


# Second Compliance check of Cook Shire Council local government infrastructure plan

Prepared by: Integran Pty Ltd.

| Version | Date       | Reviewer name and signature |  |
|---------|------------|-----------------------------|--|
| Final   | 06/06/2018 | S.Bentley                   |  |

## 1.1 Introduction

Integran Pty Ltd. has been engaged by Cook Shire Council to undertake a second compliance check of its proposed Local Government Infrastructure Plan (LGIP).

Integran Pty Ltd. is required to:

- (1) evaluate whether a proposed LGIP complies with the requirements outlined under the statutory guideline for making and amending planning instrument (MALPI) and Statutory guideline 03/14 – Local government infrastructure plans, including the LGIP template, the SOW model and the LGIP Checklist.
- (2) provide a written statement and the completed checklist to the local government detailing the findings of the compliance check.

## Scope exclusions

The following items are outside the scope of this review:

- A verification of the accuracy of individual inputs used in the preparation of an LGIP.
- A review of the local government's Long Term Financial Forecast (LTFF) or asset management plan (LTAMP) other than to determine the extent of their alignment with the LGIP.

## Compliance check process

The process used to undertake the compliance check comprise the following steps:

| Stage                       | Description   |
|-----------------------------|---|
| <b><u>Engaged</u></b>       | <ul style="list-style-type: none"> <li>Integran Pty Ltd. was appointed by Cook Shire Council as the LGIP reviewer in August 2016</li> <li>Integran Pty Ltd. was also engaged by Cook Shire Council to prepare its LGIP</li> <li>The majority of documents and other information required to undertake the LGIP review were already provided to Integran Pty Ltd. For the preparation of the draft LGIP</li> </ul> |
| <b><u>First Review</u></b>  | <ul style="list-style-type: none"> <li>Review commenced on 26<sup>th</sup> July 2017</li> <li>Additional information requested on 8<sup>th</sup> August 2017 and received on 16<sup>th</sup> October 2017</li> <li>Meetings held with local government on 12<sup>th</sup> July 2017, 26<sup>th</sup> July 2017, and 16<sup>th</sup> October 2017</li> </ul>   |
| <b><u>First Report</u></b>  | <ul style="list-style-type: none"> <li>Final report for first review issued on 10/11/2017</li> </ul>  |
| <b><u>Second Review</u></b> | <ul style="list-style-type: none"> <li>Second review commenced on the 21<sup>st</sup> May 2018</li> <li>Phone and email discussions with Council were held over the review period to clarify the information package and nature of changes made since the first review</li> </ul>   |
| <b><u>Second Report</u></b> | <ul style="list-style-type: none"> <li>Final report for second compliance check issued on 6<sup>th</sup> June 2018</li> </ul>   |

The following local government personnel were involved in the compliance check:

| Name              | Title   | Date of discussion(s)      | Scope of discussion   |
|-------------------|---|----------------------------|---|
| John Harrison     | Special Projects Officer, Planning                              | 12 <sup>th</sup> July 2017 | Clarification of requirements for LGIP review <ul style="list-style-type: none"> <li>Background information and inputs for each network</li> <li>Application of costs in SoW</li> <li>Desired Standards of Service</li> </ul> |
| Michael Czarnecki | Assets Manager & DMO, Corporate Services                        |                            |   |
| Martin Cookson    | Director, Corporate Services                                    |                            |   |
| Robert Ubergang   |   |                            |   |
| Bishes Pokharel   | Engineer  |                            |   |
| Robyn Maddalena   | Manager Parks and Waste Operations, Infrastructure Services     |                            |   |
| James Doidge      | Manager Water and Wastewater, Infrastructure Services           |                            |   |
| Lisa Miller       | Development Coordinator, Development, Environment and Community |                            |   |
| John              | Special Projects Officer,                                       | 26 <sup>th</sup> July 2017 | Refinement of information for   |

|                   |   |                               |  |
|-------------------|---|-------------------------------|--|
| Harrison          | Planning  |                               | the parks and transport networks <ul style="list-style-type: none"> <li>• Project information</li> <li>• Works costs</li> </ul>  |
| Michael Czarnecki | Assets Manager & DMO, Corporate Services                    |                               |  |
| Robert Ubergang   |   |                               |  |
| James Doidge      | Manager Water and Wastewater, Infrastructure Services       |                               |  |
| John Harrison     | Special Projects Officer, Planning                          | 16 <sup>th</sup> October 2017 | <ul style="list-style-type: none"> <li>• Refinement of information for all networks</li> <li>• Clarification of issues surrounding Financial Sustainability Assessment</li> </ul>    |
| Martin Cookson    | Director, Corporate Services                                |                               |  |
| James Doidge      | Manager Water and Wastewater, Infrastructure Services       |                               |  |
| Robyn Maddalena   | Manager Parks and Waste Operations, Infrastructure Services |                               |  |
| Michael Czarnecki | Assets Manager & DMO, Corporate Services                    |                               |  |
| John Harrison     | Special Projects Officer, Planning                          | 21 <sup>st</sup> May 2018     | Correspondence confirming that only minor changes were made as a result of ministerial advice, and no changes were made as a result of ministerial conditions of public consultation |

## Compliance check findings

### General

Note: As preparation of the draft LGIP had begun prior to the commencement of new legislation, the LGIP has been assessed under the provisions of the *Sustainable Planning Act 2009* and *Statutory Guideline 03/14*.

