

Independent Pricing and Regulatory Tribunal
New South Wales

Special Variation Application Form – Part B

For 2019-20

Insert Name of Council: Richmond Valley Council

Date Submitted to IPART: 11 February 2019

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Council Contact Phone: [REDACTED]

Council Contact Email: [REDACTED]

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Tribunal Members

The Tribunal members for this review are:

Dr Peter J Boxall AO, Chair

Mr Ed Willett

Ms Deborah Cope

Enquiries regarding this document should be directed to a staff member:

Scott Chapman (02) 9290 8449



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1 Introduction

IPART will assess each application against the criteria set out in the Office of Local Government's (OLG) *Guidelines for the preparation of an application for a special variation to general income* (the [Guidelines](#)). Councils should refer to these Guidelines before completing this application form.

Each council must complete this Part B application form when applying for a special variation to general income either under section 508(2) or section 508A of the *Local Government Act 1993* (NSW).

In addition, councils must complete the Part B form with the Part A (spreadsheet) form for both section 508(2) or section 508A applications. The Guidelines also require the council to have resolved to apply for a special variation. You must attach a copy of the council's resolution. IPART's assessment of the application cannot commence without it.

If the proposed special variation includes increasing minimum rates above the statutory limit in the same rating year/s, the council may submit a combined special variation and minimum rate application (see Chapter 5 for circumstances where a combined application may be submitted). However, this must be clearly identified and addressed in the special variation application. A separate Minimum Rate application form (Part A and Part B) will need to be submitted where a council proposes increases to its minimum rates above the statutory limit for the first time, without increasing other ordinary rates in the same rating year. Councils are encouraged to discuss their proposed application with IPART as soon as possible.

As outlined in the Guidelines, new councils created in 2016 (apart from Mid-Coast Council) will be ineligible for special variations for the 2019-20 rating year.

1.1 Completing the application form

This form is structured to provide guidance on the information we consider is necessary for us to assess a special variation application. To complete the form, the council will need to respond to questions and insert text in the boxed area following each section or sub-section.

The amount of information that a council provides will be a matter of judgement for the council, but it should be sufficient for us to make an evidence-based assessment of the application. Generally, the extent of the evidence should reflect the size of the variation sought. More complex applications or requests for a high cumulative percentage increase should be supported by stronger, more extensive evidence.

Councils may submit additional supporting documents as attachments to the application (refer to section 8). These attachments should be clearly cross-referenced in Part B. We prefer to receive relevant extracts rather than complete publications, unless the complete publication is relevant to the criteria. If you provide complete documents when only an extract is relevant, we may ask you to resubmit the extract only. (You should provide details of how we can access the complete publication should this be necessary.)

We publish videos and fact sheets on how IPART assesses special variations and on the nature of community engagement for special variation applications. These will assist in preparing the application. The latest videos and fact sheets on these topics are available on [IPART's website](#).

We may ask for additional information to assist us in making our assessment. If this is necessary, we will contact the nominated council officer.

This application form consists of:

- ▼ Section 2 – Preliminaries
- ▼ Section 3 – Assessment criterion 1
- ▼ Section 4 – Assessment criterion 2
- ▼ Section 5 – Assessment criterion 3
- ▼ Section 6 – Assessment criterion 4
- ▼ Section 7 – Assessment criterion 5
- ▼ Section 8 – List of attachments
- ▼ Section 9 – Certification.

1.2 Notification and submission of the special variation application

Notification of intention to apply

Councils intending to submit an application under either section 508(2) or section 508A should have notified us of their intention to apply, via the Council Portal, by Friday 30 November 2018.

Any councils that did not notify but intend to apply for a special variation for 2019-20 should contact us as soon as possible.

Online submission of applications

All councils intending to apply for a minimum rate increase must use the [Council Portal](#) on IPART's website to register as an applicant council and to submit an application.

You are required to submit the application, via the Council Portal, by **Monday 11 February 2019**.

The [User Guide](#) for the Portal will assist you with the registration and online submission process. If you experience difficulties please contact:

▼ Arsh Suri - Arsh_Suri@ipart.nsw.gov.au or 02 9113 7730

File size limits apply on the Council Portal to each part of the application. For this Part B application form the limit is 10MB. The limit for supporting documents is 50MB for public documents and 50MB for confidential documents. We generally request supporting documents of the same type to be combined and most supporting document categories have a maximum number of 5 documents allowed. These file limits should be sufficient for your application. Please contact us if they are not.

We will post all applications (excluding confidential content) on the IPART website. Confidential content may include part of a document that discloses the personal identity or other personal information pertaining to a member of the public or whole documents such as a council working document and/or a document that includes commercial-in-confidence content. Councils should ensure that documents provided to IPART are redacted so that they do not expose confidential content.

Councils should also post their application on their own website for the community to access.

2 Preliminaries

2.1 Focus on Integrated Planning and Reporting

Councils must identify the need for a proposed special variation to their General Fund's rates revenue as part of their Integrated Planning and Reporting (IP&R) process. The IP&R documents will need to be publicly exhibited and adopted by the council prior to submitting an application to us. Also refer to section 6 for a more detailed explanation.

The key IP&R documents are the Community Strategic Plan, Delivery Program, Long Term Financial Plan and, where applicable, the Asset Management Plan. A council's application may also include supplementary and/or background publications used within its IP&R processes. You should refer to these documents to support your application for a special variation where appropriate.

2.2 Key purpose of special variation

At the highest level, indicate the key purpose(s) of the proposed special variation by marking one or more of the boxes below with an "x". The purpose should be directly related to the special variation being sought and should be further detailed in the sections below.

Maintain existing services	<input checked="" type="checkbox"/>
Enhance financial sustainability	<input checked="" type="checkbox"/>
Environmental services or works	<input type="checkbox"/>
Infrastructure maintenance / renewal	<input checked="" type="checkbox"/>
Reduce infrastructure backlogs	<input type="checkbox"/>
New infrastructure investment	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

You should summarise below the key aspects of the council's application, including the purpose and the steps undertaken in reaching a decision to make an application.

Richmond Valley Council resolved at its ordinary meeting held on Tuesday 20 November 2018 (see Attachment A Council report) to notify IPART of its intention to make an application to the Independent Pricing and Regulatory Tribunal to increase residential, business, rural residential and farmland general rates over a four-year period, commencing 1 July 2019, subject to the feedback from a thorough community consultation process.

As the local government area grows, Council is faced with many necessary changes and challenges and must lead and respond. However, Council is determined not to go down a path of financial non sustainability. We must meet our operational spend with appropriate

rating levels and our current rating levels are comparatively low and insufficient to meet future needs.

What are the challenges we face?

- Dispersed population and rates income of \$12.4 million, which is only 21.76% of expenditure.
- Government operating grants not keeping pace with expenditure needs.
- Funding increasing asset renewal and depreciation expenses.

Combined with a controlled program of borrowings and utilisation of reserve funds, the proposed special rate variation forms the basis of an overall funding strategy which addresses Council's highest identified priorities for works and services as shown in the Richmond Valley Made 2030 Community Strategic Plan and Delivery Program.

The key aspects of this application include:

- A demonstrated community desire to maintain the service standard of Council infrastructure and community facilities and to improve the overall 'liveability' of our towns and villages.
- Council undertook a comprehensive review of all existing services and programs to determine the required service level needed to preserve existing services, as well as maintain and renew infrastructure demands generated by increased population and visitation levels. The 2019-2020 budget provides for maintenance of public roads, public buildings and parks and sportsgrounds at a level that is insufficient to maintain our existing and vital infrastructure at a satisfactory standard without the proposed SRV increase.
- Combined rates and annual charges make up less than half of Council's revenue, with long-term financial plans highlighting the budget will face an increasing deficit at current service levels, assuming rate revenue increases are tied to estimated rate pegging increases.
- Council's average residential rate is low by comparison with neighbouring councils, and low by comparison with the published State averages.
- A strong desire by the Council for its local government area to continue to grow and prosper.
- A strong focus on continuous improvement of the Council business in order to deliver best-value outcomes.

Council is committed to ensuring the revenue raised through this SRV is used in the most effective and efficient way, focussing on asset renewal and maintenance, and striving to fully fund depreciation.

Following the thorough community consultation process described in detail later in this application, Council held an Extraordinary meeting on Thursday 7 February and resolved as follows (see Attachment B):

RESOLUTION 070219/1

Moved: Cr Robert Mustow

Seconded: Cr Sam Cornish

That Council;

1. Note and consider the concerns raised by community members about the financial impact pensioners, farmers and residents with higher unimproved capital land values;
2. Note and consider the feedback received and results of the extensive community consultation that has been conducted and from this process the majority of residents are accepting of the need for an increase above the rate peg;
3. Approve that the General Manager submit an application to the Independent Pricing and Regulatory Tribunal for a permanent Special Rate Variation under Section 508A of the Local Government Act 1993 of 5.5% (including rate peg) for four successive years from 2019/2020 to 2022/2023.

In Favour: Crs Robert Mustow, Stephen Morrissey, Sam Cornish, Robert Hayes, Sandra Humphrys, Jill Lyons and Daniel Simpson

Against: Nil

CARRIED 7/0

2.3 Existing s508A multi-year special variation

You should complete this section if the council has an existing s508A multi-year special variation instrument that will continue to apply in the period for which the council is seeking further changes to its general income.

If IPART decides to approve an increase to the council's general income in response to this application, it will vary the existing s508A multi-year special variation instrument. Therefore, by completing this application form and seeking a further change to your revenue path, you are in effect applying for a variation to that instrument.

When addressing the assessment criteria in the remainder of this application form, please take care to be clear about whether the information you are providing is in relation to the incremental increase being sought by the council or the total cumulative increase that may be reflected in a varied instrument (this would include the aspects of the application that have previously been approved by IPART).

Does the council have a s508A multi-year special variation instrument that will continue to apply in the period for which the council is seeking further increases to its general income Yes No

If Yes:

a) Over what period does the existing instrument apply? From _____ to _____

-
- b) What are the approved percentages for each year of the existing instrument? _____
- c) Briefly describe any significant changes of relevance since you submitted the application for the existing instrument.

2.4 Capital expenditure review

You should complete this section if the council intends to undertake major capital projects that are required to comply with the OLG's Capital Expenditure Guidelines, as outlined in OLG Circular 10-34. A capital expenditure review is required for projects that are not exempt and cost in excess of 10% of council's annual ordinary rates revenue or \$1 million (GST exclusive), whichever is the greater.

A capital expenditure review is a necessary part of a council's capital budgeting process and should have been undertaken as part of the Integrated Planning and Reporting requirements in the preparation of the Community Strategic Plan and Resourcing Strategy.

Does the proposed special variation require council to do a capital expenditure review in accordance with OLG Circular to Councils, Circular No 10-34 dated 20 December 2010	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If Yes, has a review been done and submitted to OLG?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

3 Assessment Criterion 1: Need for the variation

Criterion 1 in the OLG Guidelines is:

The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:

- *Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business as usual model, and exclude the special variation, and*
- *Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.*

The IP&R documents and the council's application should provide evidence to establish this criterion. This could include evidence of community need /desire for service levels/projects and limited council resourcing alternatives.

Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies.

The response to this criterion should summarise the council's case for the proposed special variation. It is necessary to show how the council has identified and considered its community's needs, as well as alternative funding options (to a rates rise).

The criterion states that the need for the proposed special variation must be identified and clearly articulated in the council's IP&R documents especially the Long Term Financial Plan and the Delivery Program, and, where appropriate, the Asset Management Plan. The purpose of the proposed special variation should also be consistent with the priorities of the Community Strategic Plan.

3.1 Case for special variation – community need

In its application, the council should summarise and explain:

- ▼ How it identified and considered the community's needs and desires in relation to matters such as levels of service delivery and asset maintenance and provision.
- ▼ How the decision to seek higher revenues above the rate peg was made and which other options were examined, such as changing expenditure priorities or using alternative modes of service delivery.
- ▼ Why the proposed special variation is the most appropriate option: for example, typically other options would include introducing new or higher user charges and/or an increase in loan borrowings, or private public partnerships or joint ventures.

- ▼ How the proposed special variation impacts the Long Term Financial Plan forecasts for the General Fund and how this relates to the need the council identified. Our assessment will also consider the assumptions which underpin the council's Long Term Financial Plan forecasts.

