



BLAYNEY SHIRE COUNCIL

SPECIAL RATE VARIATION

**COMMUNITY AWARENESS AND
ENGAGEMENT REPORT**

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EXECUTIVE SUMMARY

This Community Awareness and Engagement Report details the outcomes of the community engagement undertaken by Blayney Shire Council (“Council”) in relation to a proposed application to the NSW Independent Pricing and Regulatory Tribunal (“IPART”) for a Special Rate Variation (“SRV”). Community Engagement was undertaken from Friday, 10 November 2023 and concluded Friday, 15 December 2023 (35 days).

The community engagement was planned with two levels;

1. **Inform:** to raise awareness of why an SRV is needed and inform the Blayney community of the SRV proposal.
2. **Consult:** to publicly exhibit the revised Long-Term Financial Plan (“LTFP”) and Delivery Program (DP) and seek community feedback on the SRV proposal.

Implementation of this engagement was carried out in accordance with the Community Engagement Plan endorsed by Council at its Extraordinary Meeting held 9 November 2023.

Significant effort was made to effectively promote the proposed SRV, with a wide range of communication tools and platforms utilised to inform the community and explain how members of the community could participate and provide feedback on the proposed SRV put forward by Council.

As part of the engagement, Council sent a letter and information sheet by mail to approximately 3,500 ratepayers notifying of the proposal, the community engagement period, and details around where, when and how to provide feedback.

KEY OUTCOMES

- Approximately 100 people attended the community information sessions conducted throughout the local government area. In addition, approximately 100 people attended the two meetings organised by NSW Farmers. All engagement sessions were attended by a number of Councillors and the General Manager.
- Council received 28 submissions in regard to the SRV;
 - 25 against the proposal
 - 1 neutral
 - 2 supportive
- Key themes and issues raised throughout the engagement were;
 - Affordability, hardship, and cost of living pressures
 - Financial impact on farmers
 - Council efficiencies and cost savings
 - Extent of proposed SRV amount
 - Importance of Council services
 - Importance of continuing current Council service levels

Note: Key themes are expanded upon including responses from Council in Section 3.

1. INTRODUCTION

1.1 BACKGROUND AND CONTEXT

Blayney Shire Council (“Council”) is required to observe principles of sound financial management in exercising its functions and discharging its responsibilities. Under Section 8B of the *Local Government Act 1993*, councils must:

- Ensure their spending is responsible and sustainable, aligning general revenue and expenses.
- Invest in responsible and sustainable infrastructure for the benefit of their local communities.
- Have effective financial and asset management.
- Have regard to achieving intergenerational equity, including ensuring that policy decisions are made after considering their effects on future generations, and that the current generation funds the costs of its services.

In NSW, Council currently relies on the practice of rate capping set by the Independent Pricing and Regulatory Tribunal (“IPART”). The rate peg sets the maximum increase in general income for the financial year: councils can increase general income by up to the rate peg but cannot exceed it. Over the years Council has seen the costs of operations exceed the rate cap allocated.

Achieving and maintaining financial sustainability is a challenge for Council under the current rate peg. The Act provides a mechanism for councils to seek an SRV, enabling them to increase general income above the rate peg. SRVs can be for one or several years and can be temporary or permanently retained in the rate base.

1.2 FINANCIAL POSITION

Council’s financial position has been found to be unsustainable at the current levels of expenditure and income. While Council has made decisions in relation its assets, services and rating options in the best interests of its community, this, when combined with other external influences and legislative restrictions, has gradually resulted in declining financial sustainability. It is critical that this be addressed before Council’s financial position deteriorates any further.

To achieve financial sustainability, maintain fit for purpose infrastructure and more equitable intergenerational equity, Council requires a permanent cumulative rate increase from 1 July 2024. This includes the expected rate peg increases announced that Council would have otherwise increase rates by.

Council has an obligation to ensure that it manages its financial resources sustainably, including that it has adequate revenue to cover expenditure. This LTFP looks at how Council’s finances will shape up if it continues as it currently is (the base case) as well as modelling three different scenarios of SRV to increase rating income.

All three options were designed to:

- Generate an operating surplus, before capital income.
- Ensure Council is able to fully fund its required renewal and maintenance.
- Ensure Council is able to maintain a positive unrestricted cash position.
- Ensure Council delivers all its improvement program initiatives.

When compared over 3 years, all 3 options resulted in relatively similar uplift of rates overall. The 3 proposed options are outlined in table 1 below.

SRV Options	2024-25	2025-26	2026-27	Comparison over 3 years
1. Base Case	3.5%	2.5%	2.5%	8.7%
2. Sustainability – One-year SRV	26.5%	2.5%	2.5%	32.9%
3. Sustainability – Two-year SRV	14.0%	14.0%	2.5%	33.2%
4. Sustainability – Three-year SRV	10.0%	10.0%	10.0%	33.1%

Table 1 Proposed options for SRV

Scenario 1 - Base Case (rate peg) shows the forward projections which IPART guidelines direct all Councils to use for assumptions in relation to rate peg.

Note: On 9 November 2023, IPART released its final report regarding the review of the rate peg methodology.

IPART has subsequently advised the 2024/25 Blayney Shire Council rate peg figure is 5.7% (up from a forecast 3.5%). This announcement was in the middle of community engagement and does not change Council’s proposal for 10% each year for 2024/25 to 2026/27. What it does mean is the 10% SRV uplift is only 4.3% above 2024/25 the rate peg.

The 3 SRV options arrest the ongoing deficits seen in the base case and allows Council to maintain operating surpluses, that is, revenues will fully cover projected operating expenditure. The base case scenario is not sustainable as is. Significant cost reductions of approximately \$1.8 million per annum would be required for this to be financially viable. Achieving such cost reductions would result in significant reductions to Council services.

1.3 WHAT ARE THE FINANCIAL OUTCOMES?

The proposed SRV will address Council’s ongoing financial sustainability.

Under scenario 2 – One-year SRV, Council achieves an operating surplus in 2024/25, with surpluses decreasing over 2025/26 and 2026/27 with ongoing and improving surpluses from 2027/28. This is mainly due to the level and timing of forecast additional mining rates.

Scenario 3 – a two-year SRV achieves an operating surplus in 2025/26. Scenario 4 – a three-year SRV breaks even in 2026/27, after which operating surpluses are achieved increasing year on year. The following figure shows the estimated financial results for each SRV scenario.

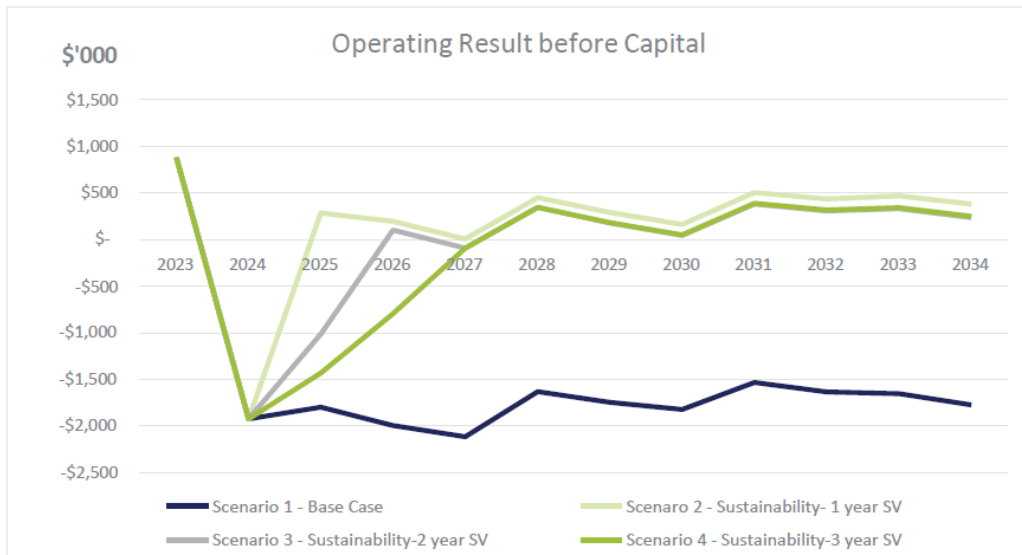


Figure 1: General Fund forecast operating result (Source: Revised LTFP)

The average annual investment of \$7.0 million, over the LTFP forecast period, in Council’s asset renewal program has a positive impact on the renewal and backlog log ratios as detailed in the following graph (noting Scenarios 2,3 and 4 are the same).

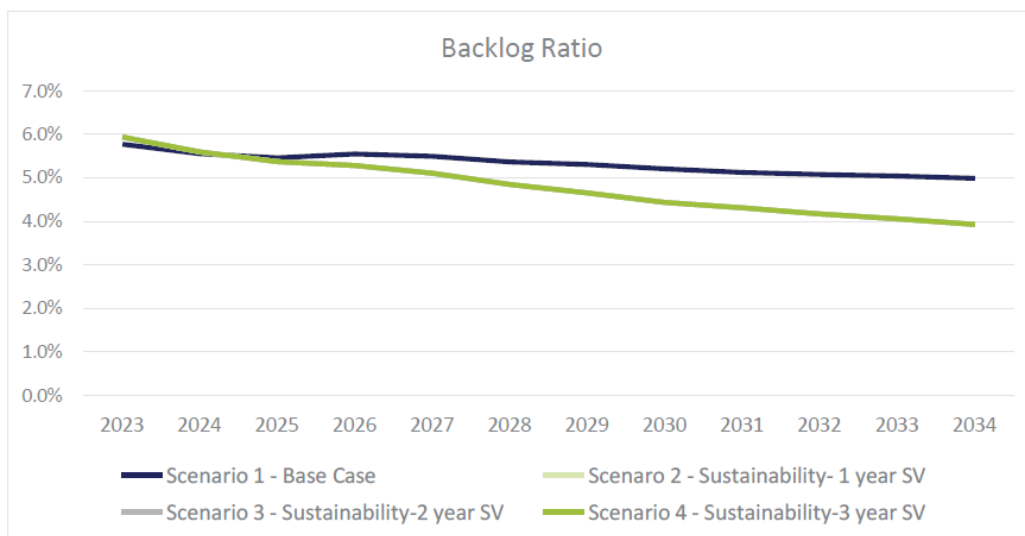


Figure 2 Forecast asset backlog ratios (Source: Revised LTFP)

In addition to addressing the operating deficits, the additional income improves Council’s unrestricted cash position over the 10-year forecast period, as detailed in the figure below.

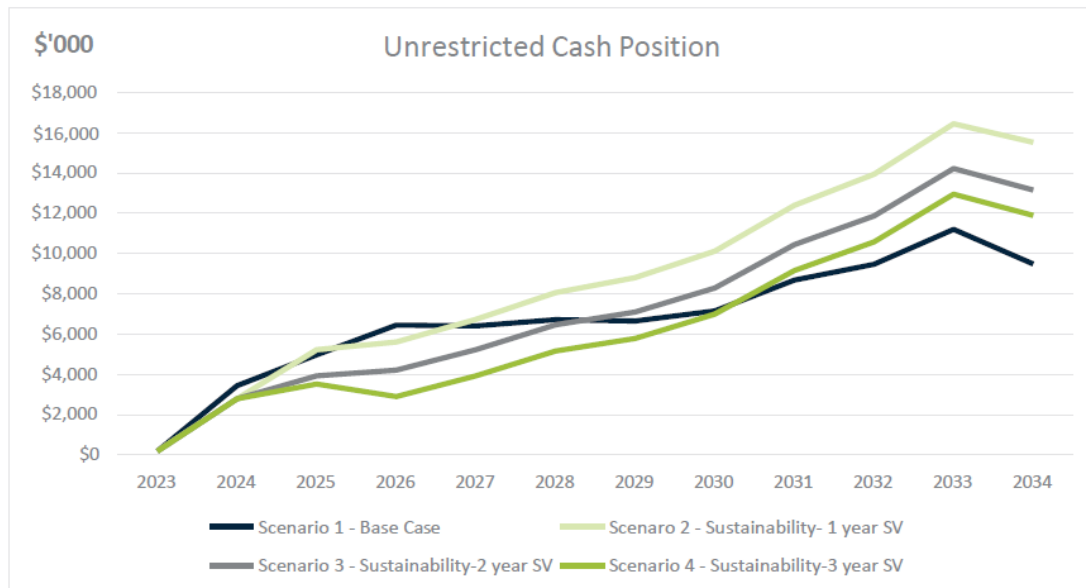


Figure 3: General Fund forecast unrestricted cash position (Source: Revised LTFP)

All councils need to hold sufficient unrestricted cash balance. It is good practice that councils have a level of unrestricted cash to at least cover the next four months of day-to-day operating expenditure, at which point councils start to collect the majority of its rates revenue for that quarter.

The estimated cash position of Council’s General Fund also improves over the forecast period moving from \$20.5 million to an estimated \$35.3 million in 2033/34 under the three-year SRV scenario 4.

Sound financial management encourages planning for modest operating surpluses and building of unrestricted cash reserves over time. This enables councils to respond to events that cannot be predicted or planned for in their Long-Term Financial Plan.

Blayney Shire Council has experienced these events and, while what exactly will occur in the future is unpredictable, it is prudent that it plans for similar unplanned expenditure in the future.

The above forecast unrestricted cash position does not take into account any movements in internal restrictions. As Council builds its cash balances over time, it will be able to transfer unrestricted cash for specific purposes to internal restrictions, including employee leave provisions, which will reduce its reported unrestricted cash.

The four options outlined in the above Table 1 were taken to the Council meeting on 9 November 2023 for consideration.

1.4 SRV OPTION PRESENTED FOR COMMUNITY CONSULTATION

Of the three SRV options, Council resolved to present one SRV option to the community (alongside the Base Case) being a 10% per annum, 3-year SRV resulting in a 33.1% cumulative increase.

Scenario	2024-25	2025-26	2026-27	Cumulative Increases
1. Base Case	3.5%	2.5%	2.5%	8.7%
4. Sustainability – Three-year SRV	10.0%	10.0%	10.0%	33.1%

Table 2: SRV option and base case presented to the community for engagement

Base Case – Rate Peg Only (No SRV)

Under the Base Case scenario, Council would not introduce an SRV, and Council’s financial position would continue on the current trajectory, generating considerable General Fund deficits over the 10-year forecast period. Under this scenario, Council would need to reduce its operating costs significantly, subsequently having insufficient funds to meet all current service levels and asset renewal requirements.

3 Year SRV - Including Base Case

With the option presented to the community, Council would introduce a three-year SRV of 10 per cent (inclusive of rate peg) in the first year and 10 per cent (inclusive of rate peg) in the second year, and 10 per cent (inclusive of the rate peg) in the third year to be permanently retained in the rate base.

If implemented, this SRV would enable Council to generate a modest surplus and subsequently maintain service delivery, meet its asset upgrade and renewal requirements and reduce the current asset backlog ratio.

As illustrated by **Table 3**, below; the 3 Year SRV, rates would increase by 10 percent each year in 2024-25, 2025-26 and 2026-27.

Residential Rates				Business Rates			
Year	Average Rate	Annual Average Increase	Per Week Increase	Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$757			Current	\$1,285		
2024-25	\$833	\$76	\$1.46	2024-25	\$1,414	\$129	\$2.48
2025-26	\$916	\$83	\$1.60	2025-26	\$1,555	\$141	\$2.71
2026-27	\$1,008	\$92	\$1.77	2026-27	\$1,711	\$156	\$3.00

Farming Rates				Mining Rates <i>Cadia Valley Operations</i>		
Year	Average Rate	Annual Average Increase	Per Week Increase	Year	Rate Charge	Annual Increase
Current	\$3,323			Current	\$4.87m	
2024-25	\$3,655	\$332	\$6.38	2024-25	\$5.36m	\$487,295
2025-26	\$4,021	\$366	\$7.04	2025-26	\$5.9m	\$536,024
2026-27	\$4,423	\$402	\$7.73	2026-27	\$6.49m	\$589,626

Table 3: Average rate increase by category for proposed SRV

2. ENGAGEMENT APPROACH

2.1 ENGAGEMENT PLAN

The purpose of the engagement was to ensure that the Blayney Shire community was adequately informed about the need for Council to pursue an SRV, the options being considered, resulting impacts on service levels and to consult the community and get feedback on the SRV under consideration.

Community feedback was sought to:

- Assess the level of community understanding of the proposed SRV, its impacts and why it is needed.
- Seek feedback and submissions on the proposed SRV and the updated Long Term Financial Plan

The SRV Community Engagement Plan included a list of engagement mechanisms in which Council would utilise to engage with the community. The plan clearly set out the tools and methods to be used in engaging with the community on the proposed SRV, including how engagement opportunities would be communicated and the ways in which members of the community could provide feedback.

The engagement was designed to comply with Council's core engagement principles, as set out in the Blayney Shire Community Engagement Strategy:

- Inclusive and accessible
- Productive and enterprising
- Approachable and welcoming
- Consistent so we know where we stand
- Engaging, exciting and inspiring

Council's Community Engagement Strategy can be accessed on [Council's website](#).

2.2 ENGAGEMENT LEVELS AND METHODS

In accordance with the Public Participation Spectrum developed by the International Association for Public Participation, noting the aims and objectives of the engagement in the SRV Community Engagement Strategy, Council designed the engagement process to align with the **Inform** and **Consult** levels.

This means that Council endeavoured to provide the public with balanced and objective information to assist them in understanding the problem, alternatives, and preferred solution and to obtain the public's feedback on analysis and alternatives. During the community engagement process, Council aimed to keep the public informed, listen to and acknowledge concerns and aspirations, and receive feedback.

Given the significance of the engagement and the likely impact of a proposed SRV on ratepayers throughout the Blayney Shire local government area; a wide range of communication tools were utilised to raise awareness of the need for an SRV.

Council sought engage the community which enabled them to contribute to the process and provide feedback for Council’s consideration, prior to a final decision being made in relation to making application to IPART for an SRV.