Integran's second compliance check of the draft Cook Shire Council (CSC) LGIP has found that the content and format of the LGIP complies with the LGIP template, LGIP checklist and statutory guideline 03/14.

### Financial Sustainability Assessment and Alignment between Long-Term Planning Documents

The cashflow projections within the LGIP Schedule of Works model shows that the anticipated trunk works will not be able to be funded by infrastructure charges alone. A financial sustainability ratio of 0.62 over a 20 year period (2016-2036) shows that there will be a significant funding gap which will need to be addressed. Council has a number of available options in this regard, with the most significant of these being:

- Eligibility for grants and subsidy funding:
  - Some future projects may be eligible to receive subsidies/grants, however it was not considered appropriate to include these in the LGIP assessment, as the funding is not guaranteed.
- Increases to adopted infrastructure charges:
  - Council is currently applying charges at well below the allowable maximum under the Planning Regulation 2017.
- Potential deferment of capital works to suit the revenue streams expected over the short-medium term.

A review against Council's long term planning documents found acceptable alignment with respect to trunk infrastructure projects, timings, and costs. It is noted that there is currently no mechanism within the long term planning documents to differentiate between trunk/non-trunk infrastructure and capital/renewal works and currently requires manual differentiation between projects that are relevant for the comparison. Although the works program is currently small enough that this is not a significant undertaking, it is recommended that Council consider identifying additional attributes for all projects within future iterations of long-term planning documents. These include:

- Identification of trunk infrastructure;
- Identification of capital vs renewal works; and
- Identification of Council constructed vs developer contributed assets.

The inclusion of these fields are considered to provide additional benefits to Council, such as facilitating a more complete understanding of Council's infrastructure delivery obligations, assisting faster review and revision of current network planning, and improving the ability to demonstrate alignment against future LGIP revisions.

## **LGIP Amendments for Public Consultation and Second Compliance Check**

Following the first state review and prior to public consultation, the following minor amendments were made to the LGIP based on ministerial *advice* that was issued with the approval to proceed with public consultation:

- Corrected reference errors in the LGIP document;
- Corrected typographical errors in references to legislation and design manuals within the Desired Standards of Service tables;
- Amended the Priority infrastructure Area in Cooktown to remove sites zoned as Rural Residential (2 sites removed);
- Amended the Priority infrastructure Area in Coen to remove sites zoned as Rural (1 site removed);

There were no Ministerial Conditions imposed prior to the proposed LGIP proceeding with public consultation.

Additionally, as there were no properly made submissions received on the proposed LGIP during the public consultation period, no further changes have been made to the documents.

### **Compliance with MALPI**

It has been found that the process of preparing the draft LGIP complies with the requirements outlined under the statutory guideline for making and amending planning instruments (MALPI).

Integran has sighted correspondence from Council, providing DTMR with relevant information to review and provide comment on planning which CSC has undertaken in preparation of the LGIP, and considerations which may impact the state-controlled road network.

Additionally, DTMR retain an opportunity to provide any comment during the second State Interest Check.

As no changes have been made to the LGIP following public consultation, the proposed LGIP document and supporting material is identical to the version that was publicly consulted, satisfying the requirements under step 6.10(v) of Statutory Guideline 01/16.

## Conclusions

Integran has found that the Cook Shire Council LGIP complies with:

- The LGIP template and Statutory Guideline 03/14 - in relation to the structure and content of the LGIP document including the planning and demand assumptions, priority infrastructure area, desired standards of service, plans for trunk infrastructure, and schedules of work;
- Statutory Guideline 01/16 - in relation to the process for preparing the LGIP, and consultation with relevant state agencies.

The draft LGIP has completed public consultation, and having received no properly made submissions, has required no amendments since this time.

## Recommendations

Integran Pty Ltd. recommends to the Cook Shire Council that the LGIP should proceed unchanged.

Integran also recommends that Cook Shire Council seek to understand benefits provided through development of additional reporting attributes within their long-term planning documents, and how these may assist in future network planning, broader Council policy objectives, and in providing additional validation through alignment between the LGIP and other long-term planning.

## Recommended conditions to be imposed

Not applicable.