

Business Paper

LATE REPORTS EXTRAORDINARY COUNCIL MEETING

**ALBY SCHULTZ MEETING CENTRE,
COOTAMUNDRA**

11:00AM, WEDNESDAY 3RD FEBRUARY, 2021

Administration Centres: 1300 459 689

LATE REPORTS

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5 GENERAL MANAGER'S REPORT

5.1 FINANCE

5.1.2 APPLICATION FOR SPECIAL RATE VARIATION 2021 - SUPPLEMENTARY

DOCUMENT NUMBER	342930
REPORTING OFFICER	Marianne McInerney, Executive Assistant to the General Manager
AUTHORISING OFFICER	Phillip McMurray, General Manager
RELEVANCE TO COMMUNITY STRATEGIC PLAN	<p>4. Good governance: an actively engaged community and strong leadership team</p> <p>4.1 Decision-making is based on collaborative, transparent and accountable leadership</p>
FINANCIAL IMPLICATIONS	There are no Financial implications associated with this report.
LEGISLATIVE IMPLICATIONS	Compliance with S508(A) of the Local Government Act, 1993.
POLICY IMPLICATIONS	There are no Policy implications associated with this report.
ATTACHMENTS	Nil

RECOMMENDATION

1. Council consider this report in conjunction with item 5.1.1 Application for Special Rate Variation 2021.
2. The following recommendation be considered as an alternative to 4. *That, reflective of community feedback detailed in the report, IPART consider a mechanism for a review process to be undertaken in 12 months' time following a determination of the Minister for Local Government in response to a proposal to demerge Cootamundra-Gundagai Regional Council (CGRC), without either CGRC or demerged Gundagai and Cootamundra Councils having to undergo another costly and emotionally challenging full SRV application process.* in item 5.1.1 Application for Special Rate Variation:
4. That in response to strong community preference IPART considers using its powers under s508A(4) of the Local Government Act, 1993 (the Act) to add a condition to the approval instrument requiring Cootamundra-Gundagai Regional Council to re-engaged with the community through a postal survey proximate to May, 2022. This request respects the community's wishes to retain a voice after Council has demonstrated efficiencies and after the Minister has provided advice of the Boundary Commission's decision. The community has made it very clear that they desire a further consultation, however, that they want to avoid the high pecuniary and emotional costs of a further full SRV application. A postal survey therefore appears to be the most efficient way to satisfy the community's wishes.

With the proposed survey as detailed below:

Now that the community has been able to see the changes to efficiency as well as the outcomes of the Minister's boundary decision, to maintain the optimum level of service to the community, Council needs to pass on the remaining three years of proposed rate increases as per the 2021 approved Special Rate Variation proposal and instrument.

Do you agree that this must be done?

Yes, Council must pass on the remaining three years of SRV rate increases as approved in the IPART instrument to ensure that service levels are maintained and council remains sustainable.

No, Council must not pass on the remaining three years of the SRV rate increases as approved by the IPART instrument. I understand that this may mean that Council has to conduct a new costly Special Rate Variation, or that this might place Council solvency in jeopardy.

Introduction

Council requested clarification of the staff recommendation in relation to the recommendation number 4 proposed by Professor Drew for the consideration of Council. This addendum to recommendation 4 is detailed to provide that clarification.

Discussion

The recommendations detailed in item 5.1.1 Application for Special Rate Variation 2021 prepared for the consideration of Council vary from Council's original proposal for the Special Rate Variation (SRV) detailed in the recent extensive community consultation, by proposing an SRV with a proposed 53.5% increase over four years as detailed in recommendation 3 in item 5.1.1 Application for Special Rate Variation 2021.

This SRV will secure the cash position of Cootamundra-Gundagai Regional Council over the 10 year Long Term Financial Plan and allow time for Council to respond to the community's request for even further efficiencies that will ensure longer term financial sustainability.

Staff have observed a potential negative response in re-engaging with the community through a postal survey in May, 2022. However, Staff respect the strong indication from the community that it wishes to be re-engaged in a way that avoids the substantial pecuniary and emotional costs of another full SRV process. This was particularly evident from the feedback of the two citizen juries which each spent well over five hours examining the evidence in this matter, as well as the community meetings' feedback. While Staff appreciate the opportunity to provide our contribution to the SRV, it is understood that it is up to Council's elected representatives to make the decision, based on what has been reported and what is in the best interests of the Cootamundra-Gundagai community.

As such, the proposed modification to the recommendation 4 detailed in item 5.1.1 Application for Special Rate Variation 2021 is submitted for the consideration of Council as detailed below: