

# fact sheet

## Special Rate Variation Proposal

### Introduction

Under the Integrated Planning and Reporting Framework (IPR) Council has developed a Community Strategic Plan (CSP) 2013-2023. This plan was developed in consultation with the community and provides a guide to Council about the community's goals and expectations for the Shire in 10 years.

From this plan Council developed a set of integrated plans that show how Council will achieve these goals, and the resources required to fulfil the community's needs and desires.

In preparing and planning for the future, Council has identified an annual shortfall in general fund asset renewal expenditure, of \$2.7m annually. Basically, there isn't enough money available in Council's budget for the maintenance and upgrade of roads, bridges, assets, and other Council facilities (like community buildings, parks, and public reserves).

### Special Rate Variation

In 2009/10 Council was successful in securing a special rate variation of 8.43% (which included a rate cap of 3.5%). This special rate variation is set to expire in June 2014, which will result in

a decrease in Council's revenue even further. The additional funds have significantly assisted Council in providing the required maintenance and upgrades to roads, drainage, and village plans.

*What your money has been spent on annually:*

*Road resealing*

*\$100,000*

*Drainage*

*\$50,000*

*Community Village Plans*

*\$30,000*

Council's proposal is that this special rate variation be continued permanently. This means that rates will remain at the elevated amount and be adjusted according to the NSW State Government rate cap. This year the rate cap is 2.3%.

### Implications of not continuing the special rate variation

A decrease in Council's revenue of approximately \$180,000 per year will result in Council not having sufficient funds for the ongoing maintenance and upgrades to community assets.

Service levels will decrease accordingly resulting in a decline in the quality and condition of roads, recreational facilities, and stormwater drains.

### Is this the only option?

Council has already significantly reduced its ongoing business processes through sharing services with neighbouring Councils, providing some services online, and through the sale of excess Council land. Cost efficiencies are continually being explored and implemented, however the shortfall still exists.

### Who will pay?

If Council is able to retain the Special Rate Variation, ratepayers across the Shire will see an increase in their General Rates of 2.3% for the 2014/15 financial year.

### Ongoing sustainability

Long term financial planning has highlighted the need for Council to find additional increases in revenue in the future. Council will need to review its operations and services levels to ensure that it remains financially sustainable.

Either further increases to rates or changes to service levels, or both, may be necessary.

Council will continue to consult with the community to achieve the best results and provide affordable, cost effective services to our community.