

Special Rate Variation

COMMUNITY ENGAGEMENT AND AWARENESS

Criterion 2 in the SV Guidelines is:

Evidence that the community is aware of the need for and extent of a rate rise. The Delivery Program and Long Term Financial Plan should clearly set out the extent of the General Fund rate rise under the special variation. In particular, councils need to communicate the full cumulative increase of the proposed special variation in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category. The council's community engagement strategy for the special variation must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur. The IPART fact sheet includes guidance to councils on the community awareness and engagement criterion for special variations.

This document will form part of the **Special Variation Application Form Part B**

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2.1 How did the council engage with the community about the proposed special variation?

a) Outline the council's consultation strategy and timing

Queanbeyan-Palerang Regional Council had three key aims when conducting our consultation in accordance with IPART requirements.

- Inform the community and stakeholders about the need for a rate rise
- Provide clear explanation of what would happen if we do not adopt a rate rise
- Clearly outline three viable SRV scenarios with impacts to ratepayers and community services

The consultation ran from 16 November – 31 January and unpacked three scenarios that use different approaches to return QPRC to a sustainable financial position.

Under Scenario 1, the general rate will increase by 12% every year for three years (including the rate peg). This would be a cumulative increase of 41%. Following this, rate increases will follow the rate cap amount set by IPART. This scenario requires significant cuts. There would need to be a strategy to reduce expenses by \$12 million per year.

Under Scenario 2, rates will increase by 18% every year for three years (including the rate peg). This would be a cumulative increase of 64%. Following this, rate increases will follow the rate cap amount set by IPART. This scenario will require significant cuts to services and immediate annual savings of \$5.5 million per year.

Under Scenario 3, rates will increase by 28% for the first year, 25% for the second year and 23% for the third year. This would be a cumulative increase of 97%. Following this, rate increases will follow the rate cap amount set by IPART. This scenario fully funds the current level of services and includes some additions to environmental programs and infrastructure renewal.

The communications strategy for the SRV included face to face workshops, print media, radio interviews, social media, web newsletters, and web stories as well as our consultation website – Your Voice. This gave our staff the opportunity to have complex discussions with the community and provide a voice of truth.

Thought was put into the graphic design elements to create the clearest possible explanations for residents as well as a rates calculator which was launched once the new land valuations were released. The new property valuation added an extra obstacle to clear communication about the impact of the SRV and was a key feature of the second stage of community discussion.

General timeline of communications	Date
Braidwood Community meeting	15 November 2022
First Media Release	16 November 2022
Jerrabomberra Community Association meeting	16 November 2022
South Jerrabomberra Resident's Association	16 November 2022
ABC Radio Canberra	16 November 2022
Interview Kenrick Winchester	
2CC Radio	22 November 2022
Interview Kenrick Winchester	
Queanbeyan Community meeting	22 November 2022
Mayors column article	23 November 2022
Bungendore Community meeting	24 November 2022
Greenways s355 meeting	27 November 2022
2CC Radio	
Interview Rebecca Ryan	
Second Media Release	28 November 2022
Your Voice survey	28 November 2022
Fernleigh Park Meeting	28 November 2022
First Social Post	28 November 2022
Braidwood Community meeting	29 November 2022
Mayors column article	30 November 2022
Print Ad	30 November 2022
Braidwood and Villages Business Chamber	1 December 2022
Second Social Post	1 December 2022
eNews article	2 December 2022
Your Voice Newsletter	5 December 2022
Queanbeyan Residents and Ratepayers Group	6 December 2022
Mayors column article	7 December 2022
Majors Creek Progress Association	11 December 2022
Bungendore Town Centre & Environs Committee and Bungendore Chamber of Commerce	12 December 2022
Print Ad	14 December 2022
QPRC Newsletter to all residents	12-16 December 2022
Araluen Community meeting	15 December 2022
Googong Resident's meeting	19 December 2022
Wamboin Community meeting	20 December 2022
Third Social Post	12 January 2023
Rates calculator launched	12 January 2023
Your Voice Newsletter	12 January 2023
eNews article	13 January 2023
Mayors column article	18 January 2023
eNews article	20 January 2023
Print Ad	25 January 2023
eNews article	27 January 2023
Gundillion Community Meeting	30 January 2023

A range of documents have been provided as part of the communication of the SV. Alongside the documents on public exhibition an internal Communications Strategy was developed to guide community engagement.

Documents on exhibition – available at yourvoice.qprc.nsw.gov.au/srv

- Three Page Explainer
- Rate Myths document
- Example Rates Notice
- Questions and Answers document
- Average rate tables for each scenario
- Rate impact tables for all scenarios - Typical, Low, High value properties
- Draft Long Term Financial Plan 2022-32
- Draft amended pages from the Delivery Program 2022-26
- Service Statements document
- Organisational Service Review Report

Supplementary SRV documents:

- Communications Strategy
- Special Rate Variation – Consultation Summary
- SRV and LTFP Engagement Report

Additional contextual documents:

- Community Strategic Plan - Towards 2042
- Resourcing Strategy

b) Indicate the different methods the council employed to make the community aware of the proposed SV and seek their feedback, and why these were selected.

Communications tools

During the SRV process we used many communications tools to help people understand the background, to simplify the way our budget works, and use comparisons to help place our situation in the world alongside other real costs the community is familiar with.

Some of these tools include:

- A detailed Q&A document
- Presentations for community meetings
- A three-page document that introduces the SRV
- An example rates notice to show affected fees
- Tables of rate impacts for each scenario
- Service statements that show what Council provides and relative cost to rates
- Colourful graphs and graphics that make complex information more engaging
- Media releases, Mayors column and eNews articles

We have a very diverse region and our communication channels and tools were chosen to target the widest section of our community. By using a combination of digital, print, web and social media we were able to inform a broad section of our community.

Media coverage

We shared two media releases introducing the rate rise and encouraging the community to have their say through our online consultation platform, email, or in writing which could be delivered by hand or mail and a third that discussed the IPART extension.

The media coverage in our area was broad and the issue was mentioned on local TV News, in regular radio coverage and in major newspapers as well as our smaller local newsletters.

There were more than 25 unique articles and radio interviews between 16 November and 31 January as well as many syndications with some articles being published three times. The larger newspapers, like The Canberra Times (syndicated as the Queanbeyan Age and Braidwood Times) cover an audience of more than 30,000 viewers per print edition and a digital audience of over 500,000 unique monthly visitors (UMV).

The Regional Independent, a dedicated local newspaper with print circulation of more than 5,000 copies per month has had an article about the rate rise each week since 16 November as well as our weekly mayors column and fortnightly advertisement directing readers to our engagement platform (yourvoice.qprc.nsw.gov.au).

There was significant radio coverage in the first week following the announcement from local broadcasters including ABC Radio Canberra – which has a high listenership in commuters. Similarly, there has been coverage on 2CC and its sister stations 2CA and KIX. These stations have a potential listenership of more than 400,000 people.

For media coverage and radio see the appendix.

QPRC News

Eight times each year we publish a four-page newsletter which is sent to every address in the LGA. Three pages of the newsletter were dedicated to the SRV explaining the history, our financial position, three scenarios to become financially sustainable and a breakdown of how rates are spent currently.

The social media and web interactions following QPRC News showed how effective this platform is at reaching a wide variety of community members – with a spike in respondents after the edition hit mailboxes. Customer satisfaction surveys have shown that QPRC News is the most effective way residents hear about Council news.

Social media

We kept our social media posts low (3 posts) as the topic naturally flooded our page.

FACEBOOK ENGAGEMENT BREAKDOWN

Native posts

[Initial post - CTA Your Voice](#)

- Reached more than 12,000 users
- Had more than 7,000 engagements including 1150 link clicks and 38 shares
- This post had more than 720 comments.

[Second post - breakdown of proposed increase on average rate payers](#)

- Reached more than 8,500 users
- Had more than 4,500 engagements including 163 link clicks and 17 shares
- This post had more than 250 comments

[Third post – introducing rates calculator](#)

- Reached more than 15,000 users
- Had more than 5,000 engagements including 1,500 link clicks and 23 shares
- This post had 140 comments

Post commentary

Many posts on our page after the initial SRV post also received comments about the rate rise. This included things like the recent launch of Food Organics and Garden Organics processing, road safety initiatives and events. This was a good opportunity to correct misinformation.

Community noticeboards

The community notice boards have been extremely active. There are innumerable groups, however, we have three main noticeboards in our region - Bungendore,

Braidwood and Queanbeyan – together they have a membership of more than 30,000 users.

Each has shared the rate rise – directly from us, from media coverage and sharing images of our printed newsletter alongside commentary. This provides a good understanding of how widespread knowledge is about the consultation.

Community meetings

The Mayor and General Manager (GM) have attended regular community meetings since the announcement. This began with our Council community meetings in Braidwood, Queanbeyan and Bungendore as well as local ratepayer associations, business chambers and progress associations across the LGA. They have seen 350 people face to face and have left each meeting with a group of well-informed community members who can help direct others to accurate information. The community meetings also provided a good understanding of how residents feel about the proposal. These meetings allowed for constructive critiques and suggestions from the community.

Digital engagement

We received more than 820 unique responses on our Your Voice webpage engaging with the proposal and showing a level of understanding of the affect the change would have on them as well as other parts of the community.

Unsurprisingly the majority of respondents did not want to pay more rates, and many wanted greater services at better 'value for money'. This is explored further in section 2.3 b.

2.2 How did the council present the impact of the proposed special variation in the consultation material?

The impact of the three rate rise scenarios was represented in a range of tables and comparisons in both print and web formats. These include:

- Average residential rates
- Service level comparisons
- Average rate tables (for each scenario)
- Typical rate tables (low/med/high property values)
- Rates Calculator (in January)

The representations of the data get increasingly complex and specific, providing further detail and examples for each of our rating categories.

Average residential rates (as seen in QPRC News and on Your Voice)

How will a rate rise affect me?

In QPRC we have more than 20 rating categories so the effect on you will depend on where you live and the value of your property. The proposed rate rise will affect the general rate charge. Waste, sewerage, stormwater, and water access charges will not be affected by this change.

Below we have shown what the average rate looks like under each scenario.

On our website you can see what each scenario looks like for your rating category. All rate increase figures are inclusive of the rate peg and are permanent.

Scenario 1: Significantly Reduce Services

year one 12%	increase of \$129
	\$2.50 extra per week
year two 12%	increase of \$144
	\$2.80 extra per week
year three 12%	increase of \$161
	\$3.10 extra per week
41% cumulative rates increase	

Scenario 3: Maintain Services

year one 28%	increase of \$356
	\$6.85 extra per week
year two 25%	increase of \$407
	\$7.85 extra per week
year three 23%	increase of \$468
	\$9 extra per week
97% cumulative rates increase	

Is there financial support?

We have a robust financial hardship policy designed to support ratepayers in situations beyond their control and defer payments where they would cause hardship.

We offer interest free payment arrangements for up to two years and all applications are assessed against the eligibility conditions in our policy.

Scenario three also includes an additional \$100 for pensioners across QPRC. This will bring the pensioner rebate up to a maximum of \$525, depending on what services you pay for.

If you are having difficulty making your rates payments, please contact us.

- You can learn more about rate relief and find our Hardship Application form at bit.ly/QPRC-RP or by calling 1300 735 025

Scenario 2: Reduce Services

year one 18%	increase of \$229
	\$4.40 extra per week
year two 18%	increase of \$270
	\$5.20 extra per week
year three 18%	increase of \$319
	\$6.15 extra per week
64% cumulative rates increase	

On our website you can see what each scenario looks like for your rating category at www.qprc.nsw.gov.au/srv

Learn more at...



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P 1300 735 025 E council@qprc.nsw.gov.au

www.qprc.nsw.gov.au

Service level comparisons (as seen in QPRC News and on Your Voice)

Three scenarios

We have unpacked three scenarios to show what Council services would look like with different rate rises.

Scenario 1: Significantly Reduce Services

Increase rates by 12% every year for 3 years. This scenario does not fully fund current Council operations and will require a strategy to find immediate savings of \$12 million each year.

\$12 million in savings each year will mean stopping all non-core services:

- ✗ Privatising or selling The Q
- ✗ Stop funding community activities, (arts, community development, youth, seniors, heritage grants and First Nations activities)
- ✗ Stop funding community halls and meeting spaces
- ✗ Closing aquatic centres, some sportsgrounds and playgrounds, and cancelling planned developments
- ✗ Closing libraries, customer service centres and depots at Bungendore and Braidwood
- ✗ Significantly increasing user charges and fees for all community services
- ✗ Fully funding economic development and tourism through user charges and a rate on businesses
- ✗ Removing community grant support
- ✗ Significantly reducing urban amenities, (street sweeping, mowing, maintenance and cleaning)
- ✗ Introducing paid parking for Queanbeyan CBD
- ✗ Reducing number of Councillors
- ✗ Removing additional pensioner rebate

The rate rise will only affect your general rates: this is the base rate and property value (or adv) on your rates notice. Not your water, sewer or waste charges.

Scenario 2: Reduce Services

Increase rates by 18% every year for 3 years. This scenario maintains only core services and requires a strategy to find immediate savings of \$5.5 million each year.

\$5.5 million in savings each year will mean reducing non-core services:

- ✗ Significantly increasing user fees at The Q
- ✗ Reducing community funding by 50% (arts, halls, community development, youth, seniors, and First Nations activities).
- ✗ Only keeping one pool and stopping any planned developments for sports and aquatics
- ✗ Combining libraries and customer service into single facilities in Bungendore and Braidwood
- ✗ Increasing fees for childcare and saleyards, to be fully self-funding
- ✗ Increasing user charges and fees for all community services
- ✗ Reducing economic development and tourism
- ✗ Reducing some urban amenities (street sweeping, mowing, maintenance and cleaning)
- ✗ Stopping main street and heritage grants
- ✗ Introducing paid parking for Queanbeyan CBD
- ✗ Reducing number of Councillors
- ✗ Removing additional pensioner rebate

Scenario 3: Maintain Services

Increase rates by 28% in year 1, 25% in year 2 and 23% in year 3. This scenario maintains current services and asset renewal and allows for improvements to facilities and roads.

Community facilities, footpaths, roads and bridges will be maintained more frequently to return to service levels the community expects. This scenario includes all existing services as well as:

- ✦ Additional **\$100 Pensioner Rebate** for the whole local government area. This is on top of up to \$425 supplied by the NSW Government, depending on which services you pay for.
- ✦ **\$1.3 million** each year towards environmental and sustainability programs.
- ✦ **\$400,000** each year for new and upgraded community infrastructure - like footpath extensions. This is designed to support matched grant funding opportunities.
- ✦ **\$1.9 million** each year for asset renewal including roads, pools and other facilities.

Have Your Say

Have your say on the rate increase by going to our Your Voice page or visiting our Customer Service Centres and libraries. Here you can learn more about each scenario and fill out a digital or printed survey. The survey is open until 31 January 2023. You can also:

- Email council@qprc.nsw.gov.au with Special Rate Variation in the subject line
- Mail to PO Box 90, Queanbeyan NSW 2620
- Deliver to Council offices in Braidwood, Bungendore and Queanbeyan

yourvoice.qprc.nsw.gov.au



Average rate tables excerpt (available on Your Voice)

Financial Sustainability Scenario 1 - Rate increase 12% x 3 years (inclusive of the rate peg)

IPART has announced the rate peg for 2023/24 is 4.6% and Council has assumed and applied a regular 2.5% rate peg assumption for all following years.

Impact on residential rates of proposed special variation over 3 years

Average Residential Rate	Base year 2022/23	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Cumulative Increase (\$)	Cumulative Increase (%)
Average residential rate under an assumed rate peg of 2.5% per annum	\$ 1,272	\$ 1,330	\$ 1,364	\$ 1,398	\$ 126	9.9%
Annual increase %		4.6%	2.5%	2.5%		
Average residential rate with the proposed SV	\$ 1,272	\$ 1,424	\$ 1,595	\$ 1,787	\$ 515	40.5%
Annual increase %		12.00%	12.00%	12.00%		
Cumulative impact of SV above base year levels		\$ 94	\$ 232	\$ 389	\$ 389	

Impact on farmland rates of proposed special variation over 3 years

Average Farmland Rate	Base year 2022/23	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Cumulative Increase (\$)	Cumulative Increase (%)
Average farmland rate under an assumed rate peg of 2.5% per annum	\$ 2,653	\$ 2,775	\$ 2,845	\$ 2,916	\$ 263	9.9%
Annual increase %		4.6%	2.5%	2.5%		
Average farmland rate with the proposed SV	\$ 2,653	\$ 2,972	\$ 3,328	\$ 3,728	\$ 1,074	40.5%
Annual increase %		12.00%	12.00%	12.00%		
Cumulative impact of SV above base year levels		\$ 196	\$ 484	\$ 812	\$ 812	

Impact on business rates of proposed special variation over 3 years

Average Business Rate	Base year 2022/23	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Cumulative Increase (\$)	Cumulative Increase (%)
Average business rate under an assumed rate peg of 2.5% per annum	\$ 5,114	\$ 5,349	\$ 5,483	\$ 5,620	\$ 506	9.9%
Annual increase %		4.6%	2.5%	2.5%		
Average business rate with the proposed SV	\$ 5,114	\$ 5,727	\$ 6,415	\$ 7,184	\$ 2,071	40.5%
Annual increase %		12.00%	12.00%	12.00%		
Cumulative impact of SV above base year levels		\$ 378	\$ 932	\$ 1,565	\$ 1,565	

Typical rate tables excerpt (available on Your Voice)

