvement plan was also developed and documented in the AMS. See Attachment 3 – TRC Resourcing Plan 2023-34 (p95)

## 7.2 What outcomes has the council achieved from productivity improvements and cost containment strategies in past years?

Please provide the council's responses to the questions in in the text boxes below.

a. Explain initiatives undertaken in the past few years to improve productivity and contain costs.

There were 189 past improvements identified, producing savings of \$7.9 million annually as well as \$3.2 million in one-off savings, which Council has already completed in order to continually strive for organisational sustainability. These past improvements often involve ongoing cost savings, as well as productivity gains and process improvements, and these have already been accounted for within Council's LTFFP.

Some of these initiatives included:

- Review of plant and fleet to improve utilisation of assets

- Implementation of pooled plant
- Review of energy contracts
- Upgrading of street lighting to LED
- Reduction of reliance on potable water for parks and sports fields
- New weighbridge at waste management facility
- IT managed services to neighbouring councils
- Reconfiguration of haulage freight
- Reconfiguration of street sweeping and litter control

Details of past improvement savings are provided in Attachment 14 – TRC Organisational Sustainability and Improvement Plan, Section 7.1, p.13).

b. Outline the outcomes which have been achieved, including providing quantitative data where possible.

Overall savings from past improvements totalled \$7.9 million annually as well as \$3.2 million in one-off savings.

Some of the biggest cost savings made by Council have been from a review of plant and vehicle holdings, a reduction in rates charged on Council-owned properties and the implementation of pooled plant (following the plant review), which alone have saved Council a combined \$2.261 million every year. Of the identified past improvements, 55 have increased cost savings, 111 encouraged productivity and efficiency gains, 18 increased revenue generation and 34 improved operational sustainability.

Details of past improvement savings are provided in Attachment 14 – TRC Organisational Sustainability and Improvement Plan, Section 7.1, p.13).

### 7.3 What productivity improvements and cost containment strategies are planned for future years?

The council should provide information that details initiatives planned for the next two years when requesting a one-year section 508(2) SV, or match the duration of the proposed SV.

The response should, wherever possible:

- estimate the financial impact of strategies intended to be implemented in the future
- present these as a percentage of operating expenditure
- indicate whether the proposed initiatives have been factored into the council's Long Term Financial Plan.

In the text boxes below:

a. Explain the initiatives which the council intends to implement and their financial impact.

Council has identified, costed and prioritised 55 present improvements, which Council will be implementing over the next three to four financial years (with some having a slightly longer implementation timeframes). These are estimated to produce \$1.6 million in annual benefits and a further \$2.2 million in one-off savings. The present improvements include cost savings, efficiency gains, revenue increases and key items that are necessary for long-term operational sustainability.

The following present improvements, focused on cost savings and productivity/efficiency gains, which were considered to be some of the highest priorities for Council:

- Implementation of solar power at TRECC
- Open space reinvestment via selling of unused/unrequired land and assets
- Asset preservation bonds
- Review of Development Contributions Scheme
- Internal resource recovery process.

Five of these present improvements have been collated under a renewable energy grouping. These items relate to renewable energy and lighting options in a number of key facilities.

Council's senior staff identified ten present opportunities that are focused on improving Council's operational sustainability. This includes:

- Sustainable resourcing from the Strategic Workforce Plan
- An increased training and development budget
- An embedded service review process
- Improvements to volunteer services.

b. Indicate whether these have been incorporated in the council's Long Term Financial Plan, if not, explain why.

All the present improvements identified above and in Section 7.2 of Attachment 14 – TRC Organisational Sustainability and Improvement Plan, have been included within Council's LTFP.

A further 14 initiatives were identified, but required further work to ascertain their feasibility, costs and benefits. These are listed in Section 7.3 of Attachment 14 – TRC Organisational Sustainability and Improvement Plan and have not yet been incorporated into Council's LTFP.

## 7.4 How has the council's levels of productivity and efficiency changed over time, and compared to similar councils?

In the text box summarise data which demonstrates how the council has improved productivity and indicate its performance against that of comparable councils.

Tamworth Regional Council can demonstrate productivity and efficiency in comparison to other similar councils. Tamworth Regional Council is part of OLF Group 4 Regional Town / City.

