

8. Finalisation special variation to general rates

The Department of Local Government guidelines require councils intending to apply for a special variation to general rate income to pass a resolution prior to commencing the application procedure. The Council has previously resolved on this however following a meeting with representatives of the business and tourism sector to be held on Tuesday 7 April there may be a need to revisit the current resolved position.

Group Manager Community and Relationships

BACKGROUND

10 At its meeting on 24 March 2009 Council resolved:

That Council resolve to take up the Ministerial rate pegging amount when announced.

That Council formally support the lodging of a special variation application which consist of two components:

- *An amount of 50 cents per week to support sporting and recreational facility development applied to 17,912 residential and farmland properties.*
- *An amount of \$250,000 from business ratepayers to be allocated towards business and tourism infrastructure.*
- *The total rate increase to be 6.76 per cent inclusive of the rate pegging amount projected at this time as 2 per cent.*

20

That Council acknowledges that the special variation will form part of the draft Management Plan for 2009/10 which will be formally considered by Council at its April meeting and will then be placed on public exhibition for comment.

At the time of writing a meeting is planned for Council to meet with representatives of the Bega Valley Shire Business Forum, Chambers of Commerce and Tourism and the Sapphire Coast Tourism Ltd Board on Tuesday 7 April. There has been some discussion about alternative models and it is proposed to prepare a memo for circulation to Councillors following the meeting so that due consideration can be given to matters raised at the meeting in the formulation of a resolution at this Council meeting.

30

Staff had proposed to present the draft Management Plan, estimates and fees and charges to Council at the Council meeting of 14 April. In order to incorporate any modifications to the documents and proposals these items have been held over until a proposed Extraordinary Council Meeting on Tuesday 28 April.

On Friday 3 April 2009 the Minister for Local Government announced the rate pegging increase of 3.5% for the 2009/10 year. This will be incorporated in the draft documents to be considered at the Extraordinary Meeting.

40 Special variation applications must be lodged within two weeks of the announcement by the Minister. The date for this following the announcement on 3 April is Friday 17 April. The Mayor and senior staff will meet with the Department of Local Government (DLG) on 24 April 2009 to discuss the proposed rate variation.

ISSUES

Consultation

It is important that Council consider any proposals presented by various sectors of the community and have staff assess these prior to finalising the draft management plan, estimates and fees and charges for public exhibition.

Financial

50 Councillor's resolution on this matter will provide staff with direction in relation to the preparation of the final aspects of the draft management plan, estimates and fees and charges documents to be subsequently considered by Council.

CONCLUSION

The Council need to consider additional information provided through meetings with key stakeholders in relation to the intention to apply for a special variation to general rates. This report will be accompanied by a separate memo circulated following the meeting with stakeholders on 7 April.

RECOMMENDATION

That Council provide a direction to staff from the meeting in relation to the final format of any special variation application to be included in the draft management plan and lodged in an application to the Department of Local Government.

60