In addressing this criterion, you should include extracts from, or references to, the IP&R document(s) that demonstrate how the council meets this criterion.

Identifying the community's needs and desires

Council's consultation process for its Community Strategic Plan which was adopted in June 2017 identified the likelihood that an ongoing increase at the level of 5.5% would be required if Council were to continue to achieve the financial benchmarks required under the Fit for the Future reforms. Council's LTFFP at that time included an ongoing 5.5% increase in rates. Council has continued to engage with the community on its financial performance with yearly results being clearly communicated to the community.

This transparent approach to the need for additional revenues has been Council's desire throughout the current electoral term. Council's decision to notify IPART of its intent to apply for a SRV in November 2018 continued this consistent decision making and a thorough consultation process has been implemented through December 2018 and January and February 2019.

Council staff have modelled three different increased rate revenue scenarios (rate peg 2.7%, 5.5% stabilise assets, 7% improve assets) and the cost impact of these rate increases on ratepayers for a four-year period commencing from 2019/2020 to 2022/2023. The three options were the centrepiece of the community consultation and Council resolved unanimously to submit an application for a Special Rate Variation of 5.5% per year for four years.

Council's decision balanced the views and interests of the whole of the Richmond Valley community while ensuring that the Council business continues to be managed in a financially sustainable manner.

A representative cross-section of the community made clear their preference for Council's current service levels to be maintained or improved in a telephone survey conducted in January 2019. (**See section 4.1 for details**). The survey of a statistically representative group of 400 residents of the Richmond Valley Council area showed the majority of residents understood and supported the need for Council to build its rate revenue base in order to maintain its current service levels. 88% of those surveyed were at least somewhat satisfied or better with Council's performance and delivery of services.

On its current path, Council's Long Term Financial Plan shows that sustaining current service levels is impossible if rate revenue increases are solely tied to rate pegging.

Richmond Valley Council currently has the lowest average residential rates per head of population across the seven local government areas which comprise the Northern Rivers region of NSW.

Without a rate increase above the current rate peg, Council's long term financial modelling projects that Council will face increasing shortfalls in essential services.

These shortfalls are mainly due to an infrastructure renewal and maintenance backlog, highlighting the need to budget for the replacement of ageing assets before they fail.

The community has expressed its desire to see Council maintain its current service levels and ensure its finances are sustainable.

What other options were examined?

Council faces a choice between maintaining its current service levels and boosting its revenue sources, or lowering its service levels.

Community consultation indicates there is no appetite for a reduction in service levels. While some residents believe Council could do “more with less”, this is not a realistic option.

Another short-term method of boosting revenue sources is via an increase in loan borrowings.

As part of its previous Special Rate Variation, Council was approved to borrow approximately \$6 million over a five year period. The principal of these loans is payable over 10 years.

In pursuing a Special Rate Variation, Council considered the financial balance between loan borrowings and the rate base. At present, it has concluded that building the rate base rather than increasing its loans is more prudent for the long-term future of Council’s finances.

Council also continues to pursue efficiencies as set out in our response to Criterion 5.

Council’s decision to apply for Option Two, a special rate variation increase of 5.5%, will allow for the sustainable maintenance of current service levels and asset renewals.

3.2 Financial sustainability

The proposed special variation may be intended to improve the council’s underlying financial position for the General Fund, or to fund specific projects or programs of expenditure, or a combination of the two. We will consider evidence about the council’s current and future financial sustainability and the assumptions it has made in coming to a view on its financial sustainability.

You should explain below:

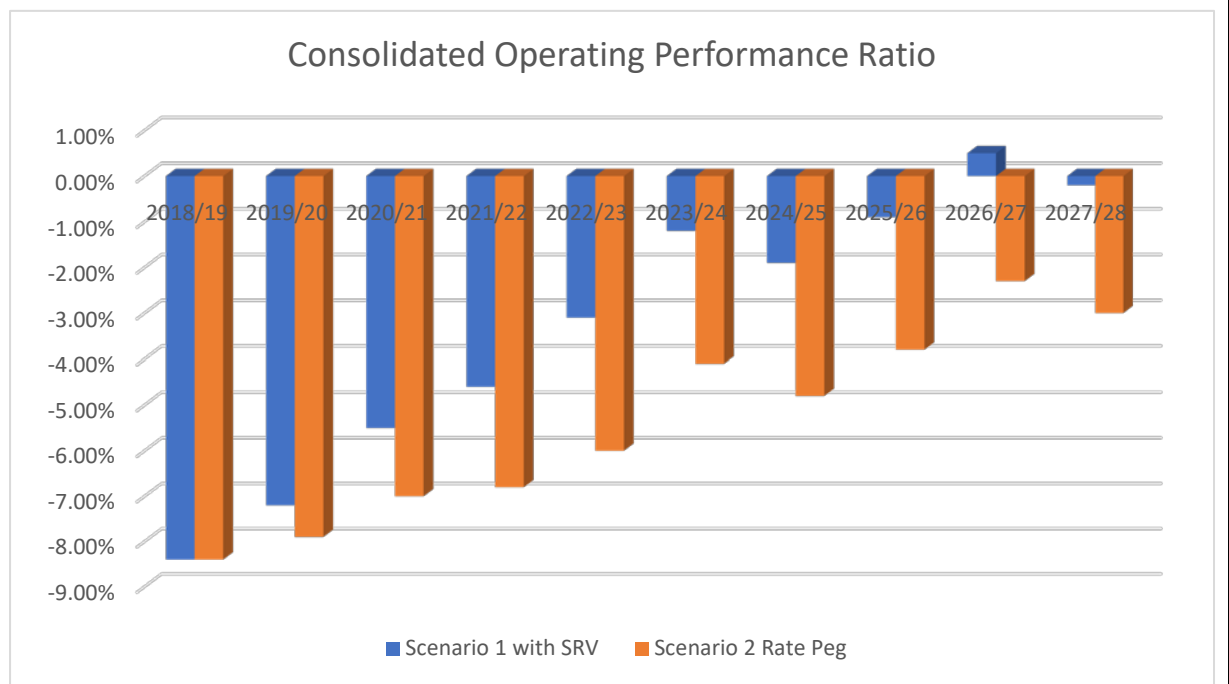
- ▼ The council’s understanding of its current state of financial sustainability, its long-term projections based on alternative scenarios and assumptions about revenue and expenditure.
- ▼ Any external assessment of the council’s financial sustainability (eg, by auditors, NSW Treasury Corporation). Indicate how such assessments of the council’s financial sustainability are relevant to supporting the decision to apply for a special variation.
- ▼ The council’s view of the impact of the proposed special variation on its financial sustainability.

In April 2013 NSW Treasury Corporation (TCorp) on behalf of the Independent Local Government Review Panel did a financial assessment on Richmond Valley Council. The findings in this Financial Assessment, Sustainability and Benchmarking Report (Attachment C) were that Council's financial position was **weak and deteriorating**, and that Council would be considered unsustainable without significant changes to its financial performance. Council considered the findings of the report, which prompted it to apply for the current five year rate increase which concludes this financial year 2018/19. Council also looked at a number of the recommendations in the report in relation to its operational performance and made significant operational improvements.

In 2015 Council initiated a second review by TCorp with the report delivered 1 April 2015 (Attachment D). This report found Council to be in a **Moderate Sustainability Position** with a **Neutral** outlook. Council was pleased with this assessment but not content and financial sustainability remains a major focus for Council. To continue the improvement in Council's financial sustainability it is critical to continue to increase rates above the rate peg amount for the next four years.

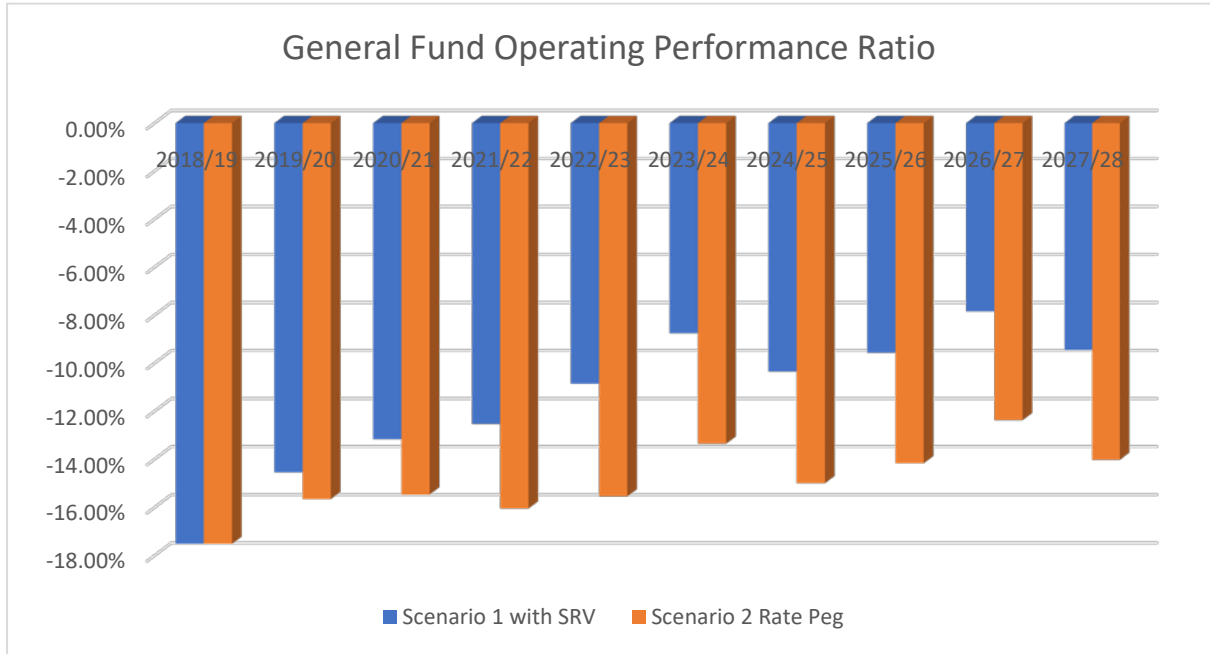
Another focus is community satisfaction. It can be seen from the consultation we have done that the majority of our community are satisfied with Council's performance and the state of our infrastructure. The feedback we have received is they want us to continue with what we are doing. Without another rate increase this is simply not possible and we will have to cut back in a number of areas where we have been able to improve service levels and do additional maintenance. We also have the loan funding repayments that continue for the next ten years, that were part of the borrowing regime included in the last special rate variation.

With the rate increase of 5.5% over four years factored in, Council's consolidated operating performance ratio shows gradual improvement and meets benchmark in 2026/27, but without the rate increase, the benchmark is not met in the term of the LTFFP, as seen in the following graph.



Consolidated Operating Performance Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	-8.40%	-7.20%	-5.50%	-4.60%	-3.10%	-1.20%	-1.90%	-0.90%	0.50%	-0.20%
Scenario 2 Rate Peg	-8.40%	-7.90%	-7.00%	-6.80%	-6.00%	-4.10%	-4.80%	-3.80%	-2.30%	-3.00%

The real impact of the rate increase can be seen in the following graph of Council’s General Fund Operating Performance Ratio. As can be seen below, this ratio is still well below benchmark at the end of the LTFP, but is improving.



General Fund Operating Performance Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	-17.51%	-14.54%	-13.16%	-12.53%	-10.85%	-8.75%	-10.34%	-9.56%	-7.84%	-9.44%
Scenario 2 Rate Peg	-17.51%	-15.65%	-15.46%	-16.04%	-15.54%	-13.35%	-14.99%	-14.16%	-12.37%	-14.02%

While the 5.5% rate increase will enable Council to improve its financial performance, it highlights that Council continues to have significant financial challenges ahead if it is to achieve the Operating Performance benchmark.

3.3 Financial indicators

How will the proposed special variation affect the council’s key financial indicators (General Fund) over the 10-year planning period? Please provide, as an addendum to the Long Term Financial Plan, an analysis of council’s performance based on key indicators (current and forecast) which may include:

- ▼ Operating performance ratio excluding capital items (ie, net operating result excluding capital grants and contributions as percentage of operating revenue excluding capital grants and contributions).
- ▼ Own source revenue ratio (ie, total operating revenue excluding capital items as a percentage of total operating revenue including capital items).