Council Financial Sustainability Options														
Scenario 1 - 12%, 12%, 12% Rate Increase over 3 years, inclusive of the rate peg														
These 3 pages provide an indicative view of the total impact on the July 2023 annual rates notice, based on selected properties from each rating category and subcategory, including pensioners. We have provided Low, Medium and High value properties for comparison.														
* Figures are early draft and known changes include the land revaluation that will take effect from 1 July 2023. New land value figures are expected to be received mid Nov 22, for recalculation by Jan 23. ***Note that rates will not rise in proportion with changes in land valuations. New land valuations will not have any effect on the total rate income that Council collects - however may impact individual properties where land values rise disproportionately with other properties across the local government area.														
Rates and annual charges - comparison of Typical Value Properties														
Example property - Median Value Examples	Valuation 2019	General Rates	Water, sewer, waste, stormwater charges	Pensioner Rebate	July 2022 Rates Notice	General Rates	Water, sewer, waste, stormwater charges	Pensioner Rebate	July 2023 Rates Notice	1 Year \$ Change	% Change	July 2025 Rates Notice	3 Year \$ Change	% Change
Residential Quairbryan	266,000	1,348	1,578	-	2,926	1,513	1,715	-	3,228	302	10.32%	3,774	848	28.99%
Residential Quairbryan (pensioner)	266,000	1,348	1,578	(465)	2,461	1,513	1,715	(525)	2,703	242	9.83%	3,249	788	32.03%
Residential Jerrabomberra	389,000	1,773	1,578	-	3,351	1,991	1,715	-	3,706	355	10.59%	4,377	1,026	30.61%
Residential Jerrabomberra (pensioner)	389,000	1,773	1,578	(465)	2,886	1,991	1,715	(525)	3,181	295	10.21%	3,852	966	33.46%
Residential Googong	298,000	1,532	1,868	-	3,400	1,720	2,004	-	3,724	324	9.54%	4,270	870	25.99%
Residential Googong (pensioner)	298,000	1,532	1,868	(465)	2,935	1,720	2,004	(525)	3,199	264	9.00%	3,745	810	27.60%
Residential Rural	552,000	1,392	784	-	2,176	1,563	871	-	2,434	258	11.87%	2,884	708	32.53%
Residential Rural (pensioner)	552,000	1,392	784	(378)	1,799	1,563	871	(436)	1,997	198	11.02%	2,446	648	36.02%
Residential Bungendore	290,000	1,033	2,391	-	3,424	1,159	2,404	-	3,863	140	4.08%	3,984	561	16.38%
Residential Bungendore (pensioner)	290,000	1,033	2,391	(425)	2,999	1,159	2,404	(525)	3,038	40	1.33%	3,459	461	15.36%
Residential Broadwood	165,000	754	2,496	-	3,250	846	2,514	-	3,360	110	3.38%	3,705	455	13.99%
Residential Broadwood (pensioner)	165,000	754	2,496	(425)	2,825	846	2,514	(525)	2,830	10	0.35%	3,180	355	12.56%
Residential Captains Flat	99,300	568	2,391	-	2,959	636	2,404	-	3,040	82	2.76%	3,325	366	12.31%
Residential Captains Flat (pensioner)	99,300	568	2,391	(425)	2,534	636	2,404	(525)	2,515	(18)	-0.72%	2,800	266	10.50%
Residential Rural	317,000	964	351	-	1,315	1,082	269	-	1,351	36	2.72%	1,643	327	24.88%
Residential Rural (pensioner)	317,000	964	351	(250)	1,065	1,082	269	(350)	1,001	(64)	-6.03%	1,293	227	21.33%
Business Quairbryan CBD	309,000	6,437	1,568	-	8,004	7,224	1,722	-	8,946	942	11.77%	10,963	2,959	38.97%
Business Quairbryan General	455,000	6,548	1,606	-	8,154	7,349	1,767	-	9,116	962	11.80%	11,173	3,020	37.03%
Business Quairbryan Industrial	333,000	3,227	1,607	-	4,834	3,622	1,767	-	5,389	555	11.49%	6,481	1,647	34.08%
Business Googong	614,400	12,116	1,846	-	13,962	13,600	2,006	-	15,606	1,644	11.77%	19,230	5,268	37.73%
Business Jerrabomberra	1,190,000	16,365	4,885	-	21,250	18,371	5,232	-	23,603	2,353	11.07%	28,890	7,639	35.95%
Business Bungendore	393,000	1,144	2,300	-	3,444	1,284	2,475	-	3,759	316	9.17%	4,210	767	22.26%
Business Broadwood	219,000	827	2,268	-	3,095	928	2,446	-	3,374	279	9.00%	3,735	640	20.66%
Farmland	699,000	2,110	351	-	2,461	2,367	269	-	2,636	175	7.13%	3,258	798	32.42%
Farmland (pensioner)	699,000	2,110	351	(250)	2,211	2,367	269	(350)	2,286	75	3.42%	2,908	698	31.56%
Farmland	1,490,000	3,172	166	-	3,338	3,561	225	-	3,786	448	13.43%	4,722	1,385	41.49%
Farmland (pensioner)	1,490,000	3,172	166	(290)	3,048	3,561	225	(350)	3,436	388	12.74%	4,372	1,325	43.47%

Rates Calculator - Update 12 January 2023 (available via Your Voice)

This Rates Calculator uses new land values determined by the NSW Valuer General to show an indicative general rate for your property under each of the rate variation scenarios Council is considering.

The NSW Valuer General updates land values every three years. They were recently updated in late 2022 and will be used to calculate rates from July 2023.

The rate rise scenarios only apply to your general rate, not your entire rates notice. The total notice includes other charges including sewer connection, water connection, stormwater levy and residential waste collection, if you have a kerbside bin collection service.

The general rate is the ADV and BASE line on your rates notice shown in the red box of the image.

Under Scenario 3 there is a \$100 increase to the pensioner rebate. The rates calculator does not factor in whether a pensioner owns a specific property. This means that as a pensioner your annual general rate is reduced by \$250 under scenarios 1 and 2, and reduced by \$350 under Scenario 3.

Property Description	2019 Land Value	2022 Land Value	Current Year Rates	23-24 General Rate	24-25 General Rate	25-26 General Rate
General Rate	\$365,000	\$590,000	\$1,690	\$1,810	\$2,027	\$2,270

[Click Here to search by Property Address](#) Or [Click Here to search by Property ID value](#)

Property Address

JERRABOMBERRA NSW 2619

[Back to Report Main Page](#)

Scenario 1

Property ID	Property Address	2019 Land Value	2022 Land Value	Current Year Rates	23-24 General Rate	24-25 General Rate	25-26 General Rate
	JERRABOMBERRA NSW 2619	\$365,000	\$590,000	\$1,690	\$1,810	\$2,027	\$2,270

Scenario 2

Property ID	Property Address	2019 Land Value	2022 Land Value	Current Year Rates	23-24 General Rate	24-25 General Rate	25-26 General Rate
	JERRABOMBERRA NSW 2619	\$365,000	\$590,000	\$1,690	\$1,908	\$2,251	\$2,656

Scenario 3

Property ID	Property Address	2019 Land Value	2022 Land Value	Current Year Rates	23-24 General Rate	24-25 General Rate	25-26 General Rate
	JERRABOMBERRA NSW 2619	\$365,000	\$590,000	\$1,690	\$2,071	\$2,583	\$3,164

Once we received the updated property values we were able to launch an online rates calculator to assist residents in understanding the real changes to their rates.

This calculator used a residents address and identified their rating category to show how their base and ad valorem (ADV) rate on their annual notice would change under each scenario over three years.

This was a difficult second stage of communication as we were explaining the difference between the total rates pool and the effect of new valuations on the SRV.

2.3 How effectively did the council's various consultation strategies engage the community about the proposed special variation?

a) Indicate the level of community involvement in, and response to, the various consultation strategies the council used, eg, number of participants in meetings, number of submissions received.

As outlined in earlier sections of this report we used a variety of channels to reach our audience including: face to face workshops, print media, radio interviews, social media, web newsletters, and web stories as well as our consultation website – Your Voice.

The success of this campaign can be measured by the number of responses we received from the community as well as engagement figures from our digital platforms including Your Voice and Facebook.

- Face-to-face Meeting attendance **350**
- Facebook post reach **>15,000**

Your Voice engagement statistics between 18 Nov-31 Jan

- Total web visits to yourvoice.qprc.nsw.gov.au/srv **9,557**
- Total active users of yourvoice.qprc.nsw.gov.au/srv **7,770**
- New registrations **587**
- Downloads of key documents
 - o Three Page Explainer document **1,006**
 - o Rate impact tables for all scenarios
 - Typical, Low, High value properties **674**
 - o Some Rate Myths document **535**
 - o Example rates notice **325**
 - o Questions and Answers – SRV **321**

Survey responses and other submissions

- Your Voice surveys **827**
- Email submissions **270**
- Physical surveys **15**
- Physical submissions **3**
- In person submission **1**
- **Total submissions** **1,116**

Participation data from Your Voice indicated that 720 respondents indicated they live in QPRC, 156 indicated they work here, 53 indicated they own a business here, 470 indicated they are ratepayers and 67 indicated they visit here.

Participation data from Your Voice also showed suburb data for respondents.

The submission location breakdown follows:

- 15.5% Jerrabomberra
- 12.9% Googong
- 9.3% Bungendore
- 9.1% Queanbeyan
- 8.3% Karabar
- 5.7% Crestwood
- 5.4% Queanbeyan East
- 3% Queanbeyan West
- 2.8% Braidwood
- 2.5% Bywong
- 2.4% Carwoola
- 1.7% Burra
- 1.6% Wamboin
- 1.6% Captains Flat
- 1% > Royalla, Mongarlowe, Sutton, Majors Creek, Tralee, Araluen, Currawang, Warri, The Ridgeway, Mount Fairy, Hoskinstown, and Bendoura.

Please note that meeting attendance figures exclude senior staff and councillors.

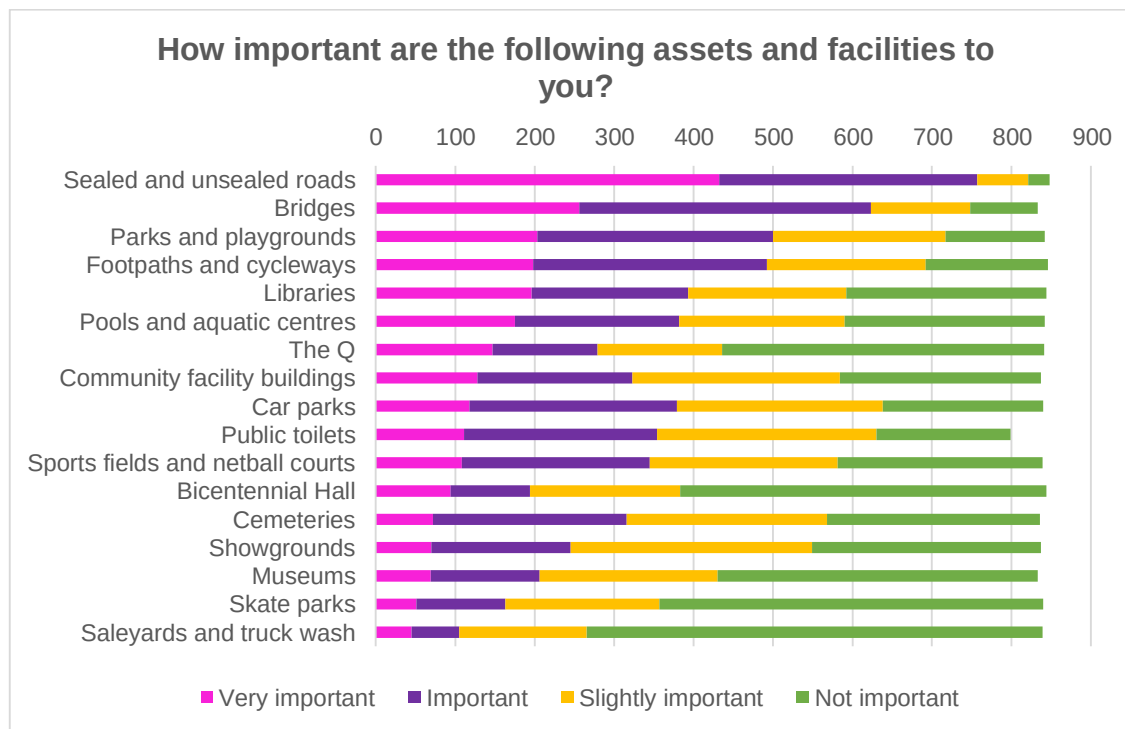
Community Meeting	Date	Attendance
Braidwood Community meeting	15/11/2022	30
Jerrabomberra Community Association meeting	16/11/2022	8
South Jerrabomberra Resident's Association	19/11/2022	40
Queanbeyan Community meeting	22/11/2022	20
Bungendore Community meeting	24/11/2022	20
Greenways s355 meeting	27/11/2022	8
Fernleigh Park	28/11/2022	12
Braidwood Community meeting	29/11/2022	60
Braidwood and Villages Business Chamber	01/12/2022	20
Queanbeyan Residents and Ratepayers Group	06/12/2022	6
Majors Creek Progress Association	11/12/2022	24
Bungendore Town Centre & Environs Committee and Bungendore Chamber of Commerce	12/12/2022	8
Araluen Community meeting	15/12/2022	36
Googong Resident's meeting	19/12/2022	20
Wamboin Community meeting	20/12/2022	18
Braidwood Community meeting	15/11/2022	30
Gundillion Community Meeting	30/01/2023	8
TOTAL		350

Face to face meetings were also held with more than 300 staff. Many staff members are residents and ratepayers in QPRC and are not featured in the community meeting data above.

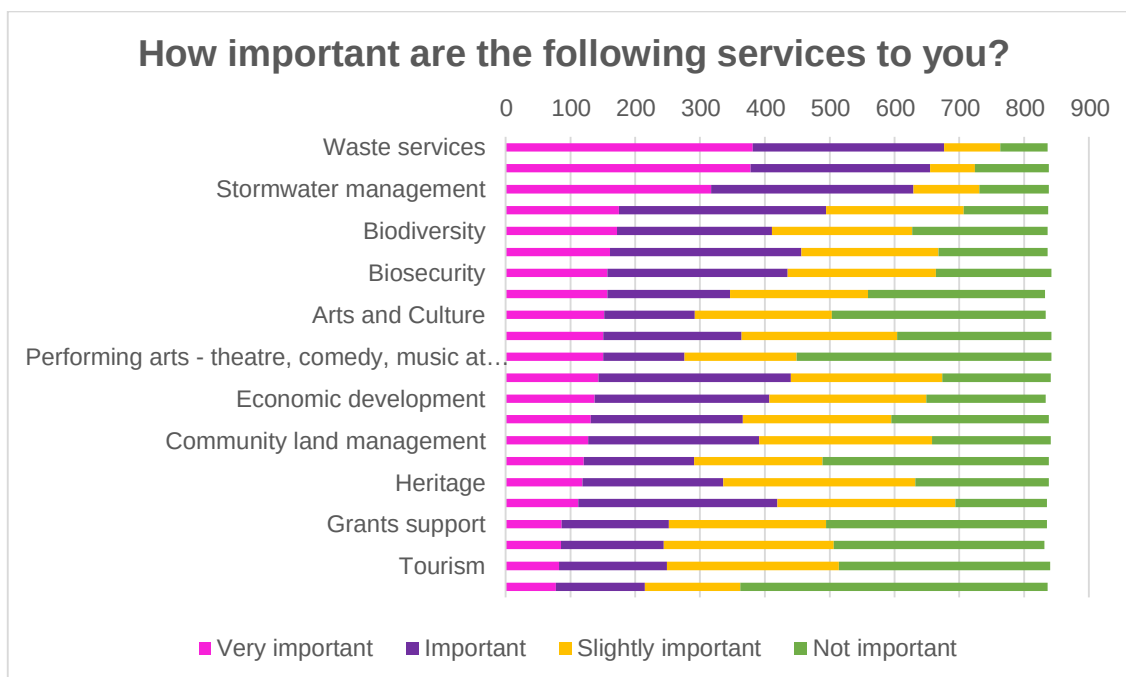
b) Outline the nature of the feedback the community provided on the proposed SV.

The survey we conducted asked the community to rank the importance of assets, services, the appetite for a supplementary pensioner rebate and included three open responses. All parts of the survey were voluntary.

Email and hardcopy responses that did not use the survey as a template are included in this data set as part of our open response field.

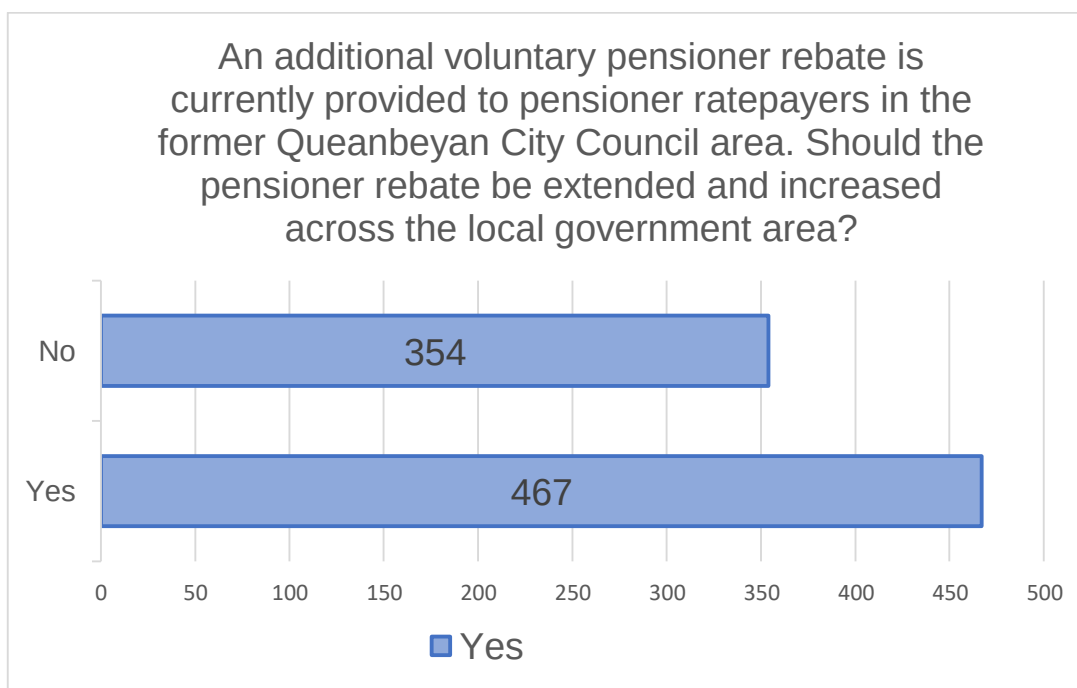


Assets/Facilities	Very important	Important	Slightly important	Not important
Sealed and unsealed roads	432	325	64	27
Bridges	256	367	125	85
Parks and playgrounds	203	297	217	125
Footpaths and cycleways	198	294	200	154
Libraries	196	197	199	252
Pools and aquatic centres	175	207	208	252
The Q	147	132	157	405
Community facility buildings	128	195	261	253
Car parks	118	261	259	202
Public toilets	111	243	276	169
Sports fields and netball courts	108	237	236	258
Bicentennial Hall	94	100	189	461
Cemeteries	72	244	252	268
Showgrounds	70	175	304	288
Museums	69	137	224	403
Skate parks	51	112	194	483
Saleyards and truck wash	45	60	160	574



