

Resolutions in regards to the Special Rate Variation - 2014

18 June 2014 – GM Report Item 5

- 502** **RESOLVED:** Cr Parlett and Cr Brown that Council continue with the Special Rate Variation process, conduct further community consultation and address anomalies identified by IPART in order to improve the long-term financial viability of Council.

18 June 2015 – DCS Report Item 10.

Special Rate Variation Application,

As previously advised council's application for a Special Rate Variation (SRV) has been declined.

Reference is made to IPART's determination which outlined a lack of community consultation specifically relating to the special rate variation as the major reason as to why the SRV application was declined.

The following points are also of note:

- Whilst it was acknowledged significant community consultation was undertaken in the development of council's IP&R documentation consultation specifically relating to the SRV itself was inadequate. Both \$ & % impacts of a SRV need to be clearly outlined for all rating categories.
- Comparison of rating categories with the Office of Local Government (OLG) Group 9 peers highlighted some anomalies such as farmland rates being approximately half the group average. Whilst business rates are approximately 50% higher than the group average.
- The absence of a Hardship Policy was noted as was the lack of data on how we apply a flexible approach to assisting those experiencing hardship.
- Council must be able to demonstrate a commitment to cost reduction/containment and efficiency.
- Council may consider applying again for a SRV in future years.
- The SRV application was completed without using an external consultant.

If the decision is made by council to re-apply for a SRV the following points are relevant:

- Community consultation needs to specifically address the \$ & % impacts of the SRV across all rating categories.
- Consideration must be given to applying the SRV differentially across categories given the comparisons to OLG Group 9 peers.
- Development of a Hardship Policy should be undertaken.
- A review of our data collection practices regarding current assistance provided to rate payers experiencing hardship is being undertaken which will allow this data to be available to support a future SRV application.
- Council is currently in the process of participating in a procurement road mapping project which is designed to reduce external supplier costs and increase internal

efficiencies. This will assist us to demonstrate a commitment to cost reduction/containment and thus support any future application.

- As a general observation we need to acknowledge the increasing importance placed on community consultation in supporting applications whether they are for a SRV or grant funding. We also need to acknowledge the increasing level of detail expected in any applications and incorporate these requirements into our processes.

508 RESOLVED: Cr Parlett and Cr Hughes that Council re-apply for a Special Rate Variation for the 2015/2016 year.

18 December 2014 – DCS Report Item 5

Special Rate Variation Application, R1.4

Reference is made to the Council meeting held 18 June 2014 whereby Council resolved to re-apply for a Special Rate Variation (SRV) for the 2015-16 year.

Council's previously unsuccessful SRV was for a permanent increase of 4% above the rate peg limit for four years commencing in 2014-15. Feedback received from the previously unsuccessful application has provided a basis for improvements to be made to the SRV application process for the reapplication. To make the best use of this feedback and to ensure the application process is valid the current SRV application has been prepared on the same basis being a permanent 4% increase above the rate peg for each of 4 years commencing in 2015-16.

Whilst the community consultation process is ongoing the SRV Fact Sheet and Community Survey have been distributed to the community. The community survey undertaken in relation to the SRV closed on Friday 5th December 2014 with 365 responses received. Reference is made to the report on the results of the survey which has been separately forwarded for Councillors information.

A community information session is also to be held from 9.30am – 12.00pm on Friday 19th December to share the preliminary results of the community survey and to offer the opportunity for further community consultation and input. It is also planned to arrange another opportunity for community input in early February 2015.

As part of the SRV application process Council was required to notify the Independent Pricing & Regulatory Tribunal (IPART) of their intention to apply for a SRV by 12th December 2014. A copy of Council's notification letter is attached to the business papers.

RECOMMENDATION: that Council confirm the actions of the General Manager in notifying IPART of Councils intention to apply for a permanent Special Rate Variation under section 508A of the Local Government Act 1993 of 4% above the rate peg cap for each of the four years 2015-16, 2016-17, 2017-18 & 2018-19.

286 RESOLVED: Cr Best and Cr Brown that Council confirm the actions of the General Manager in notifying IPART of Councils intention to apply for a permanent Special Rate Variation under section 508A of the Local Government Act 1993 of 4% above the rate peg cap for each of the four years 2015-16, 2016-17, 2017-18 & 2018-19.