



IPART Independent
Pricing and Regulatory
Tribunal | NSW

Minimum rate increase
application form part B

Application Form

2023-24

Local Government »

Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly, PSM, Chair
Deborah Cope
Sandra Gamble

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The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from [IPART's website](#).

Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders, past, present and emerging.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

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Council information

Council name	Strathfield Council
Date submitted to IPART	3 March 2023

About this application form

PART has revised the Application Form to be completed by councils applying for an increase to a minimum rate (MR) for 2023-24 above the statutory limit under s548(3) of the *Local Government Act 1993* (LG Act). The application form is in two parts:

- Minimum Rate Increase Application Form Part A (separate Excel spreadsheet)
- Minimum Rate Increase Application Form Part B (this MS Word document)

Councils can apply for a minimum rate increase (MR increase) either in conjunction with a special variation (SV) under s 508(2) or s 508A of the LG Act, or as a stand-alone adjustment (i.e. without also seeking an increase to general income above the rate peg).

Councils applying for an MR increase in conjunction with a SV should complete the MR Increase Application Form Part B *as well as* completing the SV Application Form Part A and SV Application Form Part B. These councils are **not** required to complete the MR Increase Application Form Part A as all the details about the MR increase will be contained in the SV Application Form Part A spreadsheet.

The MR Increase Application Form Part B consists of:

- Description and Context Questions
- Criterion 1: Rationale for increasing minimum rates above the statutory limit
- Criterion 2: Impact on ratepayers
- Criterion 3: Consultation on the proposal
- Criterion 4: Other relevant matters
- Council certification and contact information
- List of attachments

When completing this Application Form, councils should refer to the following:

- OLG's [MR Guidelines](#) issued in November 2020.

Also refer to the following publications ([website](#)):

- Fact sheet - Minimum Rates in 2023-24
- Information Paper - Minimum Rates in 2023-24
- Information Paper – Community awareness and engagement for special variations and minimum rates

Preparing your application

Ordinary rates – minimum amounts

Councils must apply to increase the minimum amount of an ordinary rate above the statutory limit where:

- The council is currently charging a minimum ordinary rate at or below the statutory limit and is seeking to increase its minimum rate(s) above the statutory limit for the first time.
- The council is currently charging a minimum ordinary rate above the statutory limit and is seeking to increase its minimum rate(s) in 2023-24 by more than the rate peg percentage or the percentage allowed by an SV (i.e. previously approved for 2023-24).
- The council is currently charging a minimum ordinary rate at or below the statutory limit and, as part of implementing a proposed SV for 2023-24 (whether applying a lower, higher or the same percentage increase as the requested SV percentage) the increase would result in minimum rates that are above the statutory limit for the first time.

Councils **do not need** to apply for an increase to minimum ordinary rates in the following circumstances, whether or not they are applying for an SV:

- The proposed increase (even if it is above the rate peg percentage) would result in minimum rate(s) which are still below the statutory limit.
- The minimum rate is already above the statutory limit (having previously been granted approval for the rates to be above the statutory limit) and the council proposes to increase the minimum rate(s) by the rate peg percentage or the percentage allowed by an SV (i.e. which has been approved for 2023-24 by a prior SV instrument).

Special rates – minimum amounts

Councils must apply to increase (even by the rate peg percentage) the minimum amount of a special rate above the statutory limit. i.e. whether or not the council is applying for an SV for 2023/24.

Attaching supporting material

We prefer to receive relevant extracts rather than complete publications, unless the complete publication is relevant to the response for the criteria. Responses in the text boxes should clearly cross-reference where the information is located in the supporting documents attached to the council's application.

Confidential content in supporting material

IPART will publish all applications (excluding confidential content) on the IPART website. Examples of confidential content are those parts of a document which disclose the personal identity or other personal information pertaining to a member of the public, or a document such as a council working document that does not have formal status, or a document which includes commercial-in-confidence content.

Councils should ensure supporting documents are redacted to remove confidential content where possible, or clearly marked as **CONFIDENTIAL**.

To protect confidential details in submissions from ratepayers, either redact or submit as a confidential attachment (see List of attachments).

Submitting the application online

Applications must be submitted through IPART's Council Portal by Friday, 3 February 2023.

- A file size limit of 10MB applies to the Application Form Part B.
- For supporting documents (Attachments) a file size limit of 400MB applies to public documents, and another 200MB to confidential documents.

Contact Arsh Suri on (02) 9113 7730 for assistance with using the Council Portal.

Description and context

These questions seek general information about the council's application to increase minimum rates.

Question 1: What is the increase to minimum rate(s) the council is applying for?

The response will provide a high-level summary of the proposal to increase minimum rates. Detailed information about the increase will already have been entered in Worksheet 1 of the MR Increase Application Form Part A, and also Worksheet 5a of the SV Application Form Part A if the proposed MR increase is in conjunction with an SV.

