

Griffith Business Chamber
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15 March 2023

Mr Independent Pricing and Regulatory Tribunal NSW

Dear Mr

# **Proposed Special Rate Variation – Griffith City Council**

We refer to Griffith City Council's proposed application to the Independent Pricing and Regulatory Tribunal (**IPART**) for a special rate variation (**SRV**). This submission is provided in addition to the Griffith Business Chamber's prior submission to Council regarding the SRV dated 6 June 2023, a copy of which is **attached**.

In its meeting on 24 October 2023, Council resolved to apply to IPART for a three-year rate increase of 7.5 percent per year, commencing FY 24/25.<sup>1</sup> In addition to an assumed a 3 percent rate peg, this equates to a total of 10.5 percent per year.

In doing so, Council declined to endorse its own previous alternatives of an increase over a single year (of 23 percent increase in FY 2024/25) or increases over two years (of 14 percent in FY 2024/25 and 13 percent in FY 2025/26) (both inclusive of the rate-pegged increase of 3 percent).<sup>2</sup>

The Chamber is gravely concerned about the cumulative economic impact of the proposed SRV, which by Council's calculations is approximately 34.92 percent over three years,<sup>3</sup> almost two-thirds higher than the alternative of a single increase of 23 percent.

<sup>&</sup>lt;sup>1</sup> Griffith City Council, Ordinary Meeting Business Paper, 24 October 2024, page 20; <u>Agenda of Ordinary Meeting of Council - Tuesday, 24 October 2023 (nsw.gov.au)</u> (accessed 11 March 2024).

<sup>&</sup>lt;sup>2</sup> Griffith City Council, Ordinary Meeting Business Paper, 9 May 2023, Clause CL01, Scenarios 1 and 2; Council Business Paper, page 24;

https://businesspapers.griffith.nsw.gov.au/Open/2023/05/CO 09052023 AGN 2760 AT.PDF (accessed 29 June 2023).

<sup>&</sup>lt;sup>3</sup> Griffith City Council, Media Release, 'Griffith City Council Seeks Support For Special Rate Variation', 2 June 2023; <a href="https://www.griffith.nsw.gov.au/media-releases/griffith-city-council-seeks-support-for-special-rate-variation">https://www.griffith.nsw.gov.au/media-releases/griffith-city-council-seeks-support-for-special-rate-variation</a> (accessed 28 June 2023).

In the Chamber's prior submission dated 6 June 2023, we submitted that:

'the Chamber affirms the importance of the Council generating a sufficient surplus in order to maintain local government services, which is a key ingredient for social and economic wellbeing, as well as business confidence. However, the Chamber considers that the proposed SRV also has the potential to diminish economic activity at a time of reduced business confidence. The Chamber submits that:

- a) Council should consider alternatives in combination with the proposed SRV, including measures to reduce operational costs and further revenue streams; and
- b) If Council does determine to apply for the SRV, that a substantially lower increase be introduced (supported by reduced operational costs and further revenue streams) and over a single year rather than compounded over three years.'

The Chamber's preferred position was a single increase in the order of approximately 15 percent, supported by a range of revenue raising alternatives (including cautiously monetising some of Council's services) and cost-cutting opportunities (including investment in renewables to reduce operational costs). Council adopted a range of these proposals,<sup>4</sup> yet failed to decrease the quantum of the proposed SRV.

The Chamber is disappointed that, despite undertaking broad-reaching consultation with the community, Council failed to amend its original proposal at all – instead adhering to its original proposed SRV.

At its meeting on 24 October 2023, Council also determined to 'report on a quarterly basis with details of cost savings and additional revenue initiatives'<sup>5</sup>. However, the transparency of this reporting is unclear – the Chamber is not aware of any of these reports being made public.

The Chamber's position is also that the Council's modelling was inappropriately pessimistic, obscuring potential increases in revenue from a range of factors, including temporary water sales, release of new ratable lots and changes in regulatory settlings. This has been demonstrated by the IPART's rate peg of 4.5 percent for FY 24/25,6 above Council's assumptions.

<sup>&</sup>lt;sup>4</sup> Griffith City Council, Ordinary Meeting Business Paper, 24 October 2024, pages 27-28; <u>Agenda of Ordinary Meeting of Council - Tuesday, 24 October 2023 (nsw.gov.au)</u> (accessed 11 March 2024).

<sup>&</sup>lt;sup>5</sup> Griffith City Council, Ordinary Meeting Business Paper, 24 October 2024, page 21; <u>Agenda of Ordinary Meeting of Council - Tuesday, 24 October 2023 (nsw.gov.au)</u> (accessed 11 March 2024).

<sup>&</sup>lt;sup>6</sup> Independent Pricing and Regulatory Tribunal, Final rate peg for all councils 2024-25; <u>Table-Final-rate-pegs-for-all-councils-2024-25.PDF (nsw.gov.au)</u> (accessed 11 March 2024).