The promotion and awareness mechanisms utilised a combination of Council and third-party channels directing the audience to the engagement methods and tools outlined in sections 2.3 and 2.4 below.

2.3 PROMOTION AND AWARENESS MECHANISMS

Mechanism	Description	Reach
Website	<p>A dedicated webpage was set up collating all relevant information on the proposed SRV.</p> <p>Information including a Message from the Mayor, relevant documents (e.g. LTFP, Improvement Plan, Delivery Plan and Operational Plan), a series of FAQs, Drop-in session information (which was added to throughout the process), timeline and an online form to submit questions or put in a formal submission.</p>	803 Page Visits
Letter from Mayor and Information Sheet	<p>A letter from the Mayor and two-page information sheet was sent to all ratepayers via Australia post (priority post) the day following the Council meeting on 9 November 2023.</p> <p>The letter and information sheet contained information on what Council was proposing, the average increase, cumulative increase, dates for drop-in sessions and a QR Code to the webpage.</p> <p>The same information was provided to real estate agents requesting the information be forwarded onto tenants throughout the Blayney Shire.</p>	<p>3,456 Rate Payers</p> <p>8 Real Estate Agencies</p>
Email Newsletter	<p>An email newsletter was sent out to subscribers of Council’s monthly e-newsletter at the commencement of the engagement period with the Mayor Message, information flyer, drop-in session information and link to the website.</p> <p>An SRV Update was also included in the December monthly newsletter.</p>	<p>627 Subscribers</p> <p>2 Newsletters</p>

Mechanism	Description	Reach
Facebook	<p>Council’s Facebook page was utilised to share information on the SRV.</p> <p>Specifically, a video message from the Mayor, a two-page information sheet, weekly GM Conversation (SRV focused updates during the community engagement period) and information regarding upcoming drop-in sessions.</p> <p>All posts included the link to the SRV webpage for more information and were pinned to the top of the Facebook page for the engagement period.</p>	<p>12 Posts</p> <p>5,010 Followers</p> <p>10,281 Total Reach</p>
Media Release	<p>A media release was sent to local media outlets following the Council meeting which resulted in a TV interview with Prime 7 at the beginning and end of the engagement period.</p> <p>There were also print articles in the Blayney Chronicle, Central Western Daily and The Orange App.</p> <p>Radio Interviews were also undertaken with 2BS Radio and ABC Central West.</p>	<p>25 Contacts</p> <p>3 Articles</p> <p>4 Interviews</p>
Print Advertisement	<p>Council’s weekly advert ‘A Conversation with the GM’ in the Blayney Chronicle, provided weekly updates on the SRV process.</p> <p>These included the Mayor’s Message, an information flyer and various FAQ’s which were updated weekly following feedback and questions received at the Drop-in Sessions and through the online portal.</p>	<p>6 Adverts</p> <p>Consumers of the Blayney Chronicle</p>
Council Reception	<p>All documents, flyers and FAQs which were available on Council’s website were also printed in hardcopy form and available at the Council office reception.</p>	<p>All visitors to Council office reception</p>

2.4 ENGAGEMENT TOOLS

Tool	Summary	Engagements
Drop-in Sessions	<p>11 drop-in sessions were held throughout the Blayney Shire, including all surrounding villages providing an opportunity for the community to attend, seek information, ask direct and tailored questions on the proposed SRV.</p> <p>Sessions were held generally over a 3-hour period from 4pm – 7pm with additional morning sessions also held in Millthorpe and Blayney from 9am – 11am.</p> <p>The sessions had representatives from both Councillors and Council Staff.</p>	<p>Millthorpe: 15 Millthorpe: 6 Blayney: 5 Newbridge: 5 Lyndhurst: 11 Blayney: 9 Blayney: 12 Neville: 11 Mandurama: 9 Carcoar: 10 Millthorpe: 2 Total: 95</p>
Meetings	<p>Council staff informed representatives from Cadia Valley Operations, the largest ratepayer in the mining rate category.</p> <p>Cadia are currently Council's singular largest ratepayer (approximately 50% of Council's rate base) and bear the singular largest increase from the SRV.</p> <p>Council staff informed representatives from the proposed McPhillamys Gold Project of the proposed SRV.</p> <p>Council Staff and Councillors also attended meetings when requested, this included two meetings with NSW Farmers and one meeting with the Lyndhurst Village Committee that included their members.</p>	<p>Cadia: 2 McPhillamys: 1 Lyndhurst: 10 NSW Farmers 1: 39 NSW Farmers 2: 50 (estimate)</p>
Submit a Question	<p>The dedicated webpage allowed for residents to submit questions on the SRV proposal.</p> <p>Council staff either called or emailed the residents and answered the questions submitted. Council staff also answered questions related to the SRV on the phone and at front office reception.</p>	<p>5 Online/email 10 Phone</p>
Submissions	<p>Residents were able to put in a formal submission providing their feedback on the SRV proposal. Submissions were able to be submitted on the dedicated website, by phone, email or post.</p>	<p>28 Submissions</p>

3. KEY THEMES AND ISSUES

The key concerns and topics of discussion recorded at the drop-in sessions, meetings and formal submissions were all collated with key concerns listed below.

3.1 AFFORDABILITY, HARDSHIP AND COST OF LIVING PRESSURES

The majority of residents who indicated opposition to the proposed SRV cited the current cost of living pressures, including rising inflation, interest rates, utility costs, groceries and insurance as the primary reasons for their opposition to a proposed SRV as they cannot afford another cost increase.

There were some residents who specified affordability and hardship as an issue, indicating that the proposed SRV is unaffordable for either themselves or other residents facing hardship. Many residents stated that their income is not increasing at the same rate as rising expenses.

Response

- Council acknowledges the cost-of-living pressures that our community are currently facing.
 - The increasing costs is one of the contributing factors why Council needs the proposed SRV.
 - In acknowledging the current cost of living pressures being experienced by the wider community, this was a key factor in Council's decision to propose a longer (3 year) 10% per annum SRV as it sought to reduce the short-term impact on the community, whilst also ensuring Council had a path to financial sustainability.
 - It is also noted Council has not sought to impose a "quick fix" solution with a positive operating result not forecast until 2028.
 - The longer Council defers a decision on the SRV, the larger and more severe a future SRV would have to be in the future.
- Blayney Shire Council is one of many Councils seeking an SRV, due to escalating costs and the rate cap limitations placed on rate income through the rate peg system.
- The decision to engage with the community on a proposed SRV was not taken lightly. Prior to considering the SRV, Council sought to identify efficiency gains, enhancements, and improvements.
 - Morrison Low have independently assessed Council reporting that it already found and implemented annual ongoing savings of \$690,000 per year in financial benefits to Council, a one-off benefit of \$1 million and a cashflow benefit of some \$4 million in grant-funded asset renewal projects not requiring Council funds. These savings, improvements and efficiencies are outlined in the Organisational Sustainability Improvement Plan.

- Council engaged Morrison Low to conduct an independent Capacity to Pay Report to specifically consider how a potential SRV might affect the Blayney Shire community, considering the community's wealth, financial capability, and vulnerability. The report showed the planned SRV increase is reasonably balanced.
- Council's *Hardship Policy* provides a framework for those ratepayers experiencing genuine financial hardship to seek relief and enter payment arrangement plans. This policy is available from Council's website.

3.2 FINANCIAL IMPACT ON FARMERS

Submissions, drop-in sessions and meetings Council attended all raised concerns regarding the potential heightened impact to the local farming community.

The farming rate category has the highest average rate and therefore farmers will be impacted the most by an SRV increase (excluding mining).

It was implied that farmers subsidise residential ratepayers by having a higher average rate (\$3,323 vs. \$757).

Concerns were raised regarding the external pressures faced by farmers including interest rates, livestock prices, various other cost pressures i.e. transport and insurance and climate change impacts. A rate increase adds to the overall cost pressures.

It was also noted these external factors are all outside the control of farmers, i.e. when selling stock, farmers cannot at the saleyards pass on cost increases. They are at the whim of the buyer and what they are willing to pay on the day.

There was discussion around the value of Council services the rural community receives. It was highlighted, some farming residents do not utilise the services Council provides in towns and villages such as CentrePoint, footpaths, Blayney Library or parks and gardens.

Response

- Council acknowledges the rural sector is one of the more sensitive sectors within the community. Farmers are exposed to multiple factors of which they have limited control including stock prices, transportation, and natural disasters (drought, flood and fire).

It is noted that these sentiments were particularly strong early in the community engagement.

- The NSW rating system is a land value-based calculation. The higher the land valuation, the more rates that will be paid. For Blayney Shire it is noted:
 - The Farmland category contributes 23.81%, from 720 assessments based on a land value of approximately \$1.5 billion.
 - The Residential category contributes 22.30%, from 2,937 assessments based on a land value of approximately \$764 million. Table 4 shows the 2023/24 Blayney Shire Council Rate Yield.

Category	No. of Assessments	Land Value \$	Total Yield \$	Percentage %
Residential	2,937	763,648,500	2,227,696	22.30
Business	355	71,466,110	488,890	4.89
Farmland	720	1,523,393,130	2,377,681	23.81
Mining	2	116,964,000	4,891,491	48.98
TOTAL	4,014	\$2,475,471,740	\$9,985,950	

Table 4: 2023/24 Blayney Shire Council Rate Yield (Source: Operational Plan 2023/24)

- It is acknowledged when looking only at the rate average for each category, the Farmland category will bear a greater increase per category.

However, it is noted that the Farmland category has the largest land value (\$1.5 billion) of all the categories. This combined, with only 720 assessments directly results in a higher average.

- Council has prioritised recent expenditure in rural areas, in particular roads, bridges and culverts.

In 2022/23 there has been in excess of \$5.2m of capital works and \$1.7m of maintenance on rural roads. A further \$2.9m of capital works was expended on bridges and culverts. Collectively this is significantly above the rating income generated from the farming category (\$2.4m). Additionally, there are many rural ratepayers who utilise various Council services throughout the shire.

- As previously mentioned, Council's *Hardship Policy* provides a framework for those ratepayers experiencing genuine financial hardship to seek relief and enter payment arrangement plans. This policy is available from Council's [website](#).

3.3 COUNCIL EFFICIENCIES AND COST SAVINGS

Throughout the engagement and outlined in submissions, it has been suggested that Council needs to achieve further operational efficiencies, productivity improvements and cost savings prior to seeking an SRV.

Feedback suggested that Council should simply 'tighten its belt' and find other cost saving methods, like any other business, and look at costs such as staffing levels and consider if there are areas that are over-resourced or staff not working effectively enough.

Some residents stated Council should be in a good position and questioned why Council's financial position has declined since reporting a \$1m surplus in 2022/23 and approximately \$29m of cash in reserve.

It was stated that Council should strive for more efficiency and productivity enhancements before considering an SRV. There were residents who expressed a sense of being burdened with increased rates because of what they perceived as the Council's mismanagement.

Response

- In September 2021 and September 2023 (prior to Council resolving to under community engagement on a proposed SRV), Council completed a Council Services Survey.
 - The September 2023 survey of the community had approximately 300 responses. The responses indicated strong support for all services at the levels Council currently provides (roads was identified as the highest priority).
 - The survey also confirmed that the community could not identify any feasible further efficiencies, reduction of service levels and/or savings for Council to investigate.
- Council's General Fund has insufficient funds to maintain service levels or asset renewals at the levels required by the Blayney Shire community. If Council does not implement an SRV, it will not be able to adequately fund infrastructure renewals, which will result in the degradation of community infrastructure and negate intergenerational equity.
- Council additionally regularly reviews its operations and actively identifies and implements initiatives to ensure that it is seeking to contain costs and implement efficiency gains so that it can provide value for money to the community.
- Council has already found and implemented ongoing savings of \$690,000 per year in financial benefits to Council, a one-off benefit of \$1 million, and a cashflow benefit of some \$4 million in grant-funded asset renewal projects not requiring Council funds, in addition to extensive additional efficiency and productivity gains and improvements in operational sustainability.
- Before considering a Special Rate Variation, Council sought to identify further savings and cost containment opportunities. As part of the review, Council's senior management team identified, costed, and prioritised 26 present improvements, which Council will be seeking to implement over the next three to four financial years (with some having a slightly longer implementation timeframe). Further details on these improvement initiatives and organisational sustainability requirements can be found in the Council's Organisational Sustainability Improvement Plan.
- NSW and Federal Governments allocate grant funds to local councils via specific programs, enabling them to support infrastructure projects. These funding programs have specific criteria that the funding can go towards and do not cover ongoing

operational and maintenance costs. Despite Council's past success in securing grants from both the NSW and Federal Governments for infrastructure, both entities are grappling with budget limitations. As a result, there is uncertainty regarding Council's ongoing reliance on grants for future infrastructure funding.

- In 2022/23 Council's audited financial statements report a Consolidated \$1.16m surplus (\$1.04m attributable to General Fund). This surplus was skewed with an increase to 95% from 75% advance payment of the 2023/24 Financial Assistance Grant (an annual federal government operating grant) in late June 2023 resulting in an additional \$1.12m.
- As at 30 June 2023 Council has approximately \$29m in cash and investments, which is largely held in reserves and invested to earn interest. Although Council currently has money in reserves, the majority of the funds are restricted for specific purposes which means it cannot be used for operational purposes. Council's unprecedented cash levels includes restricted cash of \$5.68m in prepaid capital grants and contributions; \$3.46m advance payment of the 2023-24 Financial Assistance Grant and \$11.2m un funds restricted by legislation. A full list of Council's cash restrictions and purpose is available on Council's website (FAQs of the SRV dedicated page).
- Council's current staff structure has 88 full time equivalent (FTE) positions and is required to be reviewed after each Council election (last reviewed in 2021). Council currently has 3 vacancies so is currently running at an FTE of 85. Additionally, when a vacancy occurs a review is undertaken of the position, need and requirements prior to advertising the vacancy. When comparing Council staffing levels to other Group 10 Councils in NSW the below chart confirms Council is at the lower end of FTE staffing numbers.

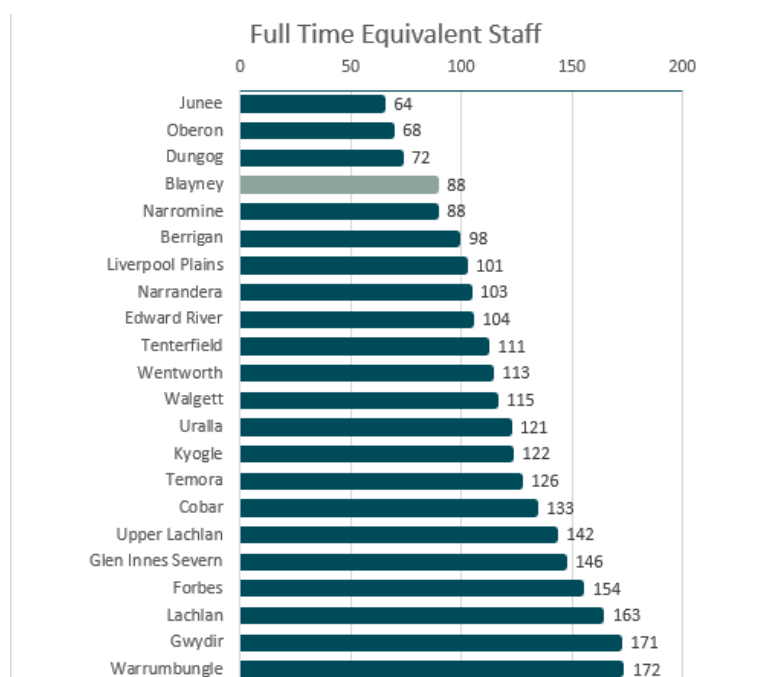


Figure 4: Full Time Equivalent Staff in Group 10 Councils (Source: Your Council NSW)

3.4 EXTENT OF PROPOSED SRV AMOUNT

Feedback received stated the proposed increase was too high and not feasible for ratepayers to afford. Some respondents understood the need for an increase in rates but believed the increase proposed was too significant and Council should only increase rates by the rate peg or CPI.

Residents also compared farming rates to neighbouring Councils including Orange and Bathurst who currently levy farmland rates at levels lower than that of Blayney Shire.

Response:

When compared to similar councils (Group 10 under Office of Local Government groups based on the Australian Classification of Local Governments determined by the Australian Bureau of Statistics), Blayney Shire Council's current average rates for residential and farmland sits just below the average and median levels. For business, it sits well below the average level of comparable councils.

- Comparing rates to neighbouring councils of Orange and Bathurst is not an equitable or appropriate comparison.
- A significant number of other councils are facing similar challenging financial issues. In 2022/23 IPART assessed 17 special variation applications. IPART have advised Council approximately 20 councils have indicated they will apply for a special variation to commence on 1 July 2024. In May 2023, the NSW Country Mayors Association undertook an annual survey and 79% of Councils indicated, they have either undertaken an SRV in the past 2 years or will need to in the next 5 years.
- With the local community growing, new assets to maintain, and Council's forecast financial position deteriorating, it would not be responsible governance to delay an SRV.
 - If an SRV is not implemented, then Council will not be able to maintain current service levels or meet asset renewals at the levels required by the local community.
 - Additionally, if an SRV is not implemented now, a larger SRV would be needed at some point in the future, to achieve the same outcome and objective.
- If Council wasn't to proceed with an SRV, it would have to significantly reduce operational expenditure. This would likely be on roads, bridges / culverts and more widely significantly reduce all services and increase fees and charges to users of Council facilities (mainly community and user groups). Council would also have to rely solely on grant funding to maintain and upgrade assets (roads, bridges and culverts in particular) and consequently community infrastructure will deteriorate if our own funding is not available. The outcome would result in the growth of Council's asset backlog burdening future generations of ratepayers.
- Council is seeking to be proactive in addressing this very important issue as early as possible and over 3 years, rather than in a large singular increase.

- Under the provisions of the *Local Government Act 1993*, Council can introduce an SRV to improve their financial sustainability.