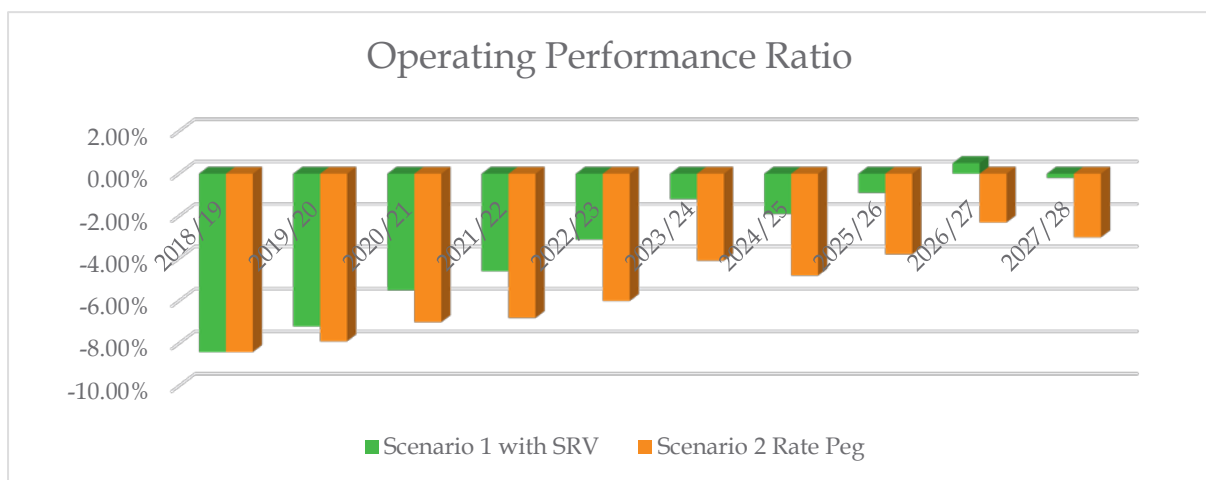
- ▼ Building and asset renewal ratio (ie, building and infrastructure asset renewals as a percentage of building and infrastructure depreciation, amortisation and impairment)
- ▼ Infrastructure backlog ratio (ie, estimated cost to bring assets to satisfactory condition as a percentage of total (written down value) of infrastructure, buildings, other structures, depreciable land and improvement assets)
- ▼ Asset maintenance ratio (ie, actual asset maintenance as a percentage of required asset maintenance).
- ▼ Debt service ratio (principal and interest debt service costs divided by operating revenue excluding capital grants and contributions).
- ▼ Unrestricted current ratio (the unrestricted current assets divided by unrestricted current liabilities).
- ▼ Rates and annual charges ratio (rates and annual charges divided by operating revenue).

Council’s Long Term Financial Plans are included as attachments E (inclusive of Special Rate Variation) and F (exclusive of Special Rate Variation)

Key ratio forecasts are as follow:

Operating Performance Ratio

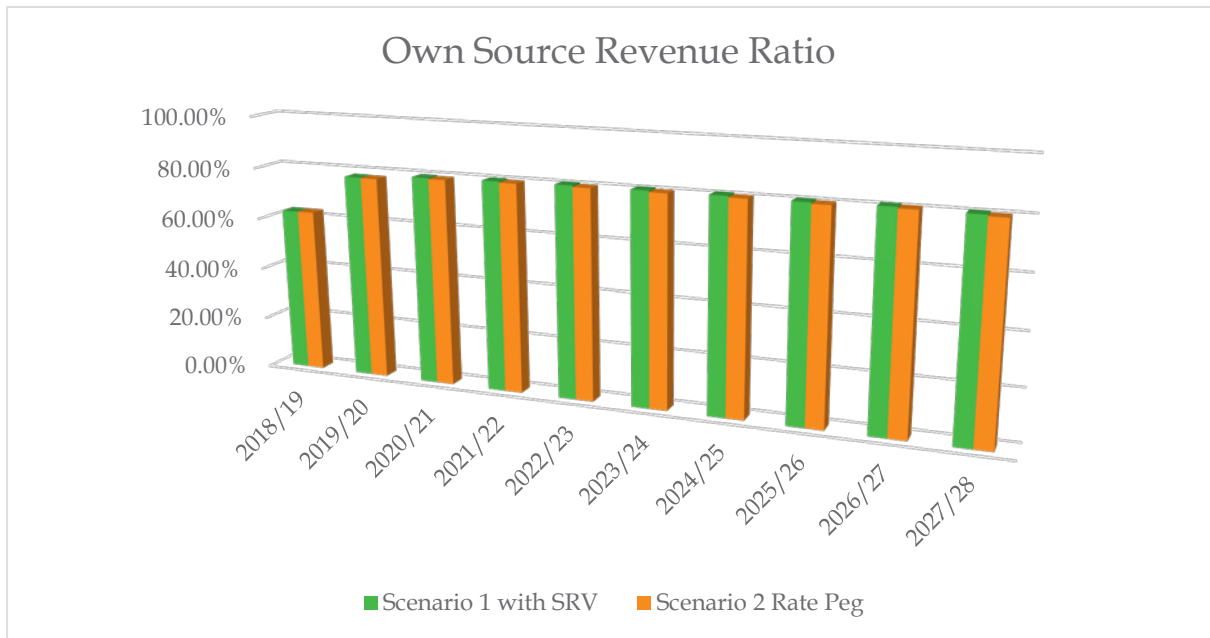
Operating Performance Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	-8.40%	-7.20%	-5.50%	-4.60%	-3.10%	-1.20%	-1.90%	-0.90%	0.50%	-0.20%
Scenario 2 Rate Peg	-8.40%	-7.90%	-7.00%	-6.80%	-6.00%	-4.10%	-4.80%	-3.80%	-2.30%	-3.00%



The operating performance ratio is the ratio that is mostly impacted by the special rate variation. The operating performance ratio can see improvement consistently under both SRV and rate peg scenarios, the difference is the under the SRV scenario, Council is back in a positive position and above benchmark within the timeframe of the LTFP. Under the rate peg scenario, the operating performance ratio is still at -3.00% at the end of the LTFP timeframe and looking at the rate of improvement over the period of the LTFP, it would suggest that under the rate peg option it will take a considerable time after 2027/28 until this ratio meets benchmark.

Own Source Revenue Ratio

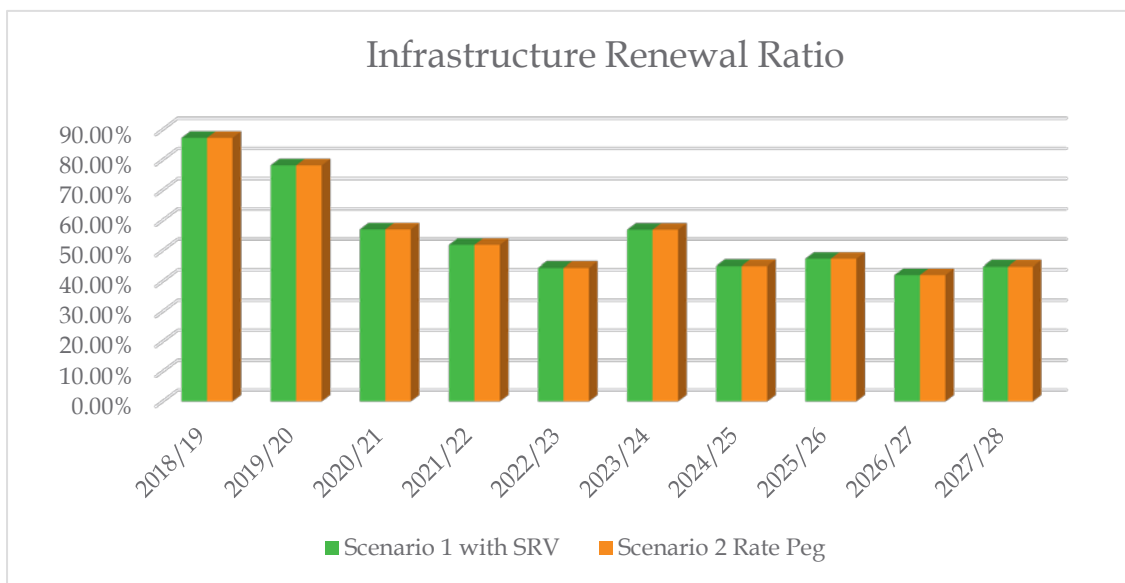
Own Source Revenue Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	62.90%	78.10%	79.80%	80.40%	80.80%	80.90%	81.00%	80.80%	81.30%	80.80%
Scenario 2 Rate Peg	62.90%	78.00%	79.50%	80.00%	80.30%	80.40%	80.50%	80.30%	80.80%	80.30%



Council has always had a strong own source revenue ratio and it improves more so under the SRV scenario than it does under the rate peg scenario. Council continues to pursue opportunities for new revenue streams, however these aren't easy to establish in a regional area with lower densities and smaller local economies.

Infrastructure Renewal Ratio

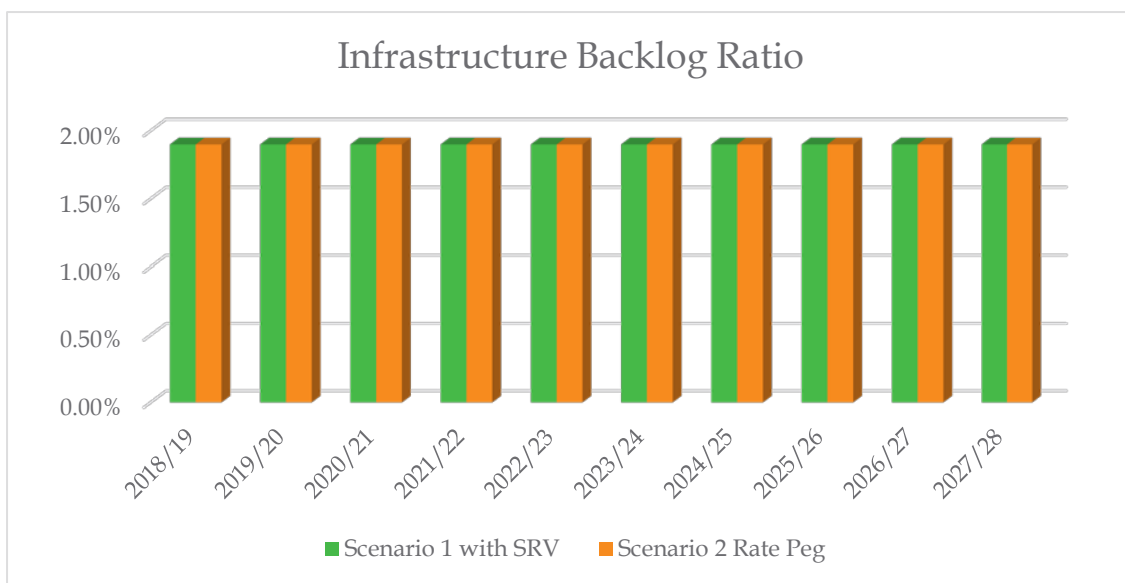
Infrastructure Renewal Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	87.30%	78.20%	57.00%	51.90%	44.40%	56.90%	45.00%	47.30%	42.10%	44.80%
Scenario 2 Rate Peg	87.30%	78.20%	57.00%	51.90%	44.40%	56.90%	45.00%	47.30%	42.10%	44.80%



The infrastructure renewals ratio does not meet benchmark under either scenario, it is getting close to benchmark in the 2018/19 and 2019/20 years, then there is a considerable drop in the ratio. In terms of capital works there is more of a focus on getting the four year delivery program accurate, the later years of capital works in the LTFFP are not populated as extensively. The reason for this is simply, it is difficult to accurately predict actual amounts of renewals required in the future years of the LTFFP. Council has a rigorous regime in place which, as mentioned above, concentrates on the four year delivery plan. Even looking out over a four year period, community priorities change, some assets deteriorate quicker than others, it is a forever changing landscape.