Council's proposed rate increase comes at a time when, according to Business NSW's March 2024 Business Conditions Survey:

- a) Business continues to experience decreased customer demand due to rising costs of living;
- b) Government taxes, levies and charges remain one of the top three business cost concerns; and
- c) Relief from government taxes, levies and charges is a top priority.<sup>7</sup>

Business confidence remains subdued at -52.9, despite rising modestly over the last three quarters.<sup>8</sup> The Chamber submits that a single increase is preferable, as the proposed SRV over three years will lead to an overall higher SRV (due to compounding) and will prolong the impacts of the increase in rates, potentially diminishing or delaying any rebound in business confidence.

The Chamber submits that, if the IPART determines to permit Council to increase its rates, that a single, significantly lower increase be awarded.

Kind regards,



John Nikolić
President

Griffith Business Chamber
president@griffithbusinesschamber.com.au

<sup>&</sup>lt;sup>7</sup> Business NSW, Business Confidence Report (March 2024), page 5, Key Findings 2, 4 and 11; <u>February 2024 BCS Report - web.pdf (businessnsw.com)</u> (accessed 11 March 2024).

<sup>&</sup>lt;sup>8</sup> Business NSW, Business Confidence Report (March 2024), page 5, Key Finding 1; <u>February 2024 BCS Report - web.pdf</u> (<u>businessnsw.com</u>) (accessed 11 March 2024).



# **SUBMISSION**

Attention of the Griffith City Council General manager and Griffith City Council Councillors

Griffith Progress Association Incorporated since 2009, is a not-for-profit Community association, representing the interests of Griffith Rate Payers. Since its incorporation, many submissions have been presented to Council, with successful outcomes.

# RE: Strong Opposition to Special Rate Variation: Protecting the Interests of Our Community

On behalf of concerned members of our community, we are writing to express firm opposition to the proposed special rate variation and urge the Griffith City Council in its entirety, to reconsider its proposed impact on the community of Griffith with the implementation push by some councillors.

Such a rate increase would have far-reaching negative consequences and place an undue burden on the residents, the rental market, businesses and farmers, who Griffith City Council must strive to support and foster consideration for the wellness of the Griffith community.

Adequate funding to sustain and enhance, essential services, is of course required and it is clear Griffith Council has a comfortable financial position, which can address those. Griffith City Council level of financial security will only increase naturally due to the ongoing future construction and development of Griffith; therefore, it is essential to carefully evaluate the impact of any rate variation of this proportion will have on our community.

Here are several key reasons why the strong opposition the proposed increase:

 Hidden costs the Council has left out of their calculations which would be con-currently additional to the proposed SRV:

Council currently increased charges on:

water access, waste (rubbish) removal, development costs

#### Additional to economic rise of:

- inflation
- borrowing rates
- · costs of everyday living such as food
- insurance
- increase in financial institutions borrowing rates for housing and domestic goods
- increased business rates
- farmers on farm costs to grow crops such as fertilizer, water, pests and disease products, all the while, the return produce is at all-time low.

email: griffithprogressassociation@gmail.com phone: 0269644366 m: 0412811343

fakebook: Griffith Progress Association web: <a href="https://www.griffithpa.com">www.griffithpa.com</a> Submission re: special rate variation

#### SUBMISSION RE: SRV PROPOSAL BY GRIFFITH CITY COUNCIL

Yearly LAND re-evaluations across our LGA have created massive increases in earnings for Griffith City Council in 2023 and will continue to increase yearly, with some commercial property Rate increases by 31%. The community does not believe that this huge increase in Council revenue and investments has been correctly disclosed or forecast in Councils SRV presentations or budgets.

# 1. Lack of Accountability and Transparency:

The current proposal lacks the necessary transparency and accountability.

As stakeholders, we deserve a detailed breakdown of how the proposed SRV additional funds will be utilised and what specific benefits we can expect in return.

Without a clear explanation of the intended outcomes and a thorough assessment of the financial implications, it is unreasonable to expect the community to accept such a substantial rate hike.

			Rate
Now		\$ 2,088.00	
yr 1	\$ 73.08	\$ 2,165.26	3.700%
yr2	227.35188	\$ 2,392.61	10.500%
yr3	251.22383	\$ 2,643.83	10.500%
yr4	277.60233	\$ 2,921.43	10.500%
			\$ 833.43
		39.9152%	

Sample

Giving the Ratepayers an ultimatum to either pay approximate a conservative 39.92% compounded SRV hike, or cut services is a misleading form of pressure, when Council is well aware of many other options available, instead of imposing such a severe proposed SRV to an already struggling community.

# 2. Financial Hardship on Residents:

Financial difficulties across the community, as a result of the COVID-19 years and the current economic landscape, and additional unforeseen circumstances, a proposed threat of implementation of a high SRV would place an undue burden of hardship on the residents of our community.

Individuals and families in the Griffith community, are already facing ongoing financial challenges, and an additional impost of financial strain in the form of a concurrent, increased special rate variation in addition to other Griffith Council charges would only exacerbate their difficulties.

It is the duty of Council to ensure the economic stability and well-being of our community members, particularly those who are most vulnerable or on fixed to low incomes.

#### 3. Economic Impact on Local Businesses:

Our local businesses play a vital role in our community's prosperity. They have already have had a huge increase in their in-business rates before any proposed SRV by some Griffith City Councillors. These increases are already giving the Griffth Council unprecedented funds increase.

