

House of representatives Standing Committee on  
Economics, Finance and Public Administration

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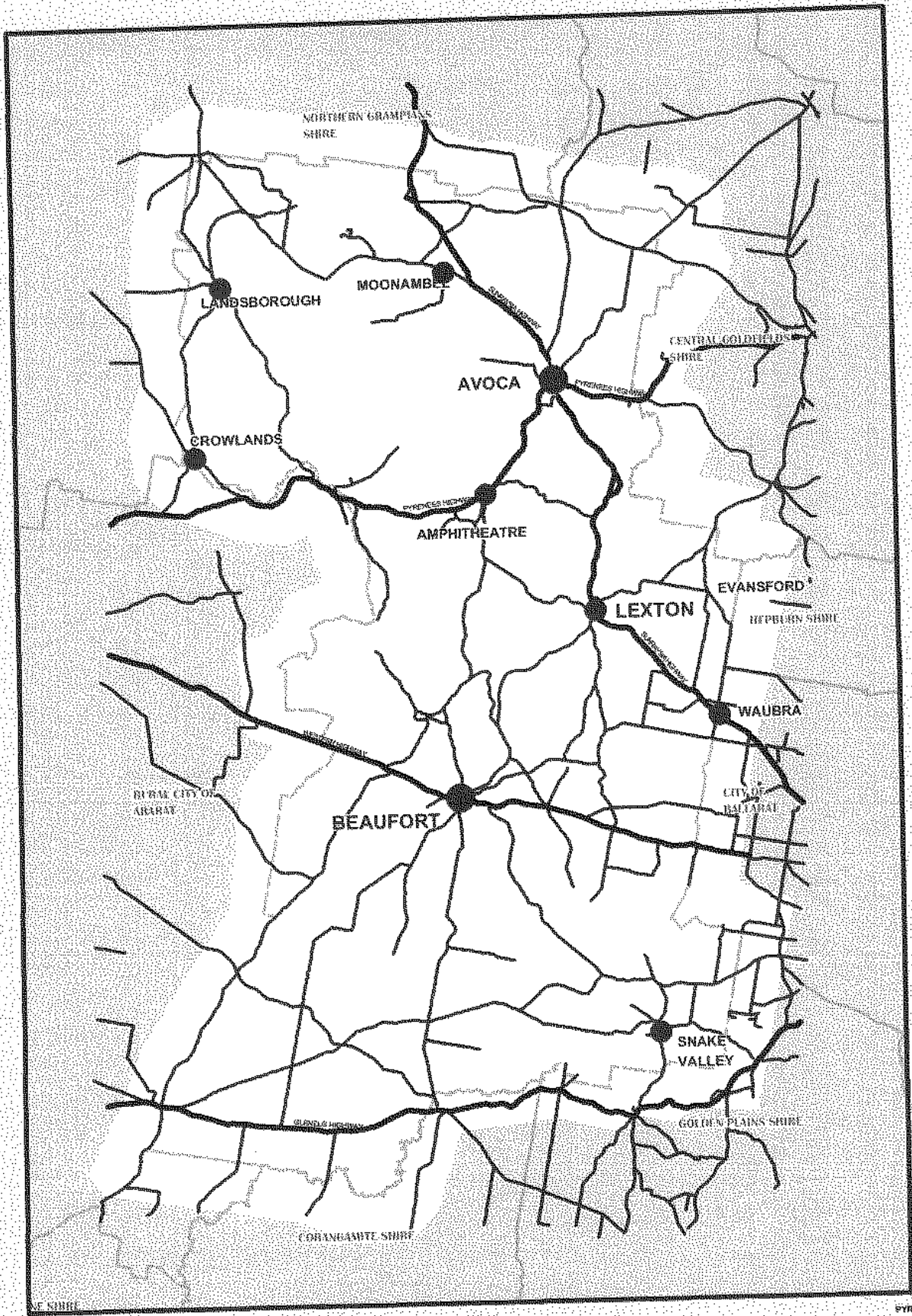
**PYRENEES**  
SHIRE



## **Pyrenees Shire Council**

**Submission to the  
House of Representatives Standing  
Committee  
On Economics, Finance and Public  
Administration Inquiry  
Into Local Government and Cost  
Shifting.**

**December 6, 2002  
Warrnambool**



**Pyrenees Shire**



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## TERMS OF REFERENCE

The Minister for Regional Services, Territories and Local Government has asked the Committee to inquire into cost shifting onto Local Government by State Governments and the financial position of Local Government. This will include an examination of:

1. Local Governments current roles and responsibilities.
2. Current funding arrangements for Local Government, including allocation of funding from other levels of Government and utilisation of alternative funding sources by Local Government.
3. The capacity of Local Government to meet existing obligations and to take on an enhanced role in developing opportunities at a regional level including opportunities for Councils to work with other Councils and pool funding to achieve regional outcomes.
4. Local Government expenditure and the impact on Local Governments financial capacity as a result of changes in powers, functions and responsibilities between the State and Local Government.
5. The scope of achieving and rationalisation of roles and responsibilities between the levels of Government, better use of resources and better quality services to local communities.
6. The findings of the Commonwealth Grants Commission Review of the *Local Government (Financial Assistance) Act 1995* of June 2001, taking into account the views of interested parties as sought by the Committee

The inquiry is to be conducted on the basis that outcomes will be budget neutral for the Commonwealth

## INTRODUCTION

Pyrenees Shire has pleasure in presenting a snapshot of its operations to the Committee to highlight not only the unrealistic dependence Council has on direct and indirect revenue raising but the direct linkage of cost shifting on its day to day operations.

From the outset Pyrenees Shire would like to support an earlier submission made by the Municipal Association of Victoria (MAV) on the credibility of this Committee, not in terms of its membership but in its brief.

To have as an express caveat in the inquiries terms of reference that *"The Inquiry is to be conducted on the basis that outcomes will be budget neutral to the Commonwealth"* conveys the impression that this inquiry although realistic in its endeavours to understand problems in Local Government is hamstrung in its ability to rectify any obvious identified funding shortfalls.

Nonetheless, Pyrenees Shire has committed itself to this inquiry with an open mind.

## CONTEXTUAL BACKGROUND.

Pyrenees Shire Council was created in September 1994 as part of the Victorian Governments amalgamation process and saw the merger of the Shires of Ripon, Lexton and Avoca. This reform process also saw the introduction of rate capping and an express commitment to reduce rates by 20%. It also saw the need to borrow monies to limit its exposure to unfunded superannuation liability

The Pyrenees Shire is an extremely productive agricultural region covering an area of 3,500 square kilometres. It is renowned for its cereal and hay crops, wool, viticultural and forestry activity. Gold along with sand gravel and slate all contribute to the regions economy. Thirty percent of the workforce is involved in agriculture which produces commodities with a gross value in excess of \$70m each year.

The area is characterised by an ageing population, youth exodus to larger sponge cities, an overall decline in population, income levels in the lowest quartiles and obviously limited capacity in discretionary person as disposable income.

The principal town are Beaufort and Avoca with smaller settlements at Snake Valley, Lexton, Waubra, Amphitheatre, Moonambel, Landsborough and Redbank

<b>Population:</b>	6,688
<b>Area:</b>	3,500sq kms.
<b>Households:</b>	3,200
<b>Rateable properties:</b>	5,430
<b>Total Revenue:</b>	\$10.7 (2002/03)
<b>Rate &amp; Charge Revenue:</b>	\$3.38m (2002/03)
<b>Number of ridings</b>	7
<b>Number of Councillors</b>	7
<b>Number of employees</b>	53 EFT
<b>Sealed road length:</b>	708 kms
<b>Unsealed gravel road length:</b>	1292 kms.

Council has significant corporate commitment to the maintenance of its road network. However, one must be realistic that with the higher usage of federally endorsed B Double transport exacerbates problems associated with care and maintenance. Council has committed in excess of 50% of its total budget spend to this area.

Since amalgamation as with all Victorian Local Governments, there has been a greater focus on service provision which has been responsive to both changes in superior Governments philosophy and focus on the transference of responsibility, and more importantly the expectation within our communities.

This increase in service provision especially in human services has seen the need to expand and embrace aged care, children's and family services as well as the responsibility for economic development, tourism, recreation and cultural enhancement.

This then is the crux of the major problems confronting small rural based Councils such as Pyrenees. Programs such as those listed above compete annually against capital spending requirements against a funding base that to a large extent is beyond Councils direct control.

## 1. PYRENEES SHIRES CURRENT ROLES AND RESPONSIBILITIES

The following list provides an overview of services provide by Council to ratepayers, residents, clients and visitors.