3.5 SERVICE LEVELS AND MAJOR PROJECTS REVIEW

Some residents during the engagement expressed some dissatisfaction with Council's current service levels. As summarised below:

- Local infrastructure, including roads, not being effectively maintained.
- Not getting value-for-money for rates being paid.
- That the introduction of an SRV will not result in improved service delivery.
- Discussion about what services should be delivered by Council, however, there was no consistent theme about what constituted an essential service.
- The level of dirt and gravel road maintenance was a common theme.
- Discussion regarding grant funded built assets and their ongoing maintenance.

Response:

- The community has driven Council strategic priorities through the Council's Community Strategic Plan (CSP). Council has developed Integrated Planning and Reporting (IP&R) documents, including the Delivery Program, Resourcing Strategy, Operational Plan and LTFP to deliver on the CSP.
- Council has a statutory responsibility under the *Local Government Act 1993* to manage assets responsibly so that current and future local community needs can be met in an affordable way. In making its decisions, Council must also consider the long-term and cumulative effects of actions – and inaction – on future generations. As noted above, Council is generating insufficient funds to meet asset renewal requirements, and without an SRV, community infrastructure would continue to decline to unacceptable levels and be counter to achieving intergenerational equity.
- Morrison Low has independently developed the Organisational Sustainability Improvement Plan.
- Strategies in the Organisational Sustainability Improvement Plan include:
 - Utilisation of grant funding for prioritisation of asset renewal and reduction of Council's asset backlog, reducing the commitment by Council of funds for capital works program (one-off cashflow benefit).
 - Continued prioritisation of capital grants for asset renewal and reduction of Council's asset backlog.

3.6 IMPORTANCE OF COUNCIL SERVICES AND CURRENT SERVICE LEVELS

Many residents agreed on the importance of continuing most Council services and operations at the current service levels. As discussed in Section 3.5 individual residents had different views on specific services or assets, and the importance of maintaining them.

Some residents stated support for the SRV and others stated a reluctant acceptance for the SRV. They showed their understanding of the need for the rate increase and wanted Blayney Shire to continue to be a progressive community.

Response:

- Council appreciated the feedback received in relation to services and proposed SRV.
- In September 2021 and September 2023 (prior to Council resolving to under community engagement on a proposed SRV), Council completed a Council Services Survey.
 - The September 2023 survey of the community had approximately 300 responses. The responses indicated strong support for all services at the levels Council currently provides (roads was identified as the highest priority).
 - The survey also confirmed that the community could not identify any feasible further efficiencies, reduction of service levels and/or savings for Council to investigate.

4. NEXT STEPS

Council appreciates the high degree of public interest in the proposed SRV application and thank all members of the community who took the opportunity to learn more about the proposed SRV, attend one of the drop-in sessions, or provide feedback.

At the commencement of the engagement period, Council published a page on its website providing further information on the proposed SRV. Council will continue to update its website to reflect current information on the progress and status of the proposed SRV application.

Council will consider the proposed SRV at its Ordinary Meeting scheduled to be held 23 January 2024. The business paper for that meeting, as well as the subsequent minutes and livestream of the meeting, will be made available from Council's website. Community members are able to register to speak in the Public Forum at this meeting by 4:30pm on the day of the meeting.

Should Council proceed in applying to IPART for an SRV, it will prepare and submit an application by 5 February 2024. IPART will publish the application and accompanying materials to its website and invite public submissions from members of the community via a three-week consultation period, likely to commence in February 2024 and conclude in March 2024. IPART will review and consider all submissions it receives, prior to releasing its final decision in May 2024.

Further information on the SRV process, including how IPART assesses SRV applications, is available from IPART's website at www.ipart.nsw.gov.au.

APPENDIX A: COMMUNICATION RESOURCES

- Media Release
- Letter from the Mayor
- Information Flyer
- FAQs
- Blayney Chronicle Adverts
- Facebook Posts
- Email Newsletter



MEDIA RELEASE

Friday 10 November 2023

Council Commences Community Engagement on Proposed Special Rate Variation

Blayney Shire Council has resolved to commence community engagement on a proposed Special Rate Variation (SRV) of 10% per annum for 3 consecutive years (33.1% cumulative increase) at an Extraordinary Meeting held on the 9 November 2023.

The proposed SRV includes the annual rate peg set by the Independent Pricing and Regulatory Tribunal (IPART) and any increase would not commence until 1 July 2024.

Council needs to increase rate income as Council's Long Term Financial Plan (LTFP) indicates deficits for the next 10 years. The additional income is needed to ensure Council's long term financial sustainability.

Unfortunately, it is not possible for Council to 'do nothing' as Council's forecast revenue is consistently less than its expenses over the 10-year Long Term Financial Plan.

Council needs to address the forecast deficits in the financial outlook for the General Fund. This is critically important because the General Fund contains provision for all Council services apart from sewerage and waste.

The amount of funding available in General Fund directly supports the maintenance of critical assets, services and community facilities, including: roads, bridges, culverts, parks, footpaths and buildings.

Over the last 18 months Blayney Shire Council has undertaken a comprehensive review of its operations and service delivery. This has included two independent financial consultants undertaking a full review of our 10-year LTFP, Asset Management Plans and Capital Works Program.

Cr Reynolds who moved the motion outlined some of the expenses that Council has had to face, including: inflation, cost shifting, recent reductions in grant funding and how Council is significantly restricted with rate pegging.

'The problem is Councils costs are going up far greater than what our income is, we're pegged, we're capped at 3.7% this year.'

'The cost of gravel has gone up around 20% in the last year.'

'Resources for Regions funding has stopped and there was more than \$5 billion raised by the NSW Government out of royalties across NSW but recently announced the end of that program to 26 Councils'

Cr Somerville who seconded the motion expressed further concerns on the IPART rating system and the impact to Councils and the community.

'We were given a 3.7% increase rate cap increase this year when in fact inflation for a large part of the year was at 7.8%.'

'The system seems to be broken, across the state last year 17 councils applied for special rate variations.'

'Most of the applications that have been made last year, and are being made this year are for far greater increases than what we're proposing'

Cr Somerville also talked on how Council has been very responsible in introducing the prospect of a special rate variation for next year given the upcoming Council elections in September 2024.

'It's not a very popular thing for Councilors to be doing. It would be easy for this group of Councillors to say no, we'll worry about that later but I'm proud of my fellow Councillors for deciding to put this forward now,' acknowledged Cr Somerville

'We're looking at operating deficits of 1.8 million each year for the next 10 years, that's not sustainable if we do nothing about it now we'll be facing a decision like this in one or two years time and we won't be talking about three lots of 10% we'll be talking about 50, 60 or 70% rate increase.'

Mayor Ferguson also talked about the alternatives where we will see a slow but predictable demise in Council assets especially the road network.

'This is a long-term view and a long-term strategy and I for one support it because we are preempting the inevitable and in 3, 4 or 5 years' time, future councils which we either may or may not be here for, will face a potentially tremendous rate increase or alternatively watch their assets that they enjoy now deteriorate in front of their very eyes.'

All Councillors encouraged the community to get involved during the consultation period.

'There's an opportunity to put in submissions, to put in comments from the community with 35 days from tomorrow where the community can actually consult, come in and give us feedback as in tell us about their thoughts on what is being proposed,' said Cr Reynolds.

'When we talk about community consultation, we're about listening to what the community has to say, I'm hoping that the community will listen to what we have to say as well, as we are custodians of your community assets,' said Mayor Ferguson

In the meeting, the other options considered had similar cumulative amounts, but were higher increases as they were compressed into 1 and 2 year periods respectively.

Mayor Ferguson said 'Council is not seeking an instant quick fix, in particular it acknowledges the cost of living pressures all of our community is currently experiencing, which is why Council has preferred the lower 10% increase over 3 years.'

'Even with the proposed 3 year SRV, a positive operating result is not forecast until 2028,' said Mayor Ferguson.

Following the Community Engagement, Council will meet in late January to resolve whether to proceed with the application to IPART.

Applications for an SRV must be lodged with IPART by 5 February 2024.

IPART then proceed to assess the application including their own community consultation over February and March 2024.

For further information about how you can participate please visit Council's website www.blayney.nsw.gov.au/srv or view printed documents available at Councils office, 91 Adelaide Street, Blayney.

-ends-

Please contact

Mark Dicker
General Manager

Ph: 02 6368 2104



Blayney Shire Council

Council Office 91 Adelaide Street, Blayney Postal Address PO Box 62, Blayney NSW 2799
Telephone (02) 6368 2104 Facsimile (02) 6368 3290
Email council@blayney.nsw.gov.au Web www.blayney.nsw.gov.au
ABN 47 619 651 511

10 November 2023

«Line_1»
«Line_2»
«Line_3»
«Line_4»
«Line_5»

Dear Landowner

I am writing to advise that Council decided at its meeting of 9 November 2023, to commence community engagement for a proposed Special Rate Variation (SRV).

Council is proposing an SRV of 10% per annum, for 3 consecutive years commencing 1 July 2024, resulting in a 33.1% cumulative increase.

Council is writing to every landowner to ensure awareness of the proposed SRV and seek your input, comments and feedback.

The enclosed information sheet provides a summary of information regarding the proposed SRV.

Council's Long Term Financial Plan (LTFP) indicates deficits for the next 10 years. Deficits will directly impact on Council's ability and capacity to maintain the standard of our current assets, services and community facilities, including: roads, bridges, culverts, parks, footpaths and buildings across the shire.

Over the last 18 months Blayney Shire Council has undertaken a comprehensive review of its operations and service delivery. This has included two independent financial consultants undertaking a full review of our 10-year LTFP, Asset Management Plans and Capital Works Program.

Out of the process, it has been identified that rate income is needed to increase by approximately 33%. Three options exist to achieve this;

1. 26.5% increase in 1 year, or
2. 14% increase for 2 consecutive years, or
3. 10% increase for 3 consecutive years.

In acknowledging the current cost of living pressures, Council's preference is for a 10% per annum increase, to all rate categories for 3 consecutive years.

This has been a very difficult decision for Councillors who are seeking to be proactive in addressing this very important issue as early as possible and over 3 years, rather than a large singular increase.

Council is consulting with the community to discuss the proposed rate variation and encouraging everyone to be involved. There will be various opportunities to attend a drop-in session at various locations throughout the Blayney Shire over the next few weeks as per the table below.

Location	Venue	Date	Time
Millthorpe	Golden Memories Museum	Thursday 16 November	9am to 11am 4pm to 7pm
Blayney	Blayney Shire Community Centre	Monday 20 November	3pm to 6pm
Newbridge	Brian Bennett Pavilion	Wednesday 22 November	4pm to 7pm
Lyndhurst	Lyndhurst Hall	Thursday 23 November	4pm to 7pm
Blayney	Blayney Shire Community Centre	Monday 27 November	9am to 11am 4pm to 7pm
Neville	Neville Hall	Wednesday 29 November	4pm to 7pm
Mandurama	Mandurama Hall	Thursday 30 November	4pm to 7pm
Carcoar	Carcoar School of Arts	Friday 1 December	4pm to 7pm

For the latest information about how you can participate, please visit Council's website www.blayney.nsw.gov.au/srv or contact Council on 6368 2104. Hardcopies of documents are available at Council's office.

I and my fellow Councillors are looking forward to meeting with you, answering any questions and importantly receiving your input and feedback about the proposed SRV.

Yours faithfully



Scott Ferguson
Mayor

Special Rate Variation Proposal

What is a Special Rate Variation (SRV)?

- Each year, the NSW Independent Pricing and Regulatory Tribunal (IPART) sets a maximum percentage increase by which a council can raise its overall rate income, known as 'rate peg'
- For the current year (2023/24), the rate peg was 3.7%. This contrasts with CPI increases (inflation) over the last year which reached 7.8%
- Councils can apply to IPART for approval to increase their income from ordinary rates in future years by more than the rate peg. This is known as a special rate variation.

What are the steps?

- 1 Council is seeking feedback on a proposed SRV of 10% per annum for 3 consecutive years, resulting in a 33.1% cumulative increase
- 2 Council is conducting Community Engagement over November – December on the proposed increase
- 3 Following the Community Engagement, Council will meet in late January to resolve whether to proceed and formally apply to IPART
- 4 Any increase would not commence until 1 July 2024

Why do we need it?

The annual IPART increases have not been keeping up with inflation levels, creating a significant shortfall.

Our Long-Term Financial Plan (LTFP) projects multiple losses over the next ten years. This is not a sustainable position for Council and the community to be in.

The SRV will assist in addressing the forecast deficits in our LTFP.

The SRV will ensure we have financial capacity to maintain the standard of our assets, services and community facilities, including: roads, bridges, culverts, parks, footpaths and buildings.

What has Council done already?

Over the last 18 months Council has had 2 specialist independent consultants review Council's financial position.

Following these 2 external reviews, Council has implemented improvements and identified additional efficiencies to consider in the future.

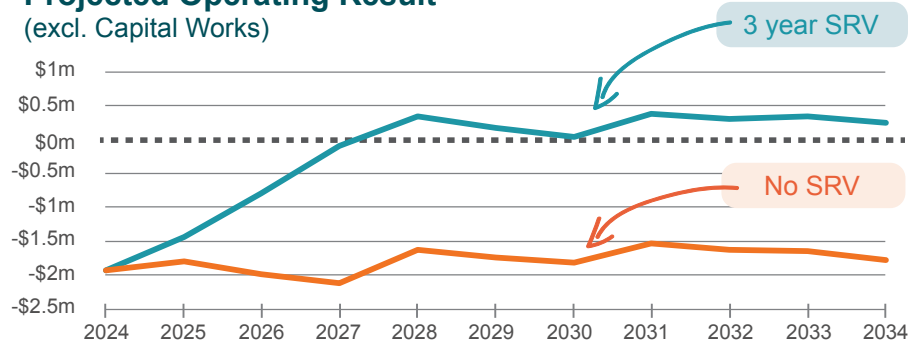
Why now?

Council is not seeking an instant quick fix. Even with the proposed 3 year SRV a positive operating result is not forecast until 2028.

The longer we leave it, the larger and more severe a future SRV will have to be.

If Council does not increase its rates revenue through an SRV, it will not be able to adequately fund asset renewal and maintenance.

Projected Operating Result (excl. Capital Works)



More information is available

Visit our website for more information including dates and times of drop in sessions throughout the Blayney Shire blayney.nsw.gov.au/srv or scan the QR Code. The webpage and our weekly Blayney Chronicle advert will be updated as Council goes through the SRV community consultation and application process.

How much is the proposed increase?

Scenario	2024-25	2025-26	2026-27	Cumulative Increase
Base Case (rate peg – no SRV)	3.5%	2.5%	2.5%	8.7%
3 Year SRV (includes Base Case)	10%	10%	10%	33.1%

- The SRV increase would be applied equally across all rate categories.
- The SRV increase would ONLY apply to the rate amount (Base and Ad Valorem) and NOT the total amount on your rates notice.
- Specifically, the SRV would not apply to ANY Waste or Sewer charges as they are separate business units.



PO Box 62
Blayney NSW 2799

Council Office, 91 Adelaide Street, Blayney
Office Hours: Monday to Friday 9:30am to 4:00pm
Telephone: (02) 6368 2104
Email: council@blayney.nsw.gov.au
Website: www.blayney.nsw.gov.au
ABN 47 619 651 511

BLAYNEY SHIRE COUNCIL

Sample Rate Notice

If service or property address is incorrect, please advise Council.

Property Location and Description

123 MAIN ST BLAYNEY 2799
L 1 DP 987654
Area: 900.0000 SqM

PARTICULARS OF RATES AND CHARGES	VALUE FOR RATING	AMOUNT
29 29 ORDINARY RATE RESIDENTIAL	210000 @ 0.230344	\$483.72
Base Amount	\$370.00	\$370.00
S01 Domestic Waste Management Service Cha	1 @ \$376.00	\$376.00
S25 Waste Management Levy	1 @ \$60.00	\$60.00
S60 Blayney Residential Sewer Charge	1 @ \$800.00	\$800.00
S91 Bly Res Future Sewer Infrastructure	1 @ \$53.00	\$53.00

The SRV would ONLY apply to the rate amount

The SRV would NOT apply to Waste or Sewer charges

Residential Rates



Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$757		
2024-25	\$833	\$76	\$1.46
2025-26	\$916	\$83	\$1.60
2026-27	\$1,008	\$92	\$1.77

Farming Rates



Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$3,323		
2024-25	\$3,655	\$332	\$6.38
2025-26	\$4,021	\$366	\$7.04
2026-27	\$4,423	\$402	\$7.73

Business Rates



Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$1,285		
2024-25	\$1,414	\$129	\$2.48
2025-26	\$1,555	\$141	\$2.71
2026-27	\$1,711	\$156	\$3.00

Mining Rates

Cadia Valley Operations



Year	Rate Charge	Annual Increase
Current	\$4.87 million	
2024-25	\$5.36 million	\$487,295
2025-26	\$5.9 million	\$536,024
2026-27	\$6.49 million	\$589,626



FAQS - BSC SPECIAL RATE VARIATION

WHY DO WE NEED TO INCREASE RATES?

Council in its 2023-24 to 2026-27 Delivery Program and 2023-24 Operational Plan, identified its ongoing challenge of costs growing faster than revenue. Unfortunately, it is not possible for Council to 'do nothing' as Council's forecast revenue is consistently less than its expenses over the 10-year Long Term Financial Plan (LTFP).

Council needs to address the forecast deficits in the financial outlook for the General Fund. This is critically important because the General Fund contains provision for all Council services apart from sewerage and waste services.

The amount of funding available in General Fund directly supports the maintenance of critical assets, services and community facilities, including roads, bridges, culverts, parks, footpaths and buildings.

Council is not able to cover the increasing costs by the annual 'rate peg' which is set by the NSW Independent Pricing and Regulatory Tribunal (IPART).

WHAT IS THE RATE PEG?