Introducing a significant special rate variation increase at this time, of 39.9152%, compounded implementation over 3 years, and excluding the additional, massive 70% spike in land values in 2023, especially, amidst existing economic challenges, from the aftermath of the COVID-19 pandemic, where businesses and economies were impacted, would hinder their ability to further employ and continue to recover and thrive.

By imposing additional financial constraints, the risk of stifling economic growth, job creation, and innovation would be imminent, thereby diminishing the very frame that makes our community vibrant and prosperous.

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Submission re: special rate variation

4. Exploring Alternatives: Before resorting to a rate variation, it is imperative to explore alternative solutions that can achieve the desired outcomes without imposing such a substantial burden on ratepayers and the community.

Conducting a thorough assessment of existing resources, streamlining operational processes, and identifying potential cost-saving measures can help alleviate the need for an immediate proposed SRV rate increase.

By adopting a proactive approach and seeking creative alternatives, we can strike a balance between fiscal responsibility and community well-being.

- 5. Increased financial burden: The special rate variation would result in higher property taxes or rates for businesses, farmers. It would increase their operating costs and create additional financial burden. This can be particularly challenging for struggling farmers and those operating on tight profit margins.
- 6. Unequal distribution of costs: A proposed (SRV) special rate variation by some Griffith Councillors, will impact heavily on the local struggling farmers. Farmers may feel that the burden fall disproportionately on rural or agricultural areas compared to urban regions. This perception can result in strained relationships between farmers and the council.
- 7. Limited to no benefits for farmers: Farmers question the push from some Griffith City Councillors for a proposed special rate variation. Farmers are finding it difficult to keep up with rising farm costs for their agricultural needs, high interest rates, poor return for their produce sales, mental health issues from all these pressures and this coupled with having to endure broken road networks and poor services from Griffith City Council.

This proposal is unfair, and unwarranted at the present time, additional to the unpredictable economic environment our local community is are living with and trying to live in.

The proposed implementation supported by some 58.3% of Griffith Councillors, would potentially impact on the already existing crisis in the mental healthy environment.

It is a crucial for these decision makers to thoroughly evaluate the consequences from a proposed implementation of such a high SRV on the community of Griffith.

- 8. In conclusion, we strongly oppose the proposed special rate variation due to:
  - the lack of transparency,
  - the potential financial hardships it imposes on our residents,
  - the negative impact on local businesses, and
  - the need to explore alternative solutions.

It would be a prudent approach for the Griffith City Council to reconsider the current Special Rate Variation (SRV) proposal. If the Council finds itself in need of a SRV, it is still crucial to be transparent, involve the community in the decision-making process. Engaging in a meaningful dialogue with the community can help identify a balanced solution that takes into account the interest all all stakeholder from the Griffith local government area. Open communication and collaboration are key during such decisions.

The community requests Griffith Council to reconsider the current proposal of a SRV, and engage in a meaningful dialogue with the community to find a balanced approach that aligns with the best interests of all stakeholders.

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Submission re: special rate variation

# MULTICULTURAL COUNCIL OF GRIFFITH

#### **GRIFFITH CITY COUNCIL**

# RE: SPECIAL RATE VARIATION (SRV) PROPOSAL SUBMISSION

We are writing for the concerned Multicultural community to express strong opposition to the proposed 39.92% special rate rise (SRV) compounded over 3 years by the Griffith Council and from a proportion of Councillors who are advocating for the SRV, with option of further increases as alluded to in one of the public consultations.

The curtailed information and the selective times the Griffith Council chose to hold consultative meetings regarding the proposed (SRV) special rate variation, failed to capture the wider audience and only managed to capture a tiny percentage of the Griffith community.

While it is understood that local governments may need to consider revenue increases in urgent and specific situations, proposing to introduce such a drastic special rate variation when this situation is not warranted, would have detrimental effects on our community's well-being, financial stability, and overall quality of life.

It is glaringly visible that there is no 'emergency' situation where this rate rise variation is justified. The announcement by the mayor and the general manager, defies logic.

Councillors should be concerned that a proposed implementation of an SRV of this type, would have unintended economic and social consequences which would have an effect and severe impact on the multicultural community and for that matter to the collective community of Griffith.

The proposed rate rise, if implemented, would disproportionately burden homeowners and businesses alike.

In an era where economic uncertainties prevail, such a significant increase could lead to financial hardship for many residents who are already struggling to meet their financial obligations.

Those involved with small businesses, which play a vital role in our community's prosperity, would also be adversely affected, potentially leading to closures and/or job losses.

Moreover, there is a **profound** concern about the potential increase in homelessness which would result from such a steep rate increase.

Families and individuals who are already living on the edge, could find themselves unable to keep up with their overall cost of living, leading to an increase in homelessness within our community, which has consistently increased over the last few years and is already at an all-time high. This not only has devastating consequences for the individuals directly affected but also places an additional burden on social services and support systems, who are presently struggling to cope.

