



Roza Sage MP

Member for Blue Mountains



Rate Variation Blue Mountains City Council

I write regarding Blue Mountains City Council's special variation application to increase rates for constituents in my electorate.

I have spoken with many ratepayers of the Blue Mountains regarding this issue, and they are genuinely concerned about the impact this increase – a 6.6% increase in 2015/16 (including rate peg); followed by three annual increases of 9.6% (including rate peg) from 2016/17 to 2018/19 – will have on their household bills.

With these increases to be permanently retained in the rate base, the approval of this application would continue to have a serious impact on many ratepayers in perpetuity.

It is my firm belief that a rates increase of this magnitude would be an excessive imposition on the ratepayers of the Blue Mountains, particularly those on fixed incomes.

Additionally, many constituents have told me the consultation process conducted by BMCC was inadequate. The options presented in the material distributed were limited and failed to provide the appropriate ability for ratepayers to contribute beyond supporting one of the three options – all of which were opposed by many residents.

It has recently been reported that up to 40 homeowners could face enforced sales of their homes due to their inability to pay their rates. At the 24 February 2015 meeting of BMCC it was revealed that 562 residents were currently overdue, with amounts owed by individuals up to \$30,000.

This raises the question of whether the community has the capacity to pay these increases, which I believe should be examined very closely by IPART in its assessment of this application.

The issue has also been raised in the community that BMCC should comprehensively be exploring ways reigning in its own costs, before imposing increases on ratepayers. IPART should seriously consider whether approval of this application will address long-term budgetary challenges faced by BMCC, or whether further rates increases will have to be considered in the future.

I respectfully ask that IPART examine this special variation application closely in order that residents of my electorate are not unnecessarily asked to pay rates increases they are unable to afford.

Yours sincerely,

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