

March 7: Deadline for submissions to IPART on GRC Rates Rise

Members of KBPA have provided the below information for those who wish to write a submission to IPART objecting to the rate rise.

What are the issues surrounding the rates harmonisation proposal:

- no information on cost savings proposed and introduced by GRC since 2016 to 2021,
- no access to the Financial Sustainability Working Party, formed in mid-2019, to look at potential cost savings,
- the Audit and Risk Management Committee recommended sale of Council property – 2 carparks – to reduce the financial deficit,
- the A&RMC recognised that expenditure was out-stripping income, which suggests that financial management is poorly controlled,
- the wide discrepancy between the former Hurstville and Kogarah Council's minimum rate, being \$586 and \$967 respectively, the proposed new rate will be \$965.80,
- no effort to find a mid-way point, financial relief for those former ratepayers from the 2 amalgamated councils, and then work towards gradual increases in rates in the coming years,
- Citizen Advice Group, randomly selected ratepayers, September 2020, deliberations not disclosed,
- compared to neighbouring amalgamated councils, GRC has fewer FTES, more directorships, lowest population but needs a much higher minimum rate in the proposal to IPART.

What was presented at the Extra-Ordinary Meeting on February 8, 2021:

- Clr W Tegg mentioned that savings have been made during the period of COVID-19
- Audit & Risk Management C'ttee given as saying that deficit can only be run for so long, then response to increase income
- V Badalati strong suggestion that waste in financial management has happened
- C Hindi referred to 'transition period' for rates harmonisation in draft legislation
- response from General Manager that new councillors can run on platform of changes to rates
- claims that savings identified in application to IPART. Yet General Manager refers to other cost savings with remodelling

Misleading positions presented by GRC during community consultations:

- council rates are tax-deductible so won't affect the rental market,
- no mention of cost savings in brochures, or in correspondence with mayor and director of City Innovations
- supposedly \$1 to \$3 per week increase in 2019; in 2020, supposedly 60cents extra per week, could be misleading to use the average weekly increase in rates,
- emphasis on average values/increases muddles the discussion,
- ad valorem and land valuation figures used inappropriately to deflect from rates harmonisation,
- avoiding any focus on business rates,
- much community consultation 'shut-down' by MC, to deflect the negative comments

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