Furthermore, the proposed rate rise could force many residents to make difficult choices between paying their bills and covering other basic necessities. Families may find themselves struggling to afford essential services such as healthcare, education, and groceries due to the increased financial strain. Additionally, the burden of bank charges, rental increases, energy increases (additional to the SRV), due to missed payments, could further exacerbate the financial hardships faced by the community.

For many residents, especially those who have to commute to work or school, the increase in transportation costs, including petrol prices, to reach essential places becomes an additional concern. The proposed rate rise could further strain household budgets as individuals grapple with, the increased cost of daily travel.

The multicultural community, are particularly concerned about the potential the disproportionate impact on vulnerable groups. Many families from diverse backgrounds have chosen to make Griffith their home, and contribute to the cultural richness of our area while providing crucial labour to the agricultural, manufacturing and skilled areas of employment.

Implementing such a steep rate rise without considering its implications on these communities is **both unfair and unjust** and may see a drain from the workforce.

One crucial aspect that should be highlighted is the potential ripple effect on rental costs. An increase in property rates would translates to an increase in costs for property owners, which could be passed down to tenants in the form of higher rents. This could lead to a domino effect, where families and individuals who are already struggling to make ends meet face even greater financial difficulties due to rising rental expenses.

Instead of relying solely on rate increases to address any budgetary needs, we urge the Griffith Council to explore alternative solutions. Efficient budget management, cost-cutting measures, and exploring new revenue streams should be considered before placing an undue burden on the residents.

#### The community of Griffith is currently:

- Predominantly made up of a high diverse multicultural community.
- The community overall is largely on a low to medium yearly income.
- This impost of a proposed exuberant (SRV) special rate variation on the Griffith
  community will be devastating and will impose an unnecessary burden on the already
  distressed community who is struggling to make ends meet with day to day living
  expense.
- Struggling with high weekly rental prices, high petrol prices, inflation, bank rates increase, Council fees on sewer, water and landfill and other service charges, agricultural fertilizers, irrigation water and pest/disease management, rising food costs and general living expenses such as energy and petrol.
- Coupled with increased land valuation rates, the addition of a proposed SRV will
  increase and compound the already increasing homeless community, overcrowding In
  accommodation, domestic violence and other community issues.

• The SRV will affect the farmers who are at a stressed level due to the low return on their agricultural products and increased irrigation water charges, financial institution borrowing rates, with particular focus on citrus and grapes industries.

The available information suggests that the financial position of the Griffith Council seems robust:

- Council is in a sound financial situation
- Healthy reserves, which is further bolstered by investments, ongoing water trading, ongoing development contributions and costs, grants and government contributions
- Adopting a sound, quality management of its daily affairs, there is no foreseeable reason for this strong and stable financial situation to change in the distant future and no need to impose such a proposed SRV
- Using an example based on a \$1100.00 rate example and what would the total amount be with the rate variation is both disingenuous, wrong and an attempt to mislead the rate payer

# Council would be well served by:

- Engaging with and have a present understanding of their local community
- Engaging in a culture of wellness and caring for their community
- Desist from comparing Griffith with Wagga and Albury, since they are not in any way similar to Griffith
- Should instead adopt a sound, high quality, management culture before imposing unnecessary financial impost on an already struggling community

## Some further points for you to consider:

The impact of a multicultural community facing a proposed high special rate variation can be profound, and there might be reasons to consider not implementing it:

### 1. Financial Strain:

A proposed high special rate variation can exacerbate the financial challenges already faced by the Griffith collective community and inclusive of the diverse communities, making it even harder for residents to afford basic necessities.

## 2. Housing Affordability:

The increased financial burden from a proposed extraordinary special rate variation can further contribute to housing affordability issues, making it difficult for families to cover rent or mortgage payments.

## 3. Reduced Disposable Income:

With limited disposable income, members of the multicultural community would have to cut back on spending, affecting their quality of life and participation in local businesses, which in turn will affect their viability.

#### 4. Healthcare Access:

The financial strain caused by the high special rate can potentially impact the community's ability to access quality healthcare services, leading to health inequalities and consequences.

# 5. **Community Disruption**:

The strain of a proposed high special rate variation might lead to community instabilities, social tensions, and reduced community cohesion.

# **Building upon previous statements:**

# 1. Economic Vulnerability:

Implementing a high special rate variation could disproportionately affect economically vulnerable residents within the multicultural community, worsening their financial situation.

# 2. Unintended Consequences:

A proposed high special rate variation (SRV) could lead to unintended consequences such as decreased consumer spending, business closures, negative impacts on the local economy. With many people leavings Griffith altogether, an already visible trend already.

# 3. Lack of Public Support:

There is inadequate community support and strong opposition to the proposed (SRV) special rate variation, and it might not be politically viable or fair to implement it.

### 4. Equity Concerns:

Introducing a proposed high special rate variation, without considering its impact on already marginalized communities, could further exacerbate existing inequalities.

## 5. Alternative Solutions:

Exploring alternative solutions, such as targeted grants, or development programs, might be more effective for the Griffith Council instead of burdening the community, with the current economic struggles being experienced, both in the Griffith and the wider economy.