Adult Day Care	Animal Control	BBQ's
Bridges	Building Services	Caravan Parks
Citizenships	Community Building	Community Transport
Dog and Cat Registrations	Economic Development	Emergency Management
Environmental Health	Family Day Care	Fire Hazards
Footpaths	Halls	Home Care
Home Maintenance	Immunisations	Inspections of Food Premises
Kerb & Channel	Local Laws	Maternal & Child Health
Meals on Wheels	Parks & Gardens	Planning Control
Playgrounds	Preschools	Public Toilets
Raffle Permits	Ranger Services	Recreation Programs
Recycling Programs	Regional Program	Respite Programs
Roads	Shire Service Centres	School Crossings
Senior Citizen Centres	Septic Tank Approvals	Street Cleaning
Street Furniture	Street Lighting	Street Signs
Street Stall Permits	Street Trees	Support for Local Groups
Swimming Pools	Tourism	Transfer Stations & Landfills
VicRoads Agency	Visitor Information Centre	Community Risk Management

### Regional Programs

- Primary Care Partnership
- Regional Library Corporation
- Regional Waste Management Board
- Grampians Pyrenees Regional Development Board

We also have a number of internal services that support Council's ability in the provision of the above services, they include:

Financial Management	Risk Management	Customer Services
Information Services	Rating/Valuation	Payroll
Debtors Collection/Receipting	Governance & Council administration support	Human Resources
Creditors payment	Contract Administration	O H & S

Additionally Council has to provide facilities and/or assist in the operation of them: eg.

- Libraries - 2 + Mobile
- Senior Citizens Centres - 3
- Maternal & Child Health Centres - 6
- Pre-Schools - 3
- Township Halls and Community Centres - 29
- Swimming Pools - 3
  - Pools have high operational costs and are a vital community leisure asset valued by communities. However, small populations in small districts where pools are located, means there is a low potential for patronage and expenditure exceeds revenue, so pools will never be self funding.

**Regional Programs** *continued*

It is also the expectation of the community to provide, maintain and improve services. Pyrenees Shire has significantly increased expenditure in areas like Community Resource Centres and Local Road Maintenance as a result of feedback from the community.

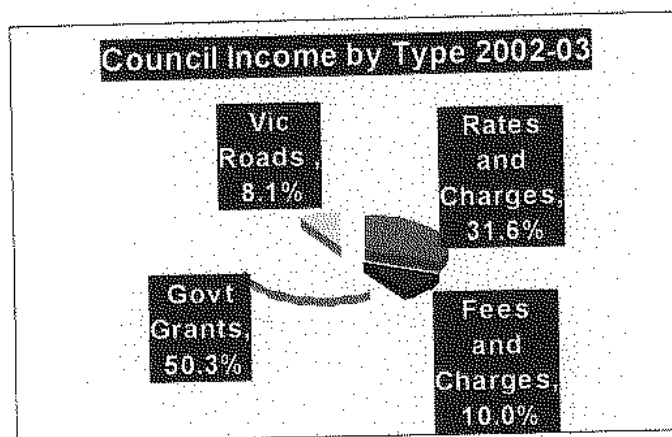
This has placed added pressure on other areas of Council's operations and funds have had to be transferred from capital expenditure or other funding sources.



2. **CURRENT FUNDING ARRANGEMENTS FOR LOCAL GOVERNMENT, INCLUDING ALLOCATION OF FUNDING FROM OTHER LEVELS OF GOVERNMENT AND UTILISATION OF ALTERNATIVE FUNDING SOURCES BY LOCAL GOVERNMENT**

Pyrenees Shire's budget for 2002/2003 indicates \$10.726M in operating revenue. This is broken down as follows:

	\$m	
- Rates and Charges	3,386,886	31.6%
- Fees & Charges	1,076,884	10.0%
- Government Grants	5,390,371	50.3%
- Vic Roads	872,000	8.1%
<b>-TOTAL</b>	<b>10,726,141</b>	<b>100%</b>



**Rates**

Council's financial strategy indicates an increase of around 5% in rates and charges over the next five years.

Increases in the past have been:

1997/1998 – 4.5%

1998/1999 – 4.5%

1999/2000 – 4.7%

2000/2001 – 5.5%

2001/2002 – 4.5%

2002/2003 - 4.5 %

### **Rates continued**

It should be reinforced that at current levels a 1% rate increase provides revenue of just \$27,000.

Unlike both State & Federal Governments who have a plethora of taxation regimes, Councils are severely limited in their capacity to raise additional funding through the property tax system. This is more meaningful where in a rural landscape such as Pyrenees ratepayers may be asset rich but a very poor when income is taken into consideration

Increases have been necessary, as one of Council's key strategies has been to put extra funds into Infrastructure and renewal. This has come about by ongoing community consultation and desire to have particular infrastructure such as Community Resources Centres in place to encourage a triple bottom line for both the towns and the Shire.

However, even a 5% increase at current levels will only bring in \$135,000 and both the capacity to pay and the relevance of the anticipated additional revenue in budget terms are serious considerations

As well as infrastructure Council has taken a leadership role in the development of economic and tourism strategies as well as environmental services, human services and building maintenance.

However with a reducing population and pressures on rural communities in a variety of ways, Council has to be cognisant of the economic climate and the pressure that rate increases place on the community.

It should also be noted that as part of the requirements of Local Government restructure in Victoria the philosophy of the Government of the day was that Council cut rates and charges by approximately 20% with attendant rate capping. With hindsight, this was an ideological issue as opposed to addressing the realities of Local Government and it is obvious that it would have been more realistic to tie this quantum into infrastructure renewal.

Councils are still paying the price for this decision.

### **Grants**

Pyrenees Shire relies very heavily on government grants particularly in the infrastructure and Human Services areas. Council has taken a dedicated strategic path in seeking out and applying for and securing, external grant income. Without these funds Council would be seriously limited in providing an acceptable level of services to its stakeholders.

### Grants *continued*

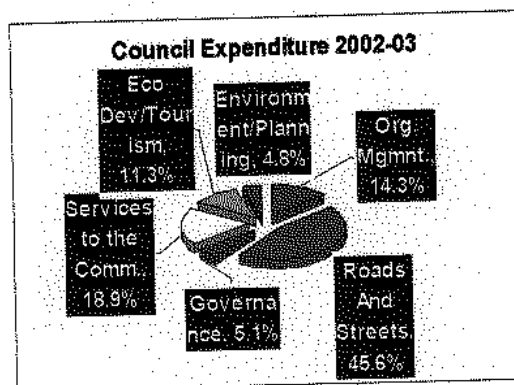
In particular the application process, evaluation and reporting are often bureaucratically driven where the exercise is more in satisfying the process than achieving outcomes.

Additionally there is no recognition in untied and specific purpose grants of the cost of service provision, cost increases, and the revenue deficiencies of relying on a single stream of property taxation to deliver what is now expected of Local Government.

### Expenditure

#### Council Expenditure by Key Result Areas 2002-03

Org. Management	14.3%
Roads And Streets	45.6%
Governance	5.1%
Services to the Comm.	18.9%
Economic Dev/Tourism	11.3%
Environment/Planning	4.8%



#### Roads:

Pyrenees Councils most serious shortfall as with all other rural Councils is in the area of roads. Council is currently enduring a \$3 million shortfall just on the depreciation of roads and is obviously getting worse on a compound basis.

In the absence of catch up grants the funding shortfall will mean that either roads expenditure becomes even more dominant in terms of percentage of total revenue spent or they are simply left to deteriorate. As previously mentioned increased expenditure on roads is done at a cost of other service provisions.

In terms of reviewing where roads sit within rural Councils they should be deemed liabilities not assets.

The Commonwealths decision to allow for the increase in mass limits of heavy vehicles has directly contributed to the decline in road infrastructure

### **Roads Expenditure by Funding Source**

Main Road Construction - Govt Grant	647,700
Main Road Maintenance - Govt Grant	290,000
Local Rd Maintenance- Road To Recovery Grant	687,000
Local Road Construction - Govt Grant	1,046,900
Local Road Construction - Rates/General Rev	141,000
Local Road Maintenance - Rates/General Rev	1,297,100
	<b>4,109,700</b>

### **Public Libraries**

The principal source of recurrent library funding has been through the State Governments Public Library Grant program. Over the last few years the previous decline in funding has accelerated from a high of 51% to the present level of around 20%. The grant only covers the actual service provision by the library and the maintenance and operational costs are unfunded.

As with other rural Councils, the shortfall has been picked up by the Pyrenees Shire.

This reduction as with other similar decisions done without consultation with Councils.

Pyrenees Shire has addressed this issue by co locating libraries in Community resource Centres with Visitor Information, and Community Enterprise IT Centres.

Pyrenees Shire has formulated a strategy of using the pool of volunteers that currently assist in Councils existing Visitor Information Centres, to undertake the more simple tasks of recording books in and out, however this is being strongly resisted by the current Library Board management.

Volunteerism in rural areas is strong and recognition should be given to rural communities who are prepared to help themselves. However industrial issues make it difficult to use volunteers to support service delivery.

### **Maternal and Child Health Services**

Council sees the provision of these services as both core and if possible 'additional to core' but are still areas of significant funding shortfall. Pyrenees Shire strongly endorses the view of the MAV that the State Department of Human Services has made little allowance for cost increases in real terms. The notional increase of 5% over the last 5 years is well below cumulative CPI of at least 18%

3. THE CAPACITY OF LOCAL GOVERNMENT TO MEET EXISTING OBLIGATIONS AND TO TAKE ON AN ENHANCED ROLE IN DEVELOPING OPPORTUNITIES AT A REGIONAL LEVEL INCLUDING OPPORTUNITIES TO WORK WITH OTHER COUNCILS AND POOL FUNDING TO ACHIEVE REGIONAL OUTCOMES.