As per OLG's Time Series data of 2021-22, Council has 585 FTE staff compared to a group average of 367. However, this equates to 109 residents per staff member which is the same as the OLG group average. Additionally, Council incurred \$2,350 of operating expenses a year for each resident, this is lower than the group average of \$2,763.

Given that on average Council services a significantly larger area (63,652 km<sup>2</sup>) than the average for Group 4 (39,212 km<sup>2</sup>) and does so with a commensurate staffing level per capita and a significantly lower expenditure per capita, Council has demonstrated better than average efficiency and productivity than its comparator group.

Figure 5 in the Capacity to Pay report (Attachment 23, p.34) included here, also shows Tamworth comparative rates as a percentage of operating expenses, which at 26% is close to the average for Group 4 Councils (26%).

**Figure 5 Actual (2022) rates as a percentage of operating expenses for OLG group 4 regional town/city councils**

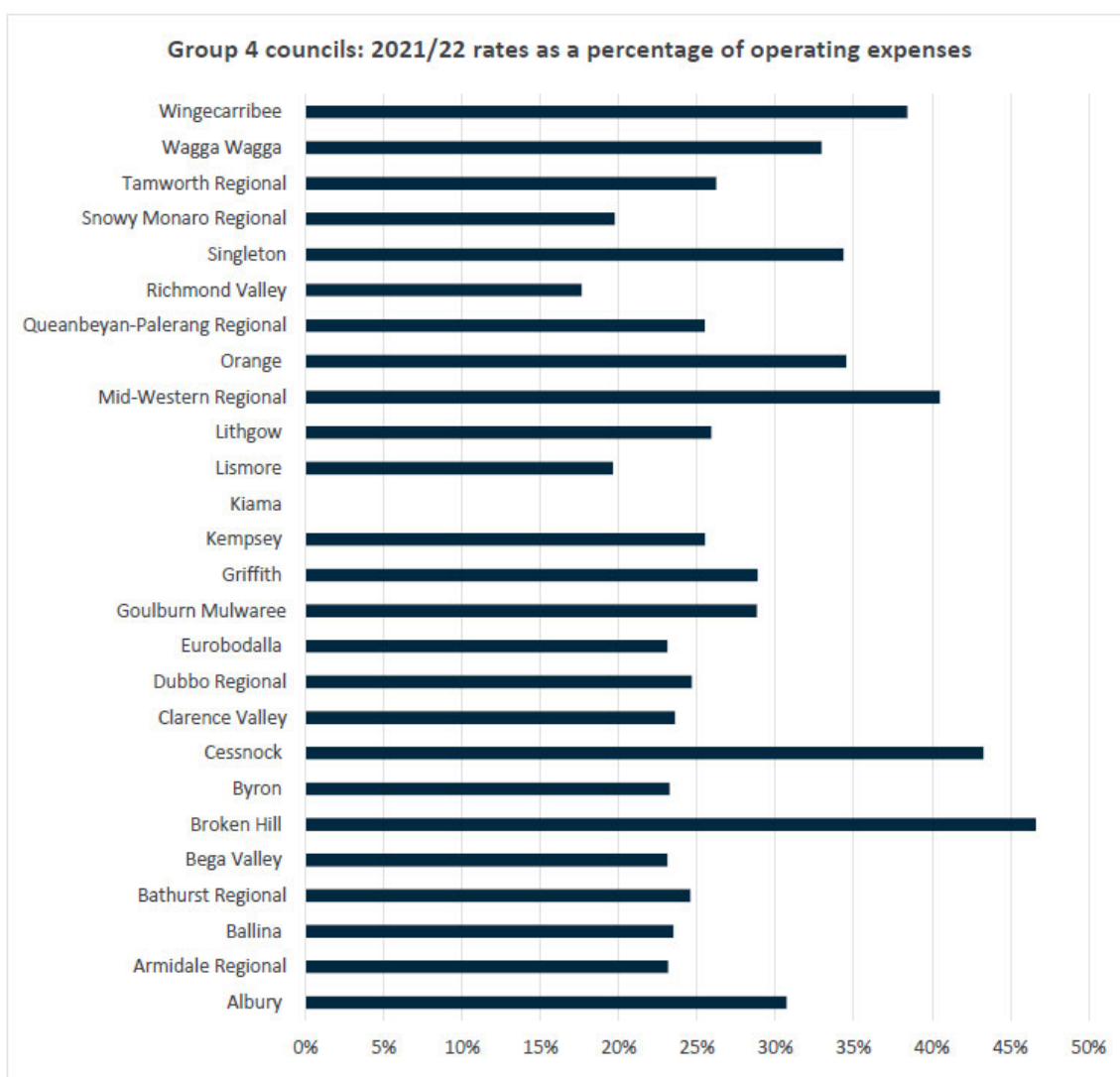


Table 10 Criterion 5 attachments

Attachment number	Name of document	Page references
Attachment 3	TRC Resourcing Plan 2023-34	p.95
Attachment 14	TRC Organisational Sustainability and Improvement Plan	All
Attachment 23	TRC Capacity to Pay report	p.34



## 8 Council certification and contact information

Councils must submit a declaration in the specified form. It should be completed by the General Manager and the Responsible Accounting Officer.

### 8.1 Certification of application and declaration

Prepare a document in the form indicated below. Please sign (electronic signature is also acceptable), scan and submit it with your application.

This is to be completed by General Manager and Responsible Accounting Officer.

<b>Name of the council:</b>	Tamworth Regional Council
-----------------------------	---------------------------

We certify that to the best of our knowledge the information provided in the Part A application form and this SV Part B application form is correct and complete. We have completed the checklist for the Part A and B application forms and also provided all relevant attachments as requested (see Table 11, Table 12 and Table 13).

<b>General Manager (name):</b>	██████████
<b>Signature and Date:</b>	x _____
<b>Responsible Accounting Officer (name):</b>	██████████
<b>Signature and Date:</b>	x _____

**Note:** These signatures will be redacted before publication of the application.



## 8.2 Council contact information

IPART's formal contact with the council will be with the General Manager.

During the assessment period, IPART officers are likely to contact the council with detailed queries about the application and supporting documents. Councils should provide details of the primary contact for such inquiries where this person is a council officer who is not the General Manager. Council officer direct contact details will be redacted before publication of this application.

### General Manager

<b>General Manager contact phone</b>	[REDACTED]
<b>General Manager contact email</b>	[REDACTED]

Note: These contact details will be redacted before publication of the application.

### Primary council contact

<b>Council contact phone</b>	[REDACTED]
<b>Council contact email</b>	[REDACTED]
<b>Council email for inquiries about the SV application</b>	[REDACTED]

Note: These contact details will be redacted before publication of the application.

### Secondary council contact

<b>Council contact phone</b>	[REDACTED]