Each year, IPART set a maximum percentage increase by which a council can raise its overall rate income; this is known as the rate peg. The Local Government Act does not allow councils to increase its total yield from rate income by more than the rate peg without a special approval, known as a Special Variation, or more commonly known as a Special Rate Variation (SRV).

IPART guides all NSW councils to assume a 2.5% rate peg. The rate peg system is broken as it does not keep pace with increasing costs caused by many factors including inflation and does not meet the costs of new infrastructure or extra services.

It is noted, in late 2022, inflation reached 7.8%, and the rate peg set by IPART for Councils was 3.7%.

The rate peg only applies to the general rate income and does not apply to other annual charges or fees that Council collects, including waste and sewer charges.

HOW WILL THE PROPOSED SPECIAL RATE VARIATION IMPACT MY RATES?

The rate rise **would not** apply to the total of your rates notice.

The rate rise would apply to the rate charge on your notice that pays for general Council services, including general services, roads, bridges, culverts, footpaths, parks, sports grounds, library, CentrePoint and showgrounds.

Specifically, the special variation **does not** apply to garbage collection, general waste, or sewerage which are reviewed and determined annually by Council.

Note: As the mining category contributes a high proportion of rate income generated by Council (approximately 50%), it must be highlighted that if the Cadia Gold mine operations change or the proposed McPhillamy's Gold mine does not commence as assumed in Council's financial planning, Council will need to have future engagement regarding an additional SRV.

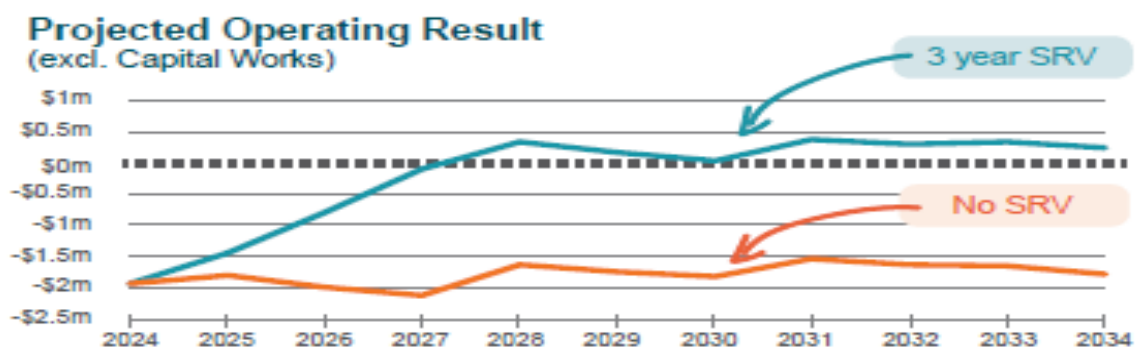
WHAT DO WE GET IN RETURN FOR AN INCREASE IN RATES?

The SRV will enable an average annual investment of \$7 million per annum in the asset renewal program. This will ensure we have financial capacity to maintain the standard of our assets, services and community facilities including roads, bridges, culverts, parks, footpaths and buildings.

Council is not seeking an instant quick fix. Even with the proposed 3-year SRV a positive operating result is not forecast until 2028.

Council is seeking to be proactive in addressing this very important issue as early as possible and over 3 years. The longer we leave it and take no action, the larger and more severe a future SRV will have to be.

The below table shows that the SRV will move Council's Operating Results from annual deficits to a financially sustainable position in the long term. This will assist Council's investment to maintain the standard of community facilities and assets.



WHAT IS THE ALTERNATIVE TO THE PROPOSED RATE INCREASE?

Without an SRV, Council would have to significantly reduce expenditure on roads, bridges and culverts and more widely, significantly reduce all services and increase fees and charges to hirers (mainly community and not for profit groups).

We would also have to rely solely on grant funding to renew and upgrade assets (roads, bridges and culverts in particular) and consequently community infrastructure will deteriorate if our own funding is not available.

IF MY LAND VALUE GOES UP, DOESN'T THAT MEAN I WILL PAY EVEN MORE IN RATES?

No. The important thing to know about land values, in the General Land Valuation process, and their effect on your rates is how land value changes are relative to other land values in the same rate category. Council's total yield from rates does not change however amounts payable by individual ratepayers, in their respective rate category, vary based on changes within that category.

WHAT HAPPENS WHEN THE RATE VARIATION FINISHES?

The proposed SRV will be permanent and after 3 years, rates will increase thereafter by the annual rate peg amount set by the Independent Pricing and Regulatory Tribunal (IPART).

Note: As the mining category contributes such a high proportion of rate income (approximately 50%) generated by Council, it must be highlighted that if the Cadia Gold mine operations change or the McPhillamys Gold mine does not commence, as assumed, Council will need to have future engagement regarding an additional SRV.

WHAT SUPPORT IS THERE FOR PEOPLE WHO CAN'T AFFORD TO PAY THEIR RATES?

In assessing Council's application, IPART will independently consider the ability of ratepayers to pay their rates.

Council additionally has a 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 eligibility conditions in our policy.

You can learn more about this policy and find our hardship application at

<https://www.blayne.nsw.gov.au/your-place/rates-and-payments/difficulty-paying-your-rates>

Council also engages with a specialist in early-stage debt management who helps ratepayers to avoid unmanageable debt through understanding ratepayer situations and to share respectful, compassionate, rational help. This process also assesses individual financial

situations, counsels and helps make payment plans early in the debt cycle to help mitigate risk of significant financial stress.

WHAT OTHER COUNCILS HAVE APPLIED TO IPART FOR AN SRV?

Many councils are facing similar challenging financial issues.

In 2022/23 IPART assessed 17 special variation applications. To find the full list and amounts, click [here](#).

IPART have advised Council approximately 20 Councils have indicated they will apply for a special variation to commence on 1 July 2024.

In May 2023, the NSW Country Mayors Association undertook an annual survey and 79% of Councils indicated, they have either undertaken an SRV in the past 2 years or will need to in the next 5 years.

WHAT HAS COUNCIL DONE TO ADDRESS ITS FINANCIAL SITUATION?

Over the last 18 months Council has had specialist independent consultants review Council's financial position.

Council additionally regularly reviews its operations and actively identifies and implements initiatives to ensure that it is seeking to contain costs and finds efficiency gains so that it can provide value for money to the community.

Council has already found and implemented ongoing savings of \$690,000 per year in financial benefits to Council, a one-off benefit of \$1 million and a cashflow benefit of some \$4 million in grant-funded asset renewal projects not requiring Council funds, in addition to extensive additional efficiency and productivity gains and improvements in operational sustainability.

Before considering a Special Rate Variation, Council sought to identify further savings and cost containment opportunities.

As part of the review, Council's senior management team identified, costed and prioritised 26 present improvements, which Council will be implementing over the next three to four financial years (with some having a slightly longer implementation timeframe).

These will be included within Council's revised LTFP and any SRV application. The present improvements include cost savings, efficiency gains, revenue increases and key items that are necessary for long-term operational sustainability.

There are an additional 13 improvements that have been identified as opportunities that need to be investigated in the LTFP.

Further details on these improvement initiatives and organisational sustainability requirements can be found in the Council's Organisational Sustainability Improvement Plan on the SRV Page.

WHAT OTHER FINANCIAL CHALLENGES HAS COUNCIL HAD TO ADDRESS?

In addition to the material supply shortages, increases in construction costs, increases in energy costs and rising inflation, Council has been significantly impacted by mandated financial implications and cost-shifting from the NSW Government.

Cost shifting is one of the most significant problems faced by all councils in NSW. Along with rate pegging, cost shifting undermines the financial sustainability of the local government sector.

What is Cost Shifting? Cost shifting describes a situation where the responsibility for the cost of providing a certain service, concession, asset, or regulatory function is "shifted" from one sphere of government to another sphere of government without the provision of corresponding funding or the conferral of corresponding and adequate revenue-raising capacity.

Two examples of Cost Shifting are;

Rural Fire Service Assets: In 2022/23, RFS fleet assets (vehicles, known as Red Fleet, and RFS buildings) were recognised as "property" of Council, by virtue of the Rural Fire Services Act, and recorded in Council's financial statements with Council required to therefore absorb all depreciation costs that is reported against Council's financial performance.

This follows a long-standing dispute over the accounting treatment of the RFS assets that came to a head with the Auditor-General's 2021 Report on Local Government on 22 June 2022. With Council having to account for RFS assets, this adds approximately \$265k in depreciation to Council's budget for 2023/24.

Emergency Services Levy (ESL): The ESL is a cost imposed on councils and the insurance industry to fund the emergency services budget in NSW. The majority is paid as part of insurance premiums, with a further 11.7% picked up by councils and 14.6% was paid by the State Government itself.

Council's Emergency Services Levy contribution for 2023/24 is \$484k (an increase of 36%) towards the cost of RFS, SES and NSW Fire & Rescue.

The 2023/24 contribution increase is compounded with the NSW Government advising in May 2023 it will no longer provide a subsidy for the Emergency Services Levy. Removal of the subsidy had an instant negative impact of \$128k to Council's 2023/24 budget.

WHAT GRANT FUNDING HAS COUNCIL APPLIED FOR OR RECEIVED RECENTLY?

Council in recent years has been very proactive in obtaining many state and federal government grants.

Grant funding must be used for the specific purpose as outlined in the grant guidelines and funding deed. Grant funding is generally restricted from being used for operational purposes and normally required to be expended for a capital purpose such as road upgrades, bridge replacements, footpaths, and improvements to CentrePoint, King George Oval, toilet blocks and showground.

Our Capital Expenditure budget for 2023/24 is funded with 70% of income from government grants.

Obtaining further grant funding is not a solution to creating a positive operating result in Council's General Fund.

Resources for Regions Grant Program

Over the past 6 years, Council has been very proactive in obtaining many state and federal grants. In particular, over the past 4 years Council has benefited significantly from the NSW Government Grant Program called 'Resources for Regions', amounting to approximately \$21.4m.

Resources for Regions returned a very small amount (2%) of mining royalties collected by the NSW Government, and directly allocated those monies to 26 council's directly impacted by mining operations.

Disappointingly, in September 2023 the NSW Government ceased the Resources for Regions Grant funding program. This decision has directly removed an anticipated \$4m in annual grant funding from Blayney Shire Council.

Find out more about our current projects on our website.

HOW ARE RATES CALCULATED?

COMPONENTS OF YOUR COUNCIL RATES NOTICE



WHAT DOES MINING CONTRIBUTE?

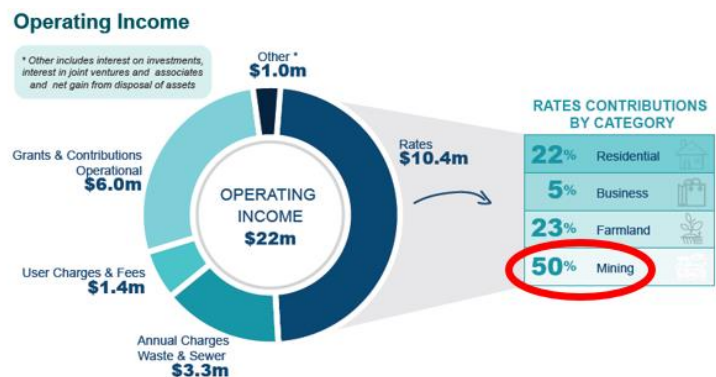
The mining rate category (Cadia Valley Operations) currently comprise 50% of Council's annual rating income.

Cadia will therefore directly bear 50% of the SRV (approximately \$500k per annum).

With our reliance on mining that contributes such a high percentage it does create long term risk for Council and community.

IPART have advised Council to forecast in the updated LTFP that the McPhillamys Gold Project will likely commence and additional rate income will eventuate, given the mine recently obtained planning approval. Council has made a conservative assumption in this regard.

As the mining category contributes such a significant amount of rate income, it must be highlighted if the Cadia Gold mine operations change or the McPhillamys Gold mine does not commence, as assumed in the LTFP, Council will need to have future engagement regarding an additional SRV.



WHERE ARE WE UP TO IN THE PROCESS?

Over the last 18 months Council has had 2 specialist independent consultants to review Council's financial position.

Following these external reviews, Council has implemented various improvements and identified additional efficiencies to review and consider in the future. Both consultants recommended Council proceed to undertake a Special Rate Variation.

Council is conducting Community Engagement over November – December 2023 on the proposed increase which includes a number of community information sessions and drop-in times. Residents can also put in a submission about the proposal during this period.

Following the Community Engagement, Council will meet in late January to resolve whether to proceed with the application to IPART.

Applications for an SRV must be lodged with IPART by 5 February 2024.

IPART then proceed to assess the application including their own community consultation over February and March 2024. See: <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations>

Any increase would not commence until 1 July 2024.

HOW HAS COUNCIL KEPT THE COMMUNITY INFORMED OF A POTENTIAL RATE INCREASE?

The need for a potential rate increase was highlighted as part of the 2023/24 budgeting and planning process for this current financial year.

The annual rates newsletter distributed in July 2023 to all rate payers included information that Council was commencing the Special Rate Variation process and explained that Council would be looking to engage with the community on the matter. This newsletter was distributed to all rate payers, posted on social media, published in the Blayney Chronicle and distributed to our email mailing list.

Under the Integrated Planning and Reporting (IP&R) requirements of the Local Government Act 1993, Council endorses a draft 'Delivery Program and Operational Plan (DP/OP) each year, then publicly exhibits the draft DPOP over May and subsequently adopts a final DPOP in June. Council's DPOP for 2023/24 was adopted in June and highlighted the need to address financial sustainability including and consider an SRV.

On 9 November 2023 Council resolved to proceed to undertake Community Engagement from 10 November to 15 December 2023 on the proposed SRV.

A number of drop-in sessions are being held across the Shire allowing residents to ask questions and provide feedback on the proposal.

DIDN'T COUNCIL REPORT A \$1 MILLION OPERATING SURPLUS IN 2022/23? DOESN'T COUNCIL CURRENTLY HAVE OVER \$29 MILLION IN THE BANK?

2022/23 Surplus

Blayney Shire Council reported a \$1.16m surplus however this was skewed with a 95% advance payment of the 2023/24 Financial Assistance Grant (an annual federal government operating grant) of \$3.46m in late June 2023.

In real terms, had this grant not been advanced, a surplus of \$59k would have been reported. Additionally, there is a risk that the federal government may cease advance payments of this grant leaving a \$3.5m shortfall in that particular year.

Cash restrictions

As at 30 June Council has approximately \$29m in cash & investments, which is largely held in specific reserves and invested to earn interest.

Although Council currently has money in reserves, the majority of the funds are restricted for a specific purpose (including some controlled by legislation), which means they cannot be used for operational purposes.

These funds are held as restricted until they are required for their specific purpose, however Council is able to invest these funds in short term investments generating interest that comes back into Council's unrestricted cash (except for waste and sewer which must remain in their respective funds).

Council's main cash restrictions and purpose include;

- **Sewer Services: \$6.44m**
 - o For future upgrade of the Blayney Sewerage Treatment plant scheduled for 2027/28
- **Employee Leave Entitlements: \$1.07m**
 - o For payment of employee leave entitlements accrued
- **Plant and Vehicle Replacements: \$1.7m**
 - o For the purchase of plant and vehicles for Council operations. This is currently inflated due to the long lead time for the replacement of critical plant.
- **Domestic Waste Management: \$667k**
 - o For the rehabilitation and operation of the Blayney Waste Facility.
- **Quarry Reserve: \$219k**
 - o For the remediation of Council operated quarries.
- **Election Reserve: \$71k**
 - o To be used to fund the 2024 Local Government Election costs.
- **IT Reserve: \$360k**
 - o To help fund future large I.T expenditure such as the upgrade of Council's Corporate Management system.