Pyrenees Shire has taken a proactive role in linking with other Councils to achieve both local and regional outcomes;

Council is involved in a diverse range of areas with neighbouring municipalities.

- Central Highlands Library Board
- Central Highlands Area Consultative Committee
- Goldfields Tourism
- Primary Care Partnership
- Pyrenees Grampians Regional Development Board
- Highlands Regional Waste Management Group

Pyrenees Shire believes that the involvement with organisations such as those listed above provide a larger voice when dealing with both the State and Federal Government Departments and strive to limit duplication regionally.

It is ironic that collective approaches seem to be the most suitable way of achieving outcomes and is indicative that the Government sees this way as a simpler solution or resolution of issues to *common problems* and ignores the unique local issues that confront Local Government.

#### 4. LOCAL GOVERNMENT EXPENDITURE AND THE IMPACT ON LOCAL GOVERNMENT FINANCIAL CAPACITY AS A RESULT OF CHANGES IN POWERS FUNCTIONS AND RESPONSIBILITIES BETWEEN STATE AND LOCAL GOVERNMENT.

As previously documented Council now have an expectation of increased service delivery without the support of additional revenue streams. An indicative list of changes is;

##### **Best Value:**

The replacement of CCT has meant a complete redirection to implement Best Value with no attendant revenue to offset development and implementation.

##### **Economic Development**

This has significant priority within Council and as previously indicated now consumes 11.3% of Councils budget, without direct funding from other sources

##### **Environmental Health Services.**

- Increase legislative requirements in;
- Enforcing tobacco legislation.
- Amendments to the Health Act.
- Immunization: Increased demand and funding shortfalls for the Meningococcal program.
- Food Act: Need for Food Safety Plans, inspections etc.

##### **GST Implementation:**

Set up and operational costs were and are considerable.

##### **Human Services:**

Ongoing changes within this area have imposed increased responsibilities on Council without attendant revenue to offset

- Community Safety Plan; Required to be developed every 3 years.
- Disability Action Plan: Required to develop but no resources
- HACC: Introduction of quality assurance and implemented with no funding

##### **Statutory Planning;**

Changes to the Planning Act and the introduction of ResCode have resulted in increasing demand on limited resources.

##### **Valuations:**

Pyrenees Shire must now revalue all properties in the municipality every two years and the shortfall after receiving funding from the State Revenue Office, (if it is maintained at its current rate) is 50% of the total costs.

**5. THE SCOPE OF ACHIEVING AND RATIONALISATION OF ROLES AND RESPONSIBILITIES BETWEEN THE LEVELS OF GOVERNMENT, BETTER USE OF RESOURCES AND BETTER QUALITY SERVICES TO LOCAL COMMUNITIES;**

Local Government is at the coal face with its community and is the one that is obviously more in touch with their local communities. As a strategy of State & Federal Governments providing finance to achieve service delivery outcomes, the model has merit.

However as previously highlighted the development and implementation planning for these programs is done in isolation to Local Government.

The top down bureaucratic approach does not necessarily correspond to achieving both equitable and sustainable outcomes.

Providing monies for service delivery without providing funding dollars to deliver the programs is an ongoing anomaly.

The problem confronting small rural Councils such as Pyrenees is that it cannot afford to employ additional staff to improve service delivery.

To employ an additional staff member with wages and on costs would require a 2 percent increase in the Shires Rates (\$54,000).

The ongoing dilemma then for Councils such as the Pyrenees is that its stakeholders have expectations on the quality of local roads they travel upon as well as reasonable expectations on service delivery from HACCS, Child & Maternal Health, and Economic Development etc. without the means to provide sufficient staffing in most cases to go beyond core service delivery.

6. THE FINDINGS OF THE COMMONWEALTH GRANTS COMMISSION REVIEW OF THE LOCAL GOVERNMENT (FINANCIAL ASSISTANCE) ACT 1995 OF JUNE 2001, TAKING INTO ACCOUNT THE VIEWS OF INTERESTED PARTIES AS SOUGHT BY THE COMMITTEE.

The major thrust of this paper is to emphasise the dependence Pyrenees Shire has on funding sources beyond those it can raise in its own right.

General Purpose Grants in 2002/03 will increase but not to the extent necessary to both maintain and expand on the Councils core business activities.

Although any increase is appreciated it is still band aid when a holistic view of Pyrenees Shires current situation of deteriorating infrastructure and small staffing levels to provide an increasing demand for service delivery is taken into account.

Simply put the pool of funds available nationally is blatantly inadequate if the Government wishes to realistically address problems confronting Local Government. The model for Financial Assistance Grants (FAGS) being on a per capita basis fails to take into consideration the increasing service responsibilities of Local Government.

The local community continue to pay in one way or another at the end of the day. Funding sources often expect high levels of joint funding, i.e. on 1:1 basis. This co-payment often makes it difficult to ensure that council revenue is available, particularly when the opportunities are new and occur mid budget.

Expectations of high levels of community support, in the context of in kind contributions and local cash contributions also place a burden on local people. There is already a high level of volunteerism within rural communities, however people are beginning to feel that they are **expected** to self fund between 25-50% of community development.



## SUGGESTED OUTCOMES.

Undoubtedly the Committee on its travels has heard similar arguments from rural Councils throughout Australia about ongoing problems associated with cost shifting. There undoubtedly is no quick fix to the documented problems but strategically they are not insurmountable.

Councils in Victoria especially after amalgamation had to endure years of unrealistic business planning with their hands tied on what they could raise through the property tax system. This in itself has not caused the problem.

There has been a shift away from the manner that both State & Federal Governments do business and Local Government is in the best position to achieve realistic outcomes.

However, unless there is a radical rethink on the way funding is provided to Local Government then in a business planning model, Councils such as Pyrenees are unsustainable. Merely going through another round of amalgamation into *Super Councils* will only concentrate the problems.

The Federal Government in particular through the GST currently being collected has the opportunity to confront the current funding shortfall by instigating a model of directly funding Local Government to redress existing funding problems.

# too heavy, says NIEB

## A bumpy ride for shires

By PETER HUNT

THE shires of Yarriambiack, Ararat and Pyrenees have fallen to the bottom of the local road funding heap in Victoria.

Even the Federal Government's \$1.2 billion Roads to Recovery fund has failed to make a dent in rural Australia's decaying infrastructure.

Residents in 18 rural Victorian shires face road funding shortfalls of \$200 or more, compared with less than \$50 for most urban shire residents.

Shires have been unable to make up this shortfall using their rate revenue, leading to what the Municipal Association estimates is a \$440 million annual infrastructure gap that needs to be filled.

The Victorian Grants Commission has responded to calls from the state's smallest rural shires for a better deal by redrafting the roads funding formula earlier this year to give them more.

But Shire of Loddon chief executive Craig Niemann said even with that extra money, his council was still facing a massive road funding shortfall.

"We got a little bit more out of the Grants Commission, but we're still spending 60 per cent of our budget on road infrastructure," Mr Niemann said.

withholding a third of our Roads to Recovery funding this year, when we'd already made commitments."

Shire of Yarriambiack mayor, Dennis Bell, said rural shires did not have the advantage of alternative funding sources enjoyed by urban shires.

"They (metropolitan Melbourne shires) not only get money from things like parking meters, but also government commitments to roads and public transport that we just don't enjoy," Mr Bell said.

"They get things like \$500-\$600 million commitment to the Scoresby Freeway, while we struggle to maintain our local roads.

"We're facing a \$1 million a year shortfall just on the depreciation of our roads."

The Municipal Association of Victoria has argued the Federal and State governments had failed to maintain adequate levels of local roads funding and must make a long-term commitment.

