

29 September 2009

Mr Michael Seery
Program Manager, Local Government
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

Email: ipart@ipart.nsw.gov.au

Dear Sir,

Re: Revenue Framework for Local Government

I refer to previous correspondence in this matter and advise that Council passed the following resolution at its Council Meeting on Monday, 28th September 2009:

296/09 Moved Cr IM Brown, Seconded Cr RT Bridges, **That Council advise the Independent Pricing and Regulatory Tribunal that the following matters in the report 'Revenue Framework for Local Government' be addressed:**

- (a) **Council questions the necessity, practicality and cost of conducting regular community questionnaires on the effectiveness of Council's service delivery.**
- (b) **The report states 'The regulated annual rate increase should be based on the annual movement in a local government cost index (LGCI) and a local government productivity factor'. Council requests that the LGCI be reviewed with special attention to those cost areas affecting rural councils such as fuel and heavy plant parts. Further, it considers that it needs more information as to how the local government productivity factor component will be used to determine annual rate increases.**
- (c) **In relation to the Minister's discretion and flexibility to determine an increase in rates, Council asks why this should be the case if a Council has satisfied all other measures and accountabilities that are required to allow its autonomy as per Option B.**

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- (d) **As a key component in achieving the ability to determine its rate increase, a Council is required to have received a community mandate through consultation or a public vote. Council questions the likelihood of a community ever giving a Council such permission and if that is the case how will Option B be achieved.**
- (e) **The report states that the Local Government Cost index and its calculations should be published on 1st March each year. Council asks when will the Minister then make a decision on rate increases, as March is too late for the budget process of most Councils.**
- (f) **Council notes the options suggested by IPART in respect of rating and acknowledges that whilst they go some way towards removing rate pegging it remains Council's strong position that rate pegging should be abolished and it be left to each Council and their community to determine the level of rates to be levied."**

If you have any queries in relation to this matter, please do not hesitate to contact Mr Graham Apthorpe on 02 6340 2007 or email to gapthorpe@cowra.nsw.gov.au.

Yours faithfully

Paul Devery
General Manager