Services	Very important	Important	Slightly important	Not important
Waste services	381	296	86	73
Water and sewer services	378	277	69	114
Stormwater management	317	312	102	107
Food safety and environmental health	175	319	213	130
Biodiversity	172	239	216	209
Development assessment and Planning	161	295	212	168
Biosecurity	157	278	229	178
Pools	157	189	213	273
Arts and Culture	152	140	211	330
Libraries and local history	151	213	240	238
Performing arts - theatre, comedy, music at The Q and Bicentennial Hall	151	125	173	393
CBD and town centre maintenance and gardening	143	297	234	167
Economic development	137	270	242	184
Youth services	131	235	229	243
Community land management	127	264	267	183
Community events (Music by the River, Community Christmas Parties)	120	171	198	349
Heritage	118	218	296	206

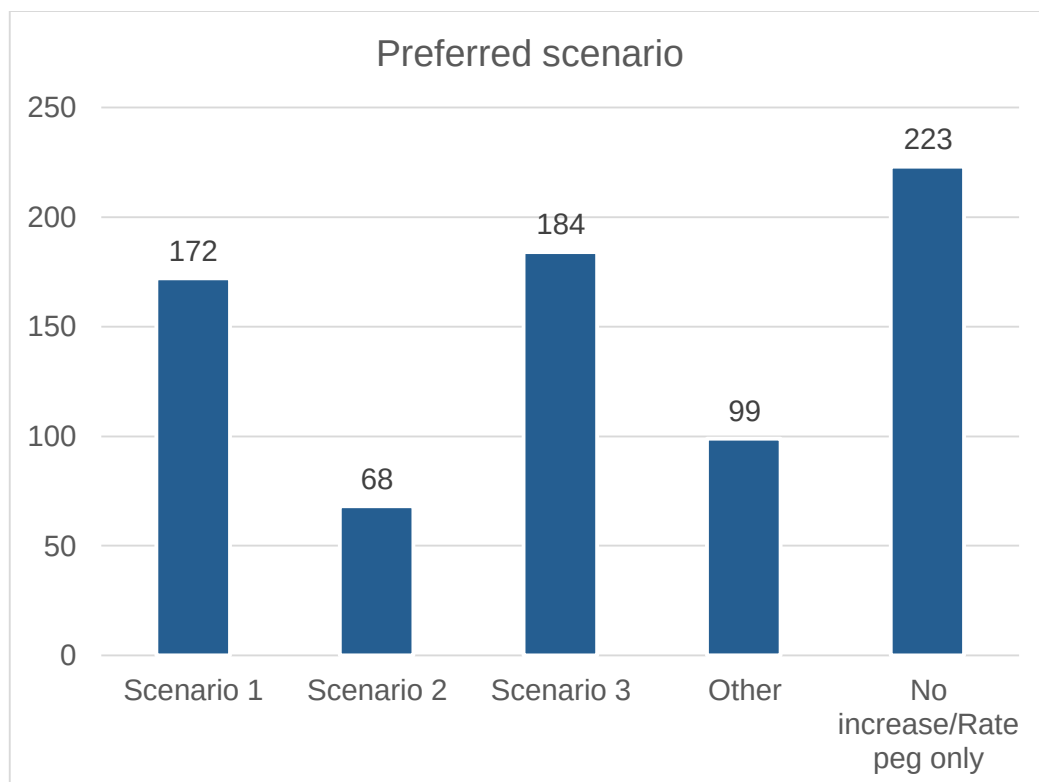
Animal management services	112	307	275	141
Grants support	86	166	242	341
Community development services	85	159	262	325
Tourism	82	167	265	326
Family Day Care	77	138	147	474



The top three themes that featured in the open response questions were:

1. General disagreement and dissatisfaction with the three SRV scenarios
2. Council should reduce staff and councillor costs
3. Council should focus on the core functions, essentials or basics of Council

As part of the open responses we also recorded the number of responses that 'voted' for a scenario this data is shown below.



A more detailed discussion of the topics and themes brought up in the consultation can be found in our **SRV and LTFP Engagement Report** and **Special Rate Variation – Consultation Summary** document.

2.4 How did the council respond to feedback from community consultation?

The feedback from our community was collated into two key documents and presented to our councillors. The **Special Rate Variation – Consultation Summary** and the **SRV and LTFP Engagement Report**.

The Special Rate Variation – Consultation Summary includes responses to the key themes highlighted by the community. These themes seek to address each theme and provide explanation for Council's stance in the past and acknowledge community opinions.

Council considered these detailed documents alongside financial reports and modelling on the SRV scenarios.

The remainder of this section will be completed after the decision on 8 February.

Following community feedback Council are committing to....

- **Look into leaseback vehicles**
- **Rating structure review**
- **Review capital projects**
- **Contract management – review our contractors**

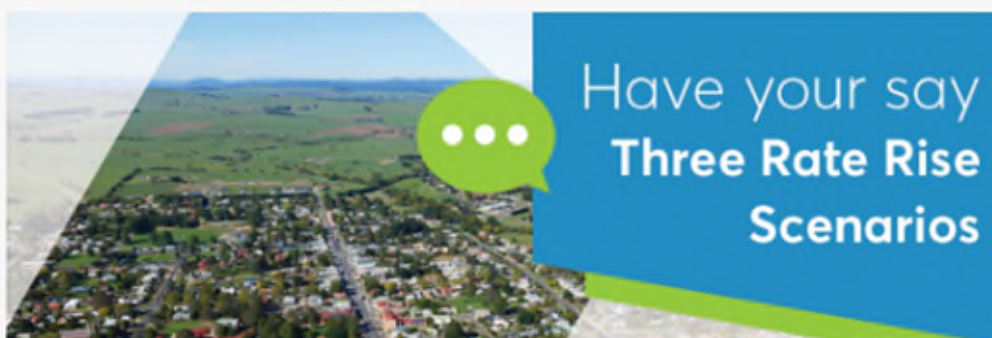
- Quarterly financial update in qprc news July
- Annual report on efficiency savings
- Six monthly report on councillor costs
- Reporting on FTE – workforce strategy

Appendix

eNewsletter excerpt

Council eNews - 2 December 2022

Proposed Special Rate Variation



Have your say on three proposed Special Rate Variation scenarios until 31 January.

There are many factors that have led us to the point of needing to apply for a rate rise and although we don't want to reduce staff, cut services, close pools or reduce our maintenance budgets, these are real options we will have to consider unless we do something about the income we receive now.

We know that this issue will affect everyone in our community and we want to hear your thoughts on the three proposed rate rise scenarios. Following community consultation, Council will determine an application about a rate variation in February.

We have a [three page explainer](#) that looks at each scenario, where we are as an organisation and ways we have reduced costs in the past two years.

[Learn more](#) about each scenario, [read our Q & A document](#) and [fill out our survey](#).

Myths document excerpt

Some Rate MYTHS



MYTH 1

The proposed rate increase applies to the whole rates notice. **Not true.**

The rate increase only applies to the base and adv (land value) charges, as seen in the image to the right. These two lines contribute to the general rates revenue which pays for things like playgrounds, roads and libraries.

The rate variation does not apply to garbage or general waste, sewerage, stormwater, or water access charges.



What will be impacted on your rates notice?

The proposed SRV only applies to the base amount and ad valorem (adv) on your rates notice. This is the base rate for your property category and the land value.

MYTH 2

Land values have risen so rates will rise the same way. **Not true.**

Land value is used to distribute the set rates pool equitably.

The important thing to know about land values and their effect on your rates bill is how land value changes relative to other land values. For example, if all land values go up at the same rate, any change in your land value would not change your rate charge.

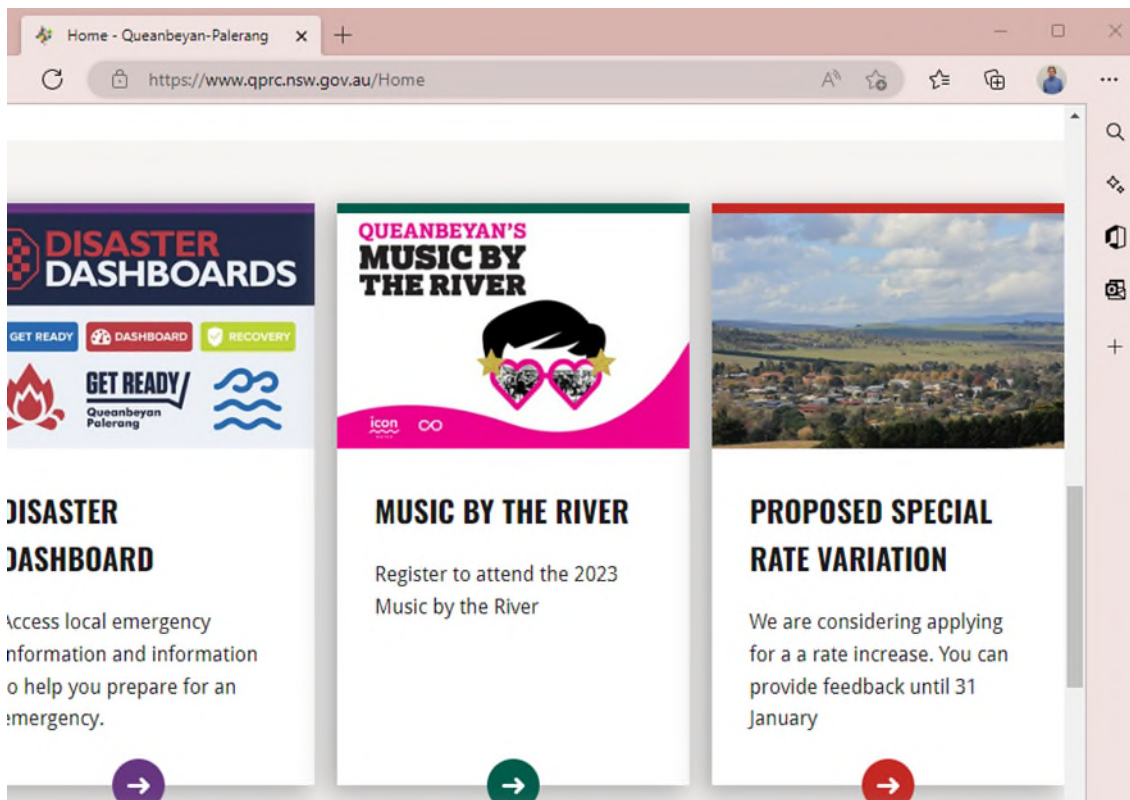
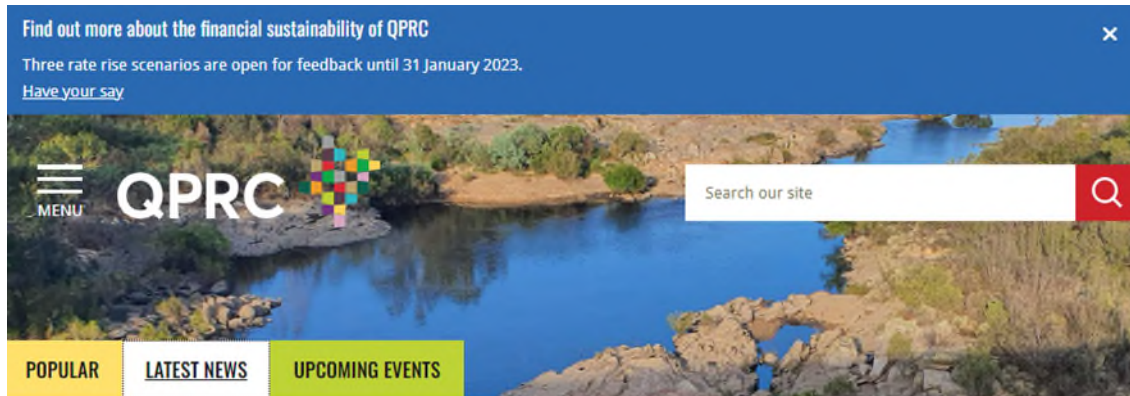
MYTH 3

There are lots of new properties and developments so Council must be raising a lot more rates. **Not necessarily true.**

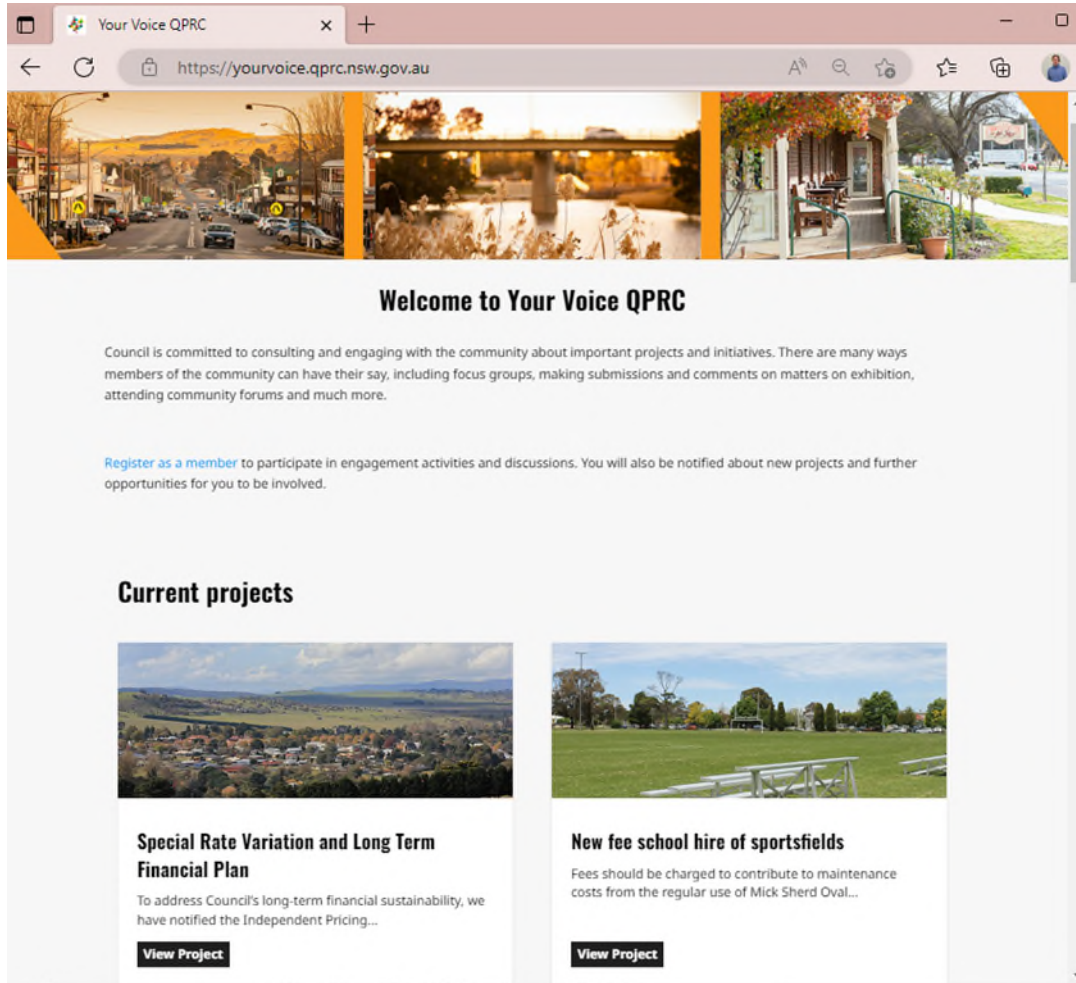
Council collects more rates from new growth in properties but this is not enough to cover the extra cost of providing services and new infrastructure for the new ratepayers.

Total rate revenue can rise in several ways – by the rate peg, by a rate rise, or by adjustments to land values and number of assessments (supplementary adjustments, some of which are associated with sub-divisions). In the latter case, rates revenue has risen by an average of just **1.9%** per year in the past five years.

Web banner and tile - – www.qprc.nsw.gov.au during consultation



Homepage – yourvoice.qprc.nsw.gov.au during consultation



yourvoice.qprc.nsw.gov.au/srv

Special Rate Variation and Long

https://yourvoice.qprc.nsw.gov.au/srv

Special Rate Variation and Long Term Financial Plan

Update 12 January 2023 - Online calculator

Now that the NSW Valuer General has release new land values, we have an online rate calculator to help rate payers better understand the effect of the proposed increases to rates on their property.

The calculator is a great way to see how property value can affect your rate - and how a large increase in property value does not necessarily equal a large increase in your rates bill. Where some property values increased substantially more than others - their share of the total rate will increase.

The rate calculator uses new land values determined by the NSW Valuer General to show an indicative general rate for your property under each of the rate variation scenarios Council is considering.

You can access the [rate calculator via this link](#)

Background

To address Council's long-term financial sustainability, we have notified the Independent Pricing and Regulatory Tribunal (IPART) that we are considering applying for a special rate variation (a rate increase). You can provide feedback on this proposal until 31 January 2023.

How did we get here?

The income we receive is less than the expenses we have. This has been the case for a number of years.

Both the former Palerang Council and Queanbeyan City Council were considering options to increase revenue before the merger that created QPRC.

Following the merger, legislation was in place that stopped us from raising rates for four years or reducing expenses by consolidating offices or staff.

While we were able to improve and build new infrastructure with funding we received from the merger, we haven't been able to address the income we receive. Rates increases have been limited to the rate peg set by the IPART, which has not met the increased costs of providing services.

The costs of construction and materials for new projects, and for infrastructure renewal continue to increase. We also have significant population growth (at 1.9% per year) and the costs of expanded services is increasing more than the income received from additional rate payers.

What have we done to save money?

We are making \$2.2m in annual savings, however since the merger our service levels and other costs have increased which has used all of these savings.

We have made budget decisions in recent years to reduce costs; in 2022 this included more than \$2m in one-off adjustments via a 5% reduction in our materials and services budget, and deferring recruitment.

We asked independent financial experts Morrison Low to undertake an independent financial assessment of Council to ensure we provide value for ratepayers and to minimise the rate rise.

What will the rate rise look like?

The rate rise only applies to the **general rate charge**. This is the base rate and land value (or ad valorem) charge on your rates notice. It does not apply to garbage or general waste, sewerage, stormwater, or water access charges.