The Victorian Farmers Federation has called on the Federal Government to give local governments a guaranteed share of the GST revenue

## ROCKY ROADS

Municipality	POPULATION	Local roads (km)	Road funding surplus (+) or shortfall (-) per resident (\$)	Municipality	POPULATION	Local roads (km)	Road funding surplus (+) or shortfall (-) per resident (\$)
WARRNAMBOOL	26,980	281	11.48	QUEENSLIFFE	3403	44	-11.02
MOUNT ALEXANDER	16,641	1181	9.71	BALLARAT	61,981	1234	-116.54
MONASH	193,570	709	1.77	ALPINE	12,985	301	-13.11
MANWINGHAM	114,883	581	-2.65	WANGARATTA	26,903	2034	-120.85
WODONGA	31,885	416	-6.16	MITCHELL	27,283	1304	-123.98
CASEY	174,911	1108	-6.81	MARIBYRNONG	61,296	261	-123.55
GLEN EIRA	124,593	425	13.82	YARRA	69,448	218	-124.20
GLENELG	19,863	2664	-17.54	YARRA RANGES	69,448	1745	-127.20
GREATER DANDENONG	131,814	679	20.98	SOUTHERN GRAMPIANS	16,534	5160	-129.86
WHITEHORSE	147,272	600	-21.58	INDIGO	14,334	1828	-131.00
CARDINIA	45,834	1288	23.93	DELATITE	20,109	2037	-131.18
MELTON	50,454	541	-24.39	BASS COAST	23,175	1075	-134.83
BAYSIDE	90,717	347	25.93	MACEDON RANGES	26,319	1439	-149.92
BOROONDARA	159,701	572	-28.89	EAST GIPPSLAND	39,083	3460	-153.94
BRIMBANK	184,593	778	35.78	SWAN HILL	20,785	3118	-154.73
BANYULE	119,206	551	-36.26	GREATER SHEPPARTON	96,537	2444	-158.28
MAROONDAH	95,326	469	-41.00	CENTRAL GOLDFIELDS	12,588	1921	-160.86
STONNINGTON	92,588	257	-44.08	MOIRA	26,317	3628	-166.91
MOONEE VALLEY	112,397	477	-44.25	CAMPASPE	35,574	4479	-174.10
DAREBIN	129,786	494	-44.87	WELLINGTON	40,766	3432	-195.02
KINGSTON	135,251	578	-48.40	MURRINDINDI	12,998	1485	-201.87
FRANKSTON	113,618	616	-46.76	GANNAWARRA	11,807	2458	-202.54
MILDURA	48,542	5089	51.82	WEST WIMMERA	4829	2958	-230.59
GREATER BENDIGO	87,918	2924	-55.96	NORTHERN GRAMPIANS	13,041	3412	-223.06
HUME	135,275	846	-57.40	HEPBURN	14,102	1296	-232.12
KNOX	145,873	712	-57.49	LODDON	8685	4737	-239.38
GREATER GEELONG	191,018	2027	-60.24	MOYNE	15,385	3470	-256.76
MORELAND	136,997	493	-60.54	HINDMARSH	6449	3115	-258.51
MORNINGTON PENINSULA	127,254	1635	65.33	HORSHAM	18,182	2951	-267.82
GOLDEN PLAINS	14,479	1799	-71.79	MELBOURNE	52,023	202	-290.56
HOBSONS BAY	83,582	419	-73.07	COLAC-OTWAY	20,217	1657	-293.57
BAW BAW	35,353	1764	-76.96	BULOKE	7268	5153	-295.08
MILLUMBIK	60,157	785	-78.26	SOUTH GIPPSLAND	25,525	2471	-311.22
LATROBE	69,192	1409	-92.84	STRATHBOGIE	9316	2172	-326.50
WHITTLESEA	115,843	650	-98.98	TOWONG	6196	1306	-336.99
PORT PHILLIP	81,540	212	-101.78	CORANGAMITE	17,002	2682	-342.18
SURF COAST	19,935	986	-101.89	YARRIAMBIACK	8357	5785	-352.88
MOORABOOL	24,187	1378	-107.91	ARARAT	11,318	2342	-406.18
WYNDHAM	56,107	677	-110.75	PYRENEES	9635	2000	-412.91

Above all for the Pyrenees

Friday, 6 December, 2002 AVOCA • AMPHITHEATRE • BEAUFORT • LANDSBOROUGH • LEXTON • MOONAMBEL • SNAKE VALLEY • WAUBRA Est. 1873 70c  
EST

# Winner!



Award winning business woman Lynette Heenan

## Fledgling business wins state award

# MOVE TO EXPAND VOLUNTEER ROLE FOR AVOCA LIBRARY HOURS

Pyrenees Shire President Cr Chris Goodman confirmed this week the municipality would seek support from Member for Ripon Joe Helper to establish an accreditation program for Avoca library volunteers.

The Avoca library currently operates on a restricted hours basis (Mon and Fri 2pm-5pm and Wed 9am -12pm) with access to library facilities available at other times though not for borrowing.

"The only opportunity we have to extend these il-

library hours is through the use of volunteers, it is not a question of volunteers replacing paid staff," said Cr Goodman.

Avoca Library is operated by Central Highlands Library Corporation (CHLC).

"We have been told by CHLC, volunteers cannot be used to issue books at the Avoca Library despite a similar program being in place in Beaufort," said Cr Goodman.

The Shire President paid tribute to the Avoca community saying it had demonstrated a willingness to get involved in projects

and had successfully volunteered in sufficient numbers to allow a seven day tourism information service in the town.

"Frankly I think the attitude that volunteers can't issue books to library users in Avoca but they can in Beaufort is insulting to the people who are prepared to give their time to the community."

"In larger areas this issue may not arise, but in rural areas where residents struggle to retain and establish the most basic of services volunteerism is fundamental to the well being of the community."

Cr Goodman said he would ask Mr Helper's advice on overcoming the problem and seek support for an accreditation program to demonstrate the capability of the volunteers.

"I feel confident a community who relies upon the services of volunteers to extinguish bush fires would be in safe hands with them issuing library books," said Cr Goodman.

When approached for comment by the Pyrenees Advocate Central Highlands Library Corporation Chief Executive Officer Julie Rae declined.

## Chance to stay in home town and work

Many young people in rural Victoria have long known the realities of having to leave home after completing secondary school to find work or for further education.

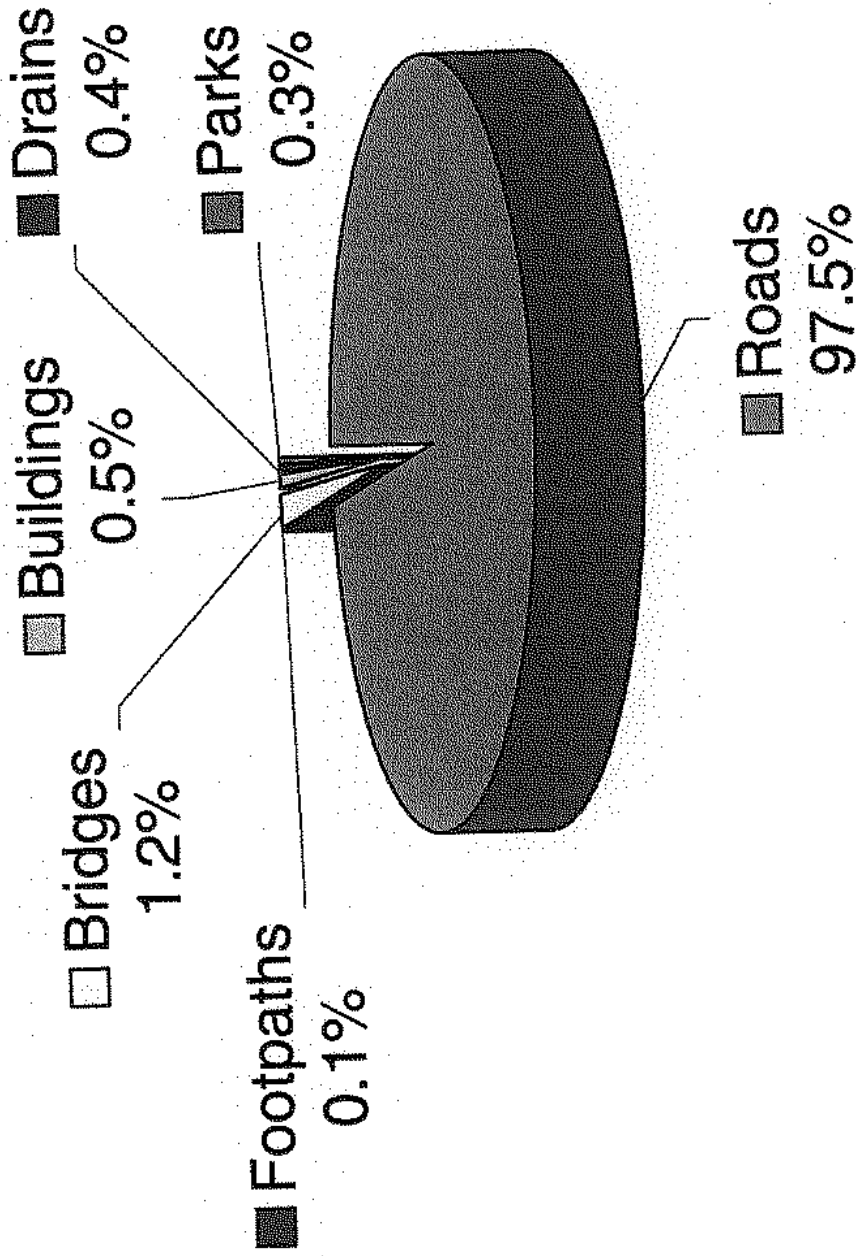


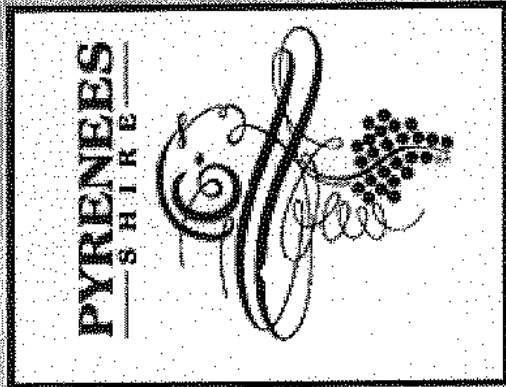
team, everyone contributes and our customers are better off as a result.