Infrastructure Backlog Ratio

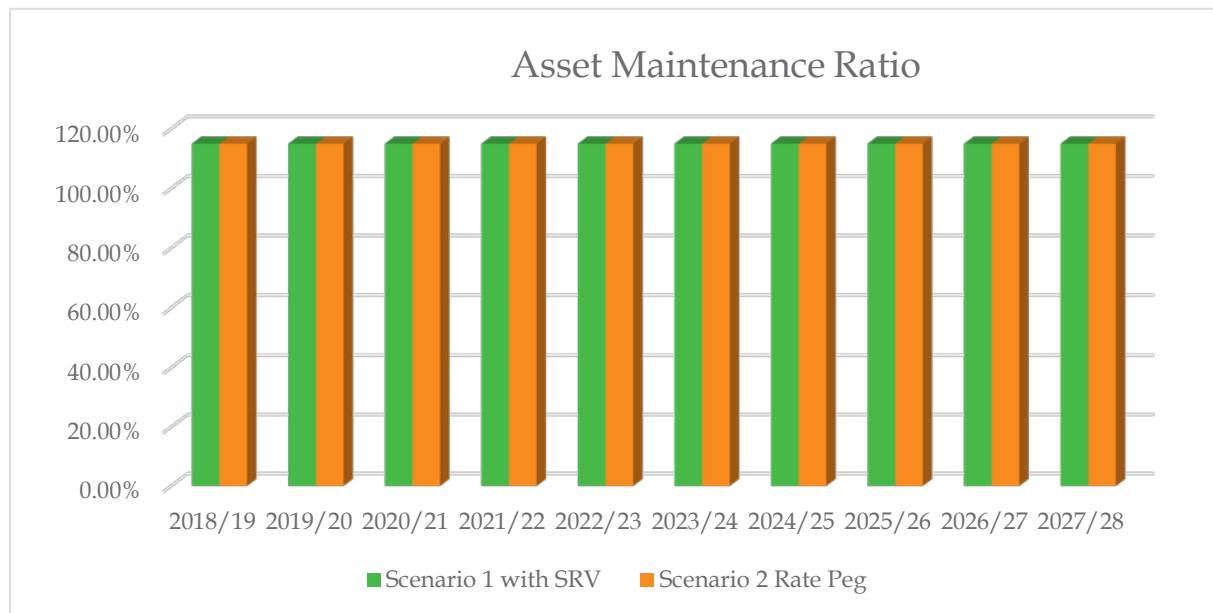
Infrastructure Backlog Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
Scenario 2 Rate Peg	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%



Council’s infrastructure backlog ratio meets the benchmark under both scenarios. Council’s Finance and Assets teams go through a considerable amount of asset conditioning work each year to plan our asset maintenance and renewal programs in line with our Asset Management Plans to ensure that Council’s infrastructure backlog ratio continues to meet benchmark. If Council is not successful in the application for this special rate variation, Council will continue to finance asset backlog, it will be levels of service etc which will need to be removed from Councils budget.

Asset Maintenance Ratio

Asset Maintenance Ratio	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Scenario 1 with SRV	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%
Scenario 2 Rate Peg	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%	115.00%



Council continually exceeds benchmark on this ratio, extensive planning is undertaken each year when setting budgets to ensure Council spends more than required on asset maintenance, this keeps Councils assets in more than satisfactory condition and decreases the amount required to be spent on asset renewal. In the last three years Council asset maintenance ratio has been the following, 2016 109.37%, 2017 113.84% and 2018 119.15%, these results show Councils commitment to meeting this benchmark and maintaining assets to a high level. A 5.5% Special Variation rate increase will assist Council to continue to achieve these results which extends the life of assets through preventative maintenance.

4 Assessment criterion 2: Community awareness and engagement

Criterion 2 in the Guidelines is:

Evidence that the community is aware of the need for and extent of a rate rise. The Delivery Program and Long Term Financial Plan should clearly set out the extent of the General Fund rate rise under the special variation. In particular, councils need to communicate the full cumulative increase of the proposed special variation in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category. The council's community engagement strategy for the special variation must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur. The IPART fact sheet includes guidance to councils on the community awareness and engagement criterion for special variations.

Our fact sheet on the requirements for community awareness and engagement is available on the IPART website.¹

In responding to this criterion, the council must provide evidence that:

- ▼ it has consulted and engaged the community about the proposed special variation using a variety of engagement methods and that the community is aware of the need for, and extent of, the requested rate increases
- ▼ it provided opportunities for input and gathered input/feedback from the community about the proposal, and
- ▼ the IP&R documents clearly set out the extent of the requested rate increases.

In assessing the evidence, we will consider how transparent the engagement with the community has been, especially in relation to explaining:

- ▼ the proposed cumulative special variation rate increases including the rate peg for each major rating category (in both percentage and dollar terms)
- ▼ the annual increase in rates that will result if the proposed special variation is approved in full (and not just the increase in daily or weekly terms)
- ▼ the size and impact of any expiring special variation (see Box 4.1 below for further detail), and
- ▼ the rate levels that would apply without the proposed special variation.

More information about how the council may engage the community is to be found in the Guidelines, the IP&R manual and our fact sheet.

¹ <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/For-Councils/Apply-for-a-special-variation-or-minimum-rate-increase>

Box 4.1 Where a council is renewing or replacing an expiring special variation

The council's application should show how it has explained to its community:

- ▼ There is a special variation due to expire at the end of the current financial year or during the period covered by the proposed special variation. This needs to include when the expiring special variation was originally approved, for what purpose and the percentage of (General Fund) general income originally approved.
- ▼ The corresponding percentage of general income that the expiring special variation represents for the relevant year.
- ▼ Whether the temporary expiring special variation is being replaced with another temporary or a permanent increase to the rate base.
- ▼ The percentage value of any additional variation amount, above the rate peg, for which the council is applying through a special variation.
- ▼ If the proposed special variation was not approved (ie, only the rate peg applies), the year-on-year change in rates would be lower, or that rates may fall.

The council also must attach, to its application to IPART, a copy of the Instrument of Approval that has been signed by the Minister or IPART Chair.

Box 4.2 Where a council has an existing s508A special variation and is applying for an additional s508(2) special variation

The council's application should demonstrate that it has explained to its community:

- ▼ There is a special variation already in place for the current year and the size of that special variation.
- ▼ The size and impact of the additional special variation proposed and its purpose.
- ▼ The cumulative annual increase in rates from the existing and proposed special variation together.

4.1 The consultation strategy

The council is required to provide details of the consultation strategy undertaken, including the range of methods used to inform and engage with the community about the proposed special variation and to obtain community input and feedback. The engagement activities could include media releases, mail outs, focus groups, statistically valid random or opt-in surveys, online discussions, public meetings, newspaper advertisements and public exhibition of documents.

The council is to provide relevant extracts of the IP&R documents that explain the rate rises under the proposed special variation and attach relevant samples of the council's consultation material.

The community consultation process leading up to the lodgement of this application has been extensive, dating back to a joint statement by the Mayor and General Manager in the foreword of the Richmond Valley Made 2030 Community Strategic Plan, adopted by Council at its ordinary meeting on 27 June 2017.

Council has been consulting with the community since the November 2018 ordinary meeting following the resolution to notify IPART of its intention to apply for a new special rate variation.

Overall, Council has undertaken a wide variety of community consultation taking into account preferences of different demographic groups, such as online information for younger residents, face-to-face for older residents, and telephone polling covering all age groups. The full list of consultation methods is as follows:

- Community newsletter distributed to 9478 homes and businesses and published on Facebook. Reminder in second community newsletter just prior to Christmas 2018
- Micromex telephone survey
- Online survey (based on Micromex telephone poll)
- Request for submissions – Council’s ‘Have your Say’ online submission portal
- Proposal discussed regularly on local radio stations Casino’s Own Wireless FM and Richmond Valley Radio 88.9
- Newspaper articles and advertisements – Richmond River Express Examiner, Northern Star, Heartland Magazine
- Television interviews – NBN
- Standalone web page on Council’s website with information about special rate variation
- Facebook posts
- Two community meetings – Casino, Evans Head
- Paper survey (based on Micromex telephone poll)

Further detail on each item is included below.

Micromex telephone survey

A telephone poll was conducted by an external independent contracted company Micromex. The telephone survey process used a representative sample of the entire Richmond Valley community, including age, sex, and location of residents, to get the full range of community opinions

Community newsletter

A community newsletter fully dedicated to the special rate variation was developed (Attachment G). This newsletter was distributed to 9478 homes and businesses and published on Council’s Facebook page. The community newsletter covered topics like how the special rate variation would be spent, impact on average rates, Council spending and income, the challenges we face, how our rates compare to other Northern Rivers Councils, information on IPART and rate pegging and other facts and figures in our local government area. The newsletter also supplied information on the community meetings Council was

intending to hold and where the community could get more information on the special rate variation if they so desired. Council also put a reminder in a second community newsletter delivered to mailboxes just prior to Christmas 2018.

Community meetings

Council has hosted two community meetings on the special rate variation, in Casino on Monday 4 February with six residents attending, and in Evans Head on Wednesday 6 February with 27 residents attending. These meetings were widely advertised including a front page advertisement in mid-January 2019 in the free local newspaper which is delivered to all residences across the LGA. Council is disappointed with this level of attendance, however it is consistent with attendances at Council meetings which are generally attended by between zero and five people. This is despite Council communicating regularly and widely with its community.

A detailed presentation was provided by the General Manager with copies of the presentation provided to all attendees. (See Attachment H) A lengthy 'have your say' session was provided at both sessions. A spreadsheet of the annual impact of all scenarios was also made available to all attendees. A summary of the issues raised at these two community meetings is included in the Council report for the Extraordinary meeting on 7 February 2018 (see Attachment J)

The Richmond Valley Council Mayor has attended around 750 community events so far in this electoral term. These are reported to Council each month as part of the Council meeting business paper. Since Council notified its intent to consult on a special rate variation, the Mayor has been active in seeking the views of the community at these events.

Media

The media have closely followed the process and there has been considerable coverage of the process in all forms of the media.

Community reaction was mainly voiced via Facebook, with Council also receiving eight written submissions.

Media interviews - radio

- Monday 3 December: GM - Richmond Valley Radio 88.9
- Tuesday 4 December: GM - ABC North Coast
- Tuesday 4 December: GM - NBN Television
- Wednesday 5 December: GM - ZZZ/2LM
- Monday 10 December: GM - Richmond Valley Radio 88.9
- Monday 17 December: GM - Richmond Valley Radio 88.9
- Monday 17 December: GM - Casino's Own Wireless 107.9
- Monday 14 January: Acting GM - Richmond Valley Radio 88.9

- Monday 14 January: Manager Communications – Casino’s Own Wireless 107.9
- Monday 21 January: Acting GM – Richmond Valley Radio 88.9
- Monday 28 January: Acting GM – Richmond Valley Radio 88.9
- Monday 28 January: Manager Communications – Casino’s Own Wireless 107.9
- Monday 4 February: GM – Richmond Valley Radio 88.9
- Monday 4 February: GM – Casino’s Own Wireless 107.9

Media interviews - TV

- Tuesday 4 December – NBN interview with GM

Publications

- Monday 10 December 2018 Valley Views – Council’s community newsletter. A special SRV newsletter was distributed to all households and businesses across the LGA. (Attachment G)
- Monday 17 December 2018 - second community newsletter distributed across the LGA just before Christmas, with mention of SRV community meetings.
- Wednesday 19 December article included in Council’s full-page public notices, published in the Richmond River Express Examiner (RREE).
- January 2019 – Mayor’s column Issue 25 Heartland Magazine (Attachment K)
- Wednesday 23 January article included in Council’s full-page public notices, published in the NS. (Attachment L)
- Wednesday 16 January - SRV community meetings advertised front page of RREE. (Attachment M)
- Wednesday 16 January - news article with graph Page 4 RREE.(Attachment N)
- Wednesday 16 January - news article Page 5 Northern Star. (Attachment O)
- Wednesday 30 January - extraordinary meeting advertised in RREE’s classified section
- Wednesday 30 January – extraordinary mentioned in brief Page 3 Northern Star (Attachment P)
- Wednesday 6 February - Evans Head SRV community meeting mentioned in brief RREE

Website

A standalone page was created on Council’s website - http://richmondvalley.nsw.gov.au/page/Your_Council/Special_Rate_Variation/

Social Media

- The special SRV newsletter was published to Council's Facebook page, along with a message calling for community submissions.
- Online survey details posted.
- Extraordinary meeting details posted

4.2 Feedback from the community consultations

Summarise the outcomes and feedback from the council's community engagement activities. Outcomes could include the number of attendees at events and participants in online forums, as well as evidence of media reports and other indicators of public awareness of the council's special variation intentions. Where applicable, provide evidence of responses to surveys, particularly the level of support for specific programs or projects, levels and types of services, investment in assets, as well as the options proposed for funding them by rate increases.