<b>Council contact email</b>	[REDACTED]
<b>Council email for inquiries about the SV application</b>	[REDACTED]

Note: These contact details will be redacted before publication of the application.

## 9 List of required attachments

To complete (adding rows as necessary):

- Name each document.
- Check the box to indicate that it is being submitted with the application.

Table 11 Required attachments checklist

Name of attachment	The document is included	The document is not applicable
<b>Mandatory forms/attachments:</b>		
Application Form Part A (Excel spreadsheet)	<input checked="" type="checkbox"/>	
Application Form Part B (this Word document)	<input checked="" type="checkbox"/>	
Council resolution to apply for the special variation (Attachment 18)	<input checked="" type="checkbox"/>	
Completed certification and declaration (see 8.1)	<input checked="" type="checkbox"/>	
<b>If applicable, to support the responses provided in Question 5 of Description and Context (see section 2) provide:</b>		
Instrument for expiring special variation/s	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OLG advice confirming calculation of amount to be removed from the council's general income	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>If applicable, to support the responses provided in Questions 6 AND/OR 7 of Description and Context (see section 2) provide:</b>		
Declaration of compliance with conditions in past instruments (if applicable) (Attachment 11)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Relevant instrument(s) for past special variations (if applicable) (Attachments 7 and 9)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Evidence of compliance with conditions in past instruments (if applicable) (Attachments 8 and 10)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Mandatory public supporting material (i.e. to be published on IPART's website):</b>		
Community Strategic Plan (Attachment 12)	<input checked="" type="checkbox"/>	
Delivery Program (Attachment 13)	<input checked="" type="checkbox"/>	
Long Term Financial Plan (Attachment 3)	<input checked="" type="checkbox"/>	
Asset Management Plan(s) (required if a key purpose of the SV is related to assets and capital expenditure)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Name of attachment	The document is included	The document is not applicable
(Attachments 3, 4, 5 and 6)		
Consultation materials, e.g. copies of media releases, notices of public meetings, newspaper articles, fact sheets used to consult on rate increase and proposed special variation (combined into one document) (Attachment 17)	<input checked="" type="checkbox"/>	
Community feedback (including surveys and results) (Attachment 15 and 17)	<input checked="" type="checkbox"/>	
Willingness to pay study (if applicable) (Attachment 23)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Hardship policy (Attachments 19,20, 21 and 22)	<input checked="" type="checkbox"/>	
<b>Other public supporting materials:</b>		
Government agency's report on financial sustainability e.g. NSW Treasury Corporation (if applicable)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TRC SRV Background Paper	Attachment 1	
Superseded LTFP - TRC Resourcing Plan 2023-25 (adopted 28 June 2022)	Attachment 2	
TRC Organisational Sustainability and Improvement Plan	Attachment 14	
TRC Council report and resolution on SRV consultation	Attachment 16	
<b>Confidential supporting material (i.e. not to be published on IPART's website):</b>		
(List the documents)		