Mrs Macauley approached both trainees offering them the chance for employment.

"Although the girls were

# PYRENEES SHIRE COUNCIL Average Annual Infrastructure Asset Consumption By Category (\$3.06M)

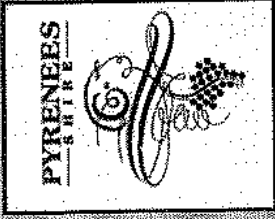




# PYRENEES SHIRE

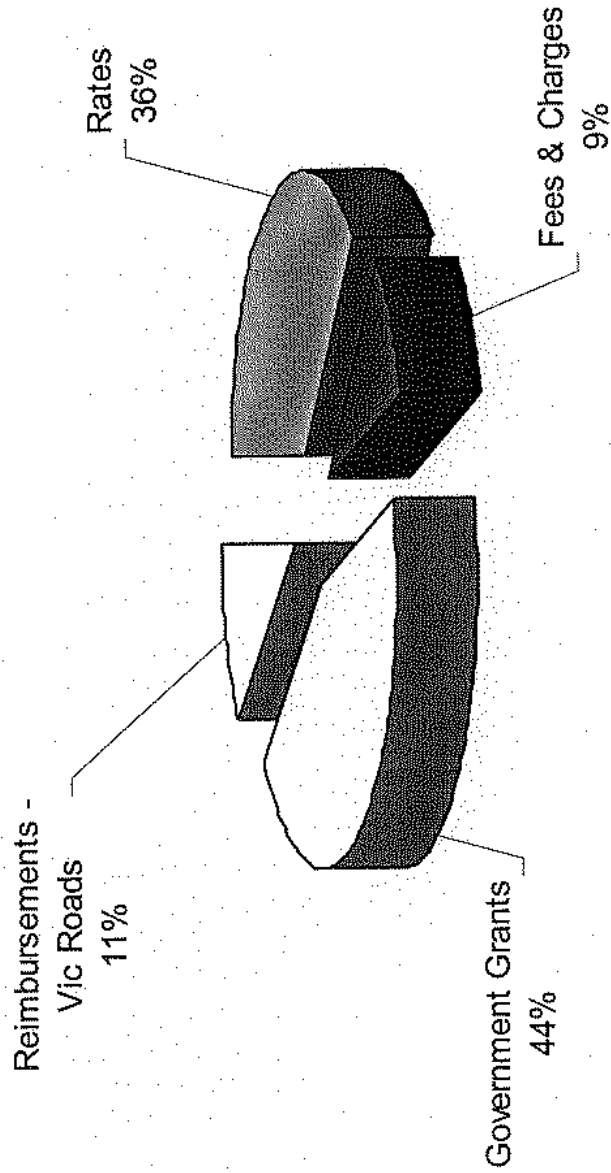
Asset Management Review

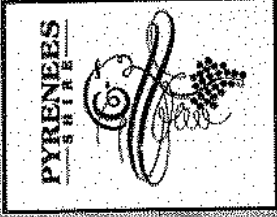
Roads & Streets



# Council Income

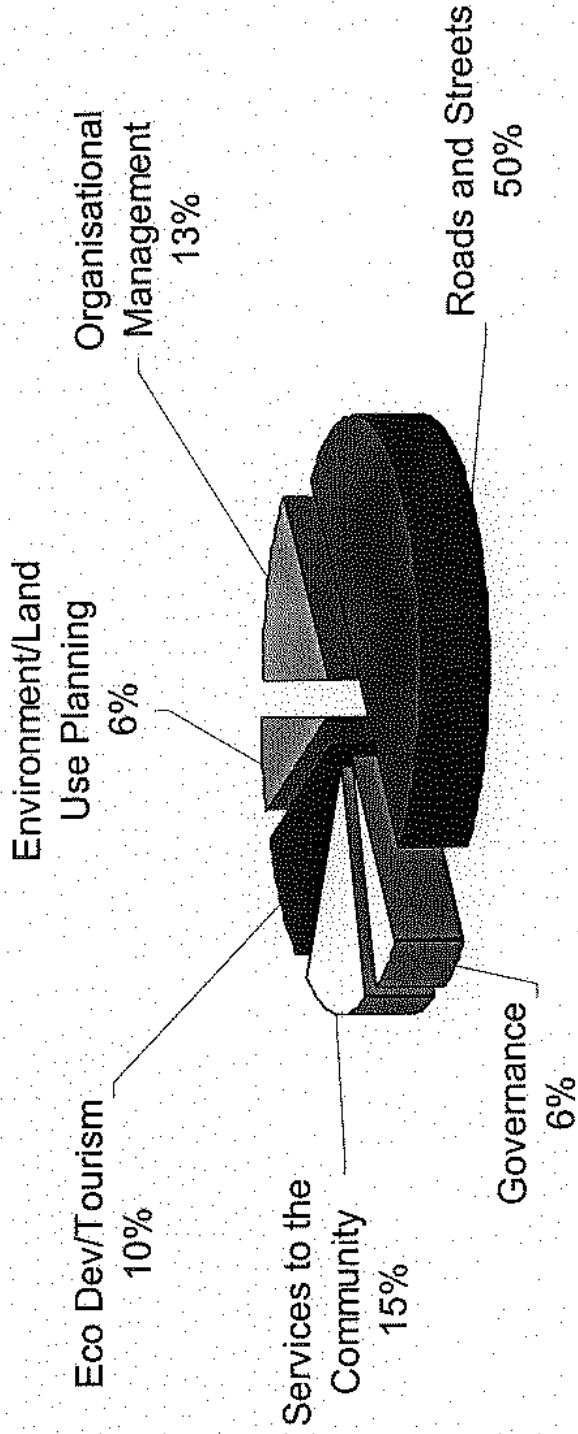
Council Income 2001/02





# Expenditure by Key Result Area

## Council Expenditure by Key Result Area





## Sources of Funding

- State Government Grants & Rate Revenue
  - Rehabilitation Budget (Total) - \$860,000
    - ♦ Pavement Widening - \$200,000
    - ♦ Rehabilitation - \$660,000
  - Local Road Maintenance (Total) - \$1,625,500
- Federal Government Roads to Recovery (2000 - 2004)
  - Strategic Local Roads \$690,000 (per year)



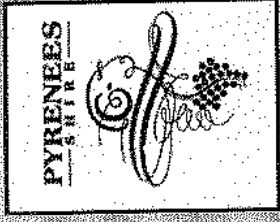
# Sources of Funding



- Other State Government
  - Better Roads - Timber Roads      \$245,000
  - Black Spot Funding                      \$213,000
  - Better Roads (Main Roads)          \$172,000

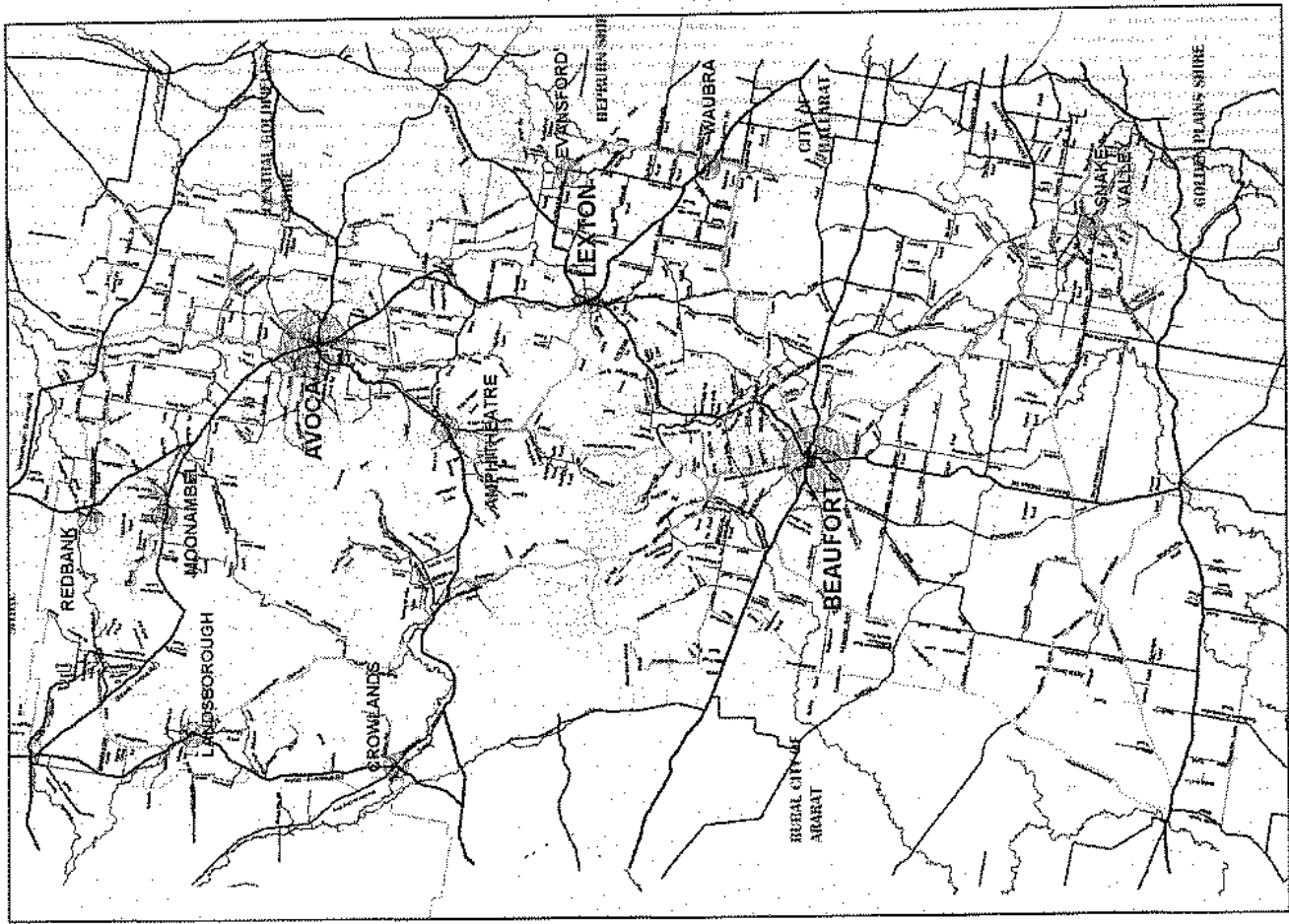
(Once off funding subject to review and further applications)

