



December 2013

## Funding Your Council Services into the Future

Coffs Harbour City Council is proposing to apply for rate rise over the next three years to raise an extra \$6.2 million.

Council looks after around \$2 billion worth of public assets. For example, we have to maintain over 800kms of roads, 200kms of stormwater pipes, 300 buildings and 55 playgrounds.

Over many years, funding for the repair and renewal of this infrastructure has gradually been reduced to fund other operational expenditure.

As a result, we cannot keep these assets in a useable condition unless we can generate additional rate revenue.

### How did this happen?

This position has been created over several decades. The primary causes are:

- ... State Government 'rate pegging' legislation that has, over more than 30 years, meant increases in revenue have not kept pace with inflation or CPI.

... **Cost shifting:** Council is now responsible for 25 extra services that were previously the responsibility of State or Federal Government. These cost us an extra \$4.4 million every year to deliver.

... **Community expectations:** Council now delivers a wider range of services than it did in the past.

### Your Feedback

A recent community-wide online survey confirmed that residents want Council to continue providing the current level of public services. To do that, we need to keep our facilities in a useable condition - hence the need for maintenance and renewal.

But, like any household, we can't continue to spend more than we earn.

Council has undergone a rigorous internal review of how it delivers services to ensure we do it as cost-effectively as possible. We are also planning an independent review to make sure we have identified all possible savings.



## The Next Step

However, a funding gap remains.

So, to maintain services at the current levels that the community wants, Council is proposing to increase rates above the allowable State Government increase (rate peg) over three years.

This proposed rate increase would see the total annual rate bill - for the average

residential property - increase by approximately 5% per year from 2014/2015.

By the third year of the proposed rate increase (2016/2017), this would see the average residential ratepayer paying approximately \$165.29 per year (\$3.18 per week) more than if just the State Government's rate peg increases were applied over the same three year period.

## Your View

We want your view on the Special Rate Variation proposal. You can do it online by going to [www.coffsharbour.nsw.gov.au/financialsustainability](http://www.coffsharbour.nsw.gov.au/financialsustainability) or by filling in the form below:

I understand that the current levels of Council services cannot continue without a rate rise being generated to repair and replace our ageing public infrastructure, so I would support Council applying for a rate increase over the next three years to help pay for the ongoing renewal and maintenance of the assets needed to deliver services to the community.

Strongly Disagree      1      2      3      4      5      Strongly Agree

(Please circle the number that indicates your view)

Your name & address or email address:

(Council uses this information to verify survey responses. Your details remain confidential)