



dorset
C O U N C I L

2023/24 Annual Plan

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Minute: 87/23

Introduction

Councils are required each financial year, under Section 71 of the *Local Government Act 1993*, to prepare an Annual Plan.

The Act provides general guidelines for the production of the Annual Plan in that it should:

- Be consistent with the Strategic Plan
- Include a statement of the manner in which the Council is to meet the goals and objectives of the Strategic Plan
- Include a summary of the estimates adopted under Section 82; and
- Include a summary of the major strategies to be used in relation to the Council's public health goals and objectives

The benefits of the Annual Plan are that it:

- Aids and supports the budget process
- Provides an analysis of financial resource allocation
- Gives a statement of the strategies to be implemented throughout the year to address strategic planning objectives
- Provides a list of operational targets to be achieved

A copy of the Annual Plan is provided to the Director of Local Government and the Director of Public Health. A copy is also available at the Dorset Council office for inspection by the public.

Document Linkages

The Annual Plan is directly linked to the current Dorset Council Strategic Plan and the current Dorset Council Financial Management Strategy and Long Term Financial Plan.

The focus of the Strategic Plan is on the overall strategic objectives of Council, over a ten year period, while the Annual Plan lists the actions Council is committed to undertaking this year to meet the commitments in the Strategic Plan. The Strategic Plan is goal based and documents Council's mission, vision, governance structures, principles, strategies and benefits of attaining strategies.

The Dorset Council 2023/24 Annual Plan identifies key actions that will be reported on a quarterly basis throughout the year.

How to Read the Annual Plan

The Annual Plan outlines Council's high level actions for the year and is directly linked to Department Plans that identify tasks associated with meeting the Actions outlined in the Annual Plan and strategies identified in the Strategic Plan.

Annual Budget Process

- Provides the annual blue print for budget fiscal management of the Council.
- Allows for annual review of allocation priorities and links with the Annual Plan.
- Incorporates both capital and operating expenditure programs.

Financial Management Strategy and Long Term Financial Plan

- Sets out the broad financial objectives of the Council over a 10 year period.
- Classifies major financial categories and departmental projects and activities in accordance with Strategic Plan.

Reporting Process

- Quarterly Annual and Financial Reports detail the status of the Priority Action Plan items.

Priority Action Plan

The following pages of the Annual Plan provide details on additional goals, outcomes and objectives that the Council is seeking to undertake and complete as priority activities in addition to its annual business.

No.	Activity	Strategic Plan #	30 September	31 December	31 March	30 June	Responsibility
1	Dorset Strategic Plan	-				Commence annual review of Strategic Plan	Governance
2	Waste Management	14.2, 14.4		Planning for State Government Container Refund Scheme	Prepare draft Green Waste Strategy		Governance / Infrastructure
3	Asset Management	10.3			Review and update Stormwater Asset Management Plan		Infrastructure / Finance
4	Scottsdale and Derby Structure Plans	7.2			Finalise Structure Plans		Regulatory
5	Austins Road Residential Development	7.2				Preparation of Master Plan and Stage 1 Subdivision plan	Regulatory / Infrastructure
6	Scottsdale Light Industrial Rezoning	7.2				Complete draft Master Plan for industrial rezoning at Scottsdale Depot site	Regulatory / Infrastructure
7	Bridport Structure Plan	7.2				Prepare draft Structure Plan	Regulatory

No.	Activity	Strategic Plan #	30 September	31 December	31 March	30 June	Responsibility
8	Derby Master Plan	7.2				Commence draft Master Plan for Derby	Regulatory / Governance
9	Blue Derby Transition	9.4		Update to Council		Update to Council	Governance
10	Municipal Revaluation	10.4				Application of new property valuations and review of Council's Rates Strategy	Administration
11	Rail Trail Project	8.2		Update to Council		Tender approved and project works commenced	Governance / Regulatory / Infrastructure
12	Road and Footpath Representation Committee/Panel	9.2, 9.3		Establish a representative panel of industries to assist with future planning and review of Council's Road Plan			Governance / Infrastructure
13	Projects of Significance	8.3, 9.3			Establish a Project of Significance report to ascertain grant funding / advocacy / election promise priorities		Governance
14	Payment of Councillors Expenses and Provision of Facilities (No.2)	10.1	Review, adopt and implement				Finance / Governance
15	On Street Dining, Vending & Signage Policy (No.3)	9.1, 10.1	Review, adopt and implement				Regulatory