- Maintenance (Main Roads)          \$525,000  
(Annual funding agreement, VicRoads)

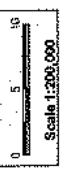
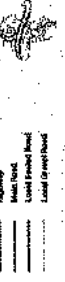


# Road Types

- Road Hierarchy
  - Local Roads - Council Asset
    - ◆ Strategic Roads
    - ◆ Sealed Local Road
    - ◆ Gravel Road
    - ◆ Tracks
  - Main Roads - VicRoads Asset

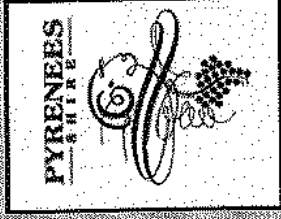


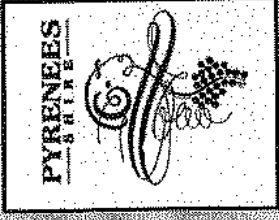
**Pyrenees Shire  
Road Classifications**



# Road Lengths by - Classification

- Road Lengths within the Pyrenees Shire
  - Local Roads - 2,000km
    - ◆ Sealed Roads - 708km
    - ◆ Gravel Roads - 1,292km
  - Main Roads - 152km
- Bridges No of Bridges & Major Culverts on Local Roads
  - Bridges - 133 (123 - Concrete, 10 - Timber)
  - Major Culverts - 46





# Asset Values

- Replacement Costs - Local Roads
  - ★ Roads - \$105,500,000
  - ★ Bridges - \$11,600,000
  - ★ Kerb & Channel - \$1,900,000
  - ★ Footpath - \$470,000

# Asset Manager Package



**Asset Management System - [ASSET INFORMATION]**

File Edit View Records Search Sort Window Help

Purge Utilities Window Help

Find Asset: 746

Asset ID: 742 Asset Type: Road Asset Group: 688

Description: Snake Valley - Smythesdale

Location: Snake Valley - Smythesdale

From: F155 To: 2885 GIS #: Co-Ord:

**Categories**

Categories	# Units	Unit ID Measure
Pavement	1730	Meters Long
Previous Shire - R	66	Meters Wide (Small)
Local Road	6	Meters Wide (Paved)
Strategic Route	574	Vehicles Per Day

**Unit Descriptions**

Date From: 1/01/1967 Date To: #Error Original Cost: \$295,830.00

Condition: Disposal Date: Sell Price: \$0.00

Comments: 2868 HOPES 4650 H/CRST SEAL

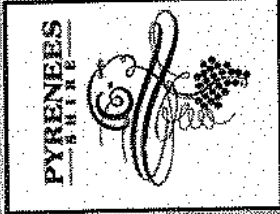
**Subtypes**

Description	Location	Condition
Pavement	SNKVAL-SMYTHD	6
Seal	SNKVAL-SMYTHD	7
Left Kerb/Shoulder	SNKVAL-SMYTHD	5

