



WEDDIN SHIRE COUNCIL

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To Avoid Delay when
Replying or Telephoning

Please Quote: GAC:NB:R1.4

Your Ref:

9 December 2014

Mr Michael Seery
IPART
PO Box Q290
QVB POST OFFICE NSW 1230

Dear Sir

REFERENCE: SPECIAL RATE VARIATION APPLICATION

This letter is to formally advise that Council is applying for a special rate variation under Sec 508 A of the Local Government Act, 1993.

Attached is the report to Council whereby Council resolved to formally do this.

The proposed increased amount is 7% per annum including the rate peg for a four year period with the increases remaining permanently in the rate base after this time.

The primary purpose of the proposed increase is to facilitate the capital construction of and ongoing maintenance for a new regional medical centre to ensure attraction and retention of key medical and para medical professionals in the Shire based in Grenfell as well as loan servicing costs. It is also essential to fund construction of, ongoing maintenance for and loan servicing for Weddin Regional Aquatic Centre to serve the needs of a growing younger population and an aging population.

While Council has previously resolved to seek such an increase in order to deliver on the top two priority projects Council is wanting to consider the results of a recent community survey to validate the delivery plan community consultation. This will be considered at the Weddin Shire Council Meeting to be held on Thursday, 18 December 2014 for final determination and you will be further advised if there is an alteration to the proposed increased amount.

Councils contact details are as follows:

Weddin Shire Council
PO Box 125
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If you have any queries please do not hesitate to contact the undersigned.

Yours faithfully

GLENN CARROLL
GENERAL MANAGER

Encl.

10. Special Rate Variation Application,

As previously advised council's application for a Special Rate Variation (SRV) has been declined.

Reference is made to IPART's determination which outlined a lack of community consultation specifically relating to the special rate variation as the major reason as to why the SRV application was declined.

The following points are also of note:

- Whilst it was acknowledged significant community consultation was undertaken in the development of council's IP&R documentation consultation specifically relating to the SRV itself was inadequate. Both \$ & % impacts of a SRV need to be clearly outlined for all rating categories.
- Comparison of rating categories with the Office of Local Government (OLG) Group 9 peers highlighted some anomalies such as farmland rates being approximately half the group average. Whilst business rates are approximately 50% higher than the group average.
- The absence of a Hardship Policy was noted as was the lack of data on how we apply a flexible approach to assisting those experiencing hardship.
- Council must be able to demonstrate a commitment to cost reduction/containment and efficiency.
- Council may consider applying again for a SRV in future years.
- The SRV application was completed without using an external consultant.

If the decision is made by council to re-apply for a SRV the following points are relevant:

- Community consultation needs to specifically address the \$ & % impacts of the SRV across all rating categories.
- Consideration must be given to applying the SRV differentially across categories given the comparisons to OLG Group 9 peers.
- Development of a Hardship Policy should be undertaken.
- A review of our data collection practices regarding current assistance provided to rate payers experiencing hardship is being undertaken which will allow this data to be available to support a future SRV application.
- Council is currently in the process of participating in a procurement road mapping project which is designed to reduce external supplier costs and increase internal efficiencies. This will assist us to demonstrate a commitment to cost reduction/containment and thus support any future application.
- As a general observation we need to acknowledge the increasing importance placed on community consultation in supporting applications whether they are for a SRV or grant funding. We also need to acknowledge the increasing level of detail expected in any applications and incorporate these requirements into our processes.

508 RESOLVED: Cr Parlett and Cr Hughes that Council re-apply for a Special Rate Variation for the 2015/2016 year.

509 RESOLVED: Cr Brown and Cr Best that Council formalise and further develop and implement a Hardship Policy.