If the increase applies to an ordinary rate, complete this section

Does the council propose to increase the minimum amount of its ordinary rate(s) above the statutory limit for the first time? Yes

Which rates will the increases apply to? Residential and business

If the increase will apply to only some subcategories, specify which N/A

Does the council propose to increase the minimum amount of its ordinary rate(s) by the rate peg percentage, SV percentage or a different percentage? a different percentage
93% over two years – this allows for the introduction of the minimum rate in the first year, using the average residential rate in 2022/23 for those ratepayers who will be on a minimum using the current base rate structure.

For multi-year increases, please specify the proposed percentage increase for each year (e.g. 2023-24 – 10.3%, 2024-25 – 5.8%)
2023/24 – 68% (initial introduction of minimum rate from base rate)
2024/25 – 15%

What will the minimum amount of the ordinary rate(s) be after the proposed increase? \$1,200

For multi-year increases, please specify the proposed minimum rate for each year.

2023/24 - \$1,040
2024/25 - \$1,200

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

Does the council propose to increase the minimum amount of a special rate above the statutory limit? No

Does the council propose to increase the minimum amount of its special rate(s) by the rate peg percentage, SV percentage or a different percentage? Choose an item.
X%

For multi-year increases, please specify the percentage increase for each year (e.g. 2023-24 – 10.3%, 2024-25 – 5.8%) Click or tap here to enter text.

What will the minimum amount of the special rate(s) be after the proposed increase? \$Click to enter amount

For multi-year increases, please specify the proposed minimum rate for each year. Click to enter amounts

Question 2: What is the key purpose(s) for requesting to increase minimum rate(s) above the statutory limit?

In the **text box** indicate at the highest level the key purpose(s) of the proposed increase to minimum rates. The purposes could include one, or a combination of:

- increasing minimum rates by the rate peg percentage
- maintaining an equitable allocation of the rating burden across the council's rating categories
- improving the equitable allocation of the rating burden across the council's rating categories
- matching the level of minimum rates in comparable councils
- improving financial sustainability, and/or
- increasing a special rate by the rate peg percentage.

Council is looking to replace its base rate structure with a minimum rate structure for business and residential rates (across all subcategories) in order to improve financial sustainability and transition to a fairer and more equitable rating structure for the ratepayers. The proposed implementation of a minimum rate, over a two-year period, along with the corresponding special variation application, will assist in generating income to address funding gaps over medium to longer term, renew assets and maintain services, as well as ensure that single house dwellings are not disproportionately affected by the increasing rates burden.

The decision to apply for a two-year introduction of a minimum rate was made following community feedback, to the originally proposed four-year minimum introduction, that Council should transition to a more equitable rating structure more quickly, so that single unit dwellings do not absorb a greater rates burden over the short term (see attachment 12, Community Engagement Summary Report – page 24).

Criterion 1 – Rationale for increasing minimum rates above the statutory limit

Criterion 1 in the MR Guidelines is:

The rationale for increasing minimum rates above the statutory amount.

The MR Guidelines discuss minimum rates in the context of rating principles in Attachment 1. The MR Guidelines state that:

Where applicable, councils should make reference to the relevant parts of their Integrated Planning and Reporting (IP&R) documentation to demonstrate how the criteria have been met.^a

IPART expects that councils should be able to provide evidence of how the increase to minimum rates proposal was developed in the context of the council's IP&R framework, and councils should refer to the relevant parts of their IP&R documents.

How to respond for Criterion 1

The council's response providing the rationale for increasing its minimum rate(s) above the statutory limit should be tailored to the specific circumstances of the minimum rate increase, including whether it is part of a proposal for an SV.

If the increase to minimum rates is **in conjunction** with a proposed SV, the response for criterion 1 should focus on the aspects directly relevant to the proposed MR increase. It is not necessary to duplicate all the information explaining how the council established financial need which is included in the response for criterion 1 in the SV Application Form Part B.

Where applicable, councils should provide references to their IP&R documents dealing with the proposal to increase minimum rates to demonstrate how the criterion has been met.

What is the council's rationale for increasing minimum rates above the statutory limit?

In the text boxes the response should:

- Explain how the council developed the proposal in the context of its IP&R framework, including the SV proposal, if relevant.
- Explain why the council considers the increase to minimum rates is necessary.
- Discuss both the benefits and drawbacks of the proposed changes to the rating structure.

^a OLG, MR Guidelines, section 2.2.

a. Why the council is seeking to introduce or increase minimum rates above the statutory limit.