Create/Amend Template Copy From Template

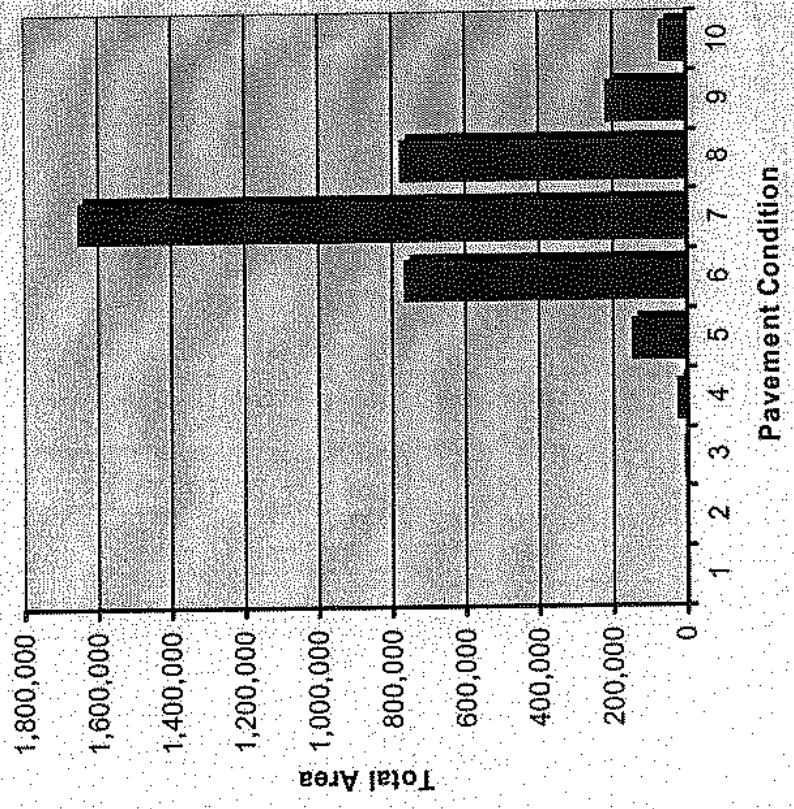
Record: 15 of 15 688 of 2797 Form View

PAGE DOWN FOR MORE

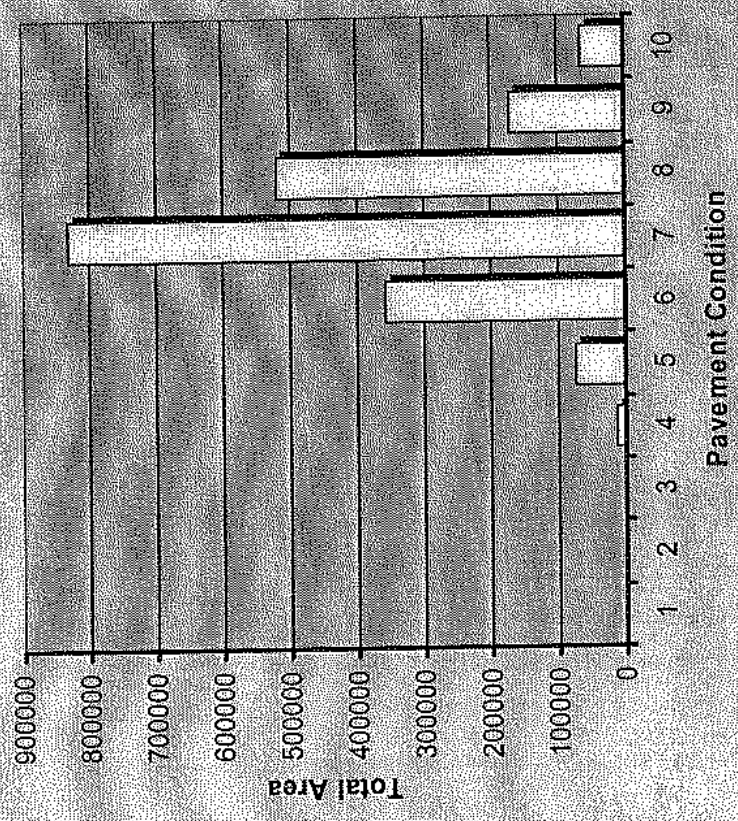


# Current Sealed Pavement Condition

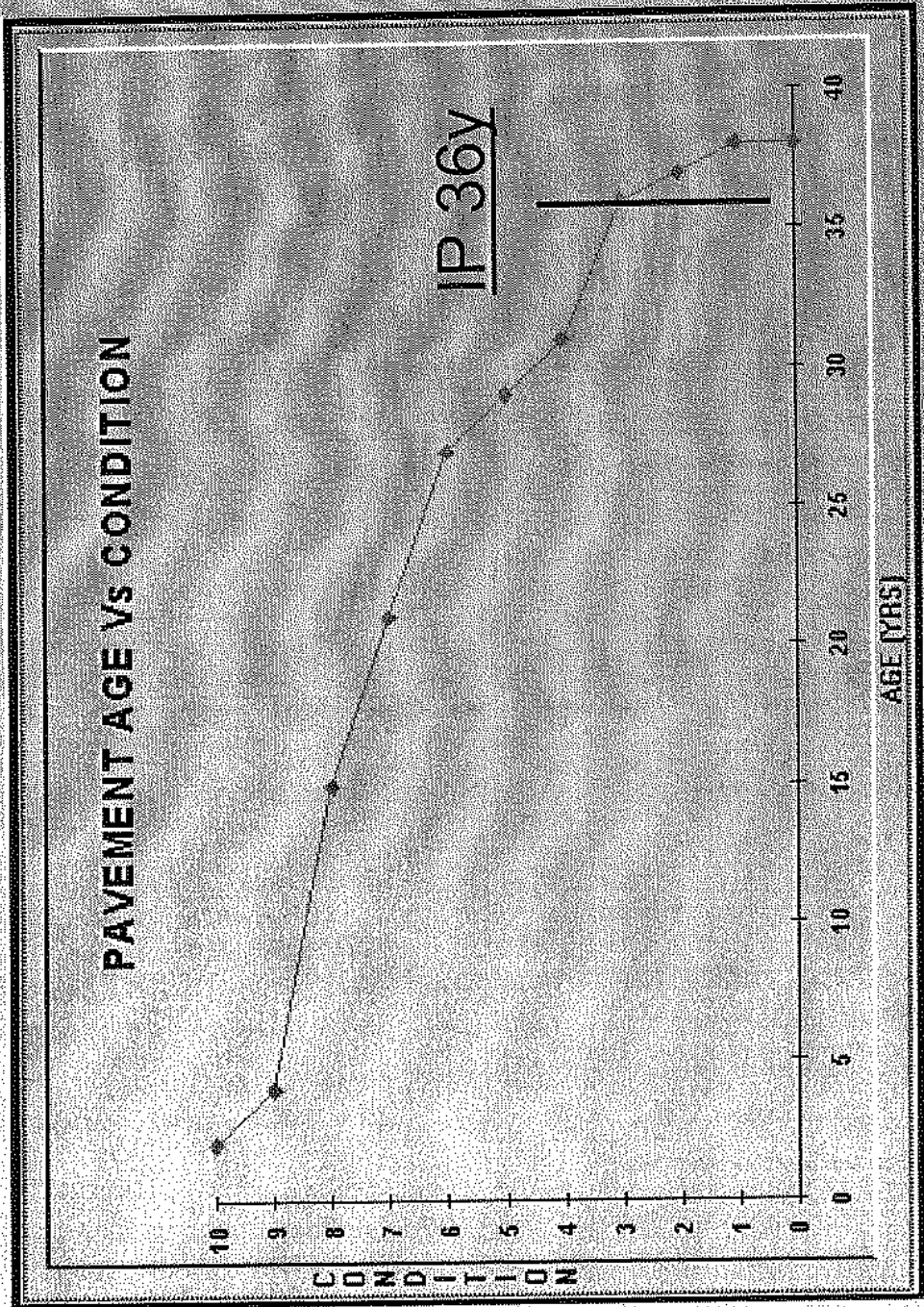
Pavement Condition Local Sealed Roads



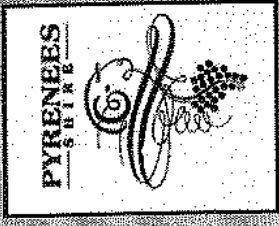
Pavement Condition Strategic Routes



# Local Sealed Roads Condition Deteriation







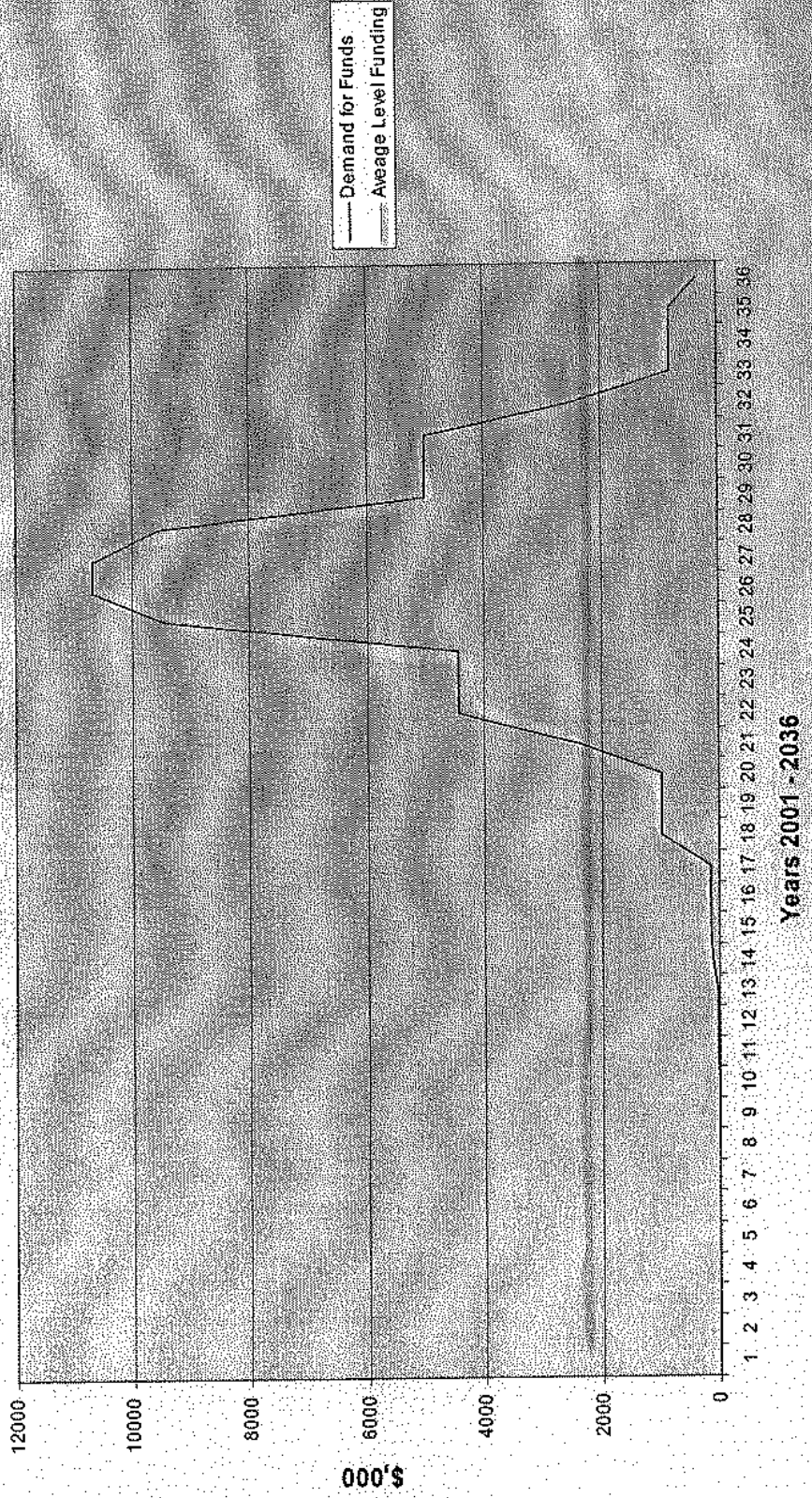
# Whole of Life Cost - Roads

Rehabilitation Cost plus Reseal Cost plus Annual  
Maintenance Cost for the life of the asset  
( approx. 40years sealed )  
( approx. 10years graveled)

- Required Expenditure over asset life
- Sealed Roads - \$6,100 per km per year
  - Gravel Roads - \$2,200 per km per year