We are considering three scenarios for rates increases. Two scenarios propose making significant operational savings, partly through service cuts. The rate rise scenarios include the rate peg of 4.6% in year one and 2.5% in years two and three. This means that all figures are inclusive and will not change if IPART increase or reduce the rate peg in the next three years. In each of the following scenarios the annual rates increases are permanent and cumulative and in year four and future years the rate peg percentage increase will apply to the new higher rate levels. The scenarios are as follows:

Scenario 1 - Significantly reduce services

Key Dates

Community Consultation
28 November 2022 – 31 January 2023

Important Links

[Online rates calculator](#)

Documents

- [SRV - Three Page Explainer \(1.61 MB\) \(pdf\)](#)
- [Some Rate Myths.pdf \(607 KB\) \(pdf\)](#)
- [Example Rates Notice \(415 KB\) \(pdf\)](#)
- [Questions and Answers - SRV \(521 KB\) \(pdf\)](#)
- [Impact on rates - Scenario 1 \(124 KB\) \(pdf\)](#)
- [Impact on rates - Scenario 2 \(125 KB\) \(pdf\)](#)
- [Impact on rates - Scenario 3 \(124 KB\) \(pdf\)](#)
- [Rate impact tables for all scenarios - Typical, Low, High value properties \(368 KB\) \(pdf\)](#)
- [Draft Long Term Financial Plan 2022-32 \(5.14 MB\) \(pdf\)](#)
- [Draft amended pages from the Delivery Program 2022-26 \(950 KB\) \(pdf\)](#)
- [Service Statements \(2.6 MB\) \(pdf\)](#)
- [Organisational Service Review Report \(1.58 MB\) \(pdf\)](#)

Lifecycle

- Open**
Consultation is open for contributions until 31 January 2023
- Council Meeting**
Council has received a one month extension to lodge their submission with IPART and will consider this at the Ordinary Council meeting on 8 February

27

QPRC

Special Rate Variation and Long

https://yourvoice.qprc.nsw.gov.au/srv

Scenario 1 – Significantly reduce services

- An increase in rates of 12% every year for three years. This would be a cumulative rate increase of 41%
- For an average ratepayer this would be an increase in year one of \$129 per annum or \$2.50 extra per week, in year two this would be another increase of \$144 per annum or \$2.80 per week and in year three another increase of \$161 per annum and \$3.10 per week.
- These increases do not fund Council operations and require a strategy to reduce expenses by \$12 million each year.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- Savings could include selling off The Q, stopping funding to all community facilities and activities, cutting heritage grants, closing aquatic centres and stopping developments of new sports and aquatic facilities, increasing fees, significantly reducing urban amenities (street sweeping, mowing, maintenance and cleaning), introducing paid parking. More information about cuts can be found in the 3-page explainer.

Scenario 2 – Reduce services

- An increase in rates of 18% every year for three years. This would be a cumulative rate increase of 64%
- For an average ratepayer this would be an increase in year one of \$229 per annum or \$4.40 extra per week, in year two this would be another increase of \$270 per annum or \$5.20 per week and in year three another increase of \$319 per annum and \$6.15 per week.
- These increases would maintain our core services only and deplete the asset base. We will need a strategy to reduce expenses by \$5.5 million each year.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- Savings could include increasing fees at The Q, reducing community funding by 50%, cutting heritage grants, only keeping one pool and stopping development of new sports and aquatic facilities, increasing fees, reducing urban amenities (street sweeping, mowing, maintenance and cleaning), and introducing paid parking. More information about cuts can be found in the 3-page explainer.

Scenario 3 – Maintain services

- An increase in rates of 28%, 25% and 23% (three years of increases). This would be a cumulative increase of 97%
- For an average ratepayer this would be an increase in year one of \$356 per annum or \$6.85 extra per week, in year two this would be another increase of \$407 per annum or \$7.85 per week and in year three another increase of \$468 per annum and \$9.00 per week.
- These increases allow us to maintain our current services.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- There would be an additional \$100 pensioner rebate for the whole LGA.
- New environmental programs would receive \$1.3 million per year.
- Renewed infrastructure – community facilities, footpaths and pools would receive \$1.9 million per year.
- Expanded infrastructure for growth and to match 1:1 grant opportunities would receive \$400k per year (e.g. footpath extensions)

As part of this process, we have updated both our Long-Term Financial Plan (LTFP) 2022-32 and Delivery Program 2022-26 to reflect these scenarios. These documents are available in the document library.

Information available to explain the rate scenarios

- [3-page explainer of the scenarios, how we got here, what it means](#)
- [A rate myths document – common misunderstandings](#)
- [Example rates notice](#)
- [Questions and Answers](#)
- [Impact on rates - Scenario 1](#)
- [Impact on rates - Scenario 2](#)
- [Impact on rates - Scenario 3](#)
- [Rate impact tables for all scenarios - Typical, Low, High value properties](#)
- [Draft 2022-2032 Long Term Financial Plan](#)
- [Draft updated pages from the Delivery Program 2022-2026](#)
- [Service Statements](#) - this explains the services Council provides

All these documents are available in the document library (found to the right on a computer or scroll down on a mobile device). They are also at our Customer Service Offices and Libraries in Braidwood, Bungendore and Queanbeyan and the Queanbeyan Library.

Submissions will be accepted until 4.30pm on 31 January 2023 and can be made in the following ways:

- By submitting your comments online below
- By email to council@qprc.nsw.gov.au (referencing 'SRV and Long Term Financial Plan' in the subject line)
- By mail to PO Box 90, Queanbeyan NSW 2620
- Delivered in person to one of Council's offices

COMMENTS
NEWS FEED

consider this at the Ordinary Council meeting on 8 February. The extraordinary meeting that was to be held on 1 February has been cancelled.

Submission to IPART and community submissions

If Council choose to apply for a Special Rate Variation community members are able to make a submission to IPART on the proposed Special Rate Variation during February-March 2023

IPART determination

IPART will make their determination on the Special Rate Variation and advise Council. If it is approved it will be applied from 1 July 2023.

The screenshot shows a web browser window with the URL https://yourvoice.qprc.nsw.gov.au/srv?tool=news_feed#tool_tab. The page has a navigation bar with 'COMMENTS' and 'NEWS FEED' tabs. The 'NEWS FEED' tab is active, displaying two news items.

IPART grants extension to application deadline
03 Jan 2023

22 DECEMBER 2022 - MEDIA RELEASE

Independent Pricing and Regulatory Tribunal (IPART) has granted an extension for QPRC to the application deadline for a proposed rate increase, through a Special Rate Variation application from 3 February to 3 March 2023.

The extension means an Extraordinary Meeting of Council planned for 1 February 2023 is no longer required and has been cancelled. Community feedback on the Special Rate Variation (SRV) will instead be presented to the 8 February Ordinary Meeting.

Rebecca Ryan, General Manager of QPRC welcomed the news 'This extra month will provide Councillors more time to consider the community's feedback on the proposed rate increases and review each scenario before making a decision'.

'Since November, the Mayor and I have been attending two to three local progress, business chamber and community association meetings a week all across Queanbeyan-Palerang to explain the background to the current financial situation. We have welcomed the opportunity for these valuable discussions with local residents about what the proposed increase to rates mean and what effects each scenario would have on a typical rates bill. In addition, we have talked about Council services and how important these are for all our towns and villages.'

'The application deadline extension means feedback can be better considered and Councillors can make better informed decisions on which way to proceed.'

'Councillors and I have heard from a lot of members of the community and I know there is keen interest in this issue. We have received a lot of feedback already through our formal feedback channels and I strongly encourage everyone to read the extensive information on our Your Voice consultation website,' Ms Ryan said.

QPRC is one of 17 NSW Councils to have notified IPART of their intent to apply for a SRV increase, published with useful information about the process on the IPART website <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Reviews/Special-Variations-Minimum-Rates/Special-Variations-Minimum-Rates-2023-24>

Consultation on the SRV and Council's Long Term Financial Plan remains open until 31 January 2023 at <https://yourvoice.qprc.nsw.gov.au/srv>

Once IPART has received QPRC's application they will undertake their own round of public consultation before a final report and decision is expected in May 2023.

Have your say on rate rise scenarios
28 Nov 2022

28 November 2022

Queanbeyan-Palerang Regional Council is inviting community input into three scenarios to address Council's financial sustainability.

Two weeks ago, Mayor Kenrick Winchester issued a statement about Council's financial sustainability and how QPRC had reached this point.

Mayor Winchester noted that both the former Palerang Council and Queanbeyan City Council were considering options to raise their revenue before the merger.

He said, 'While we were able to make infrastructure improvements and build new infrastructure with the funding we received after the merger and other grants, the merged Council was not permitted to raise rates for four years.'

'The rate increases set by the Independent Pricing and Regulatory Tribunal through the rate peg don't come close to meeting the costs of doing everything the community expects from us.'

The Mayor added 'It's now really important that we have this conversation with the community about

Media articles and radio interviews

Herald Sun copy (2:49pm 16 November) News Corp

Queanbeyan-Palerang Regional Council to consider rate rise

Cash-strapped Queanbeyan-Palerang Regional Council will decide between three options to keep the books balanced. Find out what it could cost you.

Canberra Weekly (16 November)

Queanbeyan council may increase rates to shore up finances

Queanbeyan-Palerang Regional Council is currently considering its ongoing financial sustainability, and the possibility of increasing rates is on the table.

Staff will present an updated Long-Term Financial Plan to the Council meeting on 23 November, Mayor Kenrick Winchester said. The updated Long-Term Financial Plan will include scenarios for a rate increase to address Council's financial sustainability.

"There are many factors that have led us to this point," Mr Winchester said. "Both the former Palerang Council and Queanbeyan City Council were considering options to increase revenue before the merger.

"When the NSW Government merged the two councils, neither were in a financially sustainable position. The legislation stopped us from increasing our income or making some decisions to reduce expenses, like consolidating administration offices or staff.

"The merged Council was not permitted to raise rates for four years.

"While we were able to make infrastructure improvements and build new infrastructure with funding we received after the merger, the community expect better road networks, better services, and accessible community amenities across the LGA (Local Government Area). Council has been providing these services with its constrained funding.

"The rate increases set by the Independent Pricing and Regulatory Tribunal (IPART) through the rate peg don't come close to meeting the increased costs of doing everything the community expects from us.

"The costs of construction and materials for projects continue to increase. A truck full of gravel or hot mix are both harder to get and costs over double what it used to. Our staff costs continue to increase. We've had ongoing population growth, and the costs to expand services is increasing more than the income received from additional ratepayers.

"We've also had additional costs from responding to multiple natural disasters and the pandemic.

"Many councils across the state face a similar financial situation. Over the last 12 years, councils in NSW have been approved for 168 different special rate variations. Some councils have had multiple rate variations in that time.

"QPRC is one of five merged councils that has not had a rate variation either pre- or post-merger. Seven of the 24 merged councils have had SRVs in the last two years.

"We don't want to reduce staff; we don't want to cut services; we don't want to close pools or reduce our maintenance budgets, but that's the reality unless we do something about the income we receive.

"As elected representatives, we have a duty to ensure Council continues to pay the bills and provide the services the community expects from local government. We need to be in a position that will deliver more road maintenance, new footpaths, and inclusive swimming pools."

Council will consider the Long-Term Financial Plan at the meeting next week, and then get community feedback on the rate scenarios. The community will be able to make comments until the end of January 2023.

Following community feedback, Council will determine an application to IPART about a rate variation in February.

Regional Independent (16 November)

Council's financial sustainability at significant risk

A report tabled at the Queanbeyan Palerang Regional Council meeting on 9 November 2022 presented the results of a review of Council finances, and the news was not good.

An independent financial assessment by Morrison Low commissioned by Council identified the following financial outcomes for Council and the community if there was no intervention:

- the average operating deficit for the 10 year forecast period is estimated at \$20.6M per annum
- the general fund has insufficient money to maintain service levels or asset renewals at levels the community requires
- inadequate infrastructure renewal will result in the degradation of community infrastructure
- under funding for expected growth and expanded services

required for the growing population.

The staff report stated that the contributing factors to Council's financial problem is that growth in core costs have outpaced growth in revenue.

The review indicated that there are a number of efficiency savings that Council has already begun to implement and identified further opportunities to prioritise ongoing improvement and future efficiency savings. The report acknowledged that although there may be savings of up to \$500,000 per annum by closing or reducing services, "Council has considered and ruled out the reduction and removal of community services and community infrastructure as a potential savings measure."

The report identified that the key risk is that Council's Long Term Financial Plan and engagement doesn't meet the NSW Independent Pricing and Regulatory Tribunal's (IPART)

assessment criteria and that options for rate increases to deal with the financial issue is at a time when rate payers are also faced with inflationary cost of living pressures.

The report stated that that 'doing nothing' is not acceptable and Council must deliver on its financial governance responsibilities as legislated and required by the NSW Government.

The three financial sustainability options presented to Council to deal with Council's financial problem involve significant rate rises to increase revenue, subject to community consultation. The options outlined in the report area as follows:

1. A proposed one-off special rate variation of 64.5% in addition to the rate peg. Including the rate peg this amounts to a rates increase of 69.1%.
2. A 3 year special rate variation option of around 23% for 3 years (23%, 23% and 20.5%) in addition

to the rate peg. Including the rate peg, this amounts to a cumulative increase of 97.07% at the end of 3 years.

3. A 5 year decreasing option (20%, 18%, 15%, 9%, 4.75%) in addition to the rate peg. Including the rate peg, this amounts to a cumulative increase of 111% at the end of 5 years.

Any Special Rate Variation by a local council requires the approval of the IPART.

The report from Council staff therefore recommended that Council undertake the following actions:

1. Endorse the revised 2022-32 Long Term Financial Plan for community consultation on the Special Rate Variation options.
2. Endorse the three proposed Special Rate Variation options for community consultation with community feedback to be considered at the Council meeting on 18 January 2023.

3. Notify the Independent Pricing and Regulatory Tribunal of its intention to invite community feedback on three Special Rate Variation options and its intention to apply for an Special Rate Variation.

The majority of Councillors resolved to defer consideration of the Financial Sustainability Options and Revised Long Term Financial Plan to a later meeting. This decision was supported by Crs Livermore, Taskovski, Webster, Willis, Wilson, and Winchester. Councillors opposed to the Motion were Crs Burton and Grundy.

Crs Biscotti, Preston and Ternouth were absent from the meeting.

Further information on this matter can be found on Council's Agenda for 6 November 2022 at

www.qprc.nsw.gov.au/Council/Council-Business/Minutes-Agendas

Cheers
Graham Judge

10 News Canberra (16 November 11:21PM)

Queanbeyan-Palerang Regional Council will consider raising rates by twenty eight per cent at its meeting next week. It comes as the council faces a dire financial situation.

ABC Radio Canberra (16 November 10:45am)

ADAM SHIRLEY SPEAKING WITH [KENRICK](#)

A council in our region, which is struggling to pay the bills and doesn't have the money to run the joint, necessarily. Is it that bad? Queanbeyan-Palerang Regional Council has put out this statement 'QPRC is currently considering its ongoing financial step sustainability Mayor Kenrick Winchester has said' so we'll speak to the mayor soon and ask about the consequences. The implications for anyone who lives in the Council region. How bad is it? What does that mean in reality? are a couple of my immediate questions they might be yours too.

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A dollar or 3 is what the Queanbeyan-Palerang Regional Council is after we'll talk about that in a moment.

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So I must admit I read this opening statement from the Queanbeyan-Palerang Regional Council on 16th of November - of course today - and I'm a bit concerned Queanbeyan-Palerang Regional Council is currently considering its ongoing financial sustainability Mayor Kenrick Winchester is with us. Mayor Winchester I appreciate your time. How concerned should people be if they live anywhere in the Council region?

[Good morning Adam thanks for having me. It is a major concern so basically under new council was elected late last year, started in January one of the first things we've had staff do is run their eye over the long term financial plan and we bought in an internal auditor up and they've come back with their reports. Now they basically say that unless we look at raising rates above the rate peg, Council is in a very concerning position. We would potentially need to drastically reduce the services we provide. Which is not a good situation.](#)

What sort of services? Rubbish pick-up? Maintenance to drains and roads?

[There's lots of things there, that would be on the table. Council doesn't want to have to go down that path. So we're going to start a conversation with the community over the next two months about a couple of different scenarios, one of which will include increasing rates by approximately 28% in the first year. and we believe that will allow us to continue to provide the services that our residents have come to expect from the Council.](#)

Okay, of 30% potentially increase rounding up – I'm saying here to rates on top of inflation. On top of petrol and gas prices, on top of other expenses and interest rates. I mean, can anyone afford that around that way?

[That it is a real issue and I don't want to be in this situation. Councillors don't want to be in this situation, but we've been put in a very difficult position. Adam, in terms of either increasing the amount of income we have, or cutting services is certainly not just restricted to our council. Snowy Monaro next door are having the exact same conversation next week. Bega Valley are having theirs today. They're looking at a 90% rate rise they're telling their community about that. It's an issue all across the state.](#)

Sorry did you say 90% for Snowy Monaro Regional Council?

[90% is the staff's preferred scenario for Bega Valley. It's just a real issue. It's a systemic issue in the way councils are funded. What happens with the rate peg where we're dictated how much rates can go up each year which doesn't even come close to](#)

inflation, to all sorts of other costs are going up, at significantly higher rates than the rate peg. If we were able to put them up at a more realistic rate each year we wouldn't need to come to the community and start to tell them about a 28% rate rise.

So that's what I want to try and get a handle on. Has your internal audit that you requested revealed how it's got to this?

Yeah, so it has. So they had a really good look at this - and this issue is a decade in the making, or more. So, as you would be aware, Queanbeyan and Palerang were merged together about 6 years ago. Both councils were looking at going down the special rate variation path before they were merged. Since the merger the council hasn't gone down that path. But it has become clear as part of this process that something does need to be done drastically, or the ongoing financial viability of the council comes into question.

Could have previous iterations of the Council have foreseen this and known that it would get to this point?

So the former council – and I know I was part of a formal council - it had a similar report come to it in June of last year where they decided to not proceed down this path and let the new Council deal with it I guess. And it would be easy for me here, to try and blame former council for decision they did or didn't make - but you know that's not going to help the situation we're in. We are where we are - and the current council needs to make some hard decisions about the way forward.

Will this come as a shock, or at least surprise to locals as far as you can tell me?

I'm sure will absolutely - and like I said it's not just us, it's locals all over the state that are facing, you know, these serious challenges. So we'll be doing all we can talking to the community the next two months about how we got here and what we need to do to overcome the issue. And what we can do in terms of what services we provide - that we could potentially even reduce or stop providing - if that's what the community would prefer.

Are there are a few that are in the mix to potentially reduce or stop providing if locals say to you- 'We cannot afford this. We don't support a rate rise of around 30%,'?

Yeah so we will go to them with a list of different services that are non-core - that we would say these are the sorts of things that we could be dropping. Some of them are going to be quite harsh and some won't be palatable at all.

What sort of things are we talking about - just to give people an idea?

