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Submission: IPART should reject the Byron Shire Council request for a special rate variation because:

1. Council has no electoral mandate for the rate increase.
2. Council has not genuinely sought to obtain, report or act on community response to the proposed special rate variation.
3. Council is proposing a high, cumulative and then permanent special rate increase to a level that is much higher than residential rates in nearby areas, and unaffordable to many residents.
4. There is no justification for any residential rate increase above the State-mandated maximum. Byron council simply needs to focus on core statutory responsibilities that directly benefit ratepayers.
5. When the council refuses to listen, the community relies on IPART to reject the council's application for an unnecessary and onerous rate increase.

More detail on these points is provided in the attachment.

**IPART should reject the Byron Shire Council request for a special rate variation because:**

**1. Council has no electoral mandate for the rate increase.**

No party or candidate included a rate increase in the recent Byron council election campaign. The (substantially re-elected) council did not warn residents of council's intention to increase rates before the recent election, but moved quickly to seek a substantial increase immediately after the election.

**2. Council has not genuinely sought to obtain, report or act on community response to the proposed special rate variation.**

Council provided several methods for community feedback on the topic. However the primary method (a questionnaire to every affected address) deliberately and cynically failed to include the option of no special rate variation.

Council has refused all requests to make public the results of the survey, including a count of votes on forms (primarily web-based submissions) that included the "no special variation" option. Council can not legitimately claim that "most residents voted for a 33.5% (or 46% or 60%) rate increase" unless every vote counted was on a form offering the option to vote for no rate increase (above the NSW-government-mandated level).

In newspaper interviews on the topic, senior council representatives have responded along the lines "It is not surprising that the overwhelming majority of residents oppose a special rate increase, but we are determined to impose one anyhow". Council has failed abjectly to accept its community's unwillingness and lack of capacity and to pay the proposed rate increases.

**3. Council is proposing a high, cumulative and then permanent special rate increase to a level that is much higher than residential rates in nearby areas, and unaffordable to many residents.**

Byron shire residential rates are already high by comparison with those nearby areas. Council is proposing a large annual increase that would become permanent at the full cumulative level. Any substantial increase (above the NSW-government-mandated level) is simply unaffordable to many fixed-income retirees and low-income families who reside within the Byron LGA.

**4. There is no justification for any residential rate increase above the State-mandated maximum. Byron council simply needs to focus on core statutory responsibilities that directly benefit ratepayers.**

Current rates provide enough money for core council responsibilities, if Byron council simply desists from spending rates on areas of little direct benefit to ratepayers.

Substantial and ongoing increases in Byron shire residential land values are already providing windfall residential rate increases to council, and substantial hardship to many fixed-income and lower-income residents. This hardship would be greatly increased and compounded through the further rate increases proposed by Byron council.

Byron council must learn to manage its core rates budget:

- focus on core areas of direct benefit to ratepayers -
  - waste disposal, water supply, infrastructure for community amenity;
- eliminate expenditure on all areas outside council statutory responsibility;
- cease all ‘discretionary’ expenditure of little or no direct benefit to ratepayers;
- stop charging for unwanted ‘services’ -
  - many residents are happy to compost their own green ‘waste’;
- work with higher-level governments to find ways other than charges on residential rate-payers, to pay for services to the large population of non-resident holiday-makers visiting this beautiful shire;
- find other sources of funding for ideologically-driven projects that councillors or staff wish to pursue -
  - if the supposed users don’t want to pay, they don’t value the project.

**5. When the council refuses to listen, the community relies on IPART to reject the council’s application for an unnecessary and onerous rate increase.**