# 6. Transparency and Communication:

If there's a lack of transparent communication about the purpose and potential impacts of the high special rate variation, it would lead to further mistrust.

# 7. Long-Term Sustainability:

Councillors might consider whether the high special rate variation is a sustainable solution on the community without causing undue financial strain.

# 8. Collaborative Approach:

A high special rate variation might not be the best approach if a collaborative effort involving community input and engagement is lacking.

Ultimately, the decision to implement a high special rate variation should be made with careful consideration of the potential impacts on the Griffith multicultural community already struggling in the unstable economy and a thoughtful assessment of whether it is the most appropriate solution.

In conclusion, we respectfully request that the Griffith Council reconsider the proposed 39.92% rate rise. The community believes that a collaborative approach, involving exploring alternative solutions, would result in a fairer and more sustainable outcome for all residents

Thank you for considering our concerns. Look forward to hearing about the council's decision on this matter.

Author name: C. Wilson

Date of submission: Monday, 11 March 2024

Please write your submission below:

To whom it may concern, This application to increase our local rates is ludicrous. The amount of families struggling with the general cost of living, let alone the incredibly high rental prices in Griffith. This Rate Rise would further exacerbate peoples abilities to make ends meet. Our homeless population is increasing and this will further increase this issue also as the additional cost in renting will not be met. And in turn would affect their local spending within our community. This needs to be stopped.

Author name: G. Bell

Date of submission: Thursday, 7 March 2024

Please write your submission below:

LOCAL GOVT ACT 8A GUIDING PRINCIPLES FOR COUNCILS LOCAL GOVT ACT 8B PRINCIPLES OF SOUND FINANCIAL MANAGEMENT DEAR SIR /MADAM, I believe the SRV is and out of step with the Local Govt Act for 2 reasons. Firstly this will impact adversely on many many people. Under S8A 2 (b) Councils should consider social justice principles. I do not believe they have considered or in the alternative adequately considered social justice principles principally how this rate rise will affect the poor. A few hundred to the wealthy is nothing. To pensioners and others on low wages it is enormous. For this reason alone I state that the SRV cannot be approved. The following principles of sound financial management apply to councils—8B(a) Council spending should be responsible and sustainable, aligning general revenue and expenses. I do not believe that this has been followed and note a number of middle management positions advertised after the SRV was called for. If spending was in accordance with this section then the SRV would not have been needed. Council can realign their spending with expenses and make some hard decisions without the need for the SRV.

Author name: G. Bell

Date of submission: Thursday, 7 March 2024

Please write your submission below:

Council in their submission concedes that the SRV will financially impact on vulnerable people. They claim that they will assist pensioners with an increased rebate. However this will not cover all the increase. In fact by my calculation it will be less than 10% over 3 years. However low income earners not on a pension get nothing. The mere fact that they acknowledge the harm on low income earners should be enough to reject it outright as should also the point that 69% of those who responded were against it. There is no mandate for this. They also say if they dont get it they will have to cut jobs. However there has been job after job advertised since they asked for this. How can they keep employing if they claim they cannot pay? I believe as a matter of law the SRV cannot be approved as it will seriously harm the vulnerable.

Author name: G. Bell

Date of submission: Tuesday, 27 February 2024

### Please write your submission below:

Dear IPART, this proposed increase in rates will destroy many people. It will take food from the mouths of children and the elderly. People are already faced with mortgage interest rate rises, insurance rises, food rises etc. Many simply cannot afford this. Secondly Council claimed they need to raise \$5,000,000.00 and stated they found savings of \$1,000,000.00. That alone should tell you that the proposed rate variation is a furphy because the amount they want is based on \$5,000,000 when it ought to be based at most on \$4,000,000.00. Further there are other savings eg Council owns the clock building. They currently lease it to a cafe. It is worth around \$1 mil to 1.25 mil. It could be sold. The old ambulance station further down brought \$1 mil so this building is worth at least that. That leaves \$3mil at most. They have advertised at least 6 middle management positions since the rate rise application. Those jobs could have been foregone so if the council is in financial need then it is of their choosing. The most important issue is that there will be an election in September or thereabouts. The level of anger in the community may well mean that the 7 councilors who voted for the SRV will not be re-elected .A new council of 9 may well have a different outlook. The SRV should not be approved in these circumstances because if the council changes it may be the case that the new councilors will want to rescind the SRV. Apart from that there are other ways to save. With 3 less councilors there will be around \$60,000 savings. This is a major decision with major social implications. Let me be frank. People are hurting and looking for cheaper options. This SRV will tip some over the edge and for kids to go without things such as fruit and for the elderly to suffer. This will impact many in the community. It is not the job of IPART to allow an increase that will cause so much detriment. We can save more money by looking at cost cutting measures. We can increase income by financially encouraging the building of rentals such as tiny houses etc and increasing building by cutting red tape. We can increase tourism by fixing the lake that has been left to rot. If necessary we can borrow from the future fund for the sewerage which has tens of millions in it. We can borrow that interest free as it is our money. Did they tell you we have those reserves? We are not in such dire straits that we need to destroy the vulnerable. WAIT until the next election because if we successfully change the face of council we wont be wanting Bell this.G