So things that could happen - and not something that I would probably support obviously - but things like not opening pools. Pools cost councils a hell of a lot of money. Not grading roads as often, not repairing roads as often - but there's a whole list of different things. One of the things we've actually looked at which could save the council money in the long term is actually reducing the number of councillors that we have. We currently have 11 they each cost council around \$50,000 a year. We could potentially go out and say, look, we could reduce the number of councillors from 11 down to 7 and that there's a saving there. But that's only going to be a cutting \$100,000 or something. We need to be looking at savings that add up to millions of dollars, Adam.

You're hearing from Mayor Kenrick Winchester. The mayor of Queanbeyan-Palerang Regional Council and he is announcing some sobering news, to say the least about the ongoing financial viability and sustainability of the Queanbeyan-Palerang Regional Council. This is after an internal audit into the finances of funding, building, managing, running the whole council region.

My name is Adam Shirley it 6 minutes to 11 is there the potential for the state or federal government to ride in with some cash to support you here Mayor Winchester?

We would love them too. But I've honestly - I don't think that would be viable for them, because there's 130 councils across the state that would love a financial injection from the state or federal government. In terms of the federal government over 500 councils in Australia - it we would certainly be nice, but it's not going to fix the you know the systemic issue we have in terms of council funding. One-off sugar hits won't do it. We need the federal government to commit to increasing the financial assistance grants to 1%, what it used to be in the 1990s, of total government spending that's reduced now to 0.55% - that's a major hit. But also in terms of the State Government we need to be talking about the rate peg and the impact it has on councils, so we can avoid having to go down this path every 5 or 10 years.

We've talked in general terms about this but what led to this in your view? What has meant this financial, precarious situation is a reality?

So what has led to this is, I guess, let's go back to the merger, where part of the are the state government's thoughts were that merged councils would be more efficient and would actually save ratepayers money. So, you had two councils that were not determined to be fit for the future. So they were not financially sustainable on their own. Put together, so you have one bigger Council that as it turns out 6 years later is not financially sustainable. During that time post-merger council was not allowed to increase rates above the rate peg, was not allowed to reduce services, were not allowed to cut staff, were not allowed to do anything in terms of reducing staff numbers or make efficiencies in that regard. And normally when two businesses merge that's one of the biggest savings that the companies make is when you look at the staff levels but we've also been through a pandemic, we've got inflation now - you know – increasing, cost escalations are out of control. That's all added up to the point now where we need to be having a to talk to the community about increasing rates higher than I want to or councillors want to or they want to.

It is a tough conversation. No doubt a crucial couple of months ahead a conversation that has to be had, ahead of what you might do. Mayor Winchester I do appreciate you speaking with us about a difficult situation no ways about it. If you live in the Queanbeyan Palerang Regional Area how does that strike you yeah I'm not quite sure what else to say.

ABC Radio Canberra (5:45pm)

Speaking with Frank Pangallo... I think [mergers have] been an absolute disaster and the State Government's got a lot to answer for in relation to forcing councils to merge. I think Queanbeyan on its own without - the other councils being added on top - was one of the strongest financial local governments in the whole of the state and, and I know that very well because also towards the end of my period I was on the New South Wales grants commission - so I was able to observe what the financials were of all the councils in New South Wales.

Frank interesting to talk with you about thanks very much for giving us a call this evening. That's Frank Pangallo, he was the Mayor of Queanbeyan Council as it was then for 17 years through until 2008. Commenting on the news today the Queanbeyan-Palerang and our amalgamated council is considering some quite steep rate rises and they say they're not the only ones that there are a lot of councils around New South Wales are in a similar Position. I wonder If you feel like you're getting value for money from your rates would you be prepared to pay more?

(6:05pm)

I've been talking about council rates around New South Wales because turns out Queanbeyan-Palerang finances are not in a great state. We've heard from the mayor today that Queanbeyan-Palerang Council is trying to think about how they get out of this. This might involve cuts to services, it might involve a 28% increase in rates in Queanbeyan-Palerang. Tony says 'I am a Queanbeyan-Palerang ratepayer and an old age pensioner I can't afford to live and pay exorbitant rate increases. I have to live within my means, why can't councils?' says Tony. QPRC has said they are far from the only council in this position. So what are some of the others in our region. Well, in case you missed it. You'll hear from the Yass Valley Council general manager in just a moment.

You're listening to drive with Anna Vidot on ABC Radio Canberra where, as I say plenty of discussion about council rates. Do you feel like you're getting value for money. You might, in many councils around the place around New South Wales - you might soon be paying more money, possibly not for more services. Queanbeyan-Palerang trying to work out how to get out of a financial hole they find themselves in. They say they are very aware of other councils around New South Wales in a very similar predicament - that it's not a new problem that it's in part due to structural issues out of their control, things like the rules imposed on caps of rates, effectively. Rules around what they were allowed to do to try and slim down following the amalgamations which has now left them in that position. But what of other councils in the capital region well in the Yass Valley. The Council says it is a challenge every year to balance the budget and live up to community expectations but at least in Yass there is no rate rise is currently under consideration. That doesn't mean they're not struggling with some of the extra financial hits of the recent wet weather though as Yass Valley Council's general manager Chris Berry told me a little earlier.

ABC Radio Canberra (6:10pm)

Speaking with Yass Valley GM...on that subject of rates interesting we've heard QPRC saying they are actively considering, a not quite 30% rate increase. Apparently, according to the QPRC Mayor, Bega is considering a 90% increase. So is it just that you're not actively considering rate rises in Yass or do you see no need for significant rises or rises at all in the short term?

About Regional copy (17 November) Region Media

Annual rate rises of 23 per cent and beyond being considered for cash-strapped Queanbeyan council

A rates rise equalling nearly 30 per cent is one scenario being considered to make Queanbeyan-Palerang Regional Council (QPRC) financially viable into the future.

An updated Long Term Financial Plan will be presented to councillors at the next meeting on 23 November as QPRC considers its ongoing financial sustainability.

Mayor Kenrick Winchester said neither Palerang Council nor Queanbeyan City Council were financially viable when they were merged in 2016, and both had been considering options to increase revenue.

“The [merger] legislation stopped us from increasing our income or making some decisions to reduce expenses, like consolidating administration offices or staff,” he said.

“The merged council was not permitted to raise rates for four years.”

As a result he said infrastructure improvements to roads, services and community amenities had been provided with “constrained funding”, and the community deserved better.

“The rate increases set by the Independent Pricing and Regulatory Tribunal (IPART) through the rate peg don’t come close to meeting the increased costs of doing everything the community expects from us,” Mr Winchester said.

“The costs of construction and materials for projects continue to increase. A truck full of gravel or hot mix are both harder to get and costs over double what it used to.

“We’ve had ongoing population growth and the costs to expand services are increasing more than the income received from additional ratepayers. We’ve also had additional costs from responding to multiple natural disasters and the pandemic.”
In response to this, three rates scenarios have been developed to be presented to councillors at the meeting in the updated Long Term Financial Plan.

Should the councillors endorse the new plan, they would then go on exhibition through the Your Voice page on 24 November for the community to raise their concerns.

A statement from QPRC outlined the scenarios under consideration:

Increasing rates by 12 per cent each year for three years

Increasing rates by 18 per cent each year for three years

Increasing rates by 28 per cent in the first year, 25 per cent in the second year and 23 per cent in the third year

According to the scenarios, the first option would result in a “significant reduction” of services.

“This scenario was modelled to consider whether a lower rate rise could work,” a QPRC spokesperson said.

“This scenario is not considered viable as it will require a strategy to reduce expenses by \$19.8 million per year.”

It's considered option two would only allow for core services to be maintained.

"[This] will deplete the community asset base and will require a strategy to reduce expenses by \$9.3 million per year," the spokesperson said.

The third option has been put forward as the scenario which would maintain current services and also provide \$11 million each year to bring maintenance of assets such as gravel and sealed roads, sporting facilities, parks and amenities, "back to the levels the community expects".

"There will also be \$1.3 million per year for programs to improve environmental outcomes, provide an increased pensioner rebate across the local government area, and \$1.9 million per year to fund new infrastructure like footpaths, pools improvements, etc," the spokesperson said.

Further details about each scenario will be provided if they are endorsed for community consultation.

Mr Winchester said councillors had a duty to ensure council continued to pay the bills and provide the services the community expected.

"We don't want to reduce staff, we don't want to cut services, we don't want to close pools or reduce our maintenance budgets, but that's the reality unless we do something about the income we receive," he said.

"We need to be in a position that will deliver more road maintenance, new footpaths and inclusive swimming pools."

It's expected community consultation would be open until the end of January, 2023.

Following that council would then apply to IPART about a rate variation in February.

The 2022 rate peg had been set by IPART at 0.7 per cent, with QPRC granted a special rate variation of 2.5 per cent in June.

It announced in September the base rate peg for 2023-24 would be 3.7 per cent, however QPRC was given a rate of 4.6 per cent to account for population growth.

It is reviewing the methodology it will use to set the rate peg from 2024-25, with a draft report expected in February next year.

City News copy (17 November)

Council considers whopping rate rises

QUEANBEYAN ratepayers could be hit with an almost 30 per cent rate increase as the struggling council looks for ways to stay financially viable.

One of the options being considered to keep Queanbeyan-Palerang Regional Council (QPRC) financially afloat, is raising rates by 28 per cent.

It comes on the back of councillors voting to bump up their pay packets by 22 per cent, earlier this year.

QPRC Mayor Kenrick Winchester said the merger, and costs associated with responding to the pandemic and natural disasters, have put the council in this position financially.

“When the NSW Government merged the two councils, neither were in a financially sustainable position,” he said.

“The legislation stopped us from increasing our income or making some decisions to reduce expenses, like consolidating administration offices or staff.’

“The merged Council was not permitted to raise rates for four years.

“We don’t want to reduce staff, we don’t want to cut services, we don’t want to close pools or reduce our maintenance budgets, but that’s the reality unless we do something about the income we receive.”

Councillors will consider three rate rise scenarios at a meeting next week including:

- *Increasing rates by 12 per cent each year for three years

- *Increasing rates by 18 per cent each year for three years

- *Increasing rates by 28 per cent in the first year, 25 per cent in the second year and 23 per cent in the third year

Ratepayers will be able to make comments on the rate scenarios until the end of January.

Following community feedback, council will determine an application to IPART about a rate variation in February.

2CC Radio (17 November 5:40pm)

Queanbeyan-Palerang Regional Council are taking a proverbial out of their residents. They want to apply for a rate rise. A rate increase, with IPART in new South Wales as the independent pricing and regulatory tribunal now the rumours are that they’re going to apply for an increase of about 50% saying that they need to consider their financial sustainability. This is a statement issued yesterday by Kenrick Winchester, the Mayor, and of course this comes off the back of recently all councillors, the newly-elected Queanbeyan Palerang Regional Council giving themselves a pay rise. So they can’t afford to run the Council - they need to put the rates up and slug you if you’re a resident but they can afford to give themselves a pay rise. I mean seriously. You can’t write this stuff.

2CC Radio (17 November 04:05PM)

If you’re a resident of the Queanbeyan-Palerang council area. You might want to brace yourself because it looks like your rates are going to go fairly sharply next year. Apparently it has been reported that the Queanbeyan-Palerang Regional Council is considering 3 possible scenarios and these will be debated at a meeting next week.

Scenario one increasing rates by 12% each year for the next 3 years. Scenario 2 increasing rates by 18% for each year for the next 3 years or scenario 3 increasing rates by 28% in the first year, 25% in the second year and 23% in the third year.

Now obviously council’s need revenue in order to continue operating and providing the services that we all depend upon collecting the rubbish, keeping the roads maintained

yada yada yada. You know the drill, and the mayor of Queanbeyan-Palerang Regional Council Kenrick Winchester has pointed out that the merger of the council and the costs associated with responding to the pandemic and other natural disasters have all combined to put the Council into a difficult financial position.

He said. When the new South Wales government merge the two councils, neither were in a financially sustainable position the legislation stopped us from increasing our income or making some decisions to reduce expenses like consolidating Administration officers or staff.

He said the merged council was not permitted to raise rates for 4 years. Well, that being the case, you would expect that there's going to be some catching up to do. But still, it's going to hurt when it comes in, the Mayor said. We don't want to reduce staff and we don't want to cut services. We don't want to close pools or reduce our maintenance budgets, but that's the reality. Unless we do something about the income we receive. So stand by for a sharp increase in rates in the Queanbeyan Palerang Regional Council area following the community feedback period. Council will make an application to IPART in February in the new year. But either way it's going to go up the question. The only question is by how much. Oh and, incidentally, some people have very cynically noted that this situation arrives not that long after the Queanbeyan-Palerang Regional councillors earlier this year voted themselves a pay rise of 22% maybe they should have shown some restraint on their own pay packets.

ABC News copy (18 November 11:30AM)

Queanbeyan-Palerang residents could be facing an almost 30 per cent hike in their council rates

By Niki Burnside

Queanbeyan faces some tough decisions as it posits a significant increase in rates over the coming three years.

This week, Queanbeyan-Palerang Regional Council put forward three options to residents to solve its financial problems. The most expensive: a 28 per cent increase in rates in one year.

The NSW council has been struggling with its finances for years and says the recent flooding, as well as COVID-19, has made things worse.

And it says if residents don't pay more, there is no choice but to cut a number of services to the community.

But Queanbeyan-Palerang is not alone, with neighbouring council areas also proposing significant increases this year.

The Bega Valley Shire Council has suggested a steep 90 per cent jump in rates.

So, what's brought this on, how will it affect people, and how do these numbers compare to their nearest big metropolitan area, the ACT?

Roads, pools among services affected if rates don't rise: council

Queanbeyan pool is one of the facilities that could be affected if the highest rate increase proposed by the council is not approved.

Queanbeyan-Palerang Major Kenrick Winchester says a change to rates is needed to address the "very concerning position" the council is in.

"We brought in an internal auditor and they've come back with their reports that basically say unless we look at raising rates above the right peg, council is in a very concerning position, where we will potentially need to drastically reduce the services we provide," Mr Winchester said.

"So we're going to start a conversation with the community over the next two months about a couple of different scenarios, one of which will include increasing rates by approximately 28 per cent in the first year."

Under the proposal, a further increase of 25 per cent would be introduced in the second year and a 23 per cent increase in the third.

The other options put forward by the council, include a rates increase of 12 per cent, which would mean a significant reduction in services to residents, or an increase of 18 per cent, which would ensure only core services were maintained.

Mr Winchester said that if residents responded to the proposal by saying they did not want the 28 per cent increase, services that would be affected included pools and roads.

Pools are costly community facilities and Mr Winchester said they might have to be closed if a lesser rates increase was introduced, while roads would be graded less often.

He said it was his view that the state or federal governments needed to step in to rescue NSW councils, and in an ongoing capacity.

"One-off sugar hits won't do it — we need the federal government to commit to increasing the financial assistance grants to one per cent," he said.

Wet weather adding to council costs

Canberra School of Politics, Economics and Society lecturer Michael De Percy said Queanbeyan-Palerang's finances were already in a dire state when it was amalgamated six years ago.

Since then, its problems have only worsened.

Potholes damage cars across NSW

Potholes are causing costly damage to cars across the state as NRMA pleads with drivers to take care on the roads.

Read more

"There's a number of different factors — inflation is one, the other of course is the cost of materials," Dr De Percy said.

"But the biggest problem at the moment is certainly road maintenance."

He said chronic wet weather had caused significant damage to the state's roads, causing mayhem and inflicting costly bills on councils.

Dr De Percy said it was not just the Queanbeyan area that was dealing with that issue.

"To drive from Gunning to Canberra, a conventional vehicle won't make it to Canberra now, the road is that bad," he said.

Roads have become a major cost for NSW councils due to chronic wet weather.

Towns and cities paying less

Dr De Percy said NSW councils were facing an impossible situation, and that those in regional areas were paying more for less.

Recent flooding had only added to the issues, especially in Gunning, which was badly affected earlier this month.

"If you look at Gundaroo for instance, you're looking at Canberra prices almost for housing there, but they have no sewerage and no water — you have to basically have a septic tank and buy your own water in, but their rates are similar to Queanbeyan" he said.

Meanwhile, while Canberrans on average pay more than those over the border, they also have access to better services and own properties with a higher land value.

In Queanbeyan, the average annual general rates bill for residential properties is \$1,348.

The average house owner in the ACT pays \$3,070 annually, while townhouse and unit owners pay \$1,854.

But Dr De Percy said Canberrans also earned more on average than residents in regional NSW, which made their higher rates viable.

Local Government NSW president Darriea Turley said that NSW councils were in an "unsustainable" situation.

"Unfortunately, this is an issue facing councils across the state," Mr Turley said.

"Financial sustainability remains the major factor facing local governments, and that's evidenced by the crippling infrastructure maintenance, and the renewal backlog."

She said action needed to be taken by the state government.

"We really want to make sure that we deliver better services, but we're stifled on how we do that," she said.

2CC Radio (7am 21 November)

Stephen Interviewing Member for Monaro [Nicole Overall MP](#)

We spoke about this last week. Queanbeyan Palerang Regional Council is proposing an almost 30% increase in rates. A special rate variation. I guess the only saving grace is this has got to be approved by the IPART the Council can't just go ahead and do this themselves, can they?

No they can't and certainly the situation has resulted in me being contacted by people on almost a daily basis, pretty concerned, and the situation hasn't really been helped by the Mayor talking about pools closing and roads not being fixed.

But they gave themselves a pay rise.

Well, yeah, and of course, that's the next question that people ask me on the back of that, saying that you know - this council elected for almost 12 months now and if they knew things were going to be tough and things have been tough for councils, a powerful there's no denying it, you know, droughts, floods, bushfires COVID it has been tough, but if they knew things were going to be tough, why is it that one of the very first actions - and we point out that not all of the Councillors voted for this but a majority - did vote to give themselves not just a pay increase, but the maximum pay increase possible, which is also higher because it is a merged Council - so it's a bigger Council - which means that they could give themselves more. So yeah the mayor's role received more than a 30% increase, taking it to almost \$88,000, plus superannuation. Never occurred before, that was never the previous situation. And then on top of that, and there's nothing wrong, there's no rorts about this it's part of the system, but they can also hold a full time job as well.

That's what I was going to say that say to you, that's pretty good coin for a part-time job.