Where the council has received submissions from the community relevant to the proposed special variation, the application should set out the views expressed in those submissions. Please refer to Section 1.2 concerning how the council should handle confidential content in feedback received from the community. The council should also identify and document any action that it has taken, or will take, to address issues of common concern within the community.

Council held two community meetings, one in Casino and one in Evans Head. At the Casino meeting there were six attendees from the community, all councillors and various Council staff. Out of the six community attendees, two showed support for an increase above rate peg. At the Evans Head meeting there were 27 attendees from the community, all councillors and various Council staff in attendance. None of the community members showed support for a special variation above rate peg.

Micromex telephone survey

Of all the consultation methods, the telephone poll of 404 residents should be regarded as the most rigorous and independent evaluation of community opinion regarding the special rate variation. The additional survey mechanisms including the online survey and survey papers completed at the Evans Head town meeting should be taken as supporting consultation to the telephone poll, ie supplementary and secondary to the main result.

A telephone poll was conducted by an external independent contracted company Micromex. The telephone survey process used a representative sample of the entire Richmond Valley community, including age, sex, and location of residents, to get the full range of community opinions. Micromex's methodology included:

- calling a statistically significant number of residents according to best practice, until the desired number of responses was achieved, in this case around 400. A sample size of 404 provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means if

the survey was replicated with a new universe of N=404 residents, than 19 times out of 20 we would expect to see the same results, i.e. +/-4.9%' – Micromex report p.34

- number harvesting, which saw Micromex staff approach residents in a public place, inviting them to participate in the telephone poll via their mobile number. This allowed for even numbers of older and younger residents, as younger residents were less likely to have landlines. Landline numbers were taken from the White Pages.

A final detailed report of the results was prepared and is available on Council's website and Attachment Q. There were 404 respondents to the telephone poll. Key findings were as follows:

- Option 2 (Stabilise Assets – 5.5% special rate variation) received the highest level of support, with 66% of residents indicating they were at least somewhat supportive; 53% of residents were at least somewhat supportive of Option 1 (Rate Peg Only); and 52% were at least somewhat supportive of Option 3 (Improve Assets – 7% special rate variation).

- Community preference was towards Options 2/3 – an SRV of some type to either stabilise/ improve the quality of local assets.

- 62% of residents selected a rate variation increase above rate peg indicating either Options 2/3 as a preferred option.

- 38% of residents nominated Option 1 as a preferred outcome.

- 88% of residents were at least somewhat satisfied with Council's performance and 83% were at least somewhat satisfied with the current quality of local infrastructure and facilities.

- Prior to contact, 29% of residents were already aware Council was exploring community sentiment towards a potential special rate variation.

- 21% of resident respondents stated they preferred Option 1 (Rate Peg Only) as they believe this is the most affordable option and could not afford to pay any more.

- 12% of resident respondents also believed Council must improve its financial management before increasing the rates.

Overall, this shows moderate support for a special variation above rate peg. Additional free text responses were also given in the telephone poll which gave insight into residents' reasons for and against a special rate variation.

Across all three options, finances and the ability to afford a special rate variation was a key factor in respondents' choices. At Option 1 – Rate Peg Only (2.7%), residents were concerned about being able to afford a special rate variation. However, it should also be noted there was a level of distrust about Council's ability to carry out services, and a perception that Council should be able to carry out services with current funds. This was addressed many ways through Council's information and media campaign, with a clear message put out that Option 1 – Rate Peg Only meant some services will have to be reduced.

Comments on Option 2 – Stabilise Assets (5.5%) was a preferred option as it was more affordable than Option 3, although some respondents commented similarly that they felt

they were not getting “value for money” from their rates at present. In contrast to comments on Option 1, respondents expressed more trust that Council would spend the funds wisely and an understanding some improvements were needed.

Comments on Option 3 – Improve Assets (7%) also expressed understanding that a special rate variation was being proposed as a community benefit and that a reasonable increase in rates was necessary for an increase in services. Optimistic residents also expressed hopes for additional areas of improvement beyond services – this may be in response to Council’s strong campaign over the past three years to create and fund signature projects in the Richmond Valley with over \$15m of grant funding being received for projects in 2017/18.

Online survey

To enable additional opportunities for community feedback, a copy of the survey was also made available on Council’s website as part of the submission period. The survey closed at midday on 6 February 2019, with 55 additional survey responses received. A separate analysis of these further survey results was conducted by Council staff, outlined below. As respondents to the online survey were self-selected, responses were not evenly distributed among age, sex or location, as the telephone poll was. As such, responses should be taken as supporting material for the telephone poll. Result reported to Councils Extraordinary Meeting (Attachment J)


The online survey showed 41% of 55 respondents chose Option 1 (Rate Peg Only) as their first preference, 37% of 55 respondents chose Option 2 (Stabilise Assets – 5.5% special rate variation) as their first preference, and 22% of 55 respondents chose Option 3 (Improve Assets – 7% special rate variation) as their first preference. This shows a similar level of support for a special rate variation of some sort, with 59% support for a special variation above rate peg.

Eight attendees of the Evans Head meeting completed a short paper survey based on the Micromex telephone poll and survey. Seven of these chose Option 1 – Rate Peg Only (2.7%) as their preferred option, with one respondent declining to respond to this question. This should be balanced against respondents to the Micromex telephone poll and online survey above, which also included a proportionate number of respondents from Evans Head who also chose Options 2 – Stabilise Assets (5.5%) and 3 – Improve Assets (7%). Also similarly to the Micromex telephone poll, respondents gave concerns about finances and being a pensioner as a reason for preferring the rate peg only option, while others expressed positive comments hoping that this would mean more expenditure and investment by Council in Evans Head.

No attendees completed the survey at the Casino meeting.

Through all Council’s media on the special rate variation community members have been encouraged to lodge submissions. Only eight submissions were received; one showing support for scenario two, a 5.5% increase over four years, while the others were against any increase on top of rate peg.

While Council had hoped for a larger selection of residents to attend the face-to-face meetings in Casino and Evans Head, it is important to balance concerns raised at these meetings and via comments in the telephone poll and online survey about potential financial



difficulty and the distribution of expenditure in the towns, with the many positive responses showing there was support for an increase above the rate peg.

Overall, Richmond Valley Council's multi-modal information campaign and numerous consultation channels with the community have resulted in a response that shows a majority of residents are supportive of an increase above the rate peg. At all times Council is mindful of the community's wishes and is committed to putting in the work to ensure the best possible use of funds should a special rate variation be approved.

5 Assessment criterion 3: Impact on ratepayers

Criterion 3 in the Guidelines is:

The impact on affected ratepayers must be reasonable, having regard to both the current rate levels, existing ratepayer base and the proposed purpose of the variation. The Delivery Program and Long Term Financial Plan should:

- *clearly show the impact of any rises upon the community*
- *include the council's consideration of the community's capacity and willingness to pay rates and*
- *establish that the proposed rate increases are affordable having regard to the community's capacity to pay.*

The impact of the council's proposed special variation on ratepayers must be reasonable. To do this, we take into account current rate levels, the existing ratepayer base and the purpose of the proposed special variation. We also review how the council has assessed whether the proposed rate rises are affordable, having regard to the community's capacity and willingness to pay.

5.1 Impact on rates

Much of the quantitative information we need on the impact of the proposed special variation on rate levels will already be contained in Worksheet 5a and 5b of Part A of the application.

To assist us further, the application should set out the rating structure under the proposed special variation, and how this may differ from the current rating structure, or that which would apply if the special variation is not approved.

We recognise that a council may choose to apply an increase differentially among categories of ratepayers. If so, you should explain the rationale for applying the increase differentially among different categories and/or subcategories of ratepayers, and how this was communicated to the community. This will be relevant to our assessment of the reasonableness of the impact on ratepayers.

Councils should also indicate the impact of any other anticipated changes (eg, receipt of new valuations) in the rating structure.

Council does not intend to change the rating structure it currently has, neither does it intend to increase any rate category differentially. All modelling has been done to increase all categories by the same approximate percentage.

The impact on ratepayers has been calculated and communicated to ratepayers in all Council communication, it has been included in slides in the presentations to the community meetings (see Attachment H), a copy of the presentation was given to all attendees of the

community meetings. It has been posted on Councils web page designed specifically for the special rate variation, it was included in the community newsletter dedicated specifically to the special rate variation, and it was printed on A3 paper and copies made available to all attendees of the community meetings. The average weekly rate increase for residential ratepayer for all four years was also communicated in the Micromex phone survey along with the cumulative percentage increase and what the average residential rate is now and what the projected average residential rate will be in the fourth year of the special rate variation. While averages have limitations when you have over 10,000 rating assessments, it is the best means of communicating impacts and provides enough information for ratepayers to do their own calculations of anticipated impacts to make informed comment. Council's customer service and revenue teams were also available to assist people to understand the impacts on them.

The following is the information on the impact of rates that was in the community newsletter, in the community meeting presentations and available for residents on a A3 handout at the community meetings.

2019/20 to 2020/21

2.7% Rate Peg		Ave Rate @ 2.7%	Yearly Increase	Weekly Increase	Ave Rate @ 2.5%	Yearly Increase	Weekly Increase
Category	Ave Rate 2018/19	2019/20			2020/21		
Residential	\$ 969.43	\$ 998.16	\$ 28.73	\$ 0.55	\$ 1,022.01	\$ 23.85	\$ 0.46
Rural Residential	\$ 846.29	\$ 870.12	\$ 23.83	\$ 0.46	\$ 895.54	\$ 25.42	\$ 0.49
Business	\$ 2,860.44	\$ 2,940.58	\$ 80.14	\$ 1.54	\$ 3,015.92	\$ 75.34	\$ 1.45
Farmland	\$ 1,606.77	\$ 1,647.39	\$ 40.62	\$ 0.78	\$ 1,691.90	\$ 44.51	\$ 0.86

5.5% SRV		Ave Rate @ 5.5%	Yearly Increase	Weekly Increase	Ave Rate @ 5.5%	Yearly Increase	Weekly Increase
Category	Ave Rate 2018/19	2019/20			2020/21		
Residential	\$ 969.43	\$ 1,022.64	\$ 53.21	\$ 1.02	\$ 1,079.34	\$ 56.70	\$ 1.09
Rural Residential	\$ 846.29	\$ 895.54	\$ 49.25	\$ 0.95	\$ 943.21	\$ 47.67	\$ 0.92
Business	\$ 2,860.44	\$ 3,027.14	\$ 166.70	\$ 3.21	\$ 3,200.24	\$ 173.10	\$ 3.33
Farmland	\$ 1,606.77	\$ 1,701.43	\$ 94.66	\$ 1.82	\$ 1,790.44	\$ 89.01	\$ 1.71

7.0% SRV		Ave Rate @ 7.0%	Yearly Increase	Weekly Increase	Ave Rate @ 7.0%	Yearly Increase	Weekly Increase
Category	Ave Rate 2018/19	2019/20			2020/21		
Residential	\$ 969.43	\$ 1,038.13	\$ 68.70	\$ 1.32	\$ 1,109.31	\$ 71.18	\$ 1.37
Rural Residential	\$ 846.29	\$ 908.25	\$ 61.96	\$ 1.19	\$ 974.98	\$ 66.73	\$ 1.28
Business	\$ 2,860.44	\$ 3,055.99	\$ 195.55	\$ 3.76	\$ 3,277.18	\$ 221.19	\$ 4.25
Farmland	\$ 1,606.77	\$ 1,726.86	\$ 120.09	\$ 2.31	\$ 1,850.83	\$ 123.97	\$ 2.38