Author name: M. Woodward

Date of submission: Monday, 26 February 2024

### Please write your submission below:

I wish to strongly object to the application that Griffith City Council has made to IPART to increase the annual rates over the next few years on the basis that THE IMPACT ON THE RATEPAYERS IS UNREASONABLE. I am sure that you will hear the same messages from across the whole of NSW from people within the various LGA's because interest rates have continually increased since May 2022 having a direct impact on the ability for ratepayers to save money and have the ability to pay more for everyday living costs which have increased, from items on supermarket shelves to the fuel needed for vehicles as well as insurance premiums of all kinds. The community profile from consulting firm .id is displayed on the Council website and states that "In Griffith City, 10.8% of households with a mortgage were making high loan repayments of \$2,600 or more per month in 2021." Since that time the Reserve Bank have have increased interest rates by more than 4%. In Griffith almost 33% of households have mortgages and will be experiencing mortgage stress to various degrees and it is likely that if Council's application to IPART is successful, many people will need to sell their home as they won't be able to continue to pay their mortgage, as the Council clearly intends to pass on the full percentage increase. If this occurs another social problem would be created as finding suitable rental properties that are affordable in the area is very difficult. This has been reported several times in the past 2 years in the local newspaper, The Area News and is also documented in the Council's Housing Strategy. While not an issue for IPART to consider, I do believe that the Council are now in this position because of a number of building projects funded by the state and federal governments which have been completed in the past 12 months. Two such facilities are the extension of the swimming pool complex to include an outdoor pool and the construction of the state of the art west end sporting complex. The Council appears to have not considered the additional cost to operate both facilities with additional staff required as well as the day to day running costs. While I believe the community deserve these fantastic facilities they should not come at the cost of all ratepayers. I would sooner see some services reduced than have to pay for a significant increase in rates. I am not someone that would normally make a submission such as this, however I feel very strongly about it and know that the increase that Council has applied for will be detrimental to the entire community and ask IPART to reject it on the basis that the impact would not be reasonable on this community.

Date of submission: Thursday, 29 February 2024

### Please write your submission below:

To whom it may concern I am a resident of Griffith. A single mum with 3 children. I work full time and also have another casual job to support my family. With the current cost of living with significant rise in electricity, interest rates on a mortgage and other essential day today expenses with raising and educating healthy resilient children . its a tight budget from week to week with no wriggle room. Im sure that I am not the only one feeling the pressure at the moment. So what would the additional rate rise mean for me and others in similar situations. Currently my rates are \$545 per quarter and the addition rate rise brings them up to around \$735. For me that adds a lot of stress in how Im going to meet this commitment with an already strained budget. In saying this I also reflect on what it will do to many other community members. Those in the rental market. Rental prices are already equivalent to city prices and will only push these prices up higher for this portion of the population as landlords will pass this rise on to the renter. Housing will become unaffordable for many. There is already a large shortage in accomodation and housing in Griffith and this will most definitely make this problem escalate further. This is just one section of the community. Im sure there are others like our pensioners who would also find this rate rise would put pressure on their budgets and overall affordability to be in their own home. I understand that there needs to rises with CPI so that councils need to remain sustainable however I feel that our Council is not considering the knock on effects for its community members and particularly the day to day working class members of the community., with such a steep rise. I was shocked to see the Salary of our GM which was in our local paper recently and a significant pay increase on top of that. I understand that he has a large responsibility but surely there should be a cap in this. I would hate to think what others on our council are being paid. Where is this extra money which we are paying on rates going? How is it going to make things better for our community? Are they things that the community need? The suggestion of reviewing councils expenditure is definitely required. The expenditure needs to be transparent in a readable document for all to understand, Will my voice count? Probably not sadly. Whilst I speak for myself in this letter I am sure I speak for many in my community who can not put this on such a submission. I thank you for hearing my voice and giving me the opportunity to express just a few of my concerns Yours sincerely

Date of submission: Wednesday, 6 March 2024

Please write your submission below:

With the huge pressure on individual incomes most families are barely getting by now. This will only increase the burden while also decreasing the attractiveness of our local area for new families to come to the area. Besides that, they dont effectively spend the budget they have now in the right areas so why should we give them more?

Date of submission: Wednesday, 6 March 2024

Please write your submission below:

It is not fair not only to the people of Griffith but the struggling businesses that work hard to keep afloat not once in the years have they mentioned or implied that the Mayor and GM can give them self pay raises directors and management can get 80,000 dollar cars sewer infrastructure hasn't been updated in 80 years wear would the money from rates had gone I know as any business owner would come to salaries, maintenance but there is also upgrading which there hasn't been anything miss management of funds in not a reason to increase rate we should be looking at the people who plan see out and mange funds before we take it out on the people