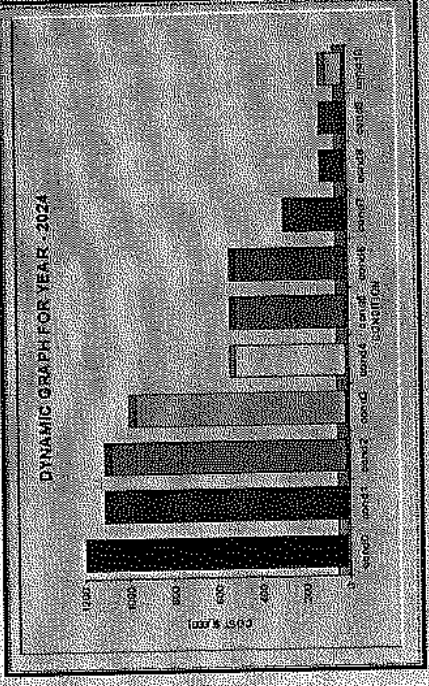
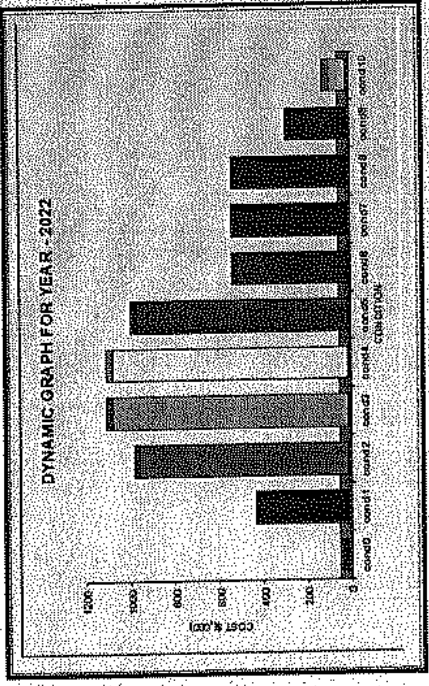
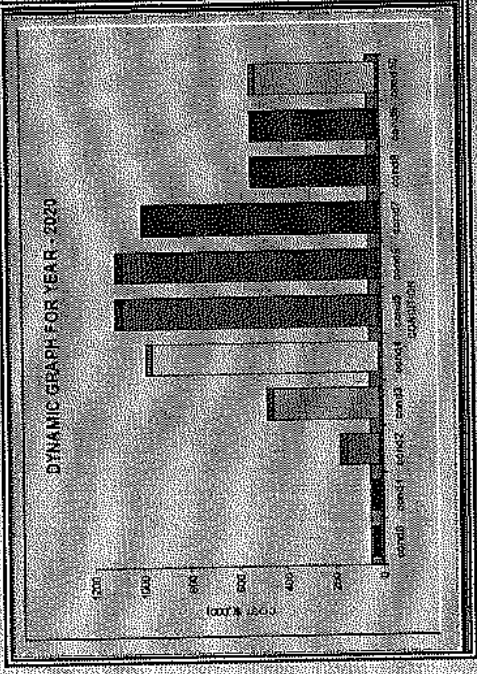
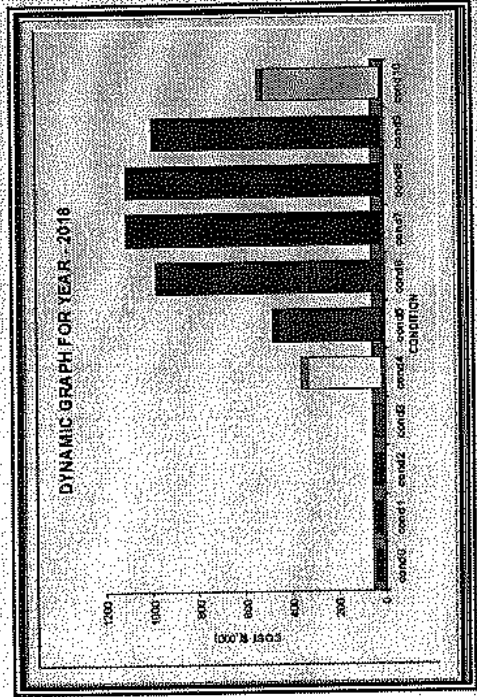


# Funding Demand for Sealed Roads





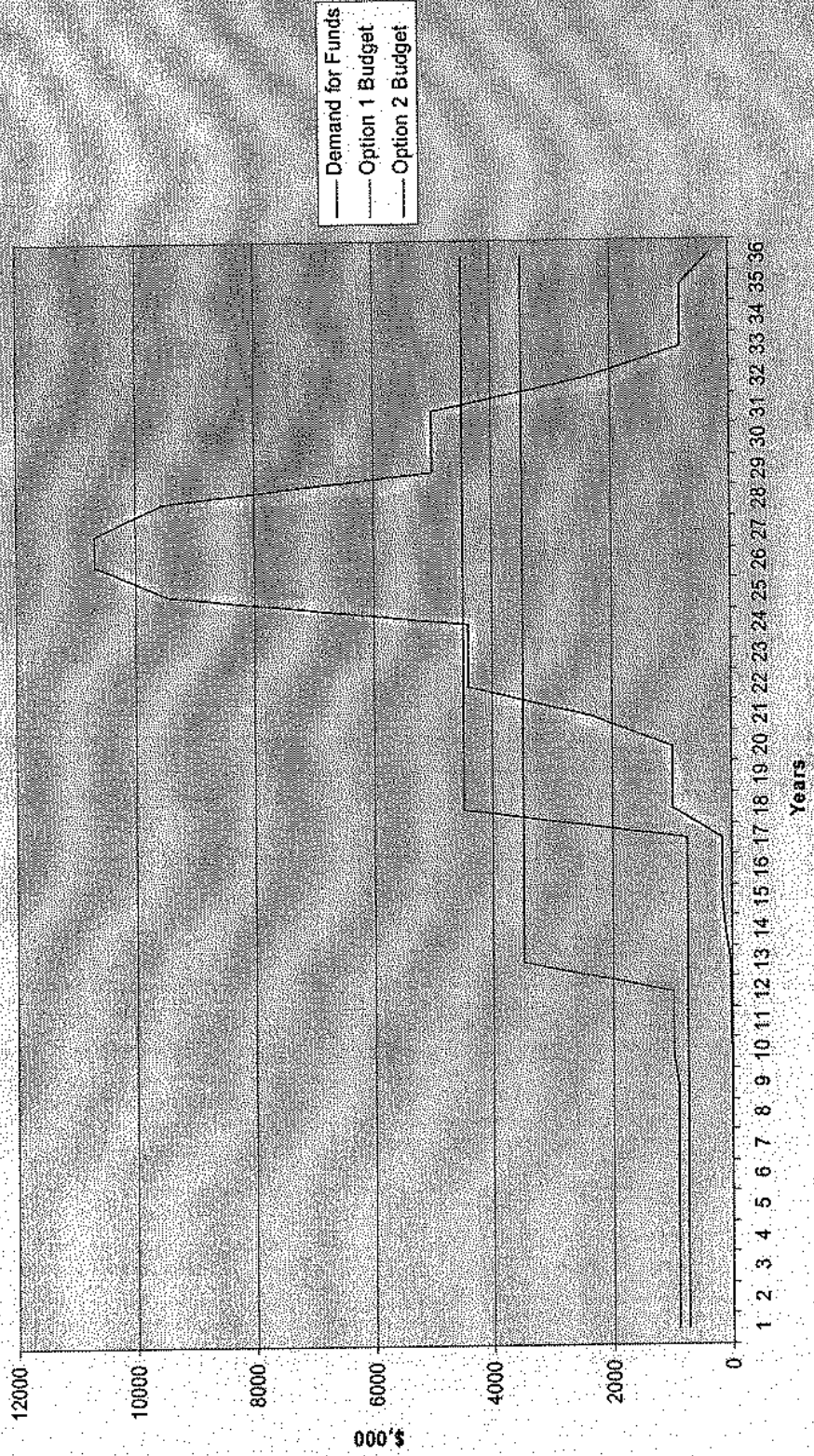
# Condition of Network 2018 - 2024





# Funding Options

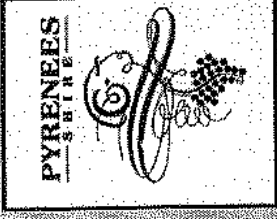
Funding Demand Local Roads Pavement





# Council Budget- Rehabilitation

- Local Roads -
  - Rehabilitation (Council Funded) - \$860,000
  - Federal Gov Roads to Recovery - \$690,000
  
- Equivalent Length of Road Treated
  - Current Rehabilitation rate - 8km (\$1.6m)
  - Desirable Rehabilitation rate - 17.5km (\$3.5m)  
(1 in 40years)
  
- Equivalent Length of Road Treated - Gravel
  - Current Resheeting rate - 9km (\$147,000)
  - Desirable Resheeting - 129km (\$M2.06)  
(1 in 10years)



# Treatment Alternative

- Review Maintenance Practices
  - ♦ New Technology
  - ♦ More efficient methods
- Alternate Rehabilitation Treatments
  - ♦ Shorter life, more economic treatment
  - ♦ eg. Asphalt overlay
- Convert sealed roads to gravel
  - ♦ All roads with traffic vol < 50.
  - ♦ Approx 125km of road
  - ♦ Effective saving of \$500,000 whole of life cost per year

The objective of these options is to flatten the curve showing the demand on funds by maximising the life of selected assets



# Funding Options

- Increase annual maintenance level
  - ♦ Increase funding, increase life of asset
- Set aside funds for future investment
  - ♦ Invest now to provide funding for greatest demand
- Increase rehabilitation budget

The objective of these options is to flatten the curve showing the demand on funds