No.	Activity	Strategic Plan #	30 September	31 December	31 March	30 June	Responsibility
16	Sponsorship of Sporting and Cultural Representatives Policy (No.4)	4.3, 10.1				Review, adopt and implement	Governance
17	Contribution of Boundary Fences Policy (No.7)	10.1		Review, adopt and implement			Infrastructure
18	Risk Management Policy (No.9)	10.1, 10.2	Review, adopt and implement Policy Review and implement Risk Management Framework				Administration
19	Electronic Communications Policy (No.16)	10.1, 13.1				Review, adopt and implement	Administration
20	Customer Service Charter (No. 18)	10.1, 13.4		Review, adopt and implement			Administration
21	Code for Tenders and Contracts Policy (No.31)	9.1, 10.1	Review, adopt and implement				Infrastructure / Administration
22	Public Interest Disclosures Act 2002 Procedures (No.32)	10.1, 13.1				Review, adopt and implement Model Procedures as provided by Ombudsman Tasmania	Governance / Administration
23	Personal Information Protection Policy (No.36)	10.1	Review, adopt and implement				Administration
24	Social Media Policy (No.44)	5.1, 10.1			Review, adopt and implement		Governance / Administration

No.	Activity	Strategic Plan #	30 September	31 December	31 March	30 June	Responsibility
25	Wood Encouragement Policy (No.54)	9.1, 10.1		Review, adopt and implement			Governance
26	Bridport Seaside Caravan Park – Annual Site Policy (No.56)	10.1		Review, adopt and implement			Governance / Administration
27	Managed Grassland Fire Risk Abatement Policy (No.57)	10.1		Review, adopt and implement			Regulatory

Underlying Surplus

	Note	2023/24 Budget \$'000	2022/23 Forecast \$'000	2022/23 Budget \$'000
Total Operating Income		16,387	15,976	16,342
Expenses (excl depreciation)		11,929	10,386	10,657
Depreciation		5,101	4,745	4,600
Total Expenses		17,030	15,131	15,257
Underlying Surplus/(Deficit) ¹		(643)	845	1,085
Adjusted Underlying Surplus as a % of Underlying Income		(3.9%)	5.3%	6.6%
Less: Adjustment for FA grants	4	181	1,243	(2,842)
Less: Recurrent portion of Roads to Recovery funding	4	-	-	(751)
Statutory Underlying Surplus/(Deficit)		(462)	2,088	(2,508)

Council's operating budget for the 2023/24 financial year estimates an underlying deficit of \$643,000. This represents a decrease of approximately \$1.5 million from forecast actuals for the 2022/23 financial year.

The 2023/24 budget includes several material one-off items, changes in accounting methodology and changes to Blue Derby Mountain Bike Trail operations, which have materially impacted the comparability of budget estimates from previous years. These changes are outlined in further detail within the notes of the 2023/24 budget book.

¹ The underlying surplus/(deficit) differs from the statutory underlying surplus/(deficit) as it includes an adjustment for the prepayment of Financial Assistance Grants and the recurrent portion of Council's Roads to Recovery allocation (comparative only).

Analysis of Budget Estimates

The key drivers for 2023/24 budget estimates are:

Income

- Rates and charges have increased by \$726,000 on forecast actuals as a result of a 6.9% increase to Council's general rate revenue base and the introduction of a varied general rate (cents in the dollar of AAV) for Short-term Accommodation properties within the municipality.
- Operating grants and contributions have increased by \$180,000 on forecast actuals as a result of an increase in Financial Assistance Grants and the inclusion of a contribution expected from the Blue Derby Foundation to assist with the maintenance of the Blue Derby Mountain Bike Trails.
- User charges have decreased by \$67,000 on forecast actuals as a result of removing building inspection and assessment fees from budget estimates and transferring Blue Derby income streams (e.g. sponsorships) to the Blue Derby Foundation.