- **Property Account: \$1.5m**
 - o Comprises monies generated from previous Council property sales.
 - o For strategic property purchases and/or other matters as resolved by Council.
- **Property Account – borrowings: \$880k**
 - o Money set aside from the sale proceeds to pay back a 10-year low interest loan taken out to develop the Streatfeild Close Blayney subdivision.
- **Developer Contributions (General): \$1.52m**
 - o Contributions by developers made upfront when an additional dwelling/s or new housing lot is created.
 - o To be used towards funding specific and identified projects in the Blayney Shire Infrastructure Contributions Plan.
- **Developer Contributions (Sewer): \$1.63m**
 - o Contributions by developers made upfront when an additional dwelling/s or new housing lot is created.
 - o To be used towards future upgrades of the Blayney Sewerage Treatment plant scheduled for 2027/28
- **Voluntary Planning Agreements: \$524k**
 - o Council has planning agreements with both Cadia Gold Mine and Flyers Creek Wind Farm who both make an annual contribution to Council.
 - o Funds are used for the purposes identified in the specific planning agreements.
- **Unexpended Grants: \$8.21m**
 - o Council has received grant funding in advance for specific projects which are programmed to be undertaken over the next 2 years. These projects include;

Resources for Regions Round 9 **5,984,135**

- Belubula Way Bridge
- Hobbys Yards Rd
- Richards Lane
- Browns Creek Rd
- Tallwood Rd
- Barry Rd
- Blayney Main St Masterplan
- Millthorpe Main St Masterplan
- CWELC Masterplan

Resources for Regions Round 8 **323,964**

- Heritage Park Amenities
- Carrington Park Amenities
- King George Oval Parking
- Trunkey St - Showground Footpath Newbridge

Stronger Country Communities Round 5 **583,820**

- Victoria St & Montgomery St Millthorpe FP

- Plumb St/Palmer St - Piggott Pl - Orange Rd FP
- Orange Rd - Binstead St to Palmer St FP
- KGO Grandstand

Local Roads & Community Infrastructure **512,794**

- Stormwater - Unwin & Stabback St Millthorpe

Regional & Local Roads Repair Program **236,880**

- Garland Road

Fixing Country Roads **192,484**

- Neville Rd Heavy Patching

Fixing Country Bridges **507,813**

- Swallow Creek Bridge

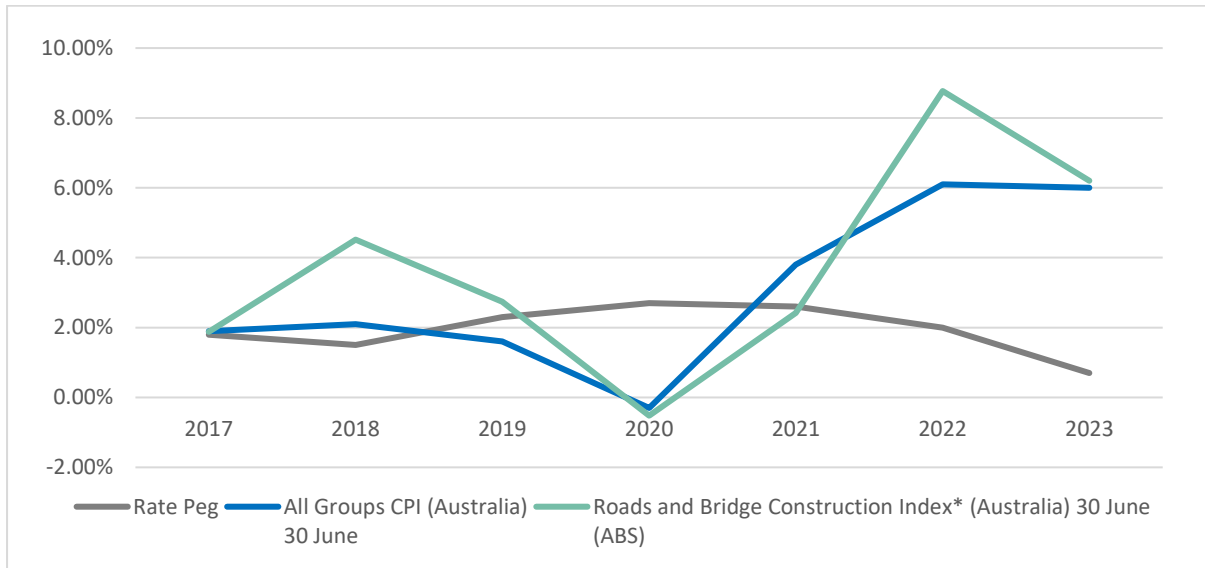
NSW Flood Recovery Grant **699,714**

- Richards Lane Culvert
- Newbridge Rd Culvert
- Flood Resilience Studies

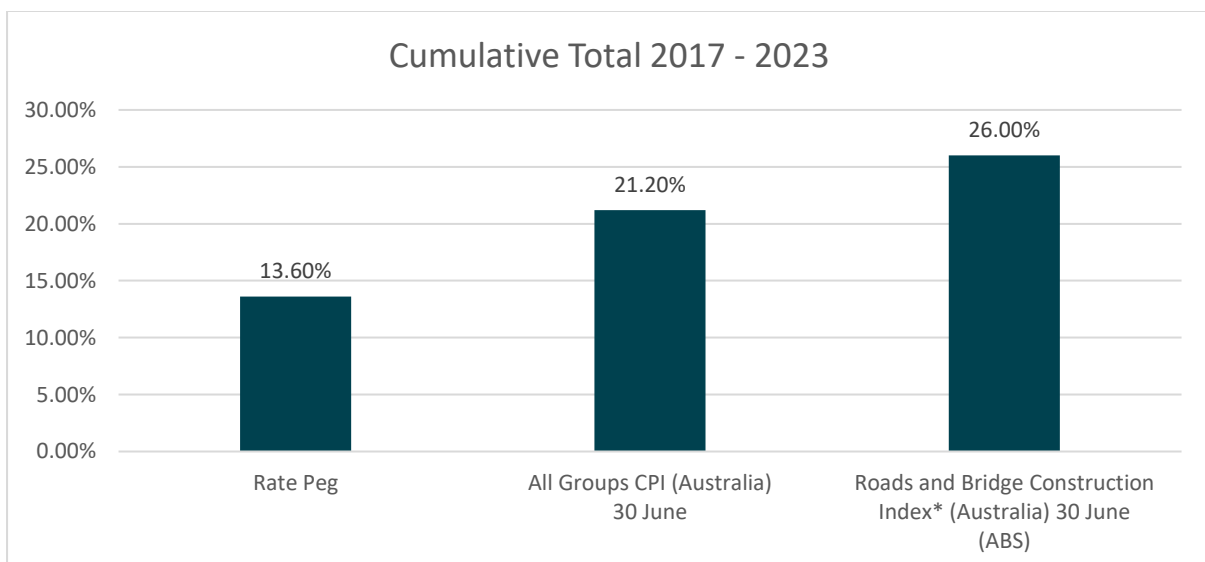
Other **94,846**

HOW HAS INFLATION AFFECTED COUNCIL?

Whilst CPI is an indicator of costs changes for consumers, it is not a complete representation of the cost increases Council has had to face. The Roads and Bridges Construction Pricing Index (RBCI) helps to indicate the changes in costs to Council's largest expenditure area being road and bridge maintenance. The graph below shows the changes in Rate Peg (Councils maximum increase in rate income), CPI and RBCI.



Whilst there was a drop in CPI and RBCI in 2020, since 2017, the cumulative increase to construction costs based on the RBCI was 26% and CPI was 21.2% whilst the rate peg sat only at 13.6% as shown in the graph below.



These increases does not take into account other [cost shifting measures](#) which have impacted Councils.

9/11/23



A Conversation with the GM

Mark Dicker

Blayney Shire Council

Extraordinary Council Meeting Tonight

I am writing this conversation today to inform the wider community that an Extraordinary Council meeting has been called for tonight; Thursday, 9 November 2023 at 6pm at the Blayney Shire Community Centre.

The singular agenda item Council will consider is "Special Rate Variation – Community Engagement and public exhibition".

The report (including detailed supporting documentation) outlines that our Long-Term Financial Plan (LTFP) indicates deficits over the next 10 years.

Deficits will directly impact on Council's ability and capacity to maintain the standard of our current assets, services and community facilities, including: roads, bridges, culverts, parks, footpaths and buildings across the shire.

Tonight, Council will consider whether to identify a preferred Special Rate Variation (SRV) option and subsequently whether to commence engagement with our community on that option.

You can access information and participate in tonight's meeting in the following ways;

- The business paper (including all attachments) can be obtained from Council's website <https://www.blayney.nsw.gov.au/council/council-meetings/business-papers-minutes-and-recorded-live-streams>

- Attend the meeting at the Blayney Shire Community Centre, Thursday 9 November 2023 at 6pm in person;
 - o You can address Council as part of the public forum
Note: the Public Forum Speakers Registration Form has to be submitted prior to 4pm.
<https://www.blayney.nsw.gov.au/council/council-meetings/public-speaker-request>
 - o Or you can attend and simply watch the Council meeting from the gallery.
- You can watch the *Live stream* of the meeting in real time through Council's website: <https://www.blayney.nsw.gov.au/council/council-meetings/live-stream>

Should Council resolve to proceed to Community Engagement, it is proposed, engagement would take place over November and December 2023. There will be multiple opportunities across Blayney Shire where information can be obtained, questions can be asked and feedback to be provided.

Upon completion of the community engagement, Council will consider all feedback received during the community engagement period at meeting on 23 January 2024. It will be at this meeting Council will have the decision whether to proceed with making an SRV application to IPART.



A Conversation with the Mayor

Scott Ferguson

Blayney Shire Council

After an 18-month review of Blayney Shire Council's operations and services, our Long-Term Financial Plan has identified ongoing future deficits. This is a very concerning reality that needs to be addressed sooner rather than later.

As such Councillors have resolved to consult with our community about a potential rate rise above the normal rate peg amount, which is referred to as a Special Rate Variation (SRV). The proposal is for a 10% increase to the general rate for 3 consecutive years starting the 2024/25 financial year.

This is a difficult process as all councillors are fully aware of the current cost of living pressures and rising interest rates that have greatly affected all of us. In particular, we acknowledge that our rural producers are facing tougher trading conditions and weather challenges into the near future.

Over the years, our Council's annual rate rise has been set and dictated by the Independent Pricing and Regulatory Tribunal (IPART) and for all Councils across NSW it has never reflected the true increasing cost of Councils activities.

While none of us are eager to pay more I am hoping that during our consultation process, we can talk about the value that our small Council delivers across the Shire and how your rate money is invested within our community.

Thanks to the unprecedented investment from the previous State and Federal Governments, we have all seen major improvements to our sporting facilities, buildings, showgrounds,, footpath, and

road networks. These important community assets all now must be maintained and any increase to funding will allow Council to maintain and enhance these assets into the future.

All landholders will receive a letter and information sheet in the mail, and there will be opportunities to attend drop-in sessions throughout our villages and Blayney township. Please check out Council's website below for further information or contact me directly to talk about what the future might look like for our wonderful Shire.

Drop-in information sessions will be held as follows:

- Millthorpe: Golden Memories Museum -Thursday 16 November, 9am to 11am and 4pm to 7pm
- Blayney: Blayney Shire Community Centre - Monday 20 November, 3pm to 6pm
- Newbridge: Brian Bennett Pavilion - Wednesday 22 November 4pm to 7pm
- Lyndhurst: Lyndhurst Hall - Thursday 23 November, 4pm to 7pm
- Blayney: Blayney Shire Community Centre - Monday 27 November, 9am to 11am and 4pm to 7pm
- Neville: Neville Hall - Wednesday 29 November - 4pm to 7pm
- Mandurama: Mandurama Hall - Thursday 30 November, 4pm to 7pm
- Carcoar: Carcoar School of Arts - Friday 1 December, 4pm to 7pm

<https://www.blayney.nsw.gov.au/srv>



Special Rate Variation Proposal

What is a Special Rate Variation (SRV)?

- Each year, the NSW Independent Pricing and Regulatory Tribunal (IPART) sets a maximum percentage increase by which a council can raise its overall rate income, known as 'rate peg'
- For the current year (2023/24), the rate peg was 3.7%. This contrasts with CPI increases (inflation) over the last year which reached 7.8%
- Councils can apply to IPART for approval to increase their income from ordinary rates in future years by more than the rate peg. This is known as a special rate variation.

What are the steps?

- 1 Council is seeking feedback on a proposed SRV of 10% per annum for 3 consecutive years, resulting in a 33.1% cumulative increase
- 2 Council is conducting Community Engagement over November – December on the proposed increase
- 3 Following the Community Engagement, Council will meet in late January to resolve whether to proceed and formally apply to IPART
- 4 Any increase would not commence until 1 July 2024

Why do we need it?

The annual IPART increases have not been keeping up with inflation levels, creating a significant shortfall. Our Long-Term Financial Plan (LTFF) projects multiple losses over the next ten years. This is not a sustainable position for Council and the community to be in.

The SRV will assist in addressing the forecast deficits in our LTFF. The SRV will ensure we have financial capacity to maintain the standard of our assets, services and community facilities, including roads, bridges, culverts, parks, footpaths and buildings.

What has Council done already?

Over the last 18 months Council has had 2 specialist independent consultants review Council's financial position. Following these 2 external reviews, Council has implemented improvements and identified additional efficiencies to consider in the future.

Why now?

Council is not seeking an instant quick fix. Even with the proposed 3 year SRV a positive operating result is not forecast until 2028.

The longer we leave it, the larger and more severe a future SRV will have to be. If Council does not increase its rates revenue through an SRV, it will not be able to adequately fund asset renewal and maintenance.

More information is available

Visit our website for more information including dates and times of drop in sessions throughout the Blayney Shire: blayney.nsw.gov.au/srv or scan the QR Code. The webpage and our weekly Blayney Chronicle advert will be updated as Council goes through the SRV community consultation and application process.



Projected Operating Result (excl. Capital Works)



How much is the proposed increase?

Scenario	2024-25	2025-26	2026-27	Cumulative Increase
Base Case (rate peg – no SRV)	3.5%	2.5%	2.5%	8.7%
3 Year SRV (includes Base Case)	10%	10%	10%	33.1%

- The SRV increase would be applied equally across all rate categories.
- The SRV increase would ONLY apply to the rate amount (Base and All Inflation) and NOT the total amount on your rates notice.
- Specifically, the SRV would not apply to ANY Waste or Sewer charges as they are separate business units.

BLAYNEY SHIRE COUNCIL
Sample Rate Notice

PO Box 62, Blayney NSW 2799
Council Office: 91 Adelaide Street, Blayney
Office Hours: Monday to Friday 9.30am to 2.00pm
Telephone: 02 6368 2104
Email: council@blayney.nsw.gov.au
Website: www.blayney.nsw.gov.au
ABN: 67 618 011 511

The SRV would ONLY apply to the rate amount

The SRV would NOT apply to Waste or Sewer charges

Residential Rates

Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$757		
2024-25	\$853	\$76	\$1.46
2025-26	\$916	\$83	\$1.60
2026-27	\$1,008	\$92	\$1.77

Business Rates

Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$1,285		
2024-25	\$1,414	\$129	\$2.48
2025-26	\$1,565	\$141	\$2.71
2026-27	\$1,711	\$160	\$3.00

Farming Rates

Year	Average Rate	Annual Average Increase	Per Week Increase
Current	\$3,323		
2024-25	\$3,695	\$332	\$6.35
2025-26	\$4,021	\$366	\$7.04
2026-27	\$4,423	\$402	\$7.73

Mining Rates Coda Valley Operations

Year	Rate Charge	Annual Increase
Current	\$4.87m	
2024-25	\$5.36m	\$487,295
2025-26	\$5.9m	\$536,024
2026-27	\$6.49m	\$599,626

Contact Us

Council Office
91 Adelaide St, Blayney NSW 2799
PO Box 62, Blayney NSW 2799
9.30am – 4.00pm Monday to Friday

Ph 02 6368 2104
council@blayney.nsw.gov.au
www.blayney.nsw.gov.au




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23/11/23



A Conversation with the GM

Mark Dicker


Blayney Shire Council

Special Rate Variation Update
Community consultation has now commenced for the proposed Special Rate Variation (SRV). Upcoming drop in sessions as follows;

Location	Venue	Date	Time
Lyndhurst	Lyndhurst Hall	Thursday, 23 November	4pm to 7pm
Blayney	Blayney Shire Community Centre	Monday, 27 November	9am to 11am & 4pm to 7pm
Neville	Neville Hall	Wednesday, 29 November	4pm to 7pm
Mandurama	Mandurama Hall	Thursday, 30 November	4pm to 7pm
Carcoar	Carcoar School of Arts	Friday, 1 December	4pm to 7pm
Millthorpe	Golden Memories Museum	TBC	TBC

Last week, approx. 3,500 landowners within the shire were sent a cover letter and information sheet regarding the proposed SRV. Additionally, Council has emailed all Real Estate Agents, asking them to forward the same information onto all renters. If you have not received a letter or email, please contact Council on 6368 2104. The top 3 questions and topics from the drop-in sessions last week were;

1. What do we get in return for an increase in rates?



The SRV will enable an average annual investment of \$7 million per annum over the 10-year Long Term Financial Plan (LTFP) in asset maintenance and renewal.

The rate increase will ensure we have financial capacity to maintain the standard of our assets, services and community facilities, including roads, bridges, culverts, parks, footpaths and buildings. If we do not maintain our community facilities, they will start to degrade, and we will not have the necessary funds to repair them. The above table shows that the SRV over time will move Councils Operating Result from annual deficits to a financially sustainable position


2. What is the alternative to the proposed rate increase?
Without an SRV, Council would have to; significantly review and reduce operational expenditure which would be extremely difficult given we are already a very small organisation and running very lean as it is. A reduction in operational expenditure would directly impact the standard of our community facilities, in particular; roads, bridges, culverts, parks, footpaths and buildings. Additionally, Council would have to significantly review and reduce all services including fees and charges for facility hire which would directly impact community and not for profit user groups.

3. What has Council done already?
In preparing for the SRV, Council has prepared a Organisational Sustainability Review and Improvement Plan (Improvement Plan). The Improvement Plan has identified, costed and prioritised 26 present improvements, which will be implemented over the next three to four financial years (with some having a slightly longer implementation timeframe). An additional 13 improvements have been identified as opportunities that need to be investigated in the future. The Improvement Plan quantifies Council has already found and/or implemented;

- ongoing savings of \$690,000 per year in financial benefits,
- a one-off benefit of \$1 million, and
- a cashflow benefit of some \$4 million in grant-funded asset renewal projects not requiring Council funds.

Further information, including the 17-page Organisational Sustainability Review and Improvement Plan, can be found on the SRV page at Council's website <https://www.blayney.nsw.gov.au/srv>

30/11/23



A Conversation with the GM

Mark Dicker

Blayney Shire Council

Special Rate Variation (SRV) Update
Week 3 of community consultation regarding the proposed Special Rates Variation (SRV) is underway with the next drop in sessions as follows;

Location	Venue	Date	Time
Mandurama	Mandurama Hall	Thursday, 30 November	4pm to 7pm
Carcoar	Carcoar School of Arts	Friday, 1 December	4pm to 7pm
Millthorpe	Golden Memories Museum	Monday, 4 December	4pm to 7pm

The top question and topic from last week's drop-in sessions to date was;

Is the 10% on top of the rate peg?
No. The proposed 10% per annum SRV includes the rate peg amount and is not on top of the rate peg.

Scenario	2024-25	2025-26	2026-27	Cumulative Increase
Base Case (rate peg – no SRV)	3.5%	2.5%	2.5%	8.7%
3 Year SRV (Includes Base Case)	10%	10%	10%	33.1%

If it is 10% per annum for 3 years, why does it total 33.1%?
It is 33.1% because of compounding the SRV over the 3-year period.

Rate peg
Each year around October / November, the NSW Independent Pricing and Regulatory Tribunal (IPART) sets a maximum percentage increase by which a council can raise its overall rate income, known as 'rate peg'. Rate peg only applies to councils that have not had an SRV approved by IPART.