2021/22 to 2022/23

2.7% Rate Peg		Ave Rate @ 2.5%	Yearly Increase	Weekly Increase	Ave Rate @ 2.5%	Yearly Increase	Weekly Increase	Cumulative Increase	Cumulative Increase
Category	2021/22			2022/23			%	\$	
Residential	\$ 1,046.87	\$ 24.86	\$ 0.48	\$ 1,071.85	\$ 24.98	\$ 0.48	10.56%	\$ 102.42	
Rural Residential	\$ 919.37	\$ 23.83	\$ 0.46	\$ 943.21	\$ 23.84	\$ 0.46	11.45%	\$ 96.92	
Business	\$ 3,100.87	\$ 84.95	\$ 1.63	\$ 3,181.01	\$ 80.14	\$ 1.54	11.21%	\$ 320.57	
Farmland	\$ 1,733.22	\$ 41.32	\$ 0.79	\$ 1,780.90	\$ 47.68	\$ 0.92	10.84%	\$ 174.13	
5.5% SRV		Ave Rate @ 5.5%	Yearly Increase	Weekly Increase	Ave Rate @ 5.5%	Yearly Increase	Weekly Increase	Cumulative Increase	Cumulative Increase
Category	2021/22			2022/23			%	\$	
Residential	\$ 1,138.40	\$ 59.06	\$ 1.14	\$ 1,201.36	\$ 62.96	\$ 1.21	23.92%	\$ 231.93	
Rural Residential	\$ 997.23	\$ 54.02	\$ 1.04	\$ 1,054.43	\$ 57.20	\$ 1.10	24.59%	\$ 208.14	
Business	\$ 3,389.38	\$ 189.14	\$ 3.64	\$ 3,581.72	\$ 192.34	\$ 3.70	25.22%	\$ 721.28	
Farmland	\$ 1,885.80	\$ 95.36	\$ 1.83	\$ 1,982.12	\$ 96.32	\$ 1.85	23.36%	\$ 375.35	
7.0% SRV		Ave Rate @ 7.0%	Yearly Increase	Weekly Increase	Ave Rate @ 7.0%	Yearly Increase	Weekly Increase	Cumulative Increase	Cumulative Increase
Category	2021/22			2022/23			%	\$	
Residential	\$ 1,184.25	\$ 74.94	\$ 1.44	\$ 1,269.18	\$ 84.93	\$ 1.63	30.92%	\$ 299.75	
Rural Residential	\$ 1,054.43	\$ 79.45	\$ 1.53	\$ 1,130.69	\$ 76.26	\$ 1.47	33.61%	\$ 284.40	
Business	\$ 3,533.64	\$ 256.46	\$ 4.93	\$ 3,774.06	\$ 240.42	\$ 4.62	31.94%	\$ 913.62	
Farmland	\$ 1,977.98	\$ 127.15	\$ 2.45	\$ 2,108.31	\$ 130.33	\$ 2.51	31.21%	\$ 501.54	

The following was also supplied as part of the power point presentation to the community meetings, with copies provided to attendees to look at during the presentation and keep if desired.

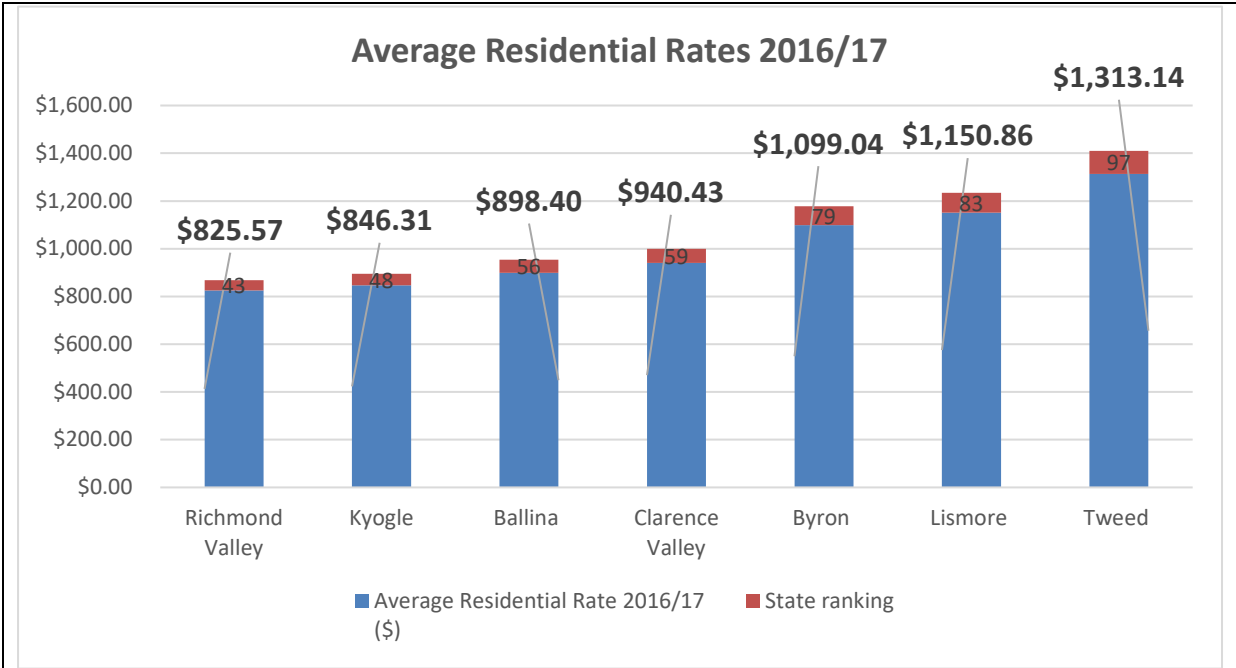
2.7% Rate Peg		Average Rate Cumulative Increase	Average Rate Cumulative Increase	Cumulative Increase Total
Category		\$	%	\$
Residential		\$ 102.42	10.56%	
Rural Residential		\$ 96.92	11.45%	\$ 1.38 million over 4 years
Business		\$ 320.57	11.21%	
Farmland		\$ 174.13	10.84%	

5.5% SRV		Average Rate Cumulative Increase	Average Rate Cumulative Increase	Cumulative Increase Total
Category		\$	%	\$
Residential		\$ 231.93	23.92%	
Rural Residential		\$ 208.14	24.59%	\$ 2.98 million over 4 years
Business		\$ 721.28	25.22%	
Farmland		\$ 375.35	23.36%	

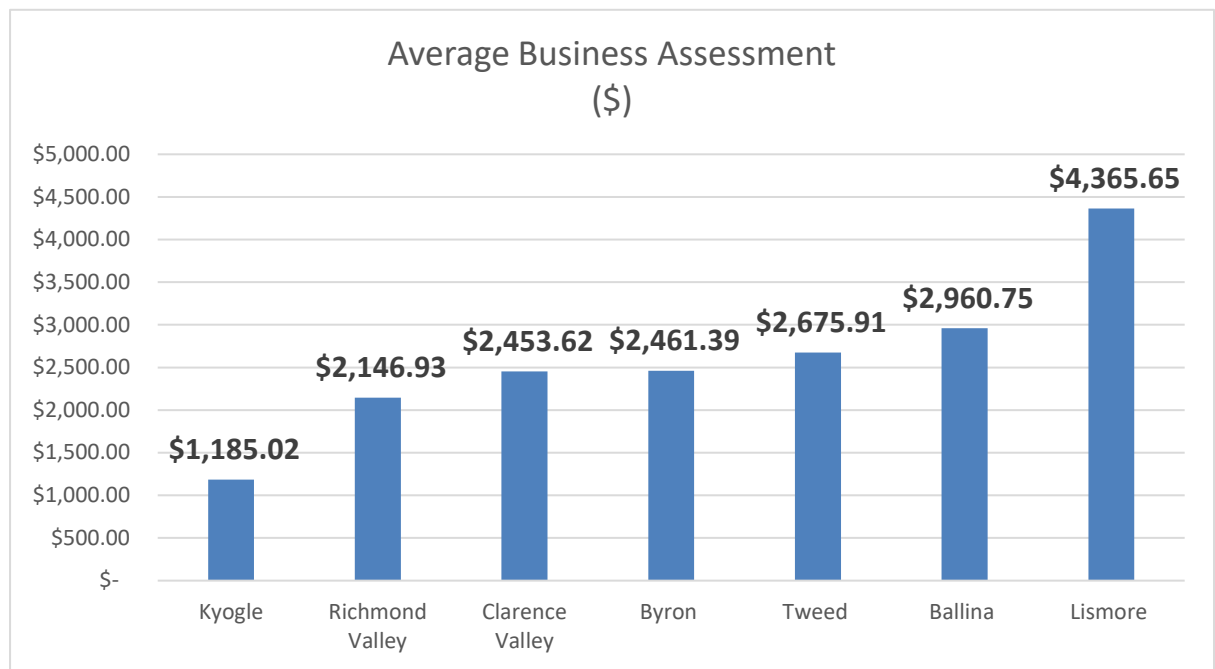
7.0% SRV		Average Rate Cumulative Increase	Average Rate Cumulative Increase	Cumulative Increase Total
Category		\$	%	\$
Residential		\$ 299.75	30.92%	
Rural Residential		\$ 284.40	33.61%	\$ 3.86 million over 4 years
Business		\$ 913.62	31.94%	
Farmland		\$ 501.54	31.21%	

The fact the Richmond Valley Council completes a five year SRV this financial year was raised as a reason to not apply. However, for the reasons set out in criterion 1, it is not considered an onerous impact as the increase is coming off a low rate base in comparison to other Northern Rivers Councils, and also bearing in mind we are seeking a 5.5% increase not a 7% increase. The following graphs show where Richmond Valley Council sits in relation to other Northern Rivers Councils.

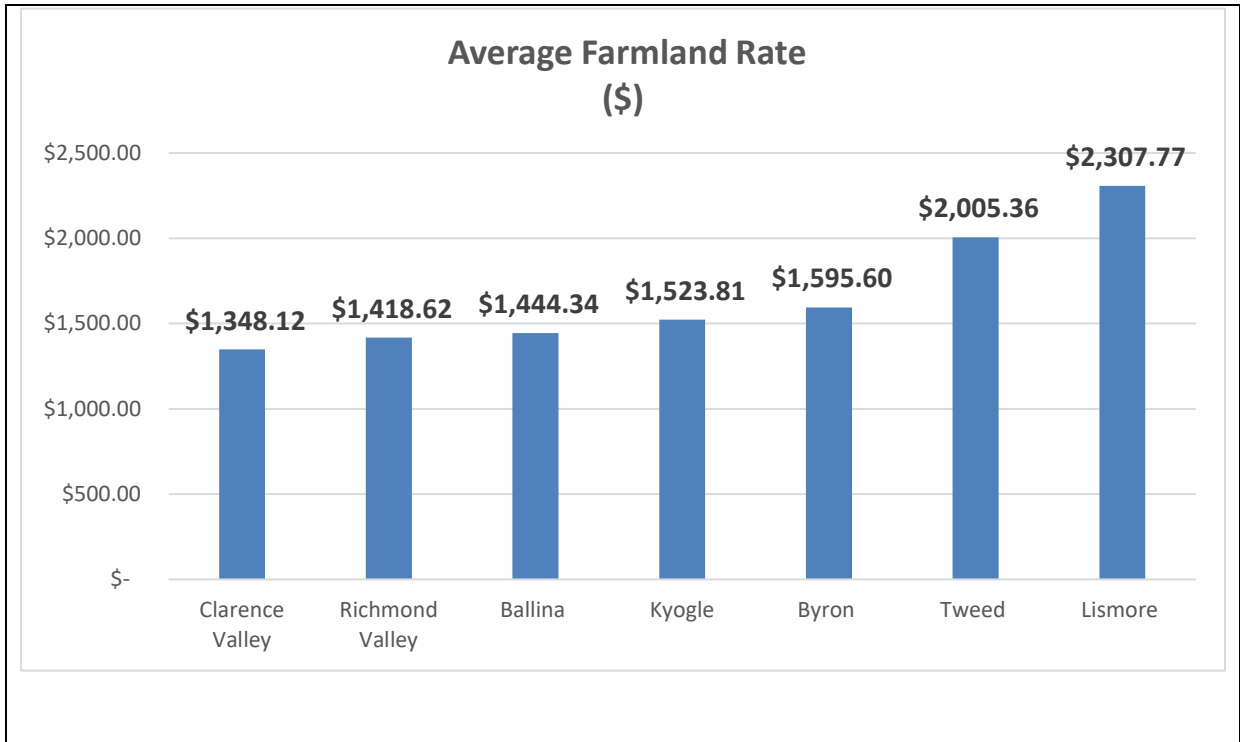
The first graph shows a comparison of residential rates, the rates are from the 2016/17 financial year as this is the most recent Office of Local Government information available on all Northern Rivers Councils. We do not think the positioning would change dramatically as a number of the other Northern Rivers Councils have also been successful with special rate variation application since these figures have been released. The residential rates comparison shows Richmond Valley Council as the lowest of all Northern Rivers Councils.