## 10 Checklists

We provide these checklists to ensure that submitted applications meet a minimum standard.

Meeting the requirements of these checklists **does not** guarantee a council will be approved for the SV it has applied for.

Table 12 Part A Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
Data provided in Part A application (i.e. proposed SV%, rates amount etc) are consistent with those contained in Part B application.	<input checked="" type="checkbox"/>
Table 1.2 of "WS1-Application" lists all the tables in worksheets 1 -12 that council must complete, based on the nature of council's application. Please confirm that all the data requirements, as listed in table 1.2, have been completed.	<input checked="" type="checkbox"/>
All completed tables (values and units – i.e. \$ or \$'000) have been completed correctly and verified to source. Please pay attention to the units specified for each table in each worksheet.	<input checked="" type="checkbox"/>
WS 10 - LTFP agrees to the council's provided LTFP.	<input checked="" type="checkbox"/>
Dollar numbers provided in "WS10 – LTFP" are in dollars (\$) not thousands (\$'000) or millions (\$M)	<input checked="" type="checkbox"/>
If the council has an expiring or existing SV, it has incorporated this when filling out WS 2.	<input type="checkbox"/>
Annual and cumulative percentages are rounded to 2 decimal places.	<input checked="" type="checkbox"/>
Ensure that figures provided in WS 9 – Financials, WS 10 – LTFP and WS 11 – Ratios are at the General Fund level and <i>not</i> consolidated.	<input checked="" type="checkbox"/>
If the council proposes a combined SV, the council has discussed the relevant data and modelling requirements prior to submission.	<input type="checkbox"/>
Indication whether optional tables in WS 12 has been completed.	<input type="checkbox"/>

Table 13 SV Part B Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
All required text boxes and tables have been completed.	<input checked="" type="checkbox"/>
All applicable documents per the List of Attachments (Table 11) have been provided.	<input checked="" type="checkbox"/>
The council has declared all SVs (including ASVs) approved since 2011-12 and provided annual reports that show compliance with the instrument reporting conditions, or explaining divergences.	<input checked="" type="checkbox"/>
The council's LTFP includes both the baseline (no-SV) and the SV scenario it is applying for.	<input checked="" type="checkbox"/>
The proposed SV annual and cumulative percentages agree to those used in community consultation, or if they differ, the reason has been explained.	<input checked="" type="checkbox"/>
If applying for a multi-year SV, the council has correctly calculated the cumulative percentage and dollar impact of the proposed SV using compounding.	<input checked="" type="checkbox"/>
The council has referenced community consultation materials that <i>at minimum</i> show the cumulative percentage of the SV and average total dollar increase (cumulative) per rating category.	<input checked="" type="checkbox"/>
Figures presented in Application Form Part B are consistent, as relevant, with those in Application Form Part A.	<input checked="" type="checkbox"/>
The council has submitted a Minimum Rates Part B Application Form, if required.	<input type="checkbox"/>
For OLG Criterion 5 (section 7), the council has provided concrete evidence and plans for past and future cost-containment and productivity strategies, as far as practicable.	<input checked="" type="checkbox"/>