Council's fees and charges are set in accordance with section 205 of the Local Government Act 1993 and have increased, on average, by 8.11%.

- Other income has decreased by \$444,000 on forecast actuals due to the impact of a number of one-off transactions in the 2022/23 financial year (e.g. insurance reimbursements) that have inflated forecasted results.

Expenditure

- Materials and services have increased by \$839,000 on forecast actuals due to an increased focus on maintenance and operational works in the 2023/24 financial year.
- Employee Costs have increased by \$610,000 on forecast actuals due to the increase to wages as per Council's Enterprise Bargaining Agreement, an increase in workers compensation insurance and the addition of new employment positions for the 2023/24 financial year.
- Depreciation has increased by \$356,000 on forecast actuals as a result of asset revaluations/indexation, revised useful life estimates and the addition of new assets from Council's capital works program.
- Other expenses have increased by \$77,000 due to an additional budget allocation required to assist with the transition of Blue Derby operations to the Blue Derby Foundation, as determined in the Memorandum of Understanding adopted by Council at the March 2023 Council meeting.

Statement of Profit and Loss

	Notes	2023/24 Budget \$'000	2022/23 Forecast \$'000	Variance % Movement	2022/23 Budget \$'000	Budget Variance % Movement
Operating Income						
Rates and Charges	1	9,833	9,107	8.0%	9,232	6.5%
Statutory Fees	2	209	193	8.3%	189	10.6%
User Charges	3	1,256	1,323	(5.1%)	1,464	(14.2%)
Grants and Contributions	4	4,349	4,169	4.3%	4,818	(9.7%)
Interest	5	231	227	1.8%	81	185.2%
Other Income	6	280	724	(61.3%)	325	(13.8%)
Income from Water Corporation	7	229	233	(1.7%)	233	(1.7%)
Total Operating Income		16,387	15,976	2.6%	16,342	0.3%
Capital Income						
Capital Grants	4	3,796	3,159	20.2%	5,172	(26.6%)
Total Capital Income		3,796	3,159	20.2%	5,172	(26.6%)
Expenses						
Employee costs	8	5,698	5,088	12.0%	5,034	13.2%
Materials and services	9	4,177	3,338	25.1%	3,675	13.7%
Finance costs	10	94	77	22.1%	77	22.1%
Other expenses	11	1,960	1,883	4.1%	1,871	4.8%
Depreciation	12	5,101	4,745	7.5%	4,600	10.9%
Total Expenses		17,030	15,131	12.6%	15,257	11.6%
Surplus/(Deficit)		3,153	4,004	(21.3%)	6,257	(49.6%)
Less: Capital Grants	4	(3,796)	(3,159)	(20.2%)	(5,172)	26.6%
Underlying Surplus/(Deficit)		(643)	845	(176.0%)	1,085	(159.3%)
Less: FA grants adjustment	4	181	1,243	(85.4%)	(2,842)	106.4%
Less: Recurrent portion of Roads to Recovery funding	4	-	-	0.0%	(751)	100.0%
Statutory Underlying Surplus/(Deficit)		(462)	2,088	(122.1%)	(2,508)	81.6%

2023/24 Capital Expenditure Budget | Summary

A Capital Works Program totalling \$10.3 million is recommended. The 2022/23 capital budget was \$12.1 million (including budget variations), however \$3.7 million of this budget is expected to be carried forward into the 2023/24 financial year.