The next graph compares business rates, and as can be seen Richmond Valley Council is shown as the second lowest, and less than half the cost of the dearest Northern Rivers Council.



The final comparison is on Council's farmland rate, this shows again Richmond Valley Council as the second lowest.



5.1.1 Minimum Rates

The proposed special variation may affect ordinary rates, special rates and/or minimum rates.

For minimum rate increases, a council must seek approval via an instrument when it:

- ▼ proposes to increase its minimum rates above the statutory limit for the first time with or without increasing its general income above the rate peg limit;
- ▼ it is already imposing an ordinary minimum rate above the statutory limit and it seeks to increase that rate by more than the rate peg or the percentage allowed by a special variation; or
- ▼ is seeking to increase the minimum amount of its **special rates** above the statutory limit.

Under these scenarios, where the council is also proposing a special variation in the same rating year, it may submit a combined special variation and minimum rate application.

Complete this section if the council is seeking approval to increase the minimum amount of an ordinary rate or special rate via an instrument as outlined above.

Does the council have an ordinary rate subject to a minimum amount? Yes No

Does the council propose to increase the minimum amount of its ordinary rates above the statutory limit for the first time? Yes No

Which rates will the increases apply to? Residential Business Farmland

Does the council propose to increase the minimum amount of its ordinary rate/s by:

- The rate peg percentage
- The special variation percentage
- A different amount indicate this amount (%) _____ (\$)

What will the minimum amount of the ordinary rate/s be after the proposed increase? \$ _____

If the increase applies to a special rate, complete this section

What will the minimum amount of the special rate be after the proposed increase? \$ _____

IPART will assess applications for minimum rates above the statutory limit against the following set of criteria (in addition to any other matters which IPART considers relevant):

- ▼ the rationale for increasing minimum rates above the statutory amount,
- ▼ the impact on ratepayers, including the level of the proposed minimum rates and the number and proportion of ratepayers that will be on the minimum rates, by rating category or sub-category, and
- ▼ the consultation the council has undertaken to obtain the community’s views on the proposal.

See the separate **Minimum Rate Application Form Part B** for more detail on how IPART will assess applications against each of these criteria. It is the council’s responsibility to provide enough evidence in its application to justify the increase. Where applicable, councils should make reference to the relevant parts of its Integrated Planning and Reporting documentation to demonstrate how the criteria have been met.

The council must explain how the proposed special variation will apply to the minimum amount of any ordinary and special rate, and any change to the proportion of ratepayers on the minimum rate for all relevant rating categories that will occur as a result (refer to Part A of the application as necessary).

You should also explain the types of ratepayers or properties currently paying minimum rates, and the rationale for the application of the special variation to minimum rate levels.

N/A

It is not necessary for a council to apply to IPART for an increase in minimum rates when the council:

- ▼ is seeking to increase its ordinary minimum rates to any level at or below the statutory limit (even if the increase is by more than the rate peg); or
- ▼ has previously had an increase to its ordinary minimum rate above the statutory limit approved by IPART, and is seeking further increases by the rate peg or the percentage applied for in a special variation application (see section 548(4) and (5) of the Act).

Complete this section for information only if the proposed increase to the minimum amount is not above the statutory limit or if above the statutory limit, the council has previously been granted approval for an increase above the statutory limit (see section 548(4) and (5) of the Act).

Does the council have ordinary rates subject to a minimum amount? Yes No

Which ordinary rate will the proposed increase Residential Business Farmland

apply to?

Does the council propose to increase the minimum amount of its ordinary rate/s by:

- The rate peg percentage
- The special variation percentage
- A different amount Indicate this amount (%) _____ (\$)

What will the minimum amount of the ordinary rate/s be after the proposed increase? \$ _____

Where the minimum rate increase is proposed without a corresponding variation to ordinary rates, a separate Minimum Rate application is required. See the separate Minimum Rate Application Forms Part A and Part B for 2019-20.

5.2 Consideration of affordability and the community's capacity and willingness to pay

The council is required to provide evidence through its IP&R processes, and in its application, of how it assessed the community's capacity and willingness to pay the proposed rate increases. This is to include an explanation of how the council established that the proposed rate rises are affordable for the community.

Evidence about capacity to pay could include a discussion of such indicators as SEIFA rankings, land values, average rates, disposable incomes, the outstanding rates ratio and rates as a proportion of household/business/farmland income and expenditure, and how these measures relate to those in comparable or neighbouring council areas.

As many of these measures are highly aggregated, it may also be useful to discuss other factors that could better explain the impact on ratepayers affected by the proposed rate increases, particularly if the impact varies across different categories of ratepayers.

We may also consider how the council's hardship policy (see Section 5.3 below) might reduce the impact on socio-economically disadvantaged ratepayers.

In January 2019 Micromex conducted a telephone survey of 400 people in the Richmond Valley designed to assess the community's support for different special rate variation options and the community's satisfaction with Council's performance.

The sample of respondents was weighted by age and gender to reflect the 2016 Australian Bureau of Statistics profile of the Richmond Valley LGA.

The survey results (see Attachment Q) indicated **88% of residents were at least somewhat satisfied with Council's performance** and 83% were at least somewhat satisfied with the current quality of local infrastructure and facilities.

When asked which of the three rate variation options they would prefer, **62% of residents selected either Option Two, a 5.5% rate increase, or Option Three, a 7% rate increase**. This compared to 38% who selected only the rate peg increase as their preferred option.

Some of the statements from those who selected a preference for Option Two included *"the area needs to continue improving"* and a realisation that *"money is required to improve*

infrastructure” and “don’t want services to deteriorate” and “rural roads desperately need to be maintained to help out the farmers”.

For those who selected Option 3 as preferred, comments included *“Improvement isn't going to happen without an increase in rates”* and *“It's a better investment in the future”* and *“If it's going to help the roads and things for families I am happy to pay the increase”.*

It is clear that while not every resident supports the special rate variation, a majority of residents believe it is necessary for Council to continue to maintain its infrastructure to an adequate standard into the future and ensure the Richmond Valley continues to develop.

Capacity to pay

According to current Office of Local Government data Richmond Valley has the lowest average residential rates per head of population across the seven local government areas which comprise the Northern Rivers region of NSW.

The other local government areas which make up this region include Tweed, Byron, Ballina, Lismore, Kyogle, and Clarence Valley.

In 2016-17, a residential ratepayer in Richmond Valley paid an average of \$825.57 per year, compared to \$846.31 in Kyogle to the north, \$940.43 in Clarence Valley to the south, and \$1150.86 in Lismore to the east.

Of the seven LGAs in the Northern Rivers region, Richmond Valley also has the second lowest farmland rates, and the second lowest average business assessment.

Its average business rates were \$2146.93 in 2016/17, compared to \$1185.02 in Kyogle, \$2453.62 in Clarence Valley, and \$4365.65 in Lismore.

Its average farmland rates were \$1418.62 in 2016-17, compared to \$1348.12 in Clarence Valley, \$1523.81 in Kyogle, and \$2307.77 in Lismore.

Employment, income and the economy

Council recognises that based on the SEIFA index Richmond Valley Council ranks highest of the seven Northern Rivers Councils for disadvantage, including:

in the lowest 20% of NSW Councils on the Index of Relative Socio-economic Disadvantage

in the lowest 20% of NSW Councils on the Index of Relative Socio-economic Advantage and Disadvantage

in the lowest 30% of NSW Councils on the Index of Economic Resources

in the lowest 10% of NSW Councils on the Index of Education and Occupation.

However, this does not show the full picture of population and economic development in the Richmond Valley. These figures partially reflect that the Richmond Valley has a higher than average proportion of its population aged under 25 (around 27%), and aged 65 or over (around 19%). Conversely, the two age groups within which the majority of full time workers are concentrated, 25-34 and 35-44, are lower compared to the NSW state average.

This is due to the fact that many in these age groups leave the region to find work, but are also more likely to return when established in their careers or for family reasons when older. The combination of the high youth population, of which a smaller proportion are ratepayers, and the high number of older residents, contributes to these socio-economic disadvantage rankings. Crucially, it should be remembered that a majority of residents polled by Micromex – 62% - were positive regarding a 5.5% increase in rates to stabilise assets.

It is important also to note that the Richmond Valley’s SEIFA position has remained stable between the 2011 and 2016 Censuses, i.e. it has not experienced a decline leading to increased socio-economic disadvantage but rather has maintained levels.

In addition to this, recent statistics indicate the Richmond Valley economy is undergoing consistent economic growth with a welcome reduction in unemployment and increasing property prices across the local government area.

Since 2013, the unemployment rate has almost halved in Evans Head (population 2,800) from 8% to 4.5%, and in the administrative centre Casino (population 11,000) it has fallen from 9.9% to 7.9%

Council believes its proactive approach to supporting economic growth and encouraging business development in the LGA is paying dividends, with a number of key projects planned and underway to support jobs and local employment.

These include the \$14 million Northern Rivers Livestock Exchange (NRLX), which alongside the nearby Northern Cooperative Meat Company will underpin the Casino area as a key industry centre for the local beef industry for decades to come.

There are also a number of welcome improvements to local amenities and infrastructure across the LGA, providing a welcome boost to the quality of life and desirability of Richmond Valley’s towns and villages.

Richmond Valley property prices have risen 22.8% in the last calendar year, indicating a healthy real estate market, but one that is still very affordable for first-time buyers. In Casino, median property prices rose from \$237,000 in December 2016 to \$293,000 in December 2018.

According to the 2016 Census, the median mortgage payment in Richmond Valley is \$1300 a month, compared to the NSW average of \$1986. In terms of housing affordability, 19 out of 20 households (94.5%) have mortgage repayments that are less than 30% of total household income. The median rent is \$250 compared to the NSW average of \$380, with 87.7% of households paying rent that costs less than 30% of household income.

5.3 Addressing hardship

In addition to the statutory requirement for pensioner rebates, most councils have a policy, formal or otherwise to address issues of hardship.

Does the council have a Hardship Policy?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If Yes, is an interest charge applied to late rate payments?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Does the council propose to introduce any measures to reduce the impact of the proposed special variation on specific groups in the community? Yes No

You should attach a copy of the Hardship Policy and explain below who the potential beneficiaries are and how they are assisted.

Please provide details of any other measures addressing hardship to be adopted, or alternatively, explain why no measures are proposed.

The council is also to indicate whether the hardship policy or other measures are referenced in the council's IP&R documents (with relevant page reference or extract provided).

Councils Financial Hardship Policy

Attached (Attachment R) is Council's Financial Hardship Policy which was revised on 21 November 2017, this policy has to be reviewed at a minimum, every four years. Council has a history of reviewing the policy more frequently, each time making the process of applying for financial hardship simpler and less stressful for the ratepayer. Council wants to provide a proactive and supportive approach to ensure people struggling with financial distress are not penalised for their situation.

The financial hardship policy is available to all ratepayers if the applicant is owner or part owner of the property and liable for rates on the property. The applicant can only apply for financial hardship in relation to rates and charges levied on their principal place of residence, owning multiple properties may have a negative impact on the resident application. Each application is looked at on a case by case basis, owning more than one property does not mean you will definitely not be granted financial hardship.

An application for financial hardship must be accompanied by:

- A letter from a recognised financial counsellor/planner confirming financial hardship or a statutory declaration from the ratepayer outlining the reasons for applying for financial hardship. (This was added into the policy as Council was finding the majority of people that were applying for hardship were not only having trouble paying their rates but were having trouble paying the majority of their bills.)
- Copy of recent bank statement for all their banking accounts.
- Details of their income and expenditure.

If financial hardship is granted, the policy allows for:

- Interest not being charged for a set period of time.
- Write-off of interest on rates and charges already incurred either in full or part.
- Enter into an arrangement for payment of outstanding rates and/or charges.
- Any combination of the above.

Outstanding Rates and Charges

The value of outstanding rates and charges owed to Council by ratepayers has enjoyed a consistent reduction in recent years.

Adjusted figures show that in 2017, the percentage of outstanding rates, annual and extra charges was 8.25%.

In 2018, this figure fell to 6.31%, well below the local government benchmark of 10%.

5. Rates, annual charges, interest and extra charges outstanding percentage

Rates, annual and extra charges outstanding	.	6.31%	8.25%
Rates, annual and extra charges collectible			

These figures have been adjusted to remove the value of Water and Sewer charges which are consistently billed three months in arrears. This historical factor skews the percentage of rates outstanding because the total Water and Sewer charges collectible for the June quarter are always outstanding as at June 30.