Well, yeah, as we all know with a Council the size of Queanbeyan-Palerang it's really not a part-time job. It takes everything and more to be able to do the job as good as you can possibly do it, but that is the local government act and, you know, I've always been one who has been a big advocate of saying that the local government act is more than 100 years old. It does need review and reform and some of that is occurring. IPART as you said, which is the independent pricing and regulatory tribunal, one of the things that they're looking at is currently reviewing rate peg methodology and new approaches that are needed, that actually do reflect changes in inflation and growing costs etc. So things are being done and I for one and am going to be very happy to continue to advocate and push for that to occur, but we are still in the situation that we're in for ratepayers - in not just this council but other areas as well, and where the government do need to continue to back and support our councils. But I'd also say Stephen that despite some politically-motivated claims otherwise the New South Wales Government has invested millions and millions assisting our councils and you know just in our area alone everything from we're talking about every week the Regional Sports Hub, Job Precinct, Community Grants, infrastructure, roads – I mean roads alone we just most recently an additional \$50 million around the state to help critical road maintenance repairs. So we are doing what we can to help and support our councils. Do we need to do more? I'm personally of the view that we can always do more to help, but there are a lot of questions being asked.

Well we're going to talk to mayor Kenrick Winchester tomorrow who apparently doesn't even want the job, he wants yours.

That's certainly the rumour that has been circulating for some time.

Yeah, ok. Speaking of funding to the region \$1.87 million for flood mitigation measures for Bungendore in Captain's Flat. We just read a story that suggesting that this region is probably not as prepared for flood as it should be, so that's a good start I suppose.

Yeah absolutely. As we saw in the recent flash flood events particularly out there at Bungendore, so one of the things, very pleased that we've got 1.87 million to be able to begin to address some of these flood mitigation measures and so there's going to be up an overflow channel at Bungendore that will allow it to be a relief floodway of such. So trying to get the floodwaters to bypass the Tarago Road Bridge so that people can continue to cross it during flood events and then out at Captain's Flat, a flood warning system. So, so it's going to be a system of stream gauges in the Molonglo River, to be able to provide advance warning and then there's also money that's going into a feasibility study into the voluntary purchase or the raising of some 8 properties, located in the high hazard floodway area along the Queanbeyan River so yeah all good steps in the right direction.

Michael de Percy (22 November 1:33 PM) Spectator Australia

Local government or bureaucratic symbolism?

One of the great things about our federal system is that local governments ensure local issues are dealt with by political representatives who are closest to the people. But recent fires and floods are proving that council amalgamations have replaced political representation with bureaucratic symbolism that is not meeting local expectations.

Last week I was interviewed about the financial challenges facing NSW councils that surround the ACT. In particular, Queanbeyan-Palerang Regional Council has commenced a program of public consultation to consider ways to increase rates to deal with rising costs before applying for a Special Variation to the NSW government's Independent Pricing and Regulatory Tribunal (IPART).

In NSW, local government rate increases are 'pegged' by IPART. At the moment, councils cannot increase rates by more than 2 per cent without applying to IPART for a Special Variation above the pegged rate. Queanbeyan-Palerang Regional Council (QPRC) is consulting with voters before applying for a Special Variation in accordance with IPART's rules, which take into account 'the level of community awareness and how efficiently the council has been managing its finances'.

QPRC was formed as part of a voluntary amalgamation of local governments in NSW under the Baird Coalition government in 2016. The merger forecast savings of some \$13m over ten years based on the council's own estimates, with KPMG estimating over \$17m in benefits over the same period.

But recently, newly elected QPRC Mayor Kendrick Winchester was crying poor and commenced the community consultation to apply for a Special Variation to implement three potential rate increase scenarios, which will see rates increase by either:

12 per cent each year for three years,

18 per cent each year for three years, or

28 per cent in the first year, 25 per cent in the second year and 23 per cent in the third year.

Each scenario has different impacts on services, with scenario 3 being the only scenario where the council believes it can provide levels of service and maintenance that meet community expectations.

Back in 2004, the Carr Labor government forcibly amalgamated regional councils in NSW despite winning the 2003 election on a promise not to do so. Almost 20 years later, the failure of this policy is being realised.

In general, council amalgamations promised to decrease costs and improve services. But rising inflation and costs in materials, severe fires, a global pandemic, and recent flooding have not helped local governments to deliver services or conduct adequate maintenance. Until recently, councils in the southern NSW region were operating at surpluses ranging from 1-12 per cent, so it is clear the problem is not systemic. QPRC was operating with salary expenses some 10 per cent less than other nearby councils, so the potential for outsourcing or other cost-saving measures is moot.

While comparative financial results after 2020 are not readily available, increased costs and a spate of fires, floods, and road-damaging rains have undoubtedly consumed most councils' modest surpluses. But NSW regional councils still charge much less for rates when compared with rates in the nearby ACT.

Property rates in the Australian Capital Territory (ACT) are much higher than those in southern NSW. But Canberrans tend to receive a much higher level of service and better access to high-quality infrastructure when compared with regional towns and

rural communities within NSW local government areas (LGAs). It really is a case of 'you get what you pay for'.

Take for example Gundaroo in the Yass Valley Council area. While property values are at near-Canberra levels, Gundaroo has no running water or sewerage system, and residents rely on water and septic tanks to provide what Canberrans normally expect to be services provided by the Territory government.

When Queanbeyan voluntarily merged with Palerang, the council also took on the additional cost of rural roads on top of an otherwise regional city operation. For the QPRC, the problem is exacerbated by the combination of trying to provide city conveniences while addressing rural realities.

NSW regional LGAs are diverse and represent a variety of communities ranging from cities and towns with surrounding rural areas such as Goulburn-Mulwaree and Yass Valley, to large, sparsely populated rural areas like the Upper Lachlan Shire. But recent events are challenging the rationale for amalgamations, especially where those amalgamations were forced upon ratepayers.

There is only so much that local councils can do without support from the state and federal governments, especially when addressing rain damage to major local roads. Upper Lachlan Shire, Yass Valley, and Queanbeyan Palerang Councils in particular have major regional roads that provide residents with access to the ACT. Many of these roads are effectively impassable to conventional passenger vehicles at the time of writing.

The problem was brought to the fore recently when a traffic incident on the Barton Highway near Canberra forced motorists onto regional roads to get back onto the Hume Highway. Northbound traffic was heavy and many conventional vehicles were parked on the narrow shoulders to repair punctured tyres resulting from potholes. Normal stuff for regional residents but not what one might expect under normal highway conditions within cooee of the national capital.

A major problem for local councils is the anguish experienced by residents as a result of bushfires and, more recently, floods. There are growing calls from southern NSW residents for local councils to be de-amalgamated.

When your village floods and four days later you ask the mayor, 'Where was the council?' And the response is, 'We didn't know about the flood...' The local council system is clearly failing citizens. And such a lack of faith in local government can bring about its very demise.

Wingecarribee Shire Council is currently under administration following the councillors' sacking in 2021. Wingecarribee will remain in administration until the 2024 election. Infighting and a toxic culture were to blame for the council's inability to function, but it emerged during the public inquiry that, in the 'wake of the Black Summer bushfires', the council 'just wasn't there'. A similar situation is emerging in the wake of recent flooding.

The biggest challenge in providing local services is that somebody has to pay. Either ratepayers pay higher rates, or other savings or revenue increases need to occur at the state or federal levels to cover the shortfall. Council amalgamations were meant to address these issues, but recent experience in NSW is reconfirming research from 2016 that demonstrated that council amalgamations do not live up to their promises.

In the small village of Gunning, Council's response to the recent flood that impacted businesses on the main street has been slow and generally regarded as inadequate. De-amalgamation is back on the agenda as the rumour mill shifts into overdrive with gossip about Council's dire financial position, proposed asset divestments, and the

lack of maintenance on the flood gates on the local weir contributing to the flood emerging amid fears that the already-sparse local services will be cut even further.

Natural disasters are exposing the inadequacy of local government in Australia. Well-paid bureaucrats hold the reins and local government centres are increasingly concentrated in distant towns. Amalgamations have taken the 'local' out of local government.

Our elected local representatives are paid honorariums for their symbolic role while being held accountable for emergency responses they have no effective control over. Meanwhile, unelected bureaucrats are responsible for budgets that are already over-stretched to the point where a small village on the periphery of their ambit hardly draws attention.

Bringing back the 'local' requires a serious re-think of how local government functions and is funded in Australia. The current system is failing us and only the federal and state governments have the capacity to make it work. An inquiry into the function and funding of local governments in Australia in the post-fire, post-pandemic, and post-flood era is now due. Citizens deserve nothing less.

2CC Radio (22 November 8:20am)

Mayor Kenrick Winchester interview

STEPHEN

Well, the cost of living is going through the roof for all of us. But if you live in the Queanbeyan Palerang Regional Council area. Well, your cost of living, could be going through the roof even for further. With Council applying to the independent pricing and regulatory tribunal for a rate increase of – we're led to believe - 30%. 30% increase in rates, Kenrick Winchester is the mayor of Queanbeyan-Palerang and he joins us on the line now. Kenrick this is a gee up isn't it?

KENRICK

It's not a 'gee up' Stephen this is the reality of the way Local Government funded at the moment with the rate peg that's been placed on our merged council. We have only been allowed to raise rates by small amount ever since the merger, 2% or 3% a year, you end up in a situation that we're facing now, where we do need to be looking at raising rates higher than then we want to and we absolutely understand that it's not palatable. And that's it can be difficult but that's the situation that me and my council have inherited Stephen. If we don't do anything about our rates revenue or looking at reducing services, the Council will run out of money.

When you say inherited the last council left your debt of about \$5 million, \$3 million of that was due to things like drought concessions that were offered all rural residents to keep them on the land and the bushfires etc. And that included a drop in centre in Braidwood. With two full-time staff. These expenses don't exist anymore.

Stephen I don't know where you've got \$5 million from mate, when we merged there was about a combined -

I'm not talking about merging, I'm talking about when you when you took over as mayor.

-were \$5 million in debt. Council has close to \$200 million in loans Stephen. Where have you got your \$5 million from? This is why people invited tonight, to come along to a community meeting in Queanbeyan and Stephen I would love you to come along as well, for our state member, so you can sit there and get the facts instead of making them - basically plucking figures out of the air.

I'm not plucking figures out of the air but how *TALKING OVER EACHOTHER* come it clear how we ended up in this situation that we're in.

How do you look those ratepayers in the eye tonight, how do you look those ratepayers in the eye tonight, and say I'm going to slug you an extra 30% when you've given your selves two pay rises since you came into power.

The same way we talked to - just like we have in Jerrabomberra and Braidwood last week when people actually sit down and listen to the situation. The history of the Council on how we ended up where we are and the fact the councillors - their allowance. The \$40,000 combined increase in their allowance and the impact that has had was nothing when we have a \$20 million -

- But it's symbolic Kenrick. It doesn't matter what the figure is when you say 'Well we'll line our own pockets, but then we'll ask you to pay for it.' How do you expect the rate payers (?)

- We're not lining our pockets. You heard yesterday Stephen that this job the mayoral job should be full time and you told me that the allowance of 88,000 we've taken is unreasonable.

I don't think it should be full time though. Other people might think that I didn't say it.

You did – you said 'that's just good coin' yesterday.

Yeah I did. I said, exactly. I said it's good coin for a part-time job.

Absolutely and it's not a part-time job you heard Nicole Overall tell you yesterday it's a full time job - I'd love to do the role full time -

- and I disagreed with her Kenrick and I'm disagreeing with you too

Well I would love you to come along tonight Stephen and get the facts about how Council has ended up in the situation we are, where we need to be looking at raising rates, or reducing services to -

-which services do you have to reduce?

Well whether there's a whole list that we could possibly go through, one that I think will be popular, that you would like, is reducing the number of councillors that we have. That's something that will have an impact -

- Reducing the number of councillors did you say?

Reducing number of councillors that's right. So each Council can have between 5 and 15 [councillors] when we merged, we were given 11. If we reduce the number of councillors to something like seven. That's a saving of potentially \$200,000 a year which is a good start but we need to be looking at savings in the millions and millions of dollars. Stephen, it's a really big problem that we have inherited. And I'd really like you to come along tonight or if you can't make tonight book a time with me and our CEO and CFO we will sit down with you and walk you through exactly how we got to the situation that we're facing and then have me back on the show and then tell me that we're still wrong - that we shouldn't be going down this path, that we need to go down.

I mean, approaching the government for a 30% increase in rates in the current environment, it would take some extraordinary figures convince me that's a good idea Kenrick.

Well come along tonight or book in a time in and I'll show you. It's a situation facing councils across the entire state – at Snowy Monaro council are now looking at the exact same things. Bega Valley are going out and looking for a 90% rate rise that's

happening across the state. It's a systemic issue with the way council's are funded Stephen.

The problem is there's not a single council out there actually looking for rationalisation where they can improve their own processes. It's all about slugging the ratepayer.

That's absolutely wrong. Mate we are a lean Council we have done everything we can to cut costs and make this potential rate rise as low as we possibly can. Just saying things 'that councils don't do that' is just absolutely incorrect.

Well you spent \$130,000 on Art Society membership I mean that there's 130 grand you could have spent on something more reasonable.

Well there's a lot of people out there who get a lot of benefit from our membership of the STARTS program. And, you know, you could pick on a lot of different things but these are absolutely the things that will be on the chopping block. Unless we are able to do something about the gap between our revenue and our expenditure

Well maybe you need to take a closer look at the chopping block. Kenrick I appreciate your time this morning.

Yeah, I'll see you tonight at 6 o'clock, Stephen.

I'll try my best, good onya. to only 27 minutes past 8... I probably won't get there. At 6 o'clock but I'm happy to sit down with them and talk to through these figures. No two ways about that, but I think it's a bit rich particularly when you give yourself two pay rises to then slug the ratepayers. An extra 30% or attempt to...

Canberra Times (syndicated BWD Times, QBN Age) By Lucy Bladen Updated November 28 2022 - 1:03pm, first published 11:50am

Queanbeyan-Palerang Regional Council proposes rates increases over next three years

Queanbeyan-Palerang residents could face the prospect of paid parking, pools closing, libraries closing and reduced mowing and maintenance unless rates are increased by almost 100 per cent.

2CC Radio (3.35pm 28 November)

GM Rebecca Ryan interview

If you're a resident of Queanbeyan-Palerang Council got some bad news for you - doesn't look like things are going to be great as far as your rates are concerned over coming years. You're facing the prospect of community facilities either being closed or reduced maintenance and parking rates might increase as well. There's some consultation, which is open right now for you to comment on several different options for Queanbeyan Council the first option, as I just mentioned being increased costs for community facilities or a reduction in some maintenance of facilities second scenario, they're saying that rates would increase by 18% a year for 3 years and then there'd be some some increases in community facilities and costs there for for residents and then there's a third scenario where there'd be no cuts to services but rates would get this with increased by 28% The first year, 25% in the second year and 23% in the third year total increase of 97% over the 3 years to talk more about it, Rebecca Ryan Queanbeyan-Palerang Regional Council general manager, good day Rebecca.

G'day Pete How are you today?

I'm not too bad either way either of those 3 options I don't sound great.

Look, certainly the last thing that a Council wants to do is increase its rates significantly and certainly, you know, increase the rate to this extent it's a situation that has culminated over you know the last 10 years worth of you know rate peg and council's capacity to increase its revenue and essentially, we're like any other business when our expenditure is greater than our revenue we deplete our cash. We are at a position now that we need to do something about it, Pete.

Absolutely sorry it's Josh here now Rebecca. Now, obviously the community- you must have had much feedback about this and I can't imagine any of it being positive.

Look, I think when people understand that know what what council provide for its community and you know - You need to think of the sorts of services that local government provide community as something that that is not nearly as service that commercial enterprises do provide. You know, there are public toilets, our parks and garden our sporting facilities. Our swimming pools, our libraries, you know, they're services that we provide to our community, irrespective of their size and, you know, we're committed to do that. So you know we have a responsibility to provide this sort of community amenity which adds to the liveability of all our community or, you know, that live in these rural areas and that costs a lot more than what the revenue that we get achieved. Now, This proposal is something that Council doesn't want to do but also similarly council also doesn't want to, you know, reduce our services. You know, we know we need to grade roads more we know we need to fix our potholes more and renew our assets and that's something that a Council of this size and looking after the area that we do are committed to doing.

All right. It sounds like you're in a rock and a hard place at the moment. What feedback have you received so far on these 3 options.

So Pete it's very early on, so everything's all just gone online on our website today and it's open for two months, so it's open until the 31st of January and so we have a survey there for people to talk about and explain to council what sort of services are import to them. We've got our draft new 10 year budget on on public exhibition so - and we've been talking to our various community groups in Braidwood, Bungendore, Queanbeyan. The Mayor and I and directors and various councillors have been, you know, talking to community groups in informal discussions, just to explain the situation and hopefully, you know, talking to them and answering their questions on that sort of level, and then there's lots of information available on the website.

Alright, so where do we go? What's the website Rebecca?

So it is www.qprc.nsw.gov.au and then on that front page there's a. Have your say. Or there's a tab there down the bottom called proposed special rate variation and say click on that there's a lot of information about what is why we need a special rate variation. What this proposal is About what the different scenarios mean and then lots of other supporting documents. There's example rate notices where people can go and have a look and see where they live and what sort of their residential or business rate is and what that increase might entail. And then there's sort of some questions and answers and you know some of the myths that we have which we've sort of responded to about, you know what the what will rise and what won't rise. This is not about your water and sewer rates or your waste charges. This is just about your general rate and then sort of what services are you know what what Council, for example, you know. Council has a lot of money invested in the bank but there's a lot of that money is actually restricted which we can't use so you know there's lots of information about what council does and what service we provide. And, you know, asking people to provide feedback about what's important to them.

Alright Rebecca can I just give you a little bit of feedback on on that website so that website is for our listeners qprc.nsw.gov.au Now you mentioned there that the

special link there that you've got there for the rate variations is there on the web site it is it is quite a fair way its half way down on the front page and I actually struggled to try and find it there on your website, I would suggest you try and try and make that link, a little bit bigger, or move it up elsewhere somewhere on your website so that people can actually find it and actually give you the feedback that you're looking for.

That's good feedback. Thank you, that's great. I'll give that to my comms team to do.

Because surely this is this is going to be a pressing issue for Queanbeyan ratepayers over the next couple of months until until the consultation period closes sure you want to get the feedback from from your constituents and ratepayers.

We do. And, look, you know, and after that whatever council decides it will be form- It will be, there'll be another consultation process run through IPART and you know you probably aware this is not, not an issue that's just unique to Queanbeyan Palerang Regional Council you know there's other neighbouring councils which have - and a number of councils in new South Wales which are going through the same you know sort of issue. Of, you know, our our expenditure is greater than our revenue and it has been increasing at a much faster rate than what our revenue has and that's primarily because of our rate peg but also you know various other other effects of the global economy and you know as you know Council know that you know people are you have of other increases in there whether its electricity and insurances, food costs, all those sorts of things then you know, we're like any other business, those costs are increasing for Council as well.

