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City of Parramatta Council

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24/5/2019

Feedback upon Draft Operational Plan and Budget for 2019/2020.

Overview:

Thank you for your invitation to provide comment on this document.

The Trust acknowledges that much of the document is concerned with regular recurrent expenditure, and we do not comment on that. Our primary concern in this analysis has been to understand what proportion of the total capital expenditure is to be spent in the Epping ward, and what future projects are planned for our ward.

This analysis is done in the context of several key factors:

- Epping Town Centre rezoning has resulted, and will continue to lead to, a very large uplift in population, and therefore demand for council services
- The construction phase in Epping is at least one quarter completed and therefore this service demand is current and the increase in demand needs to be reflected in council's budget and planning
- The City of Parramatta took over management of the east side of Epping as a result of the council mergers, and therefore saw an increase in council rates of at least \$10 million per annum from that area
- The City of Parramatta received \$16 million from the State Government in late 2018 in compensation for S94 monies from developments that had been approved under HSC prior to the mergers

Capital Expenditure Budget review

In order to prepare this paper, we have analysed the line items listed on pages 138 to 144 in Part 3 of your document.

Adding up the 2019/20 capital expenditure line items on those pages totals some \$200,088 K. We note this figure is different from the figure of \$186,573K for capital expenditure nominated in the summary sheet on page 134. We do not understand the difference, but for this analysis are using the figures for the line items. The difference does not alter the general thrust of our argument.

We categorised the Capital Expenditure in each line item, and came to the following conclusion.

1. Parramatta CBD:

Total Capital Expenditure clearly identified \$99,865K

2. Epping ward:

Total Capital expenditure clearly identified \$5,155K

3. Specific Ward expenditure, non-Parramatta CBD and non-Epping: This includes the capex for all line items for which the location is specified, but not including the Parramatta CBD and the Epping ward which are included in items 1 and 2 above.

Total Capital expenditure clearly identified \$31,363K

4. General expenditures non ward specific: This includes capex for all line items which are not ward or location specific.

Total Capital Expenditure \$63,705K

Parramatta has five wards each with generally similar populations (40,000 to 50,000) and land area. Two wards, Parramatta and Epping have precincts classified as CBD's.

We think the numbers above show that in this proposed budget:

1. Parramatta CBD receives 19 times the amount of capital expenditure that the Epping ward receives.
2. The three wards other than Parramatta and Epping receive on average \$10,454K. This is roughly twice the amount that Epping receives.

The non-ward specific expenditure (item 4 above) is for such items as park signage replacement, public domain lighting, IT, Financial and reporting systems, bushland resources management and similar items, and as such we assume that Epping will receive its fair share of the benefits of this amount, although it is probably a reasonable assumption that the bulk will benefit Parramatta CBD.

Capital expenditure analysis

We think the Council's budget is far too centred on Parramatta CBD. It appears that the rates and other income derived from Epping are being diverted to the Parramatta CBD and to other areas within the Parramatta LGA, and this distortion is leaving Epping without the many improvements needed to support its rapidly expanding population.

We understand that some of the money included in this budget for the Parramatta CBD is tied to Government grants. We do not accept that this is a justification for the complete imbalance in the allocation of funds; surely Epping is at least as entitled to Government grants as other areas of the LGA, including Parramatta CBD, given its rate of development and rapidly increasing population.

We are grateful to Parramatta Council for those improvements that have been initiated to date in Epping. We note particularly the recent purchase of the Boronia Park reception centre, the continuing development of West Epping Park, and the work on the Master Plan for the Dence Park precinct.

But Epping is desperately in need of a library upgrade and a precinct plan for the library site at the end of Chambers Court. It is desperately in need of a precinct plan for the western side of Epping including the Council car park area. It needs public open spaces. It desperately needs to have money set aside for the purchase of land for public recreation. We need a comprehensive program of tree planting to replace the many trees that have disappeared with development. Our local roads are inadequate for the traffic that they are now being called upon to handle, and our short term parking arrangements are inadequate for the demand. We need a review of bus services so that people living in the ward can get access to the metro station without using their car.

We cannot see that money has been allocated in this budget for any of these projects. In addition, as an urban regional centre Epping should have facilities for recreation such as theatres, local art galleries, and additional sporting facilities, and these are far from even being contemplated. As such, we note that none of the Strategic Projects listed in this budget is in Epping, or indeed, anywhere near Epping.

You will be aware that most Epping residents rarely, if ever, visit Parramatta CBD, simply because of the length of time it takes to travel there and back, and because the shopping and recreational facilities needed are far more conveniently located for them at Hornsby, Macquarie Park or Chatswood. This fact exacerbates the angst felt by Epping's residents at seeing the revenue generated in our ward being diverted to benefit an area they rarely visit.

S94 contributions

We are also concerned about the absence in this document of details of the income and distribution of Developer S94 contributions. In December 2017, Council passed an amended S94 plan to specifically cover Epping, and reflect the construction boom, increase in developer contributions and the extensive infrastructure required.

Whilst this is a 10 year plan, to date we see very little on it that has been commenced, or is in the planning/feasibility and should therefore be reflected in this budget, with the exception of the Dence Park Master Plan.

We also query what happened to the \$16million that was collected by Hornsby Council from Epping residents at the time of the change in Council boundaries and which, as we understand it, was returned to Parramatta Council in the form of a State Government grant (as announced by our new local state MP prior to the recent election). Where does this feature in this budget?

Conclusion

We would very much appreciate the opportunity at your convenience to explain our analysis of the budget, and to hear your justification for the obvious imbalance. It would also be very

helpful to us, in our efforts to understand and make comments upon this budget, if we had more information on each line item, so that the purpose and the costs associated with each can be better understood.

We strongly believe that the budgeted capital expenditures does not provide a fair and equitable distribution of rates and other revenue, and that Epping ward is being very much short-changed.

We believe Council will agree with us that, in response to the great deal of development occurring here, and the consequent increase in population, there is a need for major infrastructure and upgrades to facilities and amenities in Epping. We can see little evidence in this budget of sums being set aside to do even the preliminary planning for these needs.

Sincerely,

Janet McGarry

President

Epping Civic Trust