5. Rates, annual charges, interest and extra charges outstanding percentage

Rates, annual and extra charges outstanding	3,578	13.29%	14.94%
Rates, annual and extra charges collectible	26,926		

Other Measures

Council has listened to the community throughout this consultation process, some of the feedback in particular was from pensioners, farmers facing drought and residents with higher unimproved capital land values has been taken on-board. Part one of Council resolution from the Extraordinary Meeting held on 7 February 2019 in relation to the application for the special variation was adopted unanimously by Council (see Attachment B).

1. Note and consider the concerns raised by community members about the financial impact pensioners, farmers and residents with higher unimproved capital land values and consider if there are equitable mechanisms to respond to their concerns; Council has taken on board the concerns from Pensioners at the fact that the pensioner rebate has not increased for 26 years and that in NSW 45% of the rebate is funded by Councils while State Governments in other jurisdictions fully fund the rebate. Council will be raising this concern again with the NSW Government and with Local Government NSW to seek their advocacy support.

Council is aware of a variety of support programs offered by the Federal and NSW Governments to support farmers facing impacts due to the current drought. Council will review and communicate these options to residents and consider if there are options for Council to provide some assistance for those genuinely in need.

In the Richmond Valley the unimproved capital value of land differs across the Valley. It is correct that people with higher land value pay more in rates. Council charges a base amount close to the maximum amount allowed, which aims to reduce this disparity. Under the NSW

rating system, Rates are a land tax and those with higher property values are deemed to have the capacity to pay more.

In the Richmond Valley while some ratepayers contribute more in rates they are also benefiting from being part of the Richmond Valley through paying lower sewerage, water supply and waste management charges than if they were part of a significantly smaller local council. These examples were provided during the community meetings and there is commentary in the Council Report of the Extraordinary meeting on 7 February 2019 (see Attachment J).

6 Assessment criterion 4: Public exhibition of relevant IP&R documents

Criterion 4 in the Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general revenue.

Briefly outline the significant IP&R processes the council has undertaken to reach the decision to apply for a special variation. Include the details of and dates for key document revisions, public exhibition period(s) and the date(s) that the council adopted the relevant IP&R documents.²

You should also include extracts from council minutes as evidence that the documents were adopted.


The council is reminded that the Community Strategic Plan and Delivery Program (if amended), require public exhibition for at least 28 days prior to adoption. Amendments to the Long Term Financial Plan and Asset Management Plan do not require public exhibition.³ However, it would be expected that the Long Term Financial Plan would be posted, in a prominent location, on the council's website.

Richmond Valley Council adopted its Community Strategic Planning Documents, including the Richmond Valley Made 2030 Community Strategic Plan, Delivery Program 2017/2021, Operational Plan 2017/2018 (including Financial Estimates 2017/2021), Revenue Policy 2017/2018 and Resourcing Strategy 2017/2021, at its 27 June 2017 Ordinary Meeting. Council advertised the Draft Community Strategic Planning Documents for a minimum of 28 days closing at 5.00 pm on Friday 2 June 2017. (Attachment T, U, V and Y)

The Richmond Valley Made 2030 Community Strategic Plan (CSP) identifies the need for Council to consider its case for applying a further special rate variation when the current one expires in 2018/19. Through the consultation process in developing the current CSP it became clear to Council that in order to meet the community's priorities that it would be necessary to have a conversation with the community about increasing rates above the rate peg at the conclusion of the current rate variation for council to remain sustainable. The General Manager and Mayoral page of the CSP (page 3) discusses this. Council also prepared and adopted a Richmond Valley Made 2030 Community Consultation Report (see Attachment S) outlining the consultation process in adopting the current CSP and the community's priorities for the future.

² The relevant IP&R documents are the Community Strategic Plan, Delivery Program, Long Term Financial Plan and where applicable, the Asset Management Plan.

³ Office of Local Government (then Division of Local Government), *Integrated Planning and Reporting Manual for local government in NSW*, March 2013, pp 5-6.



In 2018 Council revised its Delivery Program and at its 26 June 2018 Ordinary Meeting adopted the Revised Delivery Program 2017/2021 to reflect some minor changes. The changes included rolling forward the Capital Works program for the period 2018/2022, and updating Council's Signature Projects in line with the Capital Works Program for 208/2022. The Revised Delivery Program was on Public Exhibition for a minimum of 28 days closing at 5.00 pm on Tuesday 19 June 2018 calling for submissions from the public.

Council's Integrated Planning and Reporting documents can be located on Council's website at www.richmondvalley.nsw.gov.au.

As part of the SRV consultation process Council has included a Special Rate Variation page on its website which outlines the process and consultation mechanisms and includes the Long-Term Financial Plans. This page is located prominently on the website's homepage. Additionally, as part of the SRV consultation process the Council's current Delivery Program has been updated to include a proposed special rate variation addendum, which includes the Special Rate Variation newsletter distributed to all households in the LGA in December 2018.

7 Assessment criterion 5: Productivity improvements and cost containment strategies

Criterion 5 in the Guidelines is:

The IP&R documents or the council's application must explain the productivity improvements and cost containment strategies the council has realised in past years, and plans to realise over the proposed special variation period.

In this section, you must provide details of any productivity improvements and cost containment strategies that you have implemented during the last two years (or longer) and any plans for productivity improvements and cost containment over the duration of the proposed special variation.

The council should quantify in dollar terms its past and future productivity improvements and cost savings and present these as a percentage of operating expenditure where possible.

These strategies, which may be capital or operational in nature, must be aimed at reducing costs and/or improving efficiency. Indicate if any initiatives are to increase revenue eg, user charges. Please include below whether the proposed initiatives (ie, cost savings) have been factored into the council's Long Term Financial Plan.

The council may also provide indicators of efficiency, either over time or in comparison to other relevant councils (eg, it may provide trends for its operating expenditure as a percentage of population). We will make similar comparisons using various indicators and OLG data provided to us.

Salary Savings and Staff Efficiencies

Council has been on a journey of cost containment for the past six years. In this time Council has been through a complete organisational restructure, reducing staff numbers in both the Executive Management Team from four senior staff to two senior staff. Council has also applied a 2% efficiency dividend against the salary budget each year since 2013. This efficiency dividend will return a \$360,500 saving in the current year budget.

In the past two years a number of Councils outdoor work teams have changed from working a 9 day fortnight (8.44 hours per day) to a 4 days week (9.5 hours a day). This change allows for more productive work hours where the teams are onsite for longer hours each and spending approximately 20% less time in a week traveling to and from worksites, which is unproductive time. This also allows for more productive hours on Councils plant as they are being used for longer periods each day and cuts down on travel hours between Councils depots and job sites.

Council actively encourages all staff to identify savings and efficiencies in their areas and recognises those staff who have delivered savings.

Council has implemented a Performance Management system aligned to the CSP and DP, with all staff subject to annual performance reviews prior to receiving any increase under Council's salary system. Council is required under NSW industrial laws to increase salaries in line with the Local Government Award, which places pressure on Council's budget as the increase in recent years has been similar or more than the rate peg amount.

Council has historically had issues with an aging workforce, so in 2015 Council introduced the Youth Employment Scheme (YES Program), which offers scholarships, half scholarships, traineeships, apprenticeships and school based traineeships to school leavers. Council holds a careers afternoon where it invites the schools and interested students to attend. Out of this afternoon students are asked to lodge an expression of interest in the area of Council they are interested in along with a current resume. Decisions are then made on what and how many positions are offered. This is then followed by an interview process and offers to candidates. The benefits we have seen from this program is that your young residents get to stay in the town they grew up in and in a number of cases when positions become vacant from retirement or staff simply leaving, we have young trained professionals with the skillsets to take over the roles. This has led to salary savings where a new recruit will come in on a lesser salary than the exiting staff member. It also keeps Council wages in our local economy. Over the life of this program it has given opportunities to 63 school leavers with eight now permanent employees of Council and 32 are still completing their training. Council was rewarded for this program in 2015 by being named "Large Employer of the Year" at the NSW Training Awards and was a Finalist in 2016.

Insurance Savings

In 2017 Council decided to break away from historical practice and go to tender for its insurance program instead of using Statewide Mutual. In March 2017 Council entered into a three-year contract with AON Pty Ltd and commenced the renewal process for its insurance program for 2017/2018. The total cost for 2017/2018 is \$433,061.65 (ex GST), inclusive of insurance placement for 2017/2018, brokerage fees for 2017/2018 and a three year risk program with AON's Risk Consulting Service for the period 2017/2020. This represents a saving of \$330,824 or 43.30% on the cost of premiums and risk management services paid to Statewide Mutual in 2016/2017.

Council is also taking a lead role in a class action against JLT Insurance for charging excessive premiums and failure to fulfil its fiduciary duty as a broker to Council in its placement of insurances. The case goes back to 2009 and has commenced in the NSW Supreme Court. This focus on insurance has seen many Councils across NSW tender out their insurances services due to the consistent savings of between 30-50% being achieved across Australia.

Electricity Savings

Council has recently installed a ground mounted solar panel farm to supply clean energy to our Water Treatment Plant. The system comprises 306 x 325 Watt Solar Panels (see Attachments W and X). The system has a net capital cost of \$138,670, which will reduce our electricity costs by approximately \$37,000 per annum, therefore a payback period of 3 to 4 years with an ongoing electricity saving. Council is investigating options to install a similar

size system at its raw water pump station on the Richmond River in Casino, which would achieve similar savings.

Council is also in the process of getting lighting upgrades quoted at our various worksites. We have received the quote for our Evans Head Depot and results show an annual saving of \$4,169 for this site with a capital cost of \$3,318, therefore a payback period of less than one year. Other sites are currently being assessed.

Established Project Management Office

Council has established a Project Management Office (PMO) to deliver its Signature Projects and monitor the delivery of our capital works program. With the growth in our capital program to the current \$32M in 2018/19 the PMO has grown to be a very successful office, ensuring the delivery of key projects. Following difficulties in attracting tenderers for large projects in Woodburn Casino and Broadwater, Council has had to implement a mixed delivery model led by the PMO which is getting projects delivered. This approach has also enabled the delivery of an increased scope of works with the funding that Council has available to deliver these projects.

8 List of attachments

The following is a list of the supporting documents to include with your application.

Some of these attachments will be mandatory to all special variation applications (eg, extracts from the Community Strategic Plan).

Other attachments will be required from some, but not all, councils. For example, extracts from the Asset Management Plan would be required from a council seeking approval of a special variation to fund infrastructure.

Councils should submit their application forms and attachments online through the Council Portal in the following order. Councils may number the attachments as they see fit.

Item	Included?
Mandatory forms and Attachments	
Part A Section 508A and Section 508(2) Application form (Excel spreadsheet)	<input type="checkbox"/>
Part B Application form (Word document) – this document	<input type="checkbox"/>
Relevant extracts from the Community Strategic Plan	<input type="checkbox"/>
Delivery Program	<input type="checkbox"/>
Long Term Financial Plan with projected (General Fund) financial statements (Income, Cash Flow and Financial Position) in Excel format	<input type="checkbox"/>
NSW Treasury Corporation report on financial sustainability (if available)	<input type="checkbox"/>
Media releases, public meeting notices, newspaper articles, fact sheets relating to the rate increase and proposed special variation	<input type="checkbox"/>
Community feedback (including surveys and results if applicable)	<input type="checkbox"/>
Hardship Policy	<input type="checkbox"/>
Resolution to apply for the proposed special variation	<input type="checkbox"/>
Certification (see Section 9)	<input type="checkbox"/>
Other Attachments	
Relevant extracts from the Asset Management Plan	<input type="checkbox"/>
Past Instruments of Approval (if applicable)	<input type="checkbox"/>
Resolution to adopt the revised Community Strategic Plan (if necessary) and/or Delivery Program	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>



9 Certification

APPLICATION FOR A SPECIAL RATE VARIATION

To be completed by General Manager and Responsible Accounting Officer

Name of council: Richmond Valley Council

We certify that to the best of our knowledge the information provided in this application is correct and complete.

General Manager (name): Vaughan Macdonald

Signature and Date:

Responsible Accounting Officer (name): Ryan Gaiter

Signature and Date:

Once completed, please scan the signed certification and attach it as a public supporting document online via the Council Portal on IPART's website.