As per the Community Strategic Plan (attachment 1) and the Revised Delivery Program 2022-2026 (attachment 2), in recent years Council has experienced significant population growth and this is projected to increase further into the future, with the vast majority of this coming in the form of residential units as opposed to single house dwellings. As rates are levied on land values, units generally pay significantly less than houses, even when the property values are comparable. This does not reflect the cost of service provision to these residents nor their capacity to pay rates. Council's current rating structure includes a base amount and an ad-valorem. Council is proposing to remove the base amount and instead implement a minimum rate across all rating categories and subcategories. This enables Council to better balance the costs of service and capacity to pay rates with the increase in unit development, in a fairer and more equitable way, now and into the future.

Council's Revised 2022-2033 Long Term Financial Plan November 2022 (attachment 5) forecasts consolidated operating deficits to 2033. The average operating deficit for the ten-year forecast period is estimated at \$13.0 million per annum. Unless current levels of income are increased, Council will be unable to resource renewal of assets and maintain current services, with Council expected to run out of unrestricted cash by 2026.

The decision to apply for an introduction of a minimum rate was taken following a complete review of Council's long-term financial sustainability and an organisational service review in March and April 2022 (see attachment 15 – Organisational Service Review Summary Report). The financial sustainability review identified a significant residual funding gap that places Council's financial sustainability at risk unless additional action is taken. In light of the residual funding gap of both operational and capital requirements, Council reviewed its rates and rating structure to:

- have a more equitable rating structure
- create a sustainable rating structure for the future
- maximise the rates income from future rate assessment growth
- rebalance the income generated for provision for general fund services.

As a result, Council resolved to undertake community engagement, on the potential special variation and minimum rate introduction, on 6 December 2022 (attachment 8). The Revised 2022-2033 Long Term Financial Plan November 2022 (attachment 5) and Revised Delivery Program 2022-2026 (attachment 2) were displayed as part of the engagement process, the Revised 2022-2033 Long Term Financial Plan November 2022 (attachment 5) outlines the originally proposed SV and minimum rate introduction and increase, as scenario two.

Further to community feedback (see attachment 12), which included concerns around the inequity of the rates burden on single unit dwellings with a four-year minimum, Council undertook an additional review and modelling of the rating structure. This included a two-year minimum to bring the Council to a fairer and more equitable rating structure outcome, with multi-unit dwellings taking an increased proportion of the rates burden more quickly. Council updated the proposed SV and minimum options to a two-year minimum and revised four-year SV and this was discussed with councillors at an additional workshop on 15 February 2023 and taken to the Council meeting for approval to apply on 28 February 2023.

Following the community engagement period, Council resolved to implement a minimum rate structure in accordance with Section 548(1) of the Local Government Act 1993, and apply under Section 548(3) of the Local Government Act 1993, for a special variation to set the minimum rate amounts for 2023/24 and 2024/25, in accordance with Council resolution of 28 February 2023 (attachment 3). A Final 2022-2033 Long Term Financial Plan February 2023 (attachment 6) was adopted as part of the same resolution, to incorporate the two-year minimum rate introduction and revised four-year SV increases.

b. How the proposed minimum rates are to be applied.

As per the Final 2022-2033 Long Term Financial Plan February 2023 (attachment 6), Council proposes to apply a minimum amount to the ad-valorem amount of all business and residential rate categories and subcategories. The proposed introduction and increase of the minimum rate will be over two years, with the rate peg increase not applied during these transition years. The first-year introduction of the minimum rate, in 2023/24, will be at \$1,040, with an increase in year two, 2024/25, to \$1,200. Council expects that 70% of residential ratepayers will pay only the minimum rate.

c. What benefits and drawbacks of the proposed changes to the rating structure have been identified?

The benefits of the proposed introduction of a minimum rate structure include that Council will have a fairer and more equitable rating structure, and that the increasing rates burden of the proposed special variation (SV) will not affect single house dwellings disproportionately. The revised structure responds to a range of community feedback during the SV process in terms of addressing the inequity of some rate classes, in particular free-standing houses. This included comments that, although the cost of services would remain the same, multi-unit dwellings need to make a greater contribution to local services and infrastructure provided by Council to ensure a fairer distribution across all ratepayers. As the LGA has a majority of housing within multi-unit dwellings, around 67%, the proposed introduction of a minimum rate will drastically improve the inequity within the current rating system.

Another benefit is that the shorter minimum transition period, of two years instead of four years, ensures a timelier response to this community feedback and of Council's analysis of a fairer rating structure.

A further benefit is that the proposed change to a minimum rate structure will not result in Strathfield residents paying higher rates than neighbouring councils, as particularly when combined with the reduction in the domestic waste charge (DWC) of \$245 per annum, the Strathfield combined average rates will continue to be comparative with local councils that neighbour the LGA. The proposed minimum rate increase will also assist in improving Council's short- and long-term financial sustainability, in tandem with the proposed SV.