In relation to rate peg forecasting, IPART guides each council on rate peg assumptions for future financial projections. As per Council's SRV communications (including the table above), the IPART guided assumptions are;

- 2024-25: 3.5%
- 2025-26: 2.5%
- 2026-27: 2.5%

2022 Rate peg review and new rate peg methodology
In 2022, in acknowledging the increasing number of councils needing and applying to IPART for an SRV, IPART commenced a comprehensive review into the methodology used to calculate their annual rate peg. Following a yearlong review, on 9 November 2023, IPART released its final report regarding the review of the rate peg methodology (I note Council didn't even get an email and was read about the report release it in the media on 21 November 2023). IPART have announced major changes to the rate peg methodology for 2024/25 onwards. This confirms the existing and previous IPART rate peg methodology was broken and not working. Information regarding the IPART review can be found at their website www.ipart.nsw.gov.au.

What does the change in 2024/25 rate peg mean?
For Blayney Shire Council, using the new methodology, IPART have advised the 2024/25 rate peg figure is 5.7% (up from a forecast 3.5%). It is acknowledged that the changes are a welcome and significant improvement, which all NSW local councils have been lobbying the NSW Government for over an extended period of time. Unfortunately, the announced higher rate peg does not change Blayney Shire Council's need for the proposed 3-year, 10% per annum, 33.1% SRV which is still required to improve our long-term financial position. What the 2024/25 rate peg does mean is that instead of a 6.5% uplift above the forecast rate peg, the proposed 10% SRV is only a 4.3% uplift above the 2024/25 rate peg.

7/12/23



A Conversation with the GM

Mark Dicker

Blayney Shire Council

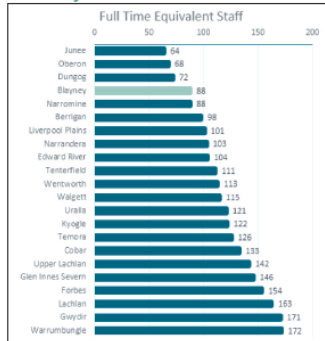
Special Rate Variation (SRV) Update

Week 3 and 4 of community consultation regarding the proposed Special Rate Variation (SRV) has now been completed, including the last of the drop-in sessions throughout the shire.

Last week, Council met with farmers twice from all over Blayney Shire following an invite from NSW Farmers to attend both meetings, which each had approximately 40 in attendance.

The top questions and topics from the most recent drop-in sessions and meetings were:

How many staff does Council have?



Councils current structure has 88 Full Time Equivalent (FTE) positions and is required to be reviewed after each Council election (last reviewed in 2021).

I note Council currently has 3 vacancies so is currently running at an FTE of 85. Additionally, when a vacancy does occur a review is undertaken of the position and requirements prior to advertising the vacancy.

When comparing Blayney Shire Council staffing levels to other Group 10 Councils in NSW the below chart confirms Council is at the lower end of FTE staffing numbers when compared to other Councils in the same category.

Source: Your Council 2021

Have we overspent and gold-plated projects?

My natural default answer is No and No, however I acknowledge the answer to this question will depend upon the Council assets and services which you, your children, grandchildren or business use and value the most.

A farmer may not use: CentrePoint, the Equestrian Centre or a residential footpath, but likewise a town resident may never drive a road or over a bridge or culvert critical to a farming operation.

Council over the recent years has used unprecedented grant funding from state and federal governments predominantly to repair and renew our existing assets.

There have been new assets constructed, informed from those contained in strategic plans (Council or individual village plans), that have had strong community support and were considered critical in improving the Blayney Shire as an attractive locality to live, work and play.

Why can't you just tighten your belt?

We could and the result would be a significant reduction in expenditure (approximately \$2m) on all services, in particular roads, bridges & culverts and more widely all services. However, in doing this we increase our risk exposure as we are obligated under the Roads Act and Local Government Act to ensure we maintain our assets to a safe and adequate standard. Unlike private businesses and farms, who do not have this overarching public safety compliance and purpose, we cannot adapt to changing economic conditions by simply pulling back expenditure, because it also exposes us. I highlight that if we do significantly reduce services ironically, we will likely need even more money and a higher SRV in the future to get our assets back to the condition they are in right now.

What are the next steps?

Feedback and submissions can be lodged prior to 5pm, Friday 15 December 2023 (next Friday) through the following channels;

- Online form or <https://www.blayney.nsw.gov.au/srv>
- In writing or PO Box 62 Blayney NSW 2799

All information regarding the SRV is available at Council's dedicated SRV webpage on its site: www.blayney.nsw.gov.au/srv.

Following conclusion of the community engagement, a report will be prepared and submitted to Council for consideration at an Ordinary Meeting scheduled for 23 January 2024.

Members of the public can present to Council at a meeting through the public forum which, pre-registration is required; <https://www.blayney.nsw.gov.au/council/council-meetings/public-speaker-request>

The due date for lodgment of an SRV application to IPART is 5 February 2024. It should be noted that, should Council proceed in making application to IPART for an SRV, IPART will seek its own community feedback separate from Council's processes and invite submissions from members of the public. This process is typically undertaken in the subsequent March/April.

14/12/23



A Conversation with the GM

Mark Dicker

Blayney Shire Council

Special Rate Variation (SRV) Update

Feedback and Submissions

A reminder that feedback and submissions in relation to the proposed Special Rate Variation need to be lodged prior to 5pm, Friday 15 December 2023 (tomorrow).

Submissions can be lodged through;

- Online form
 - <https://www.blayney.nsw.gov.au/srv>
- In writing
 - PO Box 62 Blayney NSW 2799

All information regarding the SRV is available at Council's dedicated SRV webpage on its site: www.blayney.nsw.gov.au/srv.

What are the next steps?

Following conclusion of the community engagement, a report will be prepared and submitted to Council for consideration at an Ordinary Meeting scheduled for 23 January 2024.

Members of the public can present to Council at a meeting through the public forum which, pre-registration is required; <https://www.blayney.nsw.gov.au/council/council-meetings/public-speaker-request>

If Council proceeds in making an application to IPART for an SRV, IPART will undertake its own community feedback separately from Council's processes and invite submissions from members of the public. This process is typically undertaken in the subsequent March/April.

NSW 'Beat the Heat' campaign

People across NSW are being urged to plan ahead to 'Beat the Heat' ahead of what is forecast to be a hot summer.



NSW Chief Health Officer Dr Kerry Chant recently launched NSW Health's Beat the Heat campaign, spreading important information about how to keep healthy in hot weather.


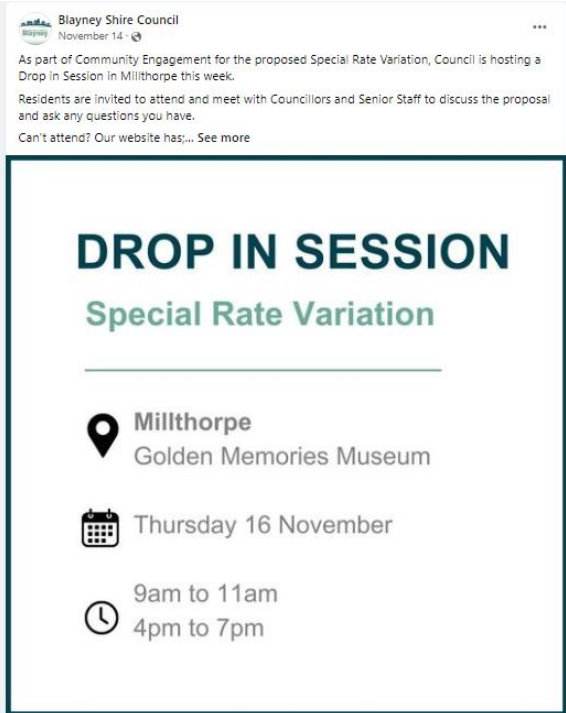
"There are a few simple things you can do to keep safe, like staying indoors during the hottest times of the day, closing doors, windows, blinds and curtains early to keep hot air and sun out in the day, staying hydrated and carrying a water bottle when outside.

Signs of heat-related illness can include headache, dizziness, nausea and vomiting, fatigue and cramps. People with these symptoms should cool down right away, move out of the sun and seek shade or air conditioning, take a cool shower or bath if possible and take sips of water.

People who don't respond to these steps or who show symptoms suggesting a more severe illness, including a sudden rise in body temperature, who are no longer sweating, showing aggressive or strange behaviour or who are fitting, should seek urgent medical attention or call Triple Zero (000).

People are encouraged to read **Beat the Heat** information on the www.nsw.gov.au website and to access further advice and tips on how to protect themselves and their loved ones during heatwaves this summer.

Details	Post																									
<p>9/11/2023</p> <p>A Conversation with the GM: Extraordinary Council Meeting with SRV on Agenda</p> <p>Reach: 657</p>	 <p>Blayney Shire Council November 9 · 🌐</p> <p>This week's conversation with the GM ✨ Extraordinary Council Meeting Tonight</p> <p>I am writing this conversation today to inform the wider community that an Extraordinary Council meeting has been called for tonight; Thursday, 9 November 2023 at 6pm at the Blayney Shire Community Centre.</p> <p>The singular agenda item Council will consider is "Special Rate Variation – Community Engagement and public exhibition".</p> <p>The report (including detailed supporting documentation) outlines that our Long-Term Financial Plan (LTFP) indicates deficits over the next 10 years. Deficits will directly impact on Council's ability and capacity to maintain the standard of our current assets, services and community facilities, including: roads, bridges, culverts, parks, footpaths and buildings across the shire.</p> <p>Tonight, Council will consider whether to identify a preferred Special Rate Variation (SRV) option and subsequently whether to commence engagement with our community on that option.</p> <p>Should Council resolve to proceed to Community Engagement, it is proposed, that engagement would take place over November and December 2023. There will be multiple opportunities across Blayney Shire where information can be obtained, questions can be asked and feedback to be provided.</p> <p>Upon completion of the community engagement, Council will consider all feedback received during the community engagement period at meeting on 23 January 2024. It will be at this meeting Council will have the decision on whether to proceed with making an SRV application to IPART.</p> <p>Read more about how you can access information and participate in tonight's meeting via the link below.</p> <p>--</p> <p>Each week the Conversation with the GM and a Council Update is also published in the Blayney Chronicle and on the homepage of our website ✨ https://www.blayney.nsw.gov.au/feature/council-update</p> <p>Council Meeting Live Stream From 6pm</p> <p>4 comments · 2 shares</p>																									
<p>10/11/2023</p> <p>Two page flyer summary and link to website</p> <p>Reach: 1,271</p>	 <p>Blayney Shire Council November 10 · 🌐</p> <p>Special Rate Variation Community Engagement ✨</p> <p>At an extraordinary council meeting held on 9 November 2023, Council endorsed the commencement of community consultation on a potential application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV).</p> <p>Here is a summary of what has been proposed, Community Consultation which will run until 15 December 2023.</p> <p>Head to our website for more information. The website includes details on community consultation, FAQs and how to put in a submission or ask a question. ✨ https://www.blayney.nsw.gov.au/srv</p> <p>Special Rate Variation Community Engagement</p> <p>Special Rate Variation: How much is the proposed increase?</p> <table border="1"> <thead> <tr> <th></th> <th>2024-25</th> <th>2025-26</th> <th>2026-27</th> <th>Cumulative Increase</th> </tr> </thead> <tbody> <tr> <td>Proposed SRV</td> <td>3.5%</td> <td>2.5%</td> <td>2.5%</td> <td>8.7%</td> </tr> <tr> <td>IPART (Base Case)</td> <td>10%</td> <td>10%</td> <td>10%</td> <td>33.1%</td> </tr> </tbody> </table> <p>Is a Special Rate Variation (SRV)?</p> <p>Under the NSW Independent Pricing and Regulatory Tribunal (IPART) sets a maximum period by which a council can raise its overall rate income, known as 'rate peg'.</p> <p>In the most recent year (2023/24), the rate peg was 3.7%. This compares with CPI increases (inflation) on your rates index of 7.8%.</p> <p>Council can apply to IPART for approval to increase their income from ordinary rates in future years by the rate peg. This is known as a special rate variation.</p> <p>What are the steps?</p> <ol style="list-style-type: none"> 1. Council is seeking feedback on a proposed SRV of 10% per annum for 3 consecutive years, resulting in a total increase of 33.1%. 2. Council is conducting Community Engagement from November – December on the proposed increase. 3. Council is conducting Community Engagement from November – December on the proposed increase. 4. Council will meet in late January to resolve whether to proceed with the SRV application to IPART. <p>When would not commence until 1 July 2024.</p> <p>Why do we need it?</p> <p>IPART increases in keeping up levels, creating a deficit.</p> <p>Our Financial Plan (FP) shows multiple years of deficits. This is not a position for Council money to be in. Council is addressing this in our LTFP.</p> <p>What has Council done already?</p> <p>Over the last 18 months Council has had 2 specialist independent consultants review Council's financial position.</p> <p>Following these 2 external reviews, Council has implemented improvements and identified additional efficiencies to consider in the future.</p> <p>Why now?</p> <p>Council is not seeking an SRV for. Even with the past 3 year SRV a positive open market is not forecast until 2028.</p> <p>The longer we leave it, the more we have a future to be in.</p> <p>If Council does not increase rates through an SRV will not be able to adequately maintain and maintain.</p> <p>Projected Operating Result (incl. Capital Works)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Operating Result</th> </tr> </thead> <tbody> <tr> <td>2023-24</td> <td>\$1.2M</td> </tr> <tr> <td>2024-25</td> <td>\$1.4M</td> </tr> <tr> <td>2025-26</td> <td>\$1.6M</td> </tr> <tr> <td>2026-27</td> <td>\$1.8M</td> </tr> </tbody> </table> <p>More information is available</p> <p>Visit our website for more information including dates and times of drop in sessions throughout the Blayney Shire. Blayney.nsw.gov.au or scan the QR Code. The webpage and our weekly Blayney Chronicle advert will be updated as it goes through the SRV community consultation and application process.</p> <p>2</p> <p>3 shares</p>		2024-25	2025-26	2026-27	Cumulative Increase	Proposed SRV	3.5%	2.5%	2.5%	8.7%	IPART (Base Case)	10%	10%	10%	33.1%	Year	Operating Result	2023-24	\$1.2M	2024-25	\$1.4M	2025-26	\$1.6M	2026-27	\$1.8M
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Details	Post
<p>10/11/2023</p> <p>Mayors Message video - summary of Council Meeting and link to website</p> <p>Reach: 650</p>	
<p>14/11/2023</p> <p>Reminder for Drop in Session for Millthorpe</p> <p>Reach: 1,018</p>	

19/11/2023

Reminder for Drop in Session for Blayney, Newbridge & Lyndhurst

Reach: 692

Blayney Shire Council
November 19 at 10:00 AM

As part of Community Engagement for the proposed Special Rate Variation, Council are hosting Drop-in Sessions in Blayney, Newbridge and Lyndhurst this week. Residents are invited to attend and meet with Councillors and Senior Staff to discuss the proposal and ask any questions you have.

Can't attend? Our website has... See more

DROP IN SESSION

Special Rate Variation

Blayney
Blayney Shire Community Centre

<h4>DROP IN SESSION</h4> <h5>Special Rate Variation</h5> <p>Newbridge Brian Bennett Pavilion</p> <p>Wednesday 22 November</p> <p>4pm - 7pm</p>	<h4>DROP IN SESSION</h4> <h5>Special Rate Variation</h5> <p>Lyndhurst Lyndhurst Hall</p> <p>Thursday 23 November</p> <p>4pm - 7pm</p>
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3 shares

23/11/2023

FAQs from recent drop in sessions

Reach: 904

Blayney Shire Council
November 23 at 3:21 PM

FAQs for the proposed SRV: These have been the top 4 questions and topics from the drop-in sessions held so far.

Last week, approx. 3,500 landowners within the shire were sent a cover letter and information sheet regarding the proposed SRV.

Additionally, Council has emailed all Real Estate Agents, asking them to forward the same information onto all renters.

If you have not received a letter or email, please contact Council on 6368 2104.