How are you finding the cost of potholes and repairing potholes at the moment? How are you coping with that.

That's right, absolutely. Look, we're very fortunate. New South Wales government announced some funding to help councils with potholes. We should be able to access 3 or \$400,000 worth of that funding and that will certainly be very valuable. It's just the crews at the moment, you know, have been struggling with potholes during wet weather. Now over the last week and the next couple of weeks it looks like we've got a bit of a reprieve, so that at least the pot holes they're fixing aren't just getting blown out the same day that they're fixing them. So we are feeling that they're getting some headway and really if we can get on top of it so that we can have our roads at least safe and trafficable but I really just to encourage people to - if they see an 80 kilometre sign or a 60 kilometre sign - just to drop back, even though you might think it doesn't look like there's anything ahead it's there for a reason and it's to let you know there's potentially a pothole and some damage to the road and really driving at this lower speeds to give you that time, the see the pothole and go around if you can.

And sometimes not just the pothole, Rebecca, you know, that road between Bungendore and out to Tarago geez that has been a mess for years.

We're doing they're the major road project there that we're doing at the moment. It being similarly hampered by the wet where that but look, I've I've given that road a few times. And look, you know, the guys were out there, you know, fixing the potholes, they were very frustrated they'd fix a pothole. They go out there the next day and it was broken again so that's just with when the roads are just so wet underneath. We're just dealing with those sorts of liquid conditions underneath asphalt which is not not helpful and that's why it's really important that people just drop to those speeds that are recommended and just try and drive to those conditions. and Unfortunately it's hard when there's traffic coming the other way and you can't avoid it, but if you can just drop the speed back then you know you can we can at least have some some attempt at seeing it before it comes upon you.

All right, Rebecca look we really appreciate you talking this afternoon and talking about a couple of things we weren't actually planning on talking about- yeah -sort of deviated

but you've been very good and if you can have a look at your website as well. Get your people to have a look at your website because the this rate variation. I think it is vitally important for everyone that lives in Queanbeyan and it's going to affect everybody in Queanbeyan up find the people in Queanbeyan finally get a taste what we've been getting a taste for on this side of the border for many years, thanks to our ACT Government.

Canberra Times (syndicated BWD Times, QBN Age) Lucy Bladen - Updated November 29 2022 - 6:21am, first published 5:30am

Queanbeyan-Palerang mayor Kenrick Winchester said council would go into administration without massive rates increase

Queanbeyan-Palerang mayor Kenrick Winchester said he is horrified the council is in a position where they have been forced to choose between a drastic cut in services or a massive rates rise.

CityNews NOVEMBER 29, 2022

Cuts to services on the cards in Queanbeyan

QUEANBEYAN council wants residents to have their say on options for a rate rise in order to keep the council financially afloat.

Consultation on proposed increases to rates over the next three years is now open, with Queanbeyan-Palerang Regional Council (QPRC) presenting three scenarios to residents.

Under the first scenario, council has said there could be a 12 per per cent annual increase in the general rate for three years, which would result in massive cuts to services including closing pools and libraries, reducing the number of councillors, reducing street sweeping, mowing and maintenance, and introducing paid parking.

Under the second scenario, rates would increase by 18 per cent a year for three years.

Council said this could mean fees at The Q increase, cutting heritage grants, only keeping one pool and stopping development of new sports and aquatics facilities, reducing urban amenities, reducing the number of Councillors, and introducing paid parking.

Under the third scenario there would be no cuts to services but rates would increase by 28 per cent in the first year, 25 per cent in the second year and 23 per cent in the third year, representing a total increase of 97 per cent.

Earlier this month, QPRC Mayor Kenrick Winchester said the merger, and costs associated with responding to the pandemic and natural disasters, put the council in this position financially.

“While we were able to make infrastructure improvements and build new infrastructure with the funding we received after the merger and other grants, the merged Council was not permitted to raise rates for four years,” Mayor Winchester said.

“The rate increases set by the Independent Pricing and Regulatory Tribunal through the rate peg don’t come close to meeting the costs of doing everything the community expects from us.

“It’s now really important that we have this conversation with the community about Council services and how they will be funded into the future.”

Councillors voted in June to increase their pay by 22 per cent, while the mayor’s pay increased by 33 per cent.

People can provide feedback on the scenarios until the end of January via the QPRC website.

2CC Radio 9am 29 November - Scott Mamer

The general manager of the Queanbeyan-Palerang Council has backed its rate rise proposal in a bid to rein in its finances. Rebecca Ryan’s support for the move comes amid criticism by residents in the Queanbeyan region. The council’s proposal will see rates increased by 97% over the next 3 years. Ms Ryan says the rate increase is necessary to ensure the Council can continue to fund public assets and services. ‘Certainly the last thing that a Council wants to do is increase its rates significantly and certainly, you know, increase the rates of this extent. It’s a situation that has culminated over, you know, the last 10 years worth of, you know, rate peg and council’s capacity to increase its revenue.’

2CC Radio (7.35am 30 November)

Stephen and former Councillor [Mark Schweikert](#)

Now we’ve been talking over the last couple of weeks about the proposed rate increase for the Queanbeyan-Palerang Regional Council ratepayers.

The Council wants residents to have their say on the options for a rate rise in order to - what they say is keep the Council financially afloat. Now, this could equate to a 97% increase over the course of 3 years. It’s absolutely extraordinary and the scare mongering around this has been equally extraordinary to talk to us about this we’re joined by former councillor from Queanbeyan Palerang Council. He was on the previous council before mayor Winchester came to power. Mark Schweikert joins us now. Mark good morning.

[Good morning Stephen](#)

Is this Council taking the proverbial out of the ratepayers.

[Well, they certainly haven't made the case, the 97% we looked at this, when we were on council last and we said Yes look a rate rise was probably necessary but we weren't looking at anything like 97% In fact, we We looked at 6% for the first year then 6% The second year and 6% in the third year so that's 18% over 3 years, so where they're getting 97% is a mystery and the options that they have offered the community are essentially extortion you either pay no a small rate rise and get in and get nothing in return for the services or you pay 97% and we'll keep everything the way it is it's extortion.](#)

One of the excuses that the current council is using is the amalgamation between Queanbeyan and Palerang and how that’s put extra pressure on the finances but it discounts. The fact that you’ve also picked up a bunch of extra ratepayers. I mean, when you combine the two councils together nothing actually changes you should actually get some efficiencies out of shouldn’t you?

Look there were efficiencies from combining the two councils more ratepayers actually don't equal more income or not economic windfall for councils because most councils don't actually get most of the income from ratepayers. So after a while ratepayers actually do become a bit of a drain on council finances but but regards to the merger, it actually hasn't been that bad for the Council. In fact, during our last encounter which was the merged Council, the first time the Council actually was an operation we actually won the A R Blewitt award - the coveted local government award for the best council in New South Wales - and in fact a press release that Mayor Winchester put out in March this year. Announcing the new CEO. He actually said they are following the murder, 2016. The organization has flourished. So I don't see whether that claim about the merger in the previous council is to blame for all of this.

Yeah I read that same quote yesterday, I found it extraordinary when he was talking about the appointment of the new general manager, that, you know, and paying tribute to the previous administration for as you say the organisation flourishing. So what do you anticipate going to happen because there are 3 different scenarios ratepayers to have their say but there's no obligation for council to actually follow the recommendations of whatever comes out of that consultation.

Well yes they will certainly take that consultation in consideration when they make a decision and they should but given options that have been presented what we really want is the option for the community. They really should be a given the option of a fourth option and to me that would be that Council actually look at itself first. and reach into its own pockets first before start dredging the ratepayers pockets there is fat in the budget, they can do more to actually streamline services and actually get back to roads rates and rubbish. Instead of this politically-driven work agenda they seem to be on at the moment spending everyone's money like a drunken sailor. which I should say is unfair to drunken sailors coz they have at least earned the money.

Yeah, well, that's right. But is it Well speaking of earning money is a true that this current Council has given itself two pay rises since it came to power.

Yes, yes. They gave themselves a superannuation payment and then they gave themselves a pay rise which is somewhat ironic because on my time on council. We denied ourselves a pay rise so when this Council came and I think they've been in for something like like maybe 9 days or something. one of the first decisions they made was to give themselves a pay rise, so they took our pay rise from the last term, applied for themselves and a new pay rise.

So we should be clear here that the amount of money we're talking about for these pay rises isn't going to isn't particularly material but it's indicative of an attitude.

It is but it does all add up when we were presented with options.- Rate rises last term I actually said to the staff look I want to go through the budget line by line and they only gave us the big the big budget or big project items and I said 'No I want everything so eventually I got this 12 page A3 a spreadsheet in size 9 font with absolutely everything in it. I went through and found about \$1.2 million worth of savings from things, and they were just all aggregation of smaller projects - things that didn't need to be done the things that could be delayed, so there is fat in that budget. All these little amounts add up to a big amount. So I really think Council needs to go look at More serious look at itself because it hasn't done that yet. Now the report. The Council is relying on to tell people that we need a 97% pay rise that report actually hasn't been Published. No one in the public has seen that report. In fact the councillors haven't seen that report it. They've only been briefed on it on that particular report now. This is where it gets really interesting, the company that was contracted to do this report only had 3 months to do

it, it sort of done this magnificent report in 3 months. They're a New Zealand based company with some offices in Australia can't find out where - and they specialise in writing business cases for rate rises and that's the company that the council has used for this particular report. And also get a guess a guess it gets worse, the company that they have chosen used to employ the current chief financial officer from council. I'm not saying I'm not casting any aspersions the CFO is incredibly capable lady very and that's why we poached from there but the general manager public should have been a little bit more astute in choosing that particular company with a link to the CFO to actually present the case for a massive rate rise.

And the other Thing, and I made this point yesterday it's not unusual that a council would seek a special rate variation from my part but it's usually a short-term scenario to pay for a particular project, not just a blanket, we've run out of money. We need to take more.

Yeah that's correct and they still haven't made the case for 97%, there are some big projects coming up the Queanbeyan sewage treatment plant was about \$50 million that is in serious need of replacing so there is there is a case for a special rate variation but I don't think 97%. As I said we came up with 18% and that was sustainable.

Mark, I appreciate your time this morning.

Absolute pleasure, thank you

Mark Schwiekert is a former council on Queanbeyan-Palerang Regional Council there you go that's when somebody that's actually sat there and looked through the numbers.

Claire Fenwicke RiotACT (1 December 2022)

Cumulative rates rise of 97 per cent or go without services: QPRC's financial scenarios laid bare

Stop funding of all community halls, facilities and activities, close pools and libraries and bring in paid parking.

These are some of the things that could become reality for the Queanbeyan-Palerang region unless rates are significantly raised, according to the council.

The council (QPRC) recently announced it had three rates scenarios to consider, and further details were revealed at the recent meeting.

QPRC general manager Rebecca Ryan said the three scenarios would affect the general rate.

"All three rate rise scenarios include enough funds that ensures council's assets like roads, stormwater and buildings are maintained appropriately; however, two scenarios involve service cuts," she said.

"This proposal does not include waste, sewerage, stormwater or water access charges."

According to the draft Long Term Financial Plan for 2022-32, this is what is being considered:

Scenario One – Significantly Reduce Services

Rates increase by 12 per cent a year for three years, resulting in a cumulative increase of 41 per cent.

“This scenario does not fully fund current Council operations and will require a strategy to find immediate savings of \$12 million each year,” the report said.

“This kind of saving may include privatising or selling The Q, stopping funding to all community halls, facilities and activities, cutting heritage grants, closing pools and libraries, customer service centres and depots at Bungendore and Braidwood, significantly reducing urban amenities (street sweeping, mowing, maintenance and cleaning), reducing the number of Councillors, removing the additional pensioner rebate, and introducing paid parking.”

Scenario Two – Reduce Services

This suggests a rate increase by 18 per cent over three years, resulting in a cumulative increase of 64 per cent.

However, non-core services would need to be reduced and \$5.5m in savings would have to be found each year.

“Savings could include significantly increasing fees at The Q, reducing community funding by 50 per cent, cutting heritage grants, only keeping one pool and stopping development of new sports and aquatics facilities, increasing fees, reducing urban amenities (street sweeping, mowing, maintenance and cleaning), reducing the number of councillors, removing the additional pensioner rebate, and introducing paid parking.”

Scenario Three – Maintain Services

This is the preferred option by the council, but contains the largest rates increase.

Rates would increase by 28 per cent in year one, 25 per cent in year two and 23 per cent in year three.

This is a cumulative increase of 97 per cent.

But the council said this would fully fund the current levels of service, provide \$400,000 each year towards expanded infrastructure, give access to state government grants that require 1:1 funding, and an extra \$1.9 million each year to renew community infrastructure such as footpaths and pools.

“This scenario provides for an additional pensioner rebate of \$100 for eligible pensioners across the local government area,” the report stated.

“It also allows for \$1.3 million towards new environmental programs.”

During the council debate, Cr Bryce Wilson said the cash position the council found itself in was “10 years in the making”, partly due to debts the two councils had before their 2016 merger and the state government legislation that prevented merged councils from raising rates above inflation.

He said there wasn’t a way for the council to find other savings in order to fix the problem.

“We can’t ‘cut’ our way back into sustainability, it’s not possible,” Cr Wilson said.

“We can’t live within our means to make up for 10 years of the situation we’ve got to.”

Cr John Preston acknowledged it was the “cruellest of blows” to be discussing such significant rate rises at a time when locals were hurting financially due to rising inflation, lack of wage growth, increasing utilities costs and natural disasters.

“Ratepayers are already finding it difficult to see value for money in the rates they pay, and it will be even tougher for them to see value for money following the magnitude of rate rises forced upon this council,” he said.

“The road to financial stability is a hard one, and the scenarios that we are taking to the community to achieve this puts us between a rock and a hard place, but unfortunately we have no choice.”

He blamed the issue on the State Government, and what he saw as a “structural” problem with local government funding.

“I’m deeply concerned any model we and the community decide on in this debate about our long-term financial stability will only see us revisiting this issue in a few short years,” Cr Preston said.

However, Cr Mareeta Grundy still urged the council to find savings where it could in the interim.

“I want a commitment from my colleagues, moving forward, that during our term we will pull out all the stops so that council does not end up back here in 10 years’ time with hands digging even deeper into ratepayers’ pockets,” she said.

The draft Long-Term Financial Plan is now on exhibition, with the community urged to give feedback about what services mattered to them and how they felt about the proposed scenarios. You can have your say until 31 January, 2023.

Original Article published by Claire Fenwicke on About Regional.

The Regional Independent (7 December 2022)

Have your say on rate rise scenarios

Queanbeyan-Palerang Regional Council is inviting community input into three scenarios to address Council's financial sustainability.

QPRC General Manager Rebecca Ryan said 'We have explored three rate rise scenarios which affect the general rate. This proposal does not include waste, sewerage, stormwater, or water access charges.'

'Each scenario shows what type of services Council would be able to provide under a specific rate rise. All three rate rise scenarios include enough funds that ensures Council's assets like roads, stormwater and buildings are maintained appropriately, however two scenarios involve significant service cuts.'

The three scenarios are:

- **Significantly Reduce Services:** Rates increase by 12% a year for 3 years. This is a cumulative increase of 41%. This scenario does not fully fund current Council operations and will require a strategy to find immediate savings of \$12 million each year. This kind of saving may include privatising or selling The Q, stopping funding to all community halls, facilities and activities, cutting heritage grants, closing pools and stopping development of new sports and aquatic facilities, increasing fees, closing libraries, customer service centres and depots at Bungendore and Braidwood, significantly reducing urban amenities (street sweeping, mowing, maintenance and cleaning), reducing the number of Councillors, removing the additional pensioner rebate, and introducing paid parking.

- **Reduce Services:** Rates increase by 18% a year for 3 years. This is a cumulative increase of 64%. This scenario involves a reduction of non-core services and 5.5 million worth of savings must be found each year. Savings could include significantly increasing fees at The Q, reducing community funding by 50%, cutting heritage grants, only keeping one pool and stopping development of new sports and aquatics facilities, increasing fees, reducing urban amenities (street sweeping, mowing,

maintenance, and cleaning), reducing number of Councillors, removing additional pensioner rebate, and introducing paid parking.

- **Maintain Services:** Rates increase by 28% in year one, 25% in year two and 23% in year 3. This is a cumulative increase of 97%. This scenario fully funds the current levels of service. It provides \$400,000 per year towards expanded infrastructure and taking advantage of grants that require 1:1 funding, along with \$1.9m per year to renew infrastructure like community facilities, footpaths and pools. This scenario provides for an additional pensioner rebate of \$100 for eligible pensioners across the local government area. It also allows for \$1.3 million towards new environmental programs.

Rebecca concluded 'We are one of the largest employers in the region and it's our job to provide excellent services and high-quality facilities.'

'Council makes a real difference in the lives of people in Queanbeyan-Palerang and it is important that you give us feedback about what matters to you.'

Have your say on the proposed options at www.qprc.nsw.gov.au/srv until 31 January 2023.

Documents are available in the document library on the website (YourVoice) They are also at our Customer Service Offices and Libraries in Braidwood, Bungendore and Queanbeyan and the Queanbeyan Library.

Submissions will be accepted until 4.30pm on 31 January 2023 and can be made in the following ways:

- By submitting your comments online at <https://yourvoice.qprc.nsw.gov.au/>
- By email to council@qprc.nsw.gov.au (External link) (referencing 'SRV and Long Term Financial Plan' in the subject line)
- By mail to PO Box 90, Queanbeyan NSW 2620
- Delivered in person to one of Council's offices

Canberra Weekly - Newstime Media (December 15 2022)

3,775 Queanbeyan households projected to be in housing stress by 2041

In an effort to soften the blow of the national housing crisis for its residents, the Queanbeyan-Palerang Regional Council has presented an Affordable Housing Strategy for community consultation.

Records from 2016 in the local government area revealed 2,200 very low, low, and moderate income households were in housing stress. This is projected to grow by 1,575 households to 3,775 households in housing stress by 2041.

The draft Affordability Housing Strategy includes 17 potential policies ranging from 'interventionalist' to 'market led' options that the Council said will help address the community's housing affordability concerns.

The need for affordable housing in the region is based on a range of socio-economic, planning, funding and policy environment data relevant to the delivery of affordable housing in NSW. Stakeholder consultation will be used to assist in developing the draft strategy.

QPRC Mayor Kenrick Winchester said the council is aware affordable housing is increasingly difficult to access across the country and in the Queanbeyan-Palerang community.