Date of submission: Saturday, 9 March 2024

Please write your submission below: Inflation is around 4.00 % pa how can you justify asking for a 11.33 % PA a year for 3 years increase this is ether

mismanagement or price gouging

Date of submission: Sunday, 10 March 2024

#### Please write your submission below:

To whom it may concern, I am concerned with the sudden increase of rates GCC is proposing and what negative impact it will place on low to middle income ratepayers. The increase is unjustified as our services in Griffith have reduced dramatically. For example, road grading is non existent, quality of roads are almost undrivable, we have a Lake that has been in poor condition for many years with no plan forward to resolve the issue, parks and gardens are not looked after like they are used to etc. However the Councillors and GM allow themselves a pay rise despite claims they have issues with money. There should be no to minimal rate increases. Why should the rate payers be responsible for propping up Council's income when clearly poor money management is the crux of the issue? For example, Council wasting money on legal fees to send a matter to the Tribunal three times - a complete waste. Council needs to be held accountable for their cash flow and the focus on saving money should be internally based. I can see a thriving regional town being a ghost town if the proposed increases are passed. Please consider rejecting the increase and putting some accountability back onto GCC.

PLEASE NOTE: -

WE HAVE COLLABORATED WITH THE

GRIPFITH PROGRESS ASSOCIATION INCORP

AND WILL BE JOINING THEM AS THEY

RE-ESTABLISH IN THE NEAR FUTURE



# SUBMISSION 8th MARCH 2024

# RE GRIFFITH CITY COUNCIL APPLICATION FOR SPECIAL RATES VARIATION STARTING JULY 2024

We are a group of ordinary ratepayers who are very concerned that this request for a Special Rate Variation by our Council is completely unnecessary and inappropriate at this time.

It would certainly be an extra burden on residents, as well as businesses, farmers and the rental market who are already experiencing financial hardship due to rising costs of living and uncertainty re the Murray Darling water situation.

Council may also see fit to increase fees for domestic waste, domestic recycling and water that are not included in the ordinary rates.

Of course adequate funding to sustain and enhance essential services is required however one could say Griffith City Council is really in a more comfortable financial position than other councils that have had to cope with natural disasters such as floods, fires etc.

Some of the ramifications of a SRV increase on our community would be -

Housing – shortage of affordable accommodation increased rental prices large number of international workers having to live together homelessness increase

Health – unhealthy savings will be made
Not using air-conditioning or heating
buying cheaper food - fast food
limiting Dr visits
not going out – socializing

# Crime -

Increase in shoplifting from supermarkets home invasions theft

Charities - happening now

More residents using their services higher demand for food and grocery packages more seeking financial help to pay bills e.g. energy

Farmers who have been effected by weather as well as low prices being paid for their produce are unable to keep up with the rising costs of fertilizer, pest and disease control that are needed to grow these crops. They will be the hardest hit by the SRV increase. Grape growers are being paid less than last year for their grapes and wineries are not taking all varieties resulting in some deciding to pull vines out.

Farming is this city's lifeblood and the impact of this proposed SRV and we belief Council must strive to support and foster consideration for the wellbeing of the farming community in particular.

Therefore it is essential to carefully evaluate the effect a SRV of this proportion will have on the community as a whole.

We believe that the Council should work more wisely and innovating looking at other funding sources including partnerships and investment opportunities before taking the easy SRV option.

Griffith City Council's level of security will only increase naturally due to the ongoing construction of private housing and developments occurring now and should the Council become more welcoming and helpful to investors, new businesses and property developers financial security would increase even further.

### Please note:

As part of our submission we carried out a survey and in a short period of time we collected 1330 signatures. Many were unaware of the intended rate rise.

Due to privacy we are not attaching the survey concerned, however if you would like to view the survey please let us know.

Author name: X. Prodi

Date of submission: Saturday, 16 March 2024

Please write your submission below. (Before starting, please ensure that you have chosen the correct council from the dropdown list of councils, at the very top).

