

LG Submission Form 2021-2022 - Applications

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IPART Special Variation Submission Form - Applications

Industry	Local Government
Review	(LG) Special Variations & Minimum Rates 2021-2022
Document Reference	
Council	Canterbury-Bankstown Council, Special Variation Application

If you have any general feedback regarding your council's proposed SV, please leave your comments in the comment box below.

Canterbury-Bankstown Council advised residents that it needs the SRV to “ensure its long-term financial sustainability”. I note that one of the justifications for the forced council amalgamations between Canterbury and Bankstown in 2016 was that it would deliver financial efficiencies so the SRV begs the question, why hasn't amalgamation delivered the benefits promised?

As has been reported, "much more work is needed to ensure the state government's proposed overhaul of the rating system achieves meaningful reform and financial sustainability for local government": J Skatssoon, "Proposed rates overhaul "just a band-aid", Government News, 14 Jan 2021.

It is unfair that the State Government's failure to assist Council's to deliver the financial efficiencies promised means that ratepayers have to bear this burden. The

Extraordinary Council report of 4 February 2021 provides a table on p 53 that shows the total cumulative percentage increase to ratepayers will be 36.34% over 5 years. Ratepayers in the former Canterbury Council already had to wear a SRV rates increase in 2014/15 with not much to show for this other than extremely ugly highrise development in Charles St and Canterbury Rd Canterbury. The former Council is now subject to an ICAC inquiry over these developments.

Inner West Council (IWC) which is adjacent to Canterbury Bankstown Council is going through the same harmonisation process, but has not proposed a SRV. This means that the new IWC rate for a my block (plus IPART increases over 3 years) compared to the CB Council rate 25/26 means I would be paying almost double the rate of the Inner West Council residents who live only a few blocks away. I am not aware that our neighbours opposite are receiving lesser services than us, so how can CB Council justify the additional SRV cost?

There are a number of assumptions Council has made in the SRV application that can be challenged:

Council claims that the 36.4% of the LGA population that rent (ABS 2016 census) will not be impacted by the SRV rate increase. The truth is that landlords will pass the SRV rate increase in full, probably with a margin. Businesses that rent properties will also be impacted in the same way.

Council also claims that lower income households are not owners of properties who pay rates. The truth is that 24% of CBCity rate payers are pensioners.

Inadequate Consultation

The consultation on the Rates Harmonisation and SRV was undertaken over Christmas/New Year 2021 which was a time when many people would have been on holidays. Covid 19 restrictions were also in place

which would have stopped many people from attending information sessions. The timing of the consultation has significantly reduced rate payers ability to properly engage with Council to understand what the real impact of the Special Rate Variation would be.

Council has advised that approximately 650 rate payers had direct communication with Council which is about 0.5% of households and business or 0.17% of the LGA population. This converted to 147 submissions to Council about the Rate Harmonization and SRV. Numbers this low cannot be used to support an argument of effective community engagement.

The pamphlet “One Rate System because we are one city” that was distributed to households, focuses on the need for harmonisation and does not clearly explain the impacts of the SRV. For example it does not provide the percentage increase that would result from the SRV. The table under “What this means for you” and “How are your rates spent?” obscured detail in the second last point under the tables advising that the waste levy was not included.

Anybody perusing the table would be likely to assume that the 25/26 \$ amount in the last column was the total amount and therefore it would not appear to be significantly greater than what they already pay in rates as the \$figure does not include the waste levy. It appears that Council has endeavoured to embed both Rate Harmonization and the SRV within the “One Rate System because we are one city” message as a way of misleading and confusing rate payers. It would have been preferable for Council to have undertaken the Rates Harmonisation process to meet the deadline of 1 July 2021 and then if they so desired to seek a SRV as a separate issue once the harmonised rates had been adopted. A separate process for the SRV would provide transparency and clarity to rate payers.

Your comments on Criterion 1:

Recent media reports and budget estimates hearings have shown that the State Government has mishandled the Strong Communities Fund which aimed to support forcibly amalgamated councils. It appears that this money has flowed to councils in Coalition seats. But why should our ratepayers be forced to bear this cost? Why isn't Council putting pressure on Government to provide funding from the Strong Communities Fund?

Your comments on Criterion 2:

We don't agree that this was communicated effectively: the Council in its communications to ratepayers did not sufficiently explain the differences between the harmonisation process, the SRV and the CPI increases. Further, Council has not shown how they have lobbied the State Government for more financial assistance after the forced amalgamation.

Your comments on Criterion 3:

24% of CBCity rate payers are pensioners. Council has argued that only landowners will be impacted by the rate rise but landowners with tenants will push the rise onto tenants who will also bear the increased cost.

Your comments on Criterion 4:

Council did not advise in its letter to ratepayers where to find its reports. For those who don't have English as a first language or are not conversant with internet technology (of which there would be many in this LGA) they have not seen the relevant documentation.

Your comments on Criterion 5:

Again, Council did not provide adequate information about this in its "One rate system" document sent to ratepayers in early December.

If you have attachments you would like to include with your feedback, please attach them below.

Your Details

Are you an individual or organisation?	Organisation
If you would like your submission or your name to remain confidential please indicate below.	Publish - my submission and name can be published (not contact details or email address) on the IPART website
First Name	Kate
Last Name	Lumley
Organisation Name	Hurlstone Park Association
Position	President
Email	[REDACTED]
IPART's Submission Policy	I have read & accept IPART's Submission Policy