The drawbacks are that some minimum ratepayers may be considered to have a lower capacity to pay, particularly in certain areas of the LGA. However, this drawback will be lessened by Council's Hardship Policy (attachment 7) and the review of the Hardship Policy that Council has committed to as an outcome of the community engagement.

Table 1 Criterion 1 attachments

Council- assigned number	Name of document	Page references
1	Strathfield 2035 – Community Strategic Plan	12
2	Revised Delivery Program 2022-26	23-25
3	Council resolution – 28 February 2023	
5	Revised 2022-2033 Long Term Financial Plan November 2022	
6	Final 2022-2033 Long Term Financial Plan February 2023	
7	Hardship Policy	
8	Council resolution – 6 December 2022	
12	SRV Community Engagement Summary Report	16-17

a. If document only relevant in part.

Criterion 2 – Impact on ratepayers

Criterion 2 in the MR Guidelines is:

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 subcategory.

The criterion requires consideration of two elements:

- the level of minimum rates for ratepayers whose rates will be increased, and
- the distribution of the rate burden in the particular category or subcategory between those paying minimum rates and those paying an amount based on the value of their property.

Although it is a matter for each council to determine its rating structure, including the level of minimum rates, for this criterion, IPART will assess the proposal on its merits, but will consider how the proposed minimum rates accord with the principles of rating, by looking at:

- the absolute and percentage increase in minimum rates proposed for ratepayers paying the minimum amount
- how the council will manage any adverse impact on ratepayers
- how the increase in minimum rates affects the equitable distribution of the rate burden among all ratepayers in the category or subcategory.

As the minimum rate is the lowest amount that is paid by ratepayers in any rating category, the impact of the proposed increase to minimum rates may not, of itself, be as significant as the same percentage increase to rate levels above the minimum. Nevertheless, IPART expects that councils will be able to demonstrate how they have considered its affordability and the affected ratepayers' capacity to pay.

IPART will make its own assessment of the affected ratepayers' capacity to pay by reference to evidence provided by the council and our own analysis using socioeconomic indicators, including as they relate to those for comparable councils in the council's OLG grouping.

How to respond for Criterion 2

By completing MR Increase Application Form Part A, councils will provide full details of current and proposed levels of minimum rates and the number of ratepayers affected. The response to the first question for criterion 2 requires only a summary of this information.

If the increase to minimum rates is in conjunction with a proposed SV, the response for the other questions for criterion 2 should focus on the aspects of the impact on ratepayers and its affordability which are directly relevant to the proposed MR increase. It is not necessary to duplicate all the information providing details included in the response for criterion 3 in the SV Application Form Part B.

The council's response to the other questions for criterion 2 should explain the specific circumstances of the minimum rate increase, including whether it applies to an ordinary or special rate and whether it is part of a proposal for an SV, and the characteristics of the ratepayers who will be affected.

Where applicable, councils should provide references to their IP&R documents dealing with the proposal to increase minimum rates to demonstrate how the criterion has been met.

The response to this criterion should refer to matter such as:

- the extent to which the new minimum rates exceed the equivalent ad valorem rates that would apply in the absence of the minimum rates
- the overall impact on ratepayers resulting from the proposed increase
- steps that have been taken to distribute the rate burden equitably
- affected ratepayers' capacity to pay the higher level of rates, overall and by each rating subcategory
- how the council plans to address hardship ratepayers may experience in meeting their obligations to pay rates in the future.

In considering capacity to pay, you may also want to consider how the council's socioeconomic profile and other relevant measures of capacity to pay relate to those for comparable councils. IPART will also review various socio-economic indicators, particularly as they relate to those for comparable councils in your OLG grouping.

What are the current and proposed levels of minimum rates, and the number of ratepayers on the minimum rate?

In the text box summarise the information, in table form if appropriate. Alternatively, the information can be presented in an attachment.

Council currently has a base rate structure and is proposing to introduce a minimum rate structure. The proposed minimum rates will be as follows, noting that residential ratepayers will see a decrease in the domestic waste charge of \$245, which will offset some of the increase that ratepayers will see.

Year	2022-23*	2023-24	2024-25
Proposed minimum rates for business and residential (forecasted rate peg will not be applied during transition years)	Residential - \$620 Business - \$754	\$1,040	\$1,200

*This is the current (2022/23) average rate for those ratepayers on a minimum, in year 1, using the current base rate structure.

As per the Operational Plan 2022-23, Council has 16,547 residential ratepayers and 1,429 business ratepayers.

Following the introduction of the minimum rate structure, Council expects that approximately 77% of residential ratepayers, 46% of business general and CBD ratepayers and 55% of business industrial ratepayers will pay the minimum rate. The following table includes the estimated minimum for 2025/26 and 2026/2027 by applying the estimated rate peg of 2.5%.