Read more on the proposal, find dates for drop-in sessions, more FAQs, ask a question or provide your feedback here <https://www.blayney.nsw.gov.au/srv>

<h3>FAQs</h3> <h4>WHAT HAS COUNCIL DONE ALREADY?</h4> <p>In preparing for the SRV, Council has prepared an Organisational Sustainability Review and Improvement Plan (Improvement Plan).</p> <p>The Improvement Plan has identified, costed and prioritised 26 present improvements, which will be implemented over the next three to four financial years (with some having a slightly longer implementation timeframe).</p> <p>An additional 13 improvements have been identified as opportunities that need to be investigated in the future.</p> <p>The Improvement Plan quantifies Council has already found and/or implemented:</p> <ul style="list-style-type: none"> • ongoing savings of \$580,000 per year in financial benefits, • a one-off benefit of \$1 million, and • a cashflow benefit of some \$4 million in grant-funded asset renewal projects not requiring Council funds. 	<h3>FAQs</h3> <h4>PROPOSED SRV</h4> <h4>WHAT IS THE ALTERNATIVE TO THE PROPOSED RATE INCREASE?</h4> <p>Without an SRV, Council would have to significantly raise and reduce operational expenditure which would be extremely difficult given we are already at very tight expenditure and living on a knife edge.</p> <p>A reduction in operational expenditure would directly impact the standard of our community facilities, in particular: roads, bridges, culverts, parks, footpaths and buildings.</p> <p>Additionally, Council would have to significantly review and reduce all services including fees and charges for facility hire which would directly impact community and</p>	<h3>FAQs</h3> <h4>PROPOSED SRV</h4> <h4>WHAT DO WE GET IN RETURN FOR AN INCREASE IN RATES?</h4> <p>The SRV will enable an average annual investment of \$7 million per annum over the 10 year Long Term Financial Plan (LTFP) in road maintenance and renewal.</p> <p>The rate increase will ensure we have financial capacity to maintain the standard of our assets, services and community facilities, including roads, bridges, culverts, parks, footpaths and buildings.</p> <p>If we do not maintain our community facilities, they will start to degrade, and we will not have the necessary funds to repair them.</p>	<h3>FAQs</h3> <h4>PROPOSED SRV</h4> <h4>DIDN'T COUNCIL REPORT A \$1 MILLION OPERATING SURPLUS IN 2022/23?</h4> <p>Answer: Part 1 of 2</p> <p>2022/23 Surplus Blayney Shire Council reported a \$15m surplus however this was skewed with a 95% advance payment of the 2023/24 Financial Assistance Grant (an annual Federal government operating grant) of \$3.6m in late June 2023.</p> <p>In real terms, had this grant not been advanced, a surplus of \$9k would have been reported. Additionally, there is a risk the Federal government may cease advance payments leaving a \$3.5m shortfall in that particular year.</p> <p>Cash Reserves As at 30 June Council has approximately \$20m in cash & investments, which is held in specific reserves and invested to earn interest.</p> <p>Although Council currently has money in reserve, the reality of the funds are restricted for a specific purpose, which means they cannot be used for operational purposes.</p> <p>The main cash reserves Council has is listed on the next page.</p> <p>These funds are held as restricted until they are required for that</p>
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Grant Baker and 5 others

23 comments

24/11/2023

Additional Drop in Session added for Millthorpe

Reach: 801

Blayney Shire Council
November 24 at 9:26 AM

Another drop-in session has been added for Millthorpe on the proposed SRV.
Monday 4 December
4pm to 7pm
Golden Memories Museum

Read more about it here as well as additional dates across the Shire and how else you can provide feedback or ask questions <https://www.blayney.nsw.gov.au/srv>

DROP IN SESSION

Special Rate Variation

Millthorpe
Golden Memories Museum

Monday 4 December

4pm to 7pm

26/11/2023

Reminder for Drop in Session for Blayney, Neville, Mandurama & Carcoar

Reach: 783

Blayney Shire Council
November 26 at 5:00 PM

As part of Community Engagement for the proposed Special Rate Variation, Council is hosting Drop-In Sessions in Blayney, Neville, Mandurama and Carcoar this week. Residents are invited to attend and meet with Councillors and Senior Staff to discuss the proposal and ask any questions you have.

Can't attend? Our website has:

- 📅 Dates for additional drop-in sessions across the Shire
- 📄 An online form to submit a question or provide feedback
- 📄 Information on the proposed SRV and a series of FAQs
- 👤 Contact details for Councillors

<https://www.blayney.nsw.gov.au/srv>

<h3>DROP IN SESSION</h3> <h4>Special Rate Variation</h4> <p>Blayney Blayney Shire Community Centre</p> <p>Monday 27 November</p> <p>9am - 11am 4pm - 7pm</p>	<h3>DROP IN SESSION</h3> <h4>Special Rate Variation</h4> <p>Neville Neville Hall</p> <p>Wednesday 29 November</p> <p>4pm - 7pm</p>
<h3>DROP IN SESSION</h3> <h4>Special Rate Variation</h4> <p>Mandurama Mandurama Hall</p> <p>Thursday 30 November</p> <p>4pm - 7pm</p>	<h3>DROP IN SESSION</h3> <h4>Special Rate Variation</h4> <p>Carcoar Carcoar School of Arts</p> <p>Friday 1 December</p> <p>4pm - 7pm</p>

1 share

30/11/2023

Reminder for drop-in Session for Millthorpe

Reach: 834

Blayney Shire Council
November 30 at 5:20 PM · 🌐

As part of Community Engagement for the proposed Special Rate Variation, Council is hosting another Drop-in Session in Millthorpe next week.

Residents are invited to attend and meet with Councillors and Senior Staff to discuss the proposal and ask any questions you have.

Can't attend? Our website has:

- 📅 Dates for additional drop-in sessions across the Shire
- 📄 An online form to submit a question or provide feedback
- 📖 Information on the proposed SRV and a series of FAQs
- 📞 Contact details for Councillors

👉 <https://www.blayney.nsw.gov.au/srv>

DROP IN SESSION

Special Rate Variation

📍 **Millthorpe**
Golden Memories Museum

📅 **Monday 4 December**

🕒 **4pm to 7pm**

1 share

1/12/2023

FAQs from recent drop-in sessions

Reach: 953

Blayney Shire Council
December 1 at 9:40 AM · 🌐

These are some of the FAQs received this week as part of the SRV Community Engagement and an update on the review of the Rate Peg Methodology and impacts for Blayney Shire.


Read more on the proposal, find dates for drop-in sessions, more FAQs, ask a question or provide your feedback here 📄
<https://www.blayney.nsw.gov.au/srv>

FAQs	PROPOSED SRV	FAQs	PROPOSED SRV																
<h3>IS THE 10% ON TOP OF THE RATE PEG?</h3> <p>No. The proposed 10% per annum SRV includes the rate peg amount and is not on top of the rate peg.</p> <table border="1"><thead><tr><th>Year</th><th>Rate Peg</th><th>SRV</th><th>Total</th></tr></thead><tbody><tr><td>2024</td><td>3.5%</td><td>6.5%</td><td>10.0%</td></tr><tr><td>2025</td><td>3.5%</td><td>6.5%</td><td>10.0%</td></tr><tr><td>2026</td><td>3.5%</td><td>6.5%</td><td>10.0%</td></tr></tbody></table> <p>If it is 10% per annum for 3 years, why does it total 33.75%? It is 33.75% because of compounding the SRV over the 3-year period.</p> <p>Rate peg Each year around October / November, the NSW Independent Pricing and Regulatory Tribunal (IPART) sets a maximum percentage increase by which a council can raise its overall rate income, known as 'rate peg'. Rate peg only applies to councils that have not had an SRV approved by IPART.</p> <p>In relation to rate peg forecasting, IPART guides each council on rate peg assumptions for future financial projections. As per Council's SRV communications (including the table above), the IPART guidance assumptions are:</p> <ul style="list-style-type: none">• 2024-25: 3.5%• 2025-26: 2.5%• 2026-27: 2.5%	Year	Rate Peg	SRV	Total	2024	3.5%	6.5%	10.0%	2025	3.5%	6.5%	10.0%	2026	3.5%	6.5%	10.0%	<h3>2023 Rate peg review and new rate peg methodology</h3> <p>In 2022, in acknowledging the increasing number of councils needing and applying to IPART for an SRV, IPART commenced a comprehensive review into the methodology used to calculate their annual rate peg.</p> <p>Following a year-long review, on 9 November 2023, IPART released its final report regarding the review of the rate peg methodology (1) note Council don't even get an email and ads read about the report release if in the media on 21 November 2023).</p> <p>IPART have announced major changes to the rate peg methodology for 2024/25 onwards. This confirms the existing and previous IPART rate peg methodology was broken and not working.</p>	<h3>What does the change in rate peg mean for Blayney Shire?</h3> <p>For Blayney Shire Council, using the new methodology, IPART have advised the 2024/25 rate peg figure is 5.7% (up from a forecast 3.5%).</p> <p>It is acknowledged that the changes are a welcome and significant improvement, which all NSW local councils have been lobbying the NSW Government for over an extended period of time.</p> <p>Unfortunately, the announced higher rate peg does not change Blayney Shire Council's need for the proposed 3-year, 10% per annum SRV which is required to improve our long-term financial position.</p> <p>What the 2024/25 rate peg does</p>	
Year	Rate Peg	SRV	Total																
2024	3.5%	6.5%	10.0%																
2025	3.5%	6.5%	10.0%																
2026	3.5%	6.5%	10.0%																

5/12/2023

Link to e-newsletter with SRV Update

Reach: 430

 **Blayney Shire Council**
December 5 at 5:00 PM · 🌐

The December Council Connect e-newsletter is out today! There is an SRV Update, details on the Twilight Markets, Bright Lights of Blayney Shire and more! 🌲

Read it here 📧
<https://mailchi.mp/blayney/december20233>

You can also sign up for future updates and get it straight to your inbox here 📧
<https://www.blayney.nsw.gov.au/connect-with-council>

7/12/2023

A Conversation with the GM: Special Rate Variation Update

Reach: 781

 **Blayney Shire Council**
December 7 at 2:50 PM · 🌐

The Conversation with the GM this week goes through the latest FAQs as part of the Community Engagement for the proposed SRV.

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Week 3 and 4 of community consultation regarding the proposed Special Rate Variation (SRV) has now been completed, including the last of the drop-in sessions throughout the shire.

Last week, Council met with farmers twice from all over Blayney Shire following an invite from NSW Farmers to attend both meetings, which each had approximately 40 in attendance.

The top questions and topics from the most recent drop-in sessions and meetings are covered in the images or read the online version here 📧
<https://www.blayney.nsw.gov.au/.../feature.../council-update>

Each week, the Conversation with the GM and a Council Update is also published in the Blayney Chronicle and on the homepage of our website.

PROPOSED **FAQs**

FAQs

HAVE WE OVERSPENT AND GOLD-PLATED PROJECTS?

My council default answer is no and my answer is acknowledging the answer to the question of did you spend the Council budgeted resources within the year, which generated the budgeted cost and what the cost.

A better way to see this is that the big answer is that it is not a gold-plated project but it is a project that has been approved by the Council and is a project that is being undertaken in a way that is consistent with the Council's strategic plan.

Council over the last year has used unprecedented grant funding from state and federal governments, predominantly to repair and renew or upgrade assets.

There have been no assets constructed, purchased or replaced in the last year. Council is not planning to do so in the next year. Council is not planning to do so in the next year.

PROPOSED SRV

FAQs

HOW MANY STAFF DOES COUNCIL HAVE?

Councils current structure has 88 Full Time Equivalent (FTE) positions and required to be reviewed after each Council election (last reviewed in 2021)

I note Council currently has 3 vacancies so is currently running at an FTE of 85. Additionally, when a vacancy does occur a review is undertaken of the position and requirements prior to advertising the vacancy.

When comparing Blayney Shire Council staffing levels to other Group 10 Councils in NSW the below chart confirms Council is at the lower end of FTE staffing numbers when compared to other Councils in the same category.



Council	FTE Staff
Junee	64
Oberon	66
Dungog	72
Blayney	88
Narramin	98
Berrigan	98
Liverpool Plains	101
Narrandera	103
Edward River	104
Tenterfield	111
Warburton	113
Walgett	115
Grain	121
Ryhope	122
Temora	126
Colar	138
Upper Lachlan	142
Glen Innes Severn	146
Forbes	154
Lachlan	163
Gwydir	171
Warumbungle	172

PROPOSED SRV

FAQs

WHY CAN'T YOU JUST TIGHTEN YOUR BELT?

We could and the result would be a significant reduction in services and the impact on the community would be significant. We are not planning to do so in the next year.

However, in doing this we would be reducing the services we provide and the impact on the community would be significant. We are not planning to do so in the next year.

PROPOSED SRV

FAQs

WHAT ARE THE NEXT STEPS?

Feedback and comments were collected on the SRV, Friday 10 December 2022 (see FAQ) through the following channels:

- Drop-in
- Survey
- Phone
- Online

All comments regarding the SRV are available at Council's website.

Following completion of the community engagement, a report will be prepared and submitted to Council for consideration at an Ordinary Meeting scheduled for 26 January 2023.

Members of the public concerned by Council's decision-making through the SRV can make an appeal to the Independent Council Review.

The SRV is a budgeted part of the SRV and is not a separate project. It is a budgeted part of the SRV and is not a separate project.

Do you own question or find more FAQs via [blayney.nsw.gov.au](https://www.blayney.nsw.gov.au)


👍 Grant Baker and 1 other

1 share

14/12/2023

A Conversation with the GM: Special Rate Variation Update

Reach: 507

 Blayney Shire Council
4d · 🌐

This week, the Conversation with the GM includes an update on the proposed SRV with the next steps and how to provide feedback. You can visit the SRV web page here 📄
<https://www.blayney.nsw.gov.au/srv>

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Each week, the Conversation with the GM and a Council Update is also published in the Blayney Chronicle and on the homepage of our website.

PROPOSED SRV

Latest SRV Update

FEEDBACK AND SUBMISSIONS

A reminder that feedback and submissions in relation to the proposed Special Rate Variation (SRV) need to be lodged prior to 5pm, Friday 15 December 2023 (tomorrow).

Submissions can be lodged through:

- Online form
 - [blayney.nsw.gov.au/srv](https://www.blayney.nsw.gov.au/srv)
- In writing
 - PO Box 62 Blayney NSW 2799

All information regarding the SRV is available at Council's dedicated SRV webpage: [blayney.nsw.gov.au/srv](https://www.blayney.nsw.gov.au/srv)

WHAT ARE THE NEXT STEPS?

Following conclusion of the community engagement, a report will be prepared and submitted to Council for consideration at an Ordinary Meeting scheduled for 23 January 2024.

Members of the public can present to Council at a meeting through the public forum which, pre-registration is required.

If Council proceeds in making an application to IPART for an SRV, IPART will undertake its own community feedback separately from Council's processes and invite submissions from members of the public. This process is typically undertaken in the subsequent March/April.

Submit your own question or find more FAQs via [blayney.nsw.gov.au/srv](https://www.blayney.nsw.gov.au/srv)

1 share

At an extraordinary council meeting held on 9 November 2023, Council endorsed the undertaking of community consultation on a potential application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV).

[View this email in your browser](#)

A message from the Mayor

After an 18-month review of Blayney Shire Council's operations and services, our Long-Term Financial Plan has identified ongoing future deficits. This is a very concerning reality that needs to be addressed sooner rather than later.

As such, Councillors have resolved to consult with our community about a potential rate rise above the normal rate peg amount, which is referred to as a Special Rate Variation (SRV). The proposal is for a 10% increase to the general rate for 3 consecutive years starting the 2024/25 financial year.

This is a difficult process as all Councillors are fully aware of the current cost of living pressures and rising interest rates that have greatly affected all of us. In particular, we acknowledge that our rural producers are facing tougher trading conditions and weather challenges into the near future.

Over the years, our Council's annual rate rise has been set and dictated by the Independent Pricing and Regulatory Tribunal (IPART) and for all Councils across NSW it has never reflected the true increasing cost of Councils activities.

While none of us are eager to pay more I am hoping that during our consultation process, we can talk about the value that our small Council delivers across the Shire and how your rate money is invested within our community.

Thanks to the unprecedented investment from the previous State and Federal Governments, we have all seen major improvements to our sporting facilities, showgrounds, footpath, and road networks. These important community assets all now must be maintained and any increase to funding will allow Council to maintain and enhance these assets into the future.


All landholders will receive a letter and information sheet in the mail, and there will be opportunities to attend drop-in sessions throughout our villages and Blayney township. Please check out Council's website below for further information or contact me directly to talk about what the future might look like for our wonderful Shire.


Drop-in information sessions will be held as follows:

- **Millthorpe:** Golden Memories Museum -Thursday 16 November, 9am to 11am and 4pm to 7pm
- **Blayney:** Blayney Shire Community Centre - Monday 20 November, 3pm to 6pm
- **Newbridge:** Brian Bennett Pavilion - Wednesday 22 November 4pm to 7pm
- **Lyndhurst:** Lyndhurst Hall - Thursday 23 November, 4pm to 7pm
- **Blayney:** Blayney Shire Community Centre - Monday 27 November, 9am to 11am and 4pm to 7pm
- **Neville:** Neville Hall - Wednesday 29 November - 4pm to 7pm
- **Mandurama:** Mandurama Hall - Thursday 30 November, 4pm to 7pm
- **Carcoar:** Carcoar School of Arts – Friday 1 December, 4pm to 7pm

Scott Ferguson
Blayney Shire Mayor


 [SRV Website](#)


 [Business Paper](#)

 [Information Sheet](#)


Council Quick Links


 [Report an Issue](#)

 [Promote an Event](#)

 [Business Resources](#)

 [Events Calendar](#)

 [Tenders, Quotes and EOLs](#)

 [Council Website](#)



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APPENDIX B: FORMAL SUBMISSIONS RECEIVED

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I see no need to increase our rates to cover your Miscalculations' in your budget blowout.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

As a home owner and ELECTOR of the Blayney LGA I absolutely oppose this SRV. Council needs to adjust and do better with the resources they already have, just as our families have had to do in recent times. Ask the community how to save a few dollars, I'm sure they have plenty of advice knowledge and wisdom to share with you.

SRV Submission

Name: [REDACTED] [REDACTED]

Phone Call: 16/11/23 12:51pm

Wanted to put name as being totally against SRV as Farming rates will go up by \$30 per week. Council do not care about the farmers. Previously enquired to Council about subdividing was told cannot do as Council does not want farmers making money out of selling of land around Barry but yet Millthorpe can. Times are already hard for farmers and everything is going up, eg housing crisis with rents going up, Why can't Council absorb some of these costs instead of putting onto rate payers. Will try and attend a meeting. How much money did Council waste on the 2 x reports done.

From: [REDACTED]
Sent: Sunday, 26 November 2023 10:46 AM
To: SRV
Subject: objection

Hi there
I am just emailing to register my objection to the SRV.
Thank you
Regards [REDACTED]

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Hi there, I would like to vote no for SRV.

Thank you.

Regards

[REDACTED]

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

To whom it may concern,

Whilst I know the cost of everything is going up at the moment, people's wages are not. To increase our rates by 33% (yes I know it's over 3 years, but even so) is disregarding the fact that people are already struggling, living pay-check to pay-check, trying to keep up with all the other bills and expenses we already have. This added cost could mean a parent has to cancel their child's dance classes or swimming lessons, or other extracurricular activities just to pay these extra fees. It could mean missing out on school excursions. It could mean missing out on that family dinner in town, so small businesses miss out as well. And for what? To line the pockets of the council? The letter we were sent said that the rate increase was needed to continue the services the council provides, such as the upkeep of our roads, sewage, parks etc. Not sure if you've driven on any roads around here recently, but they are atrocious. We live near heritage park, and it is beautifully maintained. I often see the grass being mown, quite often actually, but I don't think it warrants a 33% increase in our rates to make sure the grass at the park is pristine.