Total Capital Expenditure Budget

	Renewal \$'000	New & Upgrade \$'000	Total Budget \$'000
Bridges	254	255	509
Roads	2,754	954	3,708
Stormwater	242	78	320
Buildings	433	258	691
Land Improvements	162	290	452
Plant and Equipment	733	113	846
IT and Communications	70	3	73
Carry Forward Projects	717	3,025	3,742
Total	5,365	4,976	10,341

Funding the Budget

	Total Budget \$'000	External Funding \$'000	Council Funding \$'000
Bridges	509	56	453
Roads	3,708	1,459	2,249
Stormwater	320	-	320
Buildings	691	325	366
Land Improvements	452	124	328
Plant and Equipment	846	185	661
IT and Communications	73	-	73
Carry Forward Projects	3,742	2,283	1,459
Total	10,341	4,432	5,909

2023/24 Capital Expenditure Budget | Highlights

Roads

Council's total capital expenditure for roads amounts to \$3,708,000.

Key projects include:

- Annual resheeting and reseal program - Subject to Tender;
- Gillespies Road Upgrade, Nabowla - \$655,000; and
- Golconda Road pavement renewal from Denison River - \$546,000.

Plant and Equipment

Council's total capital expenditure for plant and equipment amounts to \$846,000. Major purchases include:

- Sidearm Slasher - \$93,000;
- Dual Cab Truck (Bridport Town Maintenance) - \$83,000; and
- Two way radio system - \$50,000.

Land Improvements

Council's total capital expenditure for land improvements amounts to \$452,000. Key projects include:

- Blue Derby Mountain Bike Trails: Rusty Crusty Bridge and Trail rebuild - \$105,000; and
- Northeast Park Mountain Bike Trail (incl. carry forward) - Subject to Tender.

Buildings

Council's total capital expenditure for buildings amounts to \$691,000. Key projects include:

- Renew amenities at Eastmans Beach (Bridport Seaside Caravan Park) - Subject to Tender; and
- Re-roof Derby Town Hall - Subject to Tender.

Bridges and Stormwater

Council's total capital expenditure for bridges and stormwater amounts to \$829,000. Key projects include:

- Upgrade Bridge 1572 Haas Rd/Frenches Creek - Subject to Tender;
- Bridge 1508 renewal, Garibaldi Rd - \$75,000; and
- Upgrade stormwater pipe line South St, Bridport - Subject to Tender.

IT and Communications

Council's total capital expenditure for IT and communications amounts to \$73,000. Key projects and purchases include:

- Computer and Laptop replacements - \$40,000; and
- Renew tape unit and back-up tapes - \$20,000.

Carry forward projects:

Council's total carry forward amounts to \$3,742,000. Key projects to be completed include:

- Rail Trail - \$1,500,000;
- Old Waterhouse Road safety improvements and upgrade - \$581,000;
- Carisbrook Lane intersection and underpass works - \$210,000;
- Works on Maurice Road Bridge (1515) and Duncraggen Road Bridge (1617) - Subject to Tender; and
- Scottsdale Railway Station restoration - \$100,000.

Public Health Goals and Objectives

Enhancing the quality of life of the Dorset Community is one of the Council's key roles. The facilitation and provision of quality services promotes health and well-being, education and learning.

The Development Services Department is responsible for ensuring Council meets its health and environmental obligations under the *Public Health Act 1997*, the *Food Act 2003*, the *Environmental Management and Pollution Control Act 1994*, the *Local Government Act 1993* and the *Building Act 2016*.

The key objectives of the department are:

- Regulate a range of activities in accordance with the legislative requirements, including Food Businesses, Public Health Risk Activities (e.g. body piercing), Places of Assembly, Regulated Systems (e.g. cooling towers), Private Drinking Water Suppliers and Commercial Water Carriers.
- Provide educational material and training on health related topics
- Monitor recreational water quality in swimming pools, spas and popular beaches
- Investigate incidents of notifiable disease
- Provide Immunisation Services and deliver an approved program in high schools
- Provide Waste Management Services including sharps disposal
- Assess on-site wastewater management system designs and regulate the installation of those systems
- Undertake nuisance abatement and incident investigation
- Investigate various public and environmental health incidents and nuisances