Residential ratepayers on minimum

Year		Proposed minimum \$	% on minimum	Number on minimum
23/24	Year 1	1,040	77%	13,159
24/25	Year 2	1,200	79%	12,210
25/26	Year 3	1,230	72%	11,890
26/27	Year 4	1,261	70%	12,061

Business ratepayers on minimum

Year		Proposed minimum \$	% on minimum	Number on minimum
Business general and CBD				
23/24	Year 1	1,040	46%	308
24/25	Year 2	1,200	46%	311
25/26	Year 3	1,230	45%	305
26/27	Year 4	1,261	45%	300
Business industrial				
23/24	Year 1	1,040	55%	414
24/25	Year 2	1,200	56%	421
25/26	Year 3	1,230	50%	378
26/27	Year 4	1,261	48%	363

What will be the impact on ratepayers of the proposed increase in minimum rates?

In the text box set out the increase in dollar and percentage terms for each category and subcategory of ratepayers affected by the proposed MR increase, in table form if appropriate. Alternatively, the information can be presented in an attachment.

The proposed introduction of a minimum rate will have the following dollar and percentage impact on residential and business ratepayers, using the average rate for both categories:

Residential	2022/23*	2023-24	2024-25	Cumulative
Proposed residential rate	\$620	\$1,040	\$1,200	
Dollar impact of proposed residential minimum rate		\$420	\$160	
Percentage impact of proposed residential minimum rate		68%	15%	93%
Business	2022/23*	2023-24	2024-25	Cumulative
Proposed business rate (across all subcategories)	\$754	\$1,040	\$1,200	
Dollar impact of proposed business minimum rate		\$286	\$160	
Percentage impact of proposed business minimum rate		38%	15%	59%

*This is the current (2022/23) average rate for those ratepayers on a minimum, in year 1, using the current base rate structure.

How does the proposed increase affect the distribution of the rating burden among ratepayers?

In the text box explain the action, if any, the council took in response to feedback from the community.

Strathfield Council has seen significant population growth in recent years, with the vast majority of this growth coming through residential units, rather than single house dwellings. The proposed introduction of a minimum rate would therefore ensure that Council is better able to balance the costs of services and capacity to pay rates with the increase in unit development, now and into the future, without disproportionately increasing the rates burden on single house dwellings. The proposed minimum structure and increase would therefore more equitably distribute the rating burden among ratepayers and ensure a fairer distribution of rates across the LGA.

Council fully considered its community's feedback and concern, during the engagement process, on the inequity of the current rating structure between units and single house dwellings and undertook further analysis on an accelerated timetable to increase minimum rates. After looking at the impacts of increasing minimum rates to \$1,200 over one, two, three and four years for both business and residential ratepayers, Council resolved to apply for the introduction and increase in minimum rate over two years, with minimum rates to rise in line with the rate peg after two years.

The accelerated time frame for minimum rates addresses equity issues with the current rating structure more quickly and in turn will more quickly redistribute the burden of the SV increase from single dwelling ratepayers.

How has the council considered affordability and the affected ratepayers' capacity to pay higher rates, including measures to address hardship?

In the text box explain how the council considered whether the rate increases would be affordable for the affected ratepayers, including any socioeconomic data referred to in making its assessment, and any measures the council proposes to use to reduce the impact, if necessary.

Council engaged Morrison Low to undertake an analysis of the community's capacity to pay in order to assist with making an assessment of affordability and hardship (attachment 9). The report advises that generally Strathfield LGA residents have capacity to pay, particularly within the Strathfield area which has significant levels of advantage, as demonstrated by high levels of equivalised income, high socioeconomic scores and high levels of home ownership. The LGA overall is in the Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD) percentile of 87. However, it is important to note that there are pockets of significant disadvantage, including within the smaller suburbs of Belfield and Greenacre (within the Strathfield South area), which represent just under 7% of the LGA, which have IRSAD percentiles of 51 and 24 respectively. These two suburbs however do have higher levels of social housing and private renters, who will less likely to see immediate or direct impacts from the introduction of an increase to the minimum rate. In addition to this, land values in the Strathfield area are generally higher than in the more disadvantaged areas, and therefore this will result in the greatest increase in rates. At the end of the four-year special variation period, residential ratepayers in Strathfield will be paying an average of \$18 per week more than they would have under the normal rate increases. For Homebush this will be \$12 per week and Strathfield South \$8 per week, with approximately 90% of ratepayers paying the minimum rate in Strathfield South.

Council also benchmarked its proposed increase to the minimum rate with a number of other Sydney metropolitan councils in order to consider affordability and equitability. If the full proposed increase to minimum rates is implemented, along with the reduction in the domestic waste charge, Council would still remain comparable to other councils – see page 10 of Council's Background Paper (attachment 10).

