

Rating Review

1. The problem is the Budget system which defines the rate income that is required. There is limited engagement in a meaningful manner for residents to have an influence on the budget. The Sec 223 process is too late and too little in the process. Council staff are locked in on their issues and treat submissions with contempt.
2. The use of property values does not correlate with the owners capacity to pay. This may be the situation when prolonged drought decimates an income stream or it may be when a person loses a job and is on newstart.
3. There are things like kindergartens which should be funded by government.
4. Things like social engineering – community strengthening - should be funded by government
5. Economic development services are often duplicating State services so that should be left to the State.
6. The property rates need to go into providing basic services on roads and parks and assets such as halls – rates derived from property values should be spent on property.
7. There needs to be a consistent hardship policy for severe financial hardship where part of the rate can be charged against the CIV of the property and recovered when the property is sold or changes ownership or when the hardship is dissipated. Like a reverse mortgage.
8. Whilst there is a rate cap of 2.5% this year the total rate income has increased by 3.4%. Our Council rates have increased by 90% over the past 12 years but CPI has changed just 31%. The population has grown from around 25000 to almost 30000 in the same period. The amount of roads and assets has not changed so why have rates soared? The amount of rates spent on roads is just 15% of the total – where is the money going?
9. The State should control the rate increases like it does with the Water Boards.
10. Councils need to pay an efficiency dividend – ie reduce staff each year. At present the system rewards CEO's by the size of their establishment.
11. Ratepayers need to have a voice on setting the rates other than via Councillors – there needs to be a community review body. It is a bit like the company remuneration – shareholders can vote on the level of the package and 2 strikes and you are out.
12. This review concentrates too much on the rates and not on the Budget process that underlies the rate needs.
13. There is too much power in the hands of the CEO's
14. Council elections should be held in July/August so that new Councillors can have a reasonable time to set things in place before the budget deliberations and not be steam rolled by the CEO.