"We know that access to affordable housing has become increasingly difficult across the country and in our own community over the last few years," said Mr Winchester.

"The strategy is written to start the conversation with the community, so we are looking forward to hearing your feedback."

The strategy is open for comment until the end of February 2023 and a further report will be presented to Council in March 2023 with the community's feedback and details of cost.

The report will present advice on the suitability of the various strategies and how they might be best implemented in the future.

The Regional Independent (18 January 2022)

Online Rates Calculator

QPRC

We have now launched an online rate calculator to help rate payers better understand the effect of the proposed increases to rates on their property. If you have trouble with the calculator try only using the street number and street name, don't add 'Street' or 'Road' etc.

The calculator is a great way to see how property value can affect your rate - and how a large increase in property value does not necessarily equal a large increase in your rates bill. Where some property values increased substantially more than others - their share of the total rate will increase.

The rate calculator uses new land values determined by the NSW Valuer General to show an indicative general rate for your property under each of the rate variation scenarios Council is considering.

The rate rise scenarios only apply to your general rate, not your entire rates notice. The total notice includes other changes including sewer connection, water connection, stormwater levy and residential waste collection (if you have a kerbside bin collection service). The general rate is the ADV and BASE line on your rates notice.

Find the rates calculator and make sure to have your say on the proposed rate rise at www.qprc.nsw.gov.au/srv

The Braidwood Bugle (18 January 2022)



Braidwood Bugle

News for Braidwood & the district
Page 4 18th January 2023

Rates Calculator - reality of proposed options revealed

Scenario 1		2019 Land Value	2022 Land Value	Current Year Rates	23-24 Rates	24-25 Rates	25-26 Rates
Property ID	Property Address						
		\$96,100	\$241,000	\$405	\$745	\$834	\$854
Scenario 2		2019 Land Value	2022 Land Value	Current Year Rates	23-24 Rates	24-25 Rates	25-26 Rates
Property ID	Property Address						
		\$96,100	\$241,000	\$405	\$785	\$887	\$1,090
Scenario 3		2019 Land Value	2022 Land Value	Current Year Rates	23-24 Rates	24-25 Rates	25-26 Rates
Property ID	Property Address						
		\$96,100	\$241,000	\$405	\$852	\$1,073	\$1,335

A sample calculation of rates for a small residential block in central Braidwood.

Council began consulting our proposed rate rise in November 2022 due to the poor state of Council finances.

Now that the NSW Valuer General has released new land values, QPRC have launched an online rate calculator to help rate payers better understand the impact of the proposed increases to rates on their property.

The online calculator is a great way to see how property value can affect your rates - and how a large increase in property value does not necessarily equal a large increase in your rates bill. The rate calculator uses new land values determined by the NSW Valuer General to show an indicative general rate for your property under each of the rate variation scenarios Council is considering. The rate rise scenarios only apply to your general rate, not your entire rates notice. The total notice includes other changes including sewer connection, water connection, stormwater levy and residential waste collection (if you have a kerbside-bin collection service). The general rate is the ADV and BASE line on your rates notice.

The three scenarios proposed by QPRC**Scenario 1 – Significantly reduce services**

- An increase in rates of 12% every year for three years. This would be a cumulative rate increase of 41%.
- For an average ratepayer this would be an increase in year one of \$129 per annum or \$2.50 extra per week, in year two this would be another increase of \$144 per annum or \$2.80 per week and in year three another increase of \$161 per annum and \$3.10 per week.
- These increases do not fund Council operations and require a strategy to reduce expenses by \$12 million each year.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- Savings could include selling off The Q, stopping funding to all community facilities and activities, cutting heritage grants, closing aquatic centres and stopping developments of new sports and aquatic facilities, increasing fees, significantly reducing urban amenities (street sweeping, mowing, maintenance and cleaning), introducing paid parking. More information about cuts can be found in the 3-page explainer.

Scenario 2 – Reduce services

- An increase in rates of 18% every year for three years. This would be a cumulative rate increase of 64%.
- For an average ratepayer this would be an increase in year one of \$229 per annum or \$4.40 extra per week, in year two this would be another increase of \$270 per annum or \$5.20 per week and in year three another increase of \$319 per annum and \$6.15 per week.
- These increases would maintain our core services only and deplete the asset base. We will need a strategy to reduce expenses by \$5.5 million each year.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- Savings could include increasing fees at The Q, reducing community funding by 50%, cutting heritage grants, only keeping one pool and stopping development of new sports and aquatic facilities, increasing fees, reducing urban amenities (street sweeping, mowing, maintenance and cleaning), and introducing paid parking. More information about cuts can be found in the 3-page explainer.

Scenario 3 – Maintain services

- An increase in rates of 28%, 25% and 23% (three years of increases). This would be a cumulative increase of 97%.
- For an average ratepayer this would be an increase in year one of \$356 per annum or \$6.85 extra per week, in year two this would be another increase of \$407 per annum or \$7.85 per week and in year three another increase of \$468 per annum and \$9.00 per week.
- These increases allow us to maintain our current services.
- Under all scenarios we will improve asset renewal for gravel and sealed roads, sporting facilities, parks and amenities.
- There would be an additional \$100 pensioner rebate for the whole LGA.
- New environmental programs would receive \$1.3 million per year.
- Renewed infrastructure – community facilities, footpaths and pools would receive \$1.9 million per year.
- Expanded infrastructure for growth and to match 1:1 grant opportunities would receive \$400k per year (e.g. footpath extensions).

As part of this process, we have updated both our Long-Term Financial Plan (LTFP) 2022-32 and Delivery Program 2022-26 to reflect these scenarios. These documents are available in the document library.

Have your say - BCA Questionnaire on proposed QPRC Special Rate Variation

by Sue Murray, President, Braidwood Community Association (BCA) (reprinted FYI)
The BCA is currently compiling a submission on the options for QPRC Special Rate Variation. As part of this, we are seeking the views of our members and the broader Braidwood and district community through a short questionnaire. The online questionnaire can be found at: <https://www.surveymonkey.com/r/CFZ7PTJ>, with a hard copy version available at the Visitors Information Centre.

All the options / scenarios being considered involve a significant increase in general rates over 3 years, and two of the options involve cuts in services. The BCA appreciates that while none of us want to pay higher rates, some of our members would prefer to have all the services provided by QPRC maintained and enhanced, while others would prefer to see cuts. Which option is best is not an easy thing to decide, with the BCA submission to be guided by the views of its members and the broader community.

This issue will probably be the most difficult decision Councillors have to make during their term of office. The BCA therefore urges all residents in Braidwood and district to have their say and complete the short questionnaire and indicate their preferred option by 28 January to ensure our voice is heard. Before giving your opinion, the BCA encourages community members to study carefully the information provided by Council on their 'Your Voice' website at: <https://yourvoice.qprc.nsw.gov.au/srv> (direct submissions to QPRC due by 31 January 2023).

When considering these options, the BCA suggests community members take note of the following:
-The proposed increases are only on the general rates component of your rates bill. Garbage, stormwater, sewer access, water access and waste programs charges are not covered by this proposal.
-Reflecting our lower level of services, average residential general rates in Braidwood, at \$754pa, are lower than most other areas of QPRC. For example, they are \$1,773pa in Jerrabomberra, \$1,532pa in Gungahlin, 1,348pa in Queanbeyan and \$1,033pa in Bungendore.

-With rates frozen for four years after amalgamation and both Palerang and Queanbeyan in financial difficulties prior to amalgamation (eg Palerang was actively considering a 7% pa SRV over 5 years in addition to the 2.5% rate cap before amalgamation – ie a 9.5% pa increase over 5 years) the need for SRV is inevitable and the situation has been made worse by delays in considering it.

OPINION - QPRC Finances

Even with an accounting background, I find QPRC's financials extremely difficult to understand and digest. The biggest difficulty I have found is that unlike 'normal' business financials, 'council' financials need to be read in conjunction with the Local Gov't ACT 1993. This is because the Act is extremely prescriptive on how council finances are to work. Council policies, which are made on an individual council basis also come into play. I have found trying to understand all this literally mind-bending and that it has required quite a lot of cross-referencing.

My understanding is that Council finances are divided into the 'General Fund', 'Reserves' and 'Grants' etc. Reserves are monies held for specific purposes that cannot be used for any other purpose. The only exception being taking dividends. For instance, the recent 'grant' that QPRC received to remedy a bridge, can only be used for remedying that specific bridge. Another example is the EDE (Ellerton Drive Extension) developer contributions, which can only be used to repay the loan and interest on that loan. My understanding is that there is currently a surplus of monies (I think, over \$8 million) from the developer paid to QPRC, however these monies legally cannot be used for any other purpose and will literally 'sit there' until needed to make loan/interest repayments as they become due and payable. The monies for both these examples appear on the financials but can be misleading because they are 'technically' unavailable. Unfortunately, these are just two examples of many, many examples of unavailable 'restricted' funds. The 'General Fund' monies are the only 'truly' unrestricted funds, where monies can be utilised for any legitimate council purpose. The 'General Fund' monies predominantly come from 'Rates', it is extremely important to separate 'Rates' from other fees and charges because for example water and sewer access charges are placed in their respective 'Restricted Funds', where they can't be utilised for any other purpose.

My understanding is that a council being deemed 'not financially viable', pertains to their inability to meet 'NSW Gov't Ratios'. This is not simply a profit and loss issue. This does not mean a council is 'broke' in the conventional sense that a business or a household may be understood to be 'broke'. In the conventional meaning of 'broke', QPRC is not 'broke', not even close. NSW Gov't Financial Ratios refer to a long-term assessment of a council being able to meet their financial obligations, regarding expenses, asset maintenance and borrowings etc.

The main NSW Gov't financial ratios are:

- Operating Surplus Ratio: a council's operating surplus as a % of its own-source operating revenue.
- Net Financial Liabilities Ratio: a council's net financial liabilities as a % of its annual operating revenue.
- Interest Cover Ratio: A council's operating surplus before depreciation and interest as a multiple of its annual interest expense.
- Infrastructure Backlog Ratio: a council's estimated rehabilitation cost of infrastructure assets requiring renewal as a % of the gross replacement value of its all its infrastructure stock.

My understanding is that in line with the NSW Gov't financial ratios, QPRC is 'not financially viable'. This has been a major issue that the QRRRA has addressed/queried with both the QCC and the QPRC repeatedly since 2014. In 2015, it was predicted that QCC alone (prior to the merger) by 2024/25 would face an operating deficit of 15.7%, which is well short of a surplus ratio of at least 0%. Another example is that an Infrastructure Backlog Ratio would be 6% (this would be 3 times the prescribed limit). The financial situation since the merger has only deteriorated in terms of these financial ratios.

I agree that there are opportunities for QPRC to reduce spending. However, in terms of cutting spending, the other issue facing the QPRC is that many projects that they have committed to long-term, including borrowings, are difficult to unwind as they are 'commercial contracts' which I assume would contain provisions for 'breach of contract'. QPRC has appeared in Scenarios 1 & 2 to have gone for the 'low-hanging' fruit in terms of what spending to cut.

QPRC's current SRV proposal is a long time in the making. In the QRRRA's submission in November 2017 we made reference to the fact that QPRC was already foreshadowing seeking a SRV. From 2017 onwards, QPRC has continued to foreshadow a SRV, with multiple QPRC documents, particularly in Agenda papers regarding major projects, planning reports etc. This is the reason that I take issue with the QPRC stating in their paperwork that QPRC had 'never' applied for a SRV. Of course, QPRC hadn't applied for a SRV, because for those unaware, after QCC and Palerang merged the NSW gov't placed a moratorium on SRV's for four years post-merger. This means that whilst QPRC has wanted a SRV since 2017, they couldn't legally apply for a SRV until now.

As I've stated, this is my understanding only. If I have made any errors in my understanding and attempts at explaining 'normal' financials and 'council' financials, please let me know as I do not want in any way to mislead the QPRC community.

Brigida Szostak,
Treasurer, Queanbeyan Ratepayers and Residents

2CC Radio interview (25 January 2023)

Stephen and Councillor Mareeta Grundy

Stephen: Talk around over the border, about the potential rate rise in the Queanbeyan Palerang Regional Council area, one of the proposals that's been put forward by the current council is a 97% increase to rates over the next 3 years. Obviously any rate variation has to be approved by the Independent Pricing and Regulatory Tribunal. To talk to us more about this Councillor Mareeta Grundy from Queanbeyan-Palerang Regional Council. She is on the line. Councillor good morning.

Cr Grundy: Morning

Stephen: Should people in Queanbeyan-Palerang Council be concerned. I mean, 90, so I can't imagine as part of the consultation program, a process that anybody is going to say yes to a 97% rate increase.

Cr Grundy: Well, look, I've been listening to ratepayers and it's my view, that council is effectively asking ratepayers to either support one of two options where they'll be

paying more, more, but getting less. Or supporting a final third option where they'll get business as usual but at almost double the price. So the question is, is that reasonable.

Stephen: Well in your view is it? Because I speak to a number of previous councillors who say that they were looking at a proposal where it was going to be something in the vicinity of a 30% rate increase and they thought that they could maintain all the services at that. Why is this current council unable to do that?

Cr Grundy: Look I think there's a number of factors at play here, and one that perhaps not given enough consideration is community expectations. You know, ratepayers are saying to me that they feel they are easy targets in that there has to be some source of source of revenue to pay for things.

What hasn't actually I think given enough consideration and certainly Council I believe, from what I'm hearing needs to talk more about, is what savings that they've made, and indeed further savings and opportunities for tightening up inefficiencies that they were, but there may well be ahead, so there's not been enough discussion around that. So it's fair that ratepayers are saying to me look we're being asked to hold of a heavy load here and Council aren't looking at themselves.

Stephen: One of the criticisms has been the fact that the new Council gave itself a pay rise almost immediately upon coming in now, I know that the other quantum amount of that is not going to really have that much impact, but it does show a level of hypocrisy doesn't it.

Cr Grundy: Well look I was the only councillor that didn't support that and to this day I don't support that, for the very reasons that you've just outlined. It didn't sit well then with me and doesn't sit well now. When you're trying to save money one of the key things is not to spend money where you don't have to and we were under no obligation to give ourselves a pay a rise and in addition, brand new superannuation, particularly in the in the financial situation we're finding ourselves.

Stephen: In your view where can savings be made, where can Council veto, be sharpening the pencil to try and take a bit of pressure off the ratepayers?

Cr Grundy: Well look it's questions over a number of areas where we possibly could tighten up or increase revenue, now a for example why we've got free Wi-Fi in Queanbeyan? We cancel that. Perhaps we need to review the viability of a sister city program, we're looking at travel fees over overseas. Should we still be providing grants for cultural and heritage items?

I recently put up a proposal which was knocked out down where we could say could have saved 200,000. But, no, we're still going ahead with granting money for these cultural and heritage and Main St upgrades grants.

Stephen: Yeah

Cr Grundy: Privatising The Q is another option. You know, why would we be running a family day care, why is that our business. There's a number of areas I think we need to examine.

Stephen: I mean one of the things that a lot of councils do is invest in property and I know, for instance, I spent a lot of my time broadcasting in the Hunter Valley before coming to Canberra and one of the councils up there actually owns an office block here in Canberra that they generate a lot of revenue from. Obviously you can't do these things overnight and you've got to have the money to invest in the first place. But surely, Council needs to be looking at long-term revenue projects, a long-term revenue options to try and alleviate some of this pressure

Cr Grundy: Well that is very true. And in fact one of the things, Council will be looking at is, are there any properties where the revenue opportunities are so limited, we need to divest ourselves of them. In fact, the brand new council building that's yet to be finished in the cbd there does have a substantial opportunity for revenue in the future.

There are 3 levels that can be let out for commercial a rent in that new building, so there's a really good example of, you know, an opportunity for us to improve through and look at other ways to get revenue, other than to, you know, beat the poor old ratepayer.

Stephen: ... The other reality is is that this rate variation is all well and good to talk about it but whatever option Council decides to go with has got to be approved by IPART and a lot of work has got to be done to I guess convey to IPART that Council deserves this rate variation.

Cr Grundy: Well that is true, IPART don't just hand it over and tick off on this application from Council. They may reject it. And in fact a lot of ratepayers are not aware that they are they themselves are able to write to IPART and put forward their position, their opinion about this proposed rate rise and the council must present a case where the impact on ratepayers is going to be reasonable. And in addition they must also present a case where they themselves have examined operational costs. So it's by no means a clear cut and a done deal.

Stephen: Well, because we should also point out this is something I'm very, I think it's important to highlight, is that rate variations are not an extraordinary thing. I mean councils do them all the time. But they're generally a temporary thing to pay for a particular one-off project. This is an ongoing thing, and that's what I guess makes this unique in the sense.

Cr Grundy: Look and I think it's also the magnitude where talk thing about your correct option 3 talks about 97, 97% increase over 3 years now that that in anyone's language is substantial and and then beyond that of course we are looking at CPI increases.

So even the the other two options the first option being a 12% increase but that's cumulative to 41% over 3 years, an option to with 18% which is 64 % over 3 years. The magnitude of what we're talking about, I think, is what is concerning ratepayers that there really isn't an option there for them to feel comfortable with and feel supportive of. So there might... I'm hearing ratepayers saying, where's option 4 for us.

We want an option four. Which is better balancing an increase in rates, so some of the ratepayers are shouldering some of the load and council are also shouldering some of the load by examining where they might be cut back and save money.

Stephen: Is the scare campaign by the current Mayor resonating where he's suggesting that if this doesn't go ahead, Libraries are going to shut and things like that? We know, anybody that knows local government, doesn't believe that. But is that resonating with ratepayers?

Cr Grundy: Look some ratepayers are very concerned by that. That's very disappointing because when you look at the books, libraries in fact are not losing money, they're holding their own. Pools, well, there's an argument perhaps user pays and some fees and charges there could go up a bit. But again, they're not the culprits, so they're easy targets and they do get a reaction in the community so I doubt very much whether they're going to be you know the low hanging fruit. It's, it's unfortunate because a lot of people in the community are concerned because they use and support those services.

Stephen: Going to be interesting to see how this plays out will keep people here Council. I really appreciate your time this morning

Cr Grundy: My pleasure thanks Stephen.

Stephen: Councillor Mareeta Grundy from Queanbeyan-Palerang Regional Council. If you are a local in Queanbeyan-Palerang we'd love to hear from you. What are your thoughts on this? Are you concerned that libraries and pools and the like might shut. Do you think that's a scare tactic? Do you support the rate variation? Do you think there's better ways to go about it? We'd love to hear your thoughts on this.