Council has not provided the community with options for the special variation. It has been "an all or nothing" approach. The community has not been presented with alternatives to the proposed special variation. In the past few years the cost of living has increased significantly, and most of the community have reviewed their household spending to balance their financial situation. Council has made the decision to base the special variation increase on the same level of service. In discussion with other ratepayers, the general feedback is that a smaller increase combined with a reduction of service level would be more appropriate. Council has not conducted any consultation on the capacity and willingness to pay for the special variation. The impact on low income households and pensioners should be carefully considered. Many households are being forced to make difficult decisions with regard to their grocery and energy (heating & cooling) costs, however Council expects to the community to simply accept the special variation. The financial performance of the General Fund has been adversely impacted by the increased operating costs of the recently opened Griffith Regional Sports Centre, the recent addition of a 50m pool at Griffith Regional Aquatic Centre and the Griffith Community Centre. These new community assets have increased the service level to ratepayers, however the community were not consulted on how this new infrastructure would impact the financial sustainability of the General Fund. It would seem Council failed to communicate the cost of operating this infrastructure prior to construction and is now retrospectively asking the community to pay for this. I agree that rate pegging, cost shifting and diminished Financial Assistance Grants have impacted Council's General Fund long term sustainability, however before implementing a permanent special variation a strategic review should be conducted to optimise the financial performance. Council should also review the Community Strategic Plan to understand if the community would prefer to reduce service levels, rather than introduce a special variation. Council has steadily increased service levels over the years which has resulted in deficits in the General Fund. Council should consider taking back to basics approach (rates, roads & rubbish) in order to minimise deficits. Council has plans to conduct service reviews for the Roads and Griffith Regional Aquatic Centre in Fy23/24, however it is unclear what other service reviews have been conducted in recent years to independently confirm operations are cost efficient. It does not appear Council has engaged an independent, suitably qualified financial professional to review the Long Term Financial Plan to check for reasonableness and accuracy. A quick review of the Long Term Financial Plan Application Part A raises some questions for consideration. Art Gallery Special Variation - whilst this will be removed from the Fy24-25 Long Term Financial Plan, it is difficult to simply understand the true financial performance of the General Fund. This should be removed completely from the Long Term Financial Plan, then adopted by Council and placed on exhibition for community consultation. Employee Costs - the actual cost in FY22/23 was \$22.060M. If we assumed a 5% increase due to award and superannuation changes, the amount in FY23/24 should be \$23.163M. However, the budgeted amount for FY23/24 is \$25.799M. Where is the other \$2.63M in employee costs being spent in the General Fund? This variation is equivalent to around 2/3 of the proposed special variation. Has the Council increased the service level to the community? Or are they becoming more inefficient in their operations? In summary, before approving the special variation the following should be conducted: 1. Community consultation on options for the special variation; rather than "an all or nothing" approach 2. A study on the community's capacity and willingness to pay. Council has not consulted with the community at all in this area 3. An independent review of the Long Term Financial Plan. This should prepared with the Art Gallery removed and a detailed analysis on the increase of Employee Costs to clearly understand the significant increase from Fy22/23 to Fy23/24. 4. A strategic review to ensure Council operations are as efficient as practical. This should be conducted with external sources to give a fresh set of eyes and consider alternative methods to provide community services.

Date of submission: Monday, 4 March 2024

### Please write your submission below:

I write this letter to express concerns over the Special Rate Variation proposed by Griffith City Council. I believe that such a rate increase would have detrimental effects on our community and its residents. Linking Communities Network Ltd is the lead agency for Homelessness and Domestic Violence Services in Western Murrumbidgee. As such we cover the Griffith Local Government area and have a special interest in factors that contribute to homelessness and domestic violence. While I understand the need for adequate funding to support essential services and initiatives within our city, I am deeply concerned about the potential consequences of implementing a special rate variation. Below are some of the reasons why I firmly oppose this proposal: 1. Financial Burden on Residents: Many residents in our community are already facing financial challenges, especially after the recent economic uncertainties. Implementing a special rate variation could impose an additional burden on individuals and families who are struggling to make ends meet. As you are aware the country is in the midst of a cost-of-living crisis and our organisation has seen an increase of clients due to the poverty they are experiencing due to factors out of their control, including increased costs of food, petrol and everyday living essentials, along with increased interest rates and rental costs. 2. Impact on Local Businesses: Small businesses are the backbone of our community, and any increase in rates could negatively impact their ability to operate and thrive. Higher costs might lead to decreased consumer spending, layoffs, or even closures, further affecting the overall economic health of our city. 3. Fixed-Income Individuals: There are numerous individuals, especially retirees, who are on fixed incomes and may find it difficult to accommodate sudden increases in their expenses. Such rate variations could force them to make tough choices between essential needs like medication, groceries, and utility bills. 4. Affordability of Housing: Housing affordability is already a significant concern in our area. An increase in utility rates could potentially lead to higher rents or property management fees, making it even harder for residents to afford suitable housing. 5. Transparency and Accountability: It's essential for the local government to maintain transparency and accountability when making financial decisions. Proper consultation with the community and a clear explanation of the reasons for the proposed rate variation are necessary to maintain public trust. Although you have consulted, the reasoning remains unclear and people are not trusting of what they are being told. 6. Exploration of Alternatives: Before considering a rate increase, I urge you to explore alternative avenues for revenue generation and cost reduction. This might involve re-evaluating existing budget allocations, seeking grants or partnerships, or finding innovative solutions to address the funding gap, or looking within council to see if there are avenues for cost cutting. You also need to consider the flow on effect a decision like this makes on community organisations that support the most vulnerable within the community. This decision will cause an increase of people looking for assistance as they need to choose between paying rates and feeding themselves and/or their family. This is something that already stretched community organisations cannot afford. Of course, there are also farming communities that will have a massive increase in rates costs with no added benefits of service provision. Many of them do not even receive basic garbage services and lack of road repair and maintenance on a regular basis. These people can be asset rich and cash poor (and Australia is heading into a dry period) so you are going to add to their inability to provide for their families due to increased costs with little return. I kindly request that you consider the concerns of the residents, farming communities and businesses that make up our community before making a decision regarding the special rate variation. Our collective well-being should be at the forefront of any decision-making process.

Date of submission: Sunday, 10 March 2024

Please write your submission below:

Due to care requirements of our disabled son, my wife and myself are only able to work part time. We are already struggling with the increased cost of living. These proposed increased will have a significant detrimental effect on ours and our children's lives. We work in disability support. Many on our clients have also expressed fear of what this proposal means. Many of them are living far below the poverty line and any increased costs will mean their quality of life will suffer greatly