When considering this proposed rate increase please consider the average Blayney resident. We are hard working people who are just trying to get by, to raise our families.

Sincerely,

[REDACTED]

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

No thanks to the SRV AT all. Unaffordable rate increase that doesn't benefit locals.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I do not support the introduction of the proposed SRV. I don't believe Lyndhurst gets fair representation for the rates that we pay, and to find out that services have already been reduced is disappointing. There was no indication that these reduced maintenance services would be reinstated if the SRV was introduced. How many of your residents are expecting a 10% increase to their income for the next 3 years? I'd think the answer is none.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Unfortunately I could not make the sessions council had organised.. what I can't understand, council is receiving \$4.87 million from the mine, money council hasn't had in the past & yet council still want to put our rates up. Families are stretch to the limit now...I also would have liked to have a community meeting not just pop in question & answers as I'm sure the community as a whole would have liked to hear the answers to all questions asked.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I would like to note that I do NOT support the SRV.

All households and businesses are already struggling in the current financial environment. I do not believe that Blayney Shire Council should put even more financial pressure on their residents and businesses. We have to make do. I believe that Blayney Shire should make do with the current peg rate, like the rest of us.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I object to the proposed Rate increase

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Mr Mayor & Councilors

I support Council's preference is for a 10% per annum. increase, to all rate categories for 3 consecutive years. As a primary producer, the maintenance of our councils road network is essential. This has not been happening, we have watched the continued deterioration of our roads, to the point whereby they became impassable after last years flooding and then Council needed to request special grants from state government for repairs. This cap in hand, ad hoc funding model for repair and maintenance does not work. Our roads need far more maintenance sealing, drain rehabilitation Etc to make them more resilient. The local government funding model constrained by rate pegging is out dated and needs review. Your proposal for a SRV is a welcome step forward.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

To whom it may concern,

I live with my father who owns a property in Mandurama. I make this submission on his behalf.

We have received information from Council regarding the proposed SRV increases.

My family have lived in Mandurama for the better part of 10 years. Over the last 4 years or so, we have seen a decrease in the services provided and rendered to residents of the community of Mandurama.

We would not be opposed to the SRV rates increases to the Blayney Shire, if the community of Mandurama were actually supported by Blayney Shire Council and the proposals Blayney Shire Council intend to make.

The local oval in Mandurama is rarely mowed or maintained by Council. This is the local ground that we use for sporting activities, dog walking, parties, fishing etc. We have not been able to use the oval for the last 3 months because it has not been mowed or maintained. This is a huge safety risk to our residents because of snakes and spiders in our area.

Our roads are not maintained at the same upkeep or level as other areas of Blayney Shire Council either. On the Canowindra Road, as you turn right from the main highway, there is a massive hole in the road that has been filled in by Council staff a number of times over the last 4 years but has never actually been fixed by Council. Now there is a huge lump on the road that every one of our cars hits every time we turn onto that road. It is a massive safety risk, particularly for the nearby houses as it is going to take one car to hit that bump wrong and a car will go careening into one of the nearby houses.

Our footpaths are atrocious and are never upkept by Council. Our walkways and side roads are hardly ever maintained by Council either.

I also note that the main street of Mandurama floods every time we have heavy rain as the drains near the main post office and pub are blocked from tonnes of rubble and dirt from works over the years.

If the community of Mandurama were actually to benefit from the SRV increases, we would be happy to oblige and agree to the rate rises however, Council needs to provide further information and review the current works and maintenance that our town is actually provided by Blayney Shire Council before our homeowners are forced to pay more money towards Council without actually receiving any benefit.

Yours faithfully,



Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

A rate rise of any kind will put even more pressure on house holds. The council has been able to get grants in the pass for road works. So why cant they do this again to raise needed funds. On roads, they are a disaster, specially thru Millthorpe and Church St in Blayney.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name



Please provide your input, comments, and feedback on the proposed SRV here

ATTN: Blayney Shire Council, Blayney councillors, Mark Dicker

I wish to lodge my objection to the proposed rate rise.

These are difficult times and people, myself especially, can't handle rate increases of this size.

Where do you think the money is to come from?

Rural rate payers seem to be rated at a much higher rating level than towns and villages also.

Rural rate payers pay enough rates already and we get basically nothing for our money, especially if you live on a gravel road. We have to endure dust and in the case of snow and wet conditions you have to added problem of a dangerous and slippery roads and large potholes. Also very wet windy conditions are likely to bring trees down over the road completely closing the road.

Maybe Blayney Councillors should learn to budget and/or spend less in Blayney.

Maybe the council is "top heavy" and needs to look at their staffing levels.

Could the wind turbine company that is destroying our landscape be approached to help with council coffers?

There is also Cadia who could be approached.

Surely there are other options rather than slug the ratepayers

Definitely NO RATE RISE.

I would like my letter tabled at the next council meeting and my objection noted.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Has council done performance assessments on departments? I know of two people who have contracts at Orange City Council, both have only started working there earlier this year for 3 days a week after working for themselves. Both are constantly looking for work to do, and at times bored out of their minds and one has a contract until June 2024. Does Blayney Shire Council have any such employees??

How confident are Council in the 'Consultation' Recommendation process?? Bathurst was \$120 000, presume that Blayney was similar?

Why doesn't Centrepont Generate any income?? or is the figure on the document the Net loss? Since YMCA have taken over a local private swim instructor has taken her lessons elsewhere, along with many small children in our area. It will be interesting if these children actually graduate through to squads like our kids did simply because ours did all their lessons at the Blayney pool.

Councillor Ipads etc Device replacement each new council term? I am still using my daughters iPad from when she started high school 7 years ago and it is perfectly fine, so is changing devices every term really necessary?. Does Council have an IT department and if so does it really need one? Can it be better done by out sourcing this service?

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Dear Councillors, I have listened to both sides of this discussion for the past few weeks.

What seems to be the base of the problem is that Council is spending more than it earns to maintain the Shire in to the standard it has been. Raising rates does not fix the underlying problem but rather kicks it down the road to make a bigger problem for a future population to deal with. I appreciate the rates system is outdated and needs overhauling. Raising rates will most likely see the pressure taken off so they will increase spending and we will be back in the same position.

What seemed to aggrieve the rate payers most is that Council has gone straight to a rate rise before it cut all possible costs and took on the harder job of fixing a broken system. I don't think the timing is right to seek a rate rise. I haven't seen any structural attempts at the council becoming financially viable with their current income. Spending \$200k on a feasibility study to raise rates is a lot of money. If that amount of effort was put into cutting costs it would have been appreciated.

Council says it can't maintain its current standards on the present rates , citing increased wages, maintenance of new infrastructure and general inflationary pressures. This is the same predicament all businesses are in. Farmers have seen their incomes slashed from between 50%-70% this financial year.

We are one of the few councils who has a mine which pays 50% of our rates, it's not a good barometer of our financial diligence when the other councils are living within their means without a gold mine.

Raising rates seems like they are taking the easy route, hitting the soft targets, the 5% increase should be enough.

[REDACTED]

From: Blayney Shire Council
Sent: Tuesday, 12 December 2023 9:39 AM
To: SRV
Subject: FW: Rate Variation

-----Original Message-----

From: [REDACTED]
Sent: Monday, December 11, 2023 5:42 PM
To: Blayney Shire Council <council@blayney.nsw.gov.au>
Subject: Rate Variation

I am writing this letter to oppose the large increase in rates Blayney Council is trying to impose.

-- They complain about rising costs which is exactly what every business is now facing, but, don't have the perceived luxury of being able to increase our income by 33.1% to cover these costs. We are totally opposed to this increase. Yours sincerely [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I support the rate rise as proposed. It is important that the Council has sufficient funds to provide its vital services. During a cost of living crisis, it is better to ensure that public sector workers and services are supported. These groups are typically underpaid and, as locals in our community, are more likely to spend money that supports local businesses. I see the rate rise as being necessary, justified and important to support our strong communities. I think that spreading the rate rise over 3 years is likely to be minimally impacting for the vast majority of the community and I would like to register my support to the council in seeking this change is the most reasonable way.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I strongly oppose the srv. Personally, are stretched to the limit. We are working full time (plus doing overtime). We haven't had a pay rise in years, and the utility costs are killing us.

We simply cannot afford this hike. You cannot get blood from a stone.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

The srV should be no greater than the proposed 10% compound per annum limited to 3 years.

An primary producer or land zone according to rural agriculture should be 30% over 5 years. Special rates for quarry/mining and other industry should fall within the 3 year period.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

These fees are outrageously high and are well over the annual CPI.

I am totally against this proposal because it will add extreme financial pressure to each rate payer.

From: [REDACTED]
Sent: Thursday, 14 December 2023 10:21 AM
To: SRV
Subject: FW: Submission SRV

From: [REDACTED]
Sent: Thursday, December 14, 2023 9:53 AM
To: Blayney Shire Council <council@blayney.nsw.gov.au>
Subject: Submission SRV

Dear General Manager,

I am Making the following submission on the Special Rate Variation.

The council information sheets handed out at the community meeting state that the SRV increase would be applied equally across all rate categories. Will the SRV be applied equally within the categories? Councillor Renolds told me at the community meeting that it will be 10% on the base amount and 10% on the ad valorem. Councillor Somerville said he wants to increase the base rate in the Farmland category by more than the 10%. This would result in the ratepayers with the lower land values in farmland having to pay more than the SRV or rate-peg and gives a reduction to those with the higher land values. Council states that it uses the base amount in recognition of the fact that there are basic services provided by Council and general administrative and over head costs that benefit all properties regardless of rateable value, which in equity should be borne equally by all ratepayers. In the residential ordinary category there are rate payers whose base rate of \$370 plus the ad valorem are less than the farmland base rate \$600. There is no justification to increase the base rate in the farmland by more than the SRV 10% for the proposed 3 years or the rate peg in any financial year. Rates are a tax based on the principle that the higher the land value the more the ratepayer pays.

Projects such as the Design for Blayney & Millthorpe Mainstreet Precincts should not go ahead. Theses areas are functional and money should only be spent where it is needed to maintain these and other areas.

Sincerely

[REDACTED]

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

Historically BSC farmers have been paying above average rates, supporting residential rate payers who are paying below average rates when compared to surrounding Central West shires. BSC average farm rates are already \$3,110 compared to Bathurst - \$1,540, Cowra - \$2,000 and Orange \$1,952. It is unfair that we have already been paying the highest rates for so long. I understand it is calculated on land value, but that is unfair for farmers, as most are not planning to sell unless they are forced to. Farmers are at the bottom of the food chain everyone else is able to put their wages and prices up etc. However, we only get what we are given and during drought times and increasing expenses for everything it doesn't cover costs. BSC should be supporting farmers for food sustainability not push them out because of land values / rates rises makes unsustainable to farm. Hence some farmers cashing in as its easier to sell then to continue with agriculture.

If anything, raise residential rates so that their average is in line with surrounding shire. Blayney average resident rates \$700, Bathurst \$1,175, Orange \$1,500 etc.

They should start paying their share as they get most of the benefits from rates. We already pay \$18,000 a year, we have no connection to sewerage, or water, no garbage collection, no curb and guttering etc and we are not even on a BSC road (on RTA road), which has a dangerous turn in. So really we are not getting any benefit from our \$18,000. Thats \$6000 per person for our house with no services. The rise would make it an extra \$6,000 per year. Thats an extra \$30,000 over 5 years. Please be considerate of farmers as this is not sustainable. I think BSC needs to look where they can cut their own costs or make income in other ways such as the local gold rich resource mines. Also continue to apply for grant funding for any necessary road works etc. As farmers are not a bottomless pit for funding. Thanks for opportunity to comment.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

I strongly disagree with the special rate variation proposed by the Blayney Shire Council. After sitting in on two meetings with councillors, it is clear to see that no consideration has been sought for any other option to offset the deficit going forward. This is an issue that has been creeping up on Council over the past few years and should have been looked at prior to now. This is clearly a management issue and therefore Council should take that into consideration and look at the management of the council in regards to why we are living beyond our means.

As a rural ratepayer, we already bear the burden of rates in the Shire and do the heavy lifting on behalf of Council in terms of what we pay each year as ratepayers.

Council and councillors need to take responsibility and stop the community having to pay for their mistakes and lack of foresight, as well as mismanagement. Make changes within the council management and stop making the community pay.

Have your say on the SRV

What would you like to do?

Make a submission on the proposed SRV

Name

[REDACTED]

Email

[REDACTED]

Phone Number

[REDACTED]

Address

[REDACTED]

Please provide your input, comments, and feedback on the proposed SRV here

It seems absurd to want to the rates by such a huge percentage when we live in shire that now has 2 mines and an ore processing plant along with 2 wind farms.

These industries have created much opposition in our communities because of the scale and impacts on residents. Let them cover your budget shortfalls. Rate payers are already slugged enough for limited services.

We all have to budget to survive so maybe council should be looking at their budgets a lot differently.

Cadia mine alone pay huge royalties to state government one would think that there would be some flow back to the local council. The wind farmers should be now be charged commercial rates as they are the ones who have allowed our area to be burdened with the impacts of. such useless monstrosities .

Look elsewhere for you budget inadequacies.

From: [REDACTED]
Sent: Monday, 18 December 2023 1:06 PM
To: SRV
Subject: FW: Blayney Shire Rate Rise

From: [REDACTED]
Sent: Monday, December 18, 2023 12:13 PM
To: Blayney Shire Council <council@blayney.nsw.gov.au>
Subject: Blayney Shire Rate Rise

----- Original Message -----

To General Manager

I am a ratepayer in Blayney and am deeply opposed to Blayney Councils rate rise. I do not agree with the justification of the rate rise and query how the council got into this financial position.

-Council invested one million dollars in September 2023 knowing the council are around \$1.5 million short for financial year 2024 to 2025.

-NSW government have given permission for councils to charge 5.7% to rate payers .

-I believe the \$1 million that was invest and the rise given to councils of 5.7% would cover the councils short fall and would have a less impact on low wage earners pensioners and unemployed that pay rates in this shire.

-The Dominio effect for renters they will be made pay more for rent

- Council should look at cost cutting within the council.

- one instance is [REDACTED] driving our council supplied car to Lithgow and return to Blayney around 1000 kilometers a week. I know in wage package cars are offered to workers as salary package . The amount of kilometers travelled to work and return on rate payers funded car is not a way of cutting costs i know of other employees of shire drive out of shire to there homes at expense to Blayney rate payers.

- This cost should be stopped.

As Mr Dicker said to [REDACTED] and myself at the community consultation in Blayney, if mine does not start at Kings Plains, the council will be short again in 3 years time and will have to ask for a top up again on rates .

The bottom line is, Blaney Sire Council has not got enough ratable sites in the shire to stay variable and stand alone as a council. At some time this council will have to be amalgamated with another council being Orange.

I would like to again ask why does Blayneys swimming pool loose so much money around \$1000 a day. Please tell me why and were does the money go and can the loss be brought under control.

Why do many of council's costings go over budget and large amounts of money have to go to finish the projects? that was not budgeted for.

To finish i can not see how council can ask the rate payers for more money when we can use \$1million invested in September and use the 5.7% rate increase okayed by nsw gov for coming year.

I will be passing on my conerns to the relevant State and federal Ministers and their offices.

Thanks



To: Mark Dicker
Subject: RE: Blayney council proposed rate increase

From: [REDACTED]
Sent: Monday, December 18, 2023 10:20 PM
To: Mark Dicker [REDACTED]
Subject: Blayney council proposed rate increase

The Blayney branch of the NSW Farmers Association held its last meeting on November 30th 2023 at which the President of the NSW Farmers Association, Xavier Martin was present
Also present was Graham Brown representing the Cabonne Rural Fire Service, the Mayor, Scott Ferguson, Cr. Bruce Reynolds, Cr. John Newstead and yourself as General Manager of the Blayney Shire Council.
It was more of an information night rather than a formal meeting with more than 50 farmers of the Blayney district present in the Blayney Uniting church hall.
Xavier Martin said that the NSW Farmers Association had met with the NSW Minister for Local Government and the Premier on the issue of local council applications for a Special Rate Increase.
It is Association policy that no Council should be granted an increase above the 5.7% allowed.
That the State Government should undertake a review of any council that applies for a SRV.
Seek a review of local government funding and projects by the state government.
That any SRV variations allowed be exclusive of farming land.
The Mayor, Scott Ferguson outlined the reasons the Blayney Council is applying for a Special Rate Variation of 10% for each of the next three years which would mean a 33.5% rate increase in the third year compared to the present case.
He also said that the Blayney Council would make a final decision to apply to IPART in January 2024.
Many farmers voiced their disapproval of the Blayney Council ignoring the sharp decrease in primary producer incomes in the 2023 calendar year.
[REDACTED] put it this way " The Council is creating a certain future for them and an uncertain future for us".
Another farmer pointed out that his rates per hectare were 56% higher for his land in Blayney Council area compared to his neighbouring land in Bathurst Council area.
Another farmer made the point that they were expected to live within their means why should that not also apply to Blayney Council.
Another farmer made the point that rate revenue for Councils is a broken system, and should not keep asking for SRV and that one day Cadia Mine will close.
The Chairman of the meeting, Dominic Burden, proposed that the Blayney branch put in a submission opposing the 3 rate increases of 10% each year.
A vote was taken and was unanimous that this submission be forwarded to Council, and the Councillors, opposing the application for a Special Rate Variation.
While the rate increases are relatively small for house owners they are huge for farmers. In my own case, council rates are now [REDACTED] per year.
I am asking Council and Councillors to consider the negative ramifications of this SRV for farmers before they create a certain future for them and an uncertain future for us.

Yours faithfully

[REDACTED]
Blayney branch NSW Farmers Association.