



Department of Local Government
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OUR REFERENCE
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CONTACT

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Chris Duff
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Mr Dick Appleby
TRRA Sec/Coordinator
Acting Chairman
Email: info@trra.com.au

30 AUG 2010

Dear Mr Appleby

I am writing in reply to your email of 6 July 2010 to the Minister for Local Government, the Hon Barbara Perry MP regarding Port Stephens Council's special rate variation for 2010/2011. The Minister has requested that I respond to you on her behalf.

I have noted your comments about Council's performance.

In respect to your request for further details on why Council's application was not approved, I should mention that Council's application was given careful consideration. However, a number of concerns were identified.

You may be aware, in order for an application under section 508A of the *Local Government Act 1993* to be approved, the Minister for Local Government had determined that the council must implement the Integrated Planning and Reporting Framework (IP&R) in accordance with the legislative requirements and to a satisfactory standard. In assessing councils' compliance against this criterion, the Division undertook a detailed analysis, which focussed on identifying compliance with the Act and assessing the extent to which the IP&R documents are integrated. This analysis, together with the Division's conclusions, was then reviewed by an Independent Assessment Panel (IAP).

The Division's assessment, which was endorsed by the IAP, found that Council's IP&R process and documentation contained a number of critical weaknesses and therefore did not support an application under section 508A.

In the first instance, there appeared to be no apparent high-level strategic plan, with the Community Strategic Plan (CSP) being restricted to a one page summary. Council's community engagement strategy had no reference or no apparent evidence on how this was applied to the development of the CSP. It is also not apparent how the community was engaged in determining what the community priorities were regarding the increase in funds.

As a result, Council's application had not presented a sound business case to support its request. Council also did not clearly explain its proposal and how it fits



in with its long term financial plan, asset management plan and overall strategic direction, nor to ratepayers of Port Stephens.

In addition, Council provided little detail in its application in terms of the projects to be funded, the outcomes to be achieved from the special variation and the linkages with Council's strategic, asset management and long term financial plans.

I trust this information is of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ross Woodward', is written over the typed name.

Ross Woodward
Chief Executive, Local Government
A Division of the Department of Premier and Cabinet