

08/08/2019

C/o Department of Environment, Land, Water and Planning,
1/135, 2 Lonsdale St
Melbourne, Vic, 3000

Submission to Local Government Rating System Review:

This letter is in relation to the current consultation being undertaken via Engage Victoria, regarding the Local Government Rating System Review.

The following key points are submitted for your consideration...

1. Please include in your review an analysis of where rates paid by residents of the rural Eastern Dandenong Ranges section of Cardinia Shire Council are predominantly spent.
2. There should be a mechanism introduced to ensure that rates expenditure is made transparent to ratepayers and is distributed equally amongst Cardinia's communities.
3. All growth corridor related expenditure, should be funded by rates sourced from the directly benefitting communities and from other sources of revenue. Rates raised in rural parts of the Shire should not be redirected to growth-related projects, including the expansion of staff numbers in the council organisation, attributable to population growth.
4. A dual accounting system should be considered, which quarantines expenditure that is required due to population growth. This would allow revenue raised from rural communities to be fully accounted for and returned to rural communities, rather than diverted to help fund new suburbs.

There is a permanent, structural lack of fairness in the way that rural rates from the Northern section of Cardinia Shire Council are spent outside of the district - on Growth Corridor priorities.

For the past 20 plus years, the strong local feeling is that the overwhelming majority of our rates contributions to Cardinia Shire Council have been spent on projects, infrastructure and council organisation expansion down in the Beaconsfield/Officer/Pakenham growth corridor to the south. Effectively, our rates have helped fund a growth corridor project that has little relevance, nor benefit, for our communities.

Local ratepayers, volunteers and community organisations in the rural townships of Menzies Creek, Emerald, Avonsleigh, Cockatoo and Gembrook live and travel on an East/West axis. There is no public transport links down to the Princes Highway from our part of the Shire. Our public transport links are to the West. There is no transparency about what proportion of our rates are spent outside of our district. Cardinia puts it into general revenue – most of which is spent down near the Prince Highway – over 20-30 minutes drive away.

Community projects are far harder to get off the ground than they should be and local volunteers become disheartened. Our roads, drains and services remain sub-standard. Projects are offered ad-hoc – usually poorly implemented. The local opportunity cost for failure to invest in and support tourism

and rural business by having a local government distracted by and focussed on growth corridor pressures, is unknown.

We still don't even have a Green Wedge Management Plan for our Cardinia section of the Yarra Valley and Dandenong Ranges Green Wedge, despite sustained community-led requests for a strategic plan for the district since the early 2000's. Farming is in decline as rates increases to fund the growth corridor are driven up. Land prices are soaring due to demand for lifestyle properties caused by a lack of strategic management to support continued farming, further undermining the viability of farming in the district and driving rates still higher through revised valuations.

Our local ward councillors are in a permanent minority on Council. They cannot win enough initiatives to divert a fairer share of funds away from the Southern part of the Shire through the local political process. A large amount of Council business is now conducted in closed doors briefing sessions, where deals are negotiated in private between management & councillors - the occasional concession is granted for a project in the north. To make matters worse, boundary re-alignments in recent years have added sections of the growth corridor into our ward, so the very areas that are benefitting from diversion of our rural rates, now also demand more & more time from what are supposed to be our local councillors. Our communities are caught in a worsening structural trap not of our making.

So without the ability for our councillors to lead or win structural changes to make the flow of rates out of our district more transparent, or to make the distribution of rates fairer, the community becomes disengaged and cynical, which only strengthens the cycle of our rates being used outside of the district as we withdraw from participation in local government due to the lack of fairness and equity.

The Northern part of Cardinia Shire Council is a distinct community of interest. It is not fair that our rural communities are caught up in subsidising the building of new suburbs half an hour away from us – on a separate transport network, that the vast majority of us do not benefit from. It is enough that our State and Federal taxes already contribute to the national project of urban development. Adding our rates into the redistribution makes it just triple dipping. Meanwhile, our own communities go backwards, due to lack of council support and growing disengagement of ratepayers.

Improved transparency of rate revenue inputs & outputs, combined with separate accounting for and funding of new suburban development, would go some way towards addressing the situation.

Please advise me of the Review Board's decisions, in response to the 4 points raised above.

