Enquiries to: Cr S



Our Ref: 16/0367(16/62895)

Your Ref:

14 October 2016

Review of Local Government Rating System Independent Pricing and Regulatory Tribunal PO Box K35 HAYMARKET POST SHOP NSW 1240

Dear Sir/Madam,

Re: Submission to the Review of the Local Government Rating System

Please find enclosed Council's Submission to the Review of the Local Government Rating System – Draft Report.

Yours sincerely,

Cr Sue Moore Mayor



ABN 52 877 492 396 Address all correspondence to the General Manager: PO Box 314 SINGLETON NSW 2330

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"Singleton. A progressive community of excellence and sustainability."

Printed on Recycled Stock. This submission from Singleton Council (Council) responds to several draft recommendations raised in the Draft Report released by the Independent Pricing and Regulatory Tribunal (IPART) in relation to the Review of the Local Government Rating System.

Draft recommendation

- 20. The current pensioner concession should be replaced with a rate deferral scheme operated by the State Government.
 - Eligible pensioners should be allowed to defer payment of rates up to the amount of the current concession, or any other amount as determined by the State Government.
 - The liability should be charged interest at the State Government's 10-year borrowing rate plus an administration fee. The liability would become due when property ownership changes and a surviving spouse no longer lives in the residence.

As indicated in Council's submission to the IPART Review of the Local Government Rating System dated 11 May 2016, Council does not support deferral of payment of pensioner rates. Council supports a pensioner concession fully funded by the State Government.

Council has some concerns with how the deferral scheme will work and the impact that the change will have on Council's financial indicators such as Rates and annual charges outstanding percentage.

The proposed deferral scheme is very unlikely to be welcomed by pensioners as it will only defer their rate payments out of their estate or impact on those who would eventually need to sell their home to move into retirement accommodation. Those pensioners deferring rates for longer periods of time may have insufficient funds to meet the obligation at the time of disposal of the property.

26. Any difference in the rate charged by a council to a mining category compared to its average business rate should be primarily reflect differences in the costs of providing services to the mining properties.

Operating within the Singleton LGA are 12 major coal mines which employ more than 5,000 workers in mining and associated support industries. These mines do have a major impact on Council's transport infrastructure assets (local roads and bridges). As such, Council does not agree with the NSW Minerals Council statement "that mines are generally self-sufficient, and that councils are charging excessive rates on mining properties often based on the maximum tax the council thinks it can extract from the mines".

Council is not supportive of restrictions being imposed on the ad valorem rates for mining.