Council addresses issues of hardship through its Hardship Policy (attachment 7) which assists in providing financial relief to ratepayers experiencing difficulties in meeting their rate commitments. Dependent on certain circumstances, the policy allows Council to write-off interest charges accrued. Council has also resolved to undertake a further review of its Hardship Policy as an outcome of the community engagement process.

Table 2 Criterion 2 attachments

Council- assigned number	Name of document	Page references ^a
2	Revised 2022 Delivery Program 2022-26	81
7	Hardship Policy	
9	Capacity to Pay Report	1-2

Council- assigned number	Name of document	Page references ^a
10	Special Rate Variation Community Engagement Background Paper	10

a. If document only relevant in part.

Criterion 3 – Consultation on the proposal

Criterion 3 in the MR Guidelines requires IPART to assess applications in light of:

The consultation the council has undertaken to obtain the community's views on the proposal.

The criterion requires IPART to make an assessment on the council's consultation with its community about the proposal to increase minimum rates.

Although this criterion does not specify the various aspects of how the council should conduct consultation on the minimum rate increases, IPART expects that councils should be able to offer evidence to demonstrate that its consultation has been effective. Councils need to utilise appropriate methods to make the community aware of the proposal and afford ratepayers opportunities to provide feedback and show that the proposed increase is reflected in its IP&R documents.

The breadth and depth of the consultation should be commensurate with the size of the proposed increase in rates and tailored to the specific circumstances of the minimum rate increase, including whether or not it is part of a proposed SV.

IPART expects that the consultation would:

- include the broader community as well as the ratepayers directly affected
- explain the rationale for the proposal, and
- transparently outline:
 - how the proposed minimum rate increase incorporates the rate peg and/or SV percentage increase
 - the annual increase (rather than just a weekly amount)
 - the full cumulative increase in percentage terms, and the total increase in dollar terms for ratepayers in each affected rating category
 - the impact on other ratepayers in the category who do not pay the minimum rate
 - any change in the proportion of ratepayers on the minimum rate.

How to respond for Criterion 3

The response for this criterion should demonstrate that the council used an appropriate range of methods to inform the community about the proposed increase to minimum rates and offered opportunities for the community to provide their comments on the proposal.

Where applicable, councils should provide references to their IP&R documents dealing with the proposal to increase minimum rates to demonstrate how the criterion has been met.

In the **text box**, the council should explain the consultation process, including:

- how the council has consulted with the community
- the forms of consultation used
- when consultation occurred

- which groups were consulted
- opportunities for the community to give feedback
- a summary of the outcomes and feedback received
- any action taken, or which will be taken, to address issues of common concern within the community about the proposal to increase minimum rates.

If the increase to minimum rates is in conjunction with a proposed SV, the response for criterion 3 should focus on the aspects directly relevant to the proposed MR increase

How did the council consult the community about the proposed increases to minimum rates?

a. The consultation methods used to make ratepayers aware of the proposal and provide opportunities for feedback from them.

As per the Community Engagement Plan (attachment 11) and Community Engagement Report (attachment 12), Council undertook a comprehensive engagement process using the following consultation methods:

- Council established an online SRV community engagement website which provided a wide range of information at <https://haveyoursay.strathfield.nsw.gov.au/>. The site could be read in 10 community languages reflecting the most used languages in the Strathfield LGA. The site went live on 6 December 2022.
- A community survey was hosted online, via the engagement website, with print copies available on request.
- Comments were able to be submitted via the website, as well as submissions via email and post.
- Three community information sessions were held in December 2022 – one virtual and two at Strathfield Town Hall.
- Pop-up information stalls were held in December 2022 and January 2023 across four locations around the LGA.
- A four-page information flyer called 'Protecting Our Future' was sent by mail on 6 December 2022 to all Strathfield LGA ratepayers/owners and households.
- A letter issued from the Mayor, Cr Matthew Blackmore, was sent to all ratepayers/owners and households in the Strathfield LGA on 9 January 2022.
- Multiple email newsletters regarding the proposed special variation options and minimum rate were distributed to over 31,000 registered recipients during the course of the engagement period.
- Updates were also issued on Council's Facebook, Twitter and Instagram accounts.

- A media release was issued on 14 December 2022 about the proposed SV and minimum rates.

b. When the consultation occurred.

Council undertook consultation with the community on the proposed special variation and minimum rate introduction from 6 December 2022 to 31 January 2023.

c. Which groups were consulted.

Council consulted with residents and businesses via a variety of engagement mechanisms. A broad range of ratepayers were consulted, and this included stakeholders within a variety of communities within the Strathfield LGA, including culturally and linguistically diverse communities (CALD) and those with English as a second language.

