

**20150625 Item 5.6.10 Report Southern Moreton Bay Islands Translink Operations
Special Charge Annual Implementation Plan 2015-
2016**

Objective Reference: **A190737**
Reports and Attachments (Archives)

Attachment: **SMBI Translink Operations Annual
Implementation Plan**

Authorising Officer: **Linnet Batz**
Chief Financial Officer

Responsible Officer: **Murray Erbs**
Group Manager City Infrastructure

Report Author: **Noela Barton**
**Service Manager Revenue & Collections
Management**

PURPOSE

This report presents the Southern Moreton Bay Islands TransLink Operations Special Charge Annual Implementation Plan for 2015-2016 to Council for adoption.

BACKGROUND

19 June 2013 – Council resolved to raise a special charge in the annual budget for 2013-2014 to fund the contribution agreed to under the Funding Agreement executed 18 December 2012 for ferry operations to the Southern Moreton Bay Islands between Redland City Council and the State of Queensland (acting through the Department of Transport and Main Roads).

27 June 2013 – Council adopted the Southern Moreton Bay Islands TransLink Operations Special Charge Overall Plan and the 2013-2014 Annual Implementation Plan.

26 June 2014 – Council adopted the 2014-2015 Southern Moreton Bay Islands TransLink Operations Special charge Annual Implementation Plan.

ISSUES

The State of Queensland (the State) and Redland City Council (RCC) agree they wish to promote and improve public transport to all communities in Redland City. Both are committed to the staged extension of public transport services between Weinam Creek and the Southern Moreton Bay Islands to reduce the costs of living and broaden the economic benefits to these Islands.

On 18 December 2012, RCC entered into a funding agreement with the State for TransLink to provide ferry operations between Weinam Creek, Karragarra, Lamb, Macleay, Perulpa and Russell Islands for a trial period of 2½ years, which will be referred to as the Southern Moreton Bay Islands Transport Operations trial which provides public transport services to the Benefited Land.

Special rates and charges are for services, facilities and activities that have a special association with particular land. Council has established the SMBI TransLink Operations Special Charge (SMBI TransLink Operations Special Charge) has a special association to the land identified because the land or its occupier will specially benefit from the service, facility or activity provided by the Southern Moreton Bay Islands Transport Operations trial through the extension of public transport services and the broadening of economic benefits this trial may bring to the Islands.

The land that would obtain a particular benefit from the service (Benefited Land) identified in the Overall Plan adopted 27 June 2013 is all rateable properties on the Southern Moreton Bay Islands of Karragarra, Lamb, Macleay, Perulpa and Russell Islands, excluding land categorised for differential general rate purposes as rating category 10.

The State agrees that funds raised under the SMBI TransLink Operations Special Charge will be used only for the purpose of providing the State Services and the Ticketing Services identified in the Overall Plan.

The time period for the Southern Moreton Bay Islands Transport Operations trial is 1 July 2013 to 1 January 2016. Council has determined that it is in the interests of the community for the trial to be extended and negotiations with the State are ongoing. The Southern Moreton Bay Islands Translink Operations Special charge is adopted for the full financial year 2015-2016 subject to the continuation of the trial.

The Annual Implementation Plan for 2015-2016 is attached, and comprises the payment for \$962,084 (which excludes GST) of the special charges collected to the State of Queensland (acting through the Department of Transport and Main Roads) for the provision of the service, which is subject to a continuation of the trial.

STRATEGIC IMPLICATIONS

Legislative Requirements

Section 92(3) of the *Local Government Act 2009* (LGA) requires that for a special rate or charge to be levied the service, facility or activity has to have a special association with particular land.

Section 94(2) of the *Local Government Regulation 2012* (Regulation) requires the resolution to levy special rates or charges must identify the rateable land to which the special rates or charges apply and the overall plan for the service, facility or activity to which the special rates or charges apply.

Section 94(4) of the Regulation requires the overall plan must be adopted before, or at the same time as the local government first resolves to levy the special rates or charges.

Section 94(6) of the Regulation requires an annual implementation plan to be adopted if the overall plan for the special charge is for more than 1 year.

Section 94(7) of the Regulation requires an annual implementation plan for a financial year to be a document that sets out the actions or processes that are to be carried out in the financial year for the service, facility or activity for which the special rates or charges apply.

Section 94(15) of the Regulation declares that a local government may make and levy a special rate or charge for a service, facility or activity whether or not the services is supplied or undertaken by the local government.

Risk Management

The adoption of a special charge for the payment of the financial obligations under the funding agreement will provide transparency for the SMBI residents and ratepayers in the benefited area regarding the purpose of the funds collected.

Financial

It is proposed the SMBI TransLink Operations Special Charge will be set at \$89.31 for 2015-2016.

The amount of the SMBI TransLink Operations Special Charge has been determined by the SMBI Translink Special Charge modelling implementation by apportioning an equal share of the payment across the Southern Moreton Bay Island rateable properties excluding properties categorised for the purposes of the differential general rate as rating category 10.

The Annual Implementation Plan is the payment of the annual funding amount of the service pursuant to the agreement between the Council and the State of Queensland (acting through the Department of Transport and Main Roads) for the provision of the service. That amount for the 2015-2016 financial year is \$962,084 subject to continuation of the trial.

People

Nil impact expected.

Environmental

Nil impact expected.

Social

Nil impact expected.

Alignment with Council's Policy and Plans

This report aligns with Council's Corporate Plan 2015-2020:

2. Green Living

2.5 Transport planning reflects a desire to maximise economic, environmental and liveability outcomes through quality road design, public transport, pedestrian and cycling strategies.

3. Supportive and vibrant economy

6.1 Council supports infrastructure that encourages business and tourism growth.

CONSULTATION

Consultation has been held with Councillors, the Executive Leadership Group, senior management of City Infrastructure, Financial Services and General Counsel.

OPTIONS

Option 1

Adopt the attached Southern Moreton Bay Islands Translink Operations Special Charge Annual Implementation Plan for the 2015-2016 financial year.

Option 2

That Council resolves to request further information.

OFFICER'S RECOMMENDATION

That Council resolves to:

Adopt the attached Southern Moreton Bay Islands Translink Operations Special Charge Annual Implementation Plan for the 2015-2016 financial year.

Annual Implementation Plan 2015-2016
Southern Moreton Bay Islands TransLink Operations Special Charge

This Annual Implementation Plan is made in accordance with section 94(7) of the Local Government Regulation 2012.

Actions to be carried out

The Southern Moreton Bay Islands TransLink Operations Special Charge (the 'special charge') for 2015-2016 will be \$89.31, which will be levied on a quarterly basis in the months of July, October, January and April. It will be identified on the rate notice as the 'SMBI TransLink Operations Special Charge'.

The total revenue raised by the special charge in 2015-2016 will be \$962,084.

The Deed of Agreement for the Southern Moreton Bay Islands Transport Operations trial, executed 18 December 2012, with the State of Queensland, acting through the Department of Transport and Main Roads, expires on 1 January 2016. Council has determined that it is in the interests of the community for the trial to be extended and negotiations with the State are ongoing.

The Southern Moreton Bay Islands Translink Operations Special Charge is adopted for the full financial year 2015-2016 subject to a continuation of the trial.

All revenue raised will be paid by the Council to the State to meet the ongoing cost of funding the Southern Moreton Bay Islands Transport Operations trial.

Expenditure for 2015-2016 will be \$962,084 pro-rata quarterly in arrears within 28 days of the due date for the payment of Redland City Council rates for the Southern Moreton Bay Island areas of Karragarra, Lamb, Macleay, Perulpa and Russell Islands.