Council produced an SV Community Engagement Booklet (attachment 16) in four different languages – Tamil, Korean, English and Chinese Simplified.

The following table outlines the high-level list of stakeholder groups. Further detail on which groups were consulted is included in the Community Engagement Plan (attachment 11) and Community Engagement Report (attachment 12).

Stakeholder group	Who is in the group
Resident ratepayers	Homeowners who are residents of the Strathfield LGA
Renters	Renters who are residents of the Strathfield LGA
Landlord ratepayers	Investment property owners of property within the Strathfield LGA
Business ratepayers	Business property owners within the LGA
Business renters	Renters of business properties with the LGA

d. The way the proposed change to minimum rates was presented to the community.

Council presented the proposed introduction of a minimum rate to the community as an annual and weekly dollar increase over four years, to bring it to \$1,200 by year four. Following community feedback Council revised its proposal to introduce a minimum rate and bring it to \$1,200 over two years. Council also ensured that it highlighted to the community that the rate peg increase would not be applied during these transition years.

Council highlighted that approximately 70% of residential ratepayers would only pay the minimum rate and domestic waste charge.

Please see attachment 13 (SV Community Presentation), Council's SV Background Paper (attachment 10), SV Booklet (attachment 16) and Council's engagement website (<https://haveyoursay.strathfield.nsw.gov.au/protectingourfuture>) for the full details of how the proposed introduction of minimum rates was presented.

e. What feedback was received.

The feedback that Council received on the introduction of a minimum rate was generally supportive, with submissions agreeing while the cost of services would remain the same, a minimum rate would create a fairer distribution of rates paid for all ratepayers. Many comments also suggested that the minimum rate could be increased over a shorter period, to create a more equitable distribution of the rating burden in the shorter term. This was also seen in other comments concerning inequities of the rating system between houses and units, including that the "burden of rate increases is unfairly levied on owners of houses, not units." and "the need for flat/apartment/unit dwellers to pay a fair share of the rates is vitally important". Full details of the feedback received is included on pages 9-11 in attachment 12 (Community Engagement Summary Report).

f. How the council responded to any issues of concern raised in feedback from the community.

Council staff responded to queries and questions in person, via email, online and through the community presentation sessions. A summary of responses can be found in the Community Engagement Summary Report on pages 19-23. At the Council meeting on 28 February 2023, councillors fully considered the community concern that was raised during the engagement process, particularly the inequity of the current rating structure between units and single house dwellings and reviewed further analysis on an accelerated timetable to increase minimum rates (see SRV Council Report – Council Meeting 28 February 2023). After looking at the impacts of increased minimum rates to \$1,200 over one, two and three years for both business and residential ratepayers, Council resolved for a minimum rate application be made for the introduction and increase of minimum rates over two years, with minimum rates to rise in line with the rate peg after two years.

Table 3 Criterion 3 Attachments

Council- assigned number	Name of document	Page references ^a
10	Special Rate Variation Community Engagement Background Paper	
11	Special Rate Variation Community Engagement Plan	

Council- assigned number	Name of document	Page references ^a
12	Special Rate Variation Community Engagement Summary Report	
13	Special Rate Variation Presentation for Community Engagement	
16	Special Rate Variation Booklet	
17	SRV Council Report – Council Meeting 28 February 2023	13

a. If document only relevant in part.

Criterion 4 – Other relevant matters

The MR Guidelines provide that we will assess each application based on its merits against the three assessment criteria and any other matters we consider relevant. The MR Guidelines do not specify examples of such matters.

Consistent with the approach for assessing SV applications, IPART's approach will be to assess each of the three criteria, then make an overall assessment taking into account any other relevant factors.

In the text box the council may provide information in addition to that provided elsewhere in the Application which it would like to be considered when assessing the proposed increase to minimum rate(s).

N/A

Table 4 Criterion 4 attachments

Council- assigned number	Name of document	Page references ^a

a. If document only relevant in part.

Council certification and contact information

Certification of application

Councils must submit a declaration in the specified form. It should be completed by the General Manager and the Responsible Accounting Officer. Prepare a document in the form indicated below, sign, scan and attach as a public supporting document.

Application for a Minimum Rate Increase

To be completed by General Manager and Responsible Accounting Office

Name of council:	Strathfield Council
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We certify that to the best of our knowledge the information provided in this application is correct and complete.

General Manager (name):	Michael Mamo
Signature and Date:	_____
	x
Responsible Accounting Officer (name):	
Signature and Date:	_____
	x

Council contact information

IPART's formal contact with the council will be with the General Manager.

During the assessment period, IPART officers are likely to contact the council with detailed queries about the application and supporting documents. Councils should provide details of the primary contact for such inquiries where this person is a council officer who is not the General Manager. Council officer contact details will be redacted before publication of this application.

General Manager

General Manager contact phone	0437 [REDACTED]
General Manager contact email	[REDACTED]@strathfield.nsw.gov.au

Note: These contact details will be redacted before publication of the application.

Primary council contact

Council contact phone	0422 [REDACTED]
Council contact email	[REDACTED]@strathfield.nsw.gov.au
Council email for inquiries about the SV application	council@strathfield.nsw.gov.au

Note: These contact details will be redacted before publication of the application.

Secondary council contact

Council contact phone	+612 9748 [REDACTED]
Council contact email	[REDACTED]@strathfield.nsw.gov.au
Council email for inquiries about the SV application	[REDACTED]@strathfield.nsw.gov.au

Note: These contact details will be redacted before publication of the application.

List of attachments

Table 5 constitutes a check list such that all relevant documents are submitted to IPART.

Some documents are mandatory for all councils to submit, others only applicable if required by council's specific circumstances and application. Each council can determine which other supporting material to attach. To assist councils, Table 5 includes the names of some supporting documents commonly provided.

If the increase to minimum rates is in conjunction with a proposed SV, councils should include in the List of attachments all documents relied on in the application and referred to in Tables 1 to 4. Use the same council-assigned number shown in the SV Application Form List of attachments.

Complete the List of attachments, adding rows as necessary:

- Assign an identifying number and/or letter to each document. If the document is also attached to the council's SV Application Form Part B, use the number assigned by the council in that Application Form.
- Name each document.
- Check the box to indicate that it is being submitted with the application.

IPART will publish on our website the Application Forms and all material submitted as attachments to the application.

Table 5 List of attachments to the council's application

Council-assigned number	Name of Attachment	Is the document included in the application as submitted?
	Mandatory forms/attachments	<input checked="" type="checkbox"/>
OA	Application Form Part A (Excel spreadsheet)	<input checked="" type="checkbox"/>
OB	Application Form Part B (this Word document)	<input checked="" type="checkbox"/>
3	Council resolution to apply for the for the minimum rate increase variation (Council meeting 28 February 2023)	<input checked="" type="checkbox"/>
4	Certification	<input checked="" type="checkbox"/>
1	Strathfield 2035 – Community Strategic Plan	
2	Revised Delivery Program 2022-26 – Relevant extracts	<input checked="" type="checkbox"/>
14	Long Term Financial Plan in Excel format (Final Long Term Financial Plan 2022-2033)	<input checked="" type="checkbox"/>
10	Special Rate Variation Community Engagement Background Paper	<input checked="" type="checkbox"/>
12	Special Rate Variation Community Engagement Summary Report (including feedback, survey results and examples of consultation material)	<input checked="" type="checkbox"/>
13	Special Rate Variation Presentation for Community Engagement	<input checked="" type="checkbox"/>
16	Special Rate Variation Booklet (multiple translated versions made available)	<input checked="" type="checkbox"/>
N/A	Willingness to pay study (if applicable)	<input type="checkbox"/>
7	Hardship Policy	<input checked="" type="checkbox"/>
	Other public supporting material	<input checked="" type="checkbox"/>

Council-assigned number	Name of Attachment	Is the document included in the application as submitted?
5	Strathfield Council - Revised Long Term Financial Plan 2022-2033	<input checked="" type="checkbox"/>
6	Strathfield Council - Final Long Term Financial Plan 2022-2033	
8	Council Meeting Minutes – 6 December 2022	<input checked="" type="checkbox"/>
9	Capacity to Pay Report	<input checked="" type="checkbox"/>
11	Special Rate Variation Community Engagement Plan	<input checked="" type="checkbox"/>
	Confidential supporting material (i.e. not to be published on IPART's website)	<input type="checkbox"/>
15	Organisational Service Review Summary Report	<input checked="" type="checkbox"/>
17	SRV Council Report – Council Meeting 28 February 2023	<input checked="" type="checkbox"/>
		<input type="checkbox"/>

Important information

Submitting online

Applications must be submitted through IPART's Council portal by Friday, 3 February 2023.

- A file size limit of 10MB applies to the Part B Application Form.
- For supporting documents (Attachments) a file size limit of 400MB applies to public documents, and another 200MB to confidential documents.

It is not necessary to submit a document with the MR Increase Application Form if the council has submitted the same document as an attachment to its SV Application Form.

Confidential content

IPART will publish all applications (excluding confidential content) on our website. Examples of confidential content are those parts of a document which disclose the personal identity or other personal information pertaining to a member of the public, a document such as a council working document that does not have formal status, or document which includes commercial-in-confidence content.

Councils should ensure supporting documents are redacted to remove confidential content where possible, or clearly marked as CONFIDENTIAL.

Publishing the council's application

Important information

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