



Special Rate Variation – Community Engagement Outcomes Report

Canada Bay Council

November 2022



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Introduction

City of Canada Bay Council ('Council') undertook a robust community engagement process on Council's financial sustainability and the need for a special rate variation (SRV). This Community Engagement Summary Report outlines the process Council used and the outcomes of the engagement.

Project background

In the 2022-2026 Delivery Program, the City of Canada Bay identified the need to consider a special rate variation (SRV) to ensure Council's ongoing financial sustainability and increase services in critical areas. Council committed to consulting with the community on a potential SRV in the second half of 2022. Additionally, the Council is proposing to increase minimum rates to ensure a more equitable distribution of the rates burden across the local government area into the future.

In two councillor workshops in June and July, options for a SRV including the proposed service improvements it would fund were presented, explained and reviewed. At the Council meeting on 16 August 2022, Council resolved to consult with the community on a proposed SRV of 32.52% cumulative over four years and a proposed minimum rate increase of \$346.23 (\$250 above the forecast rate peg increase) above the current year's minimum rate of \$761.71, to be implemented over four years.

Table 1 Proposed rate increases

	2023-24	2024-25	2025-26	2026-27	Cumulative
Permanent increase above the rate peg	12.24%	2.31%	2.19%	2.08%	19.78%
Forecast rate peg	3.25%	2.5%	2.5%	2.5%	11.19%
Total increase	15.49%	4.81%	4.69%	4.58%	32.52%

Table 2 Proposed minimum rates

	2023-24	2024-25	2025-26	2026-27
Proposed minimum rate	\$879.69	\$953.95	\$1,030.05	\$1,108.07

Council developed a community engagement plan which outlined the approach, key messages and timeline for community consultation on the potential SRV. This plan was developed to ensure that it meets the SRV assessment criteria set out by the NSW Office of Local Government, that sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), that will assess any SRV application submitted. It has also been developed in compliance with the City of Canada Bay's Community Engagement Policy and Community Engagement Strategy as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard. The full community engagement plan is provided in Appendix A of this report.

About Morrison Low

Morrison Low Consultants has been engaged by Council to clarify the need for a special rate variation (SRV) application.

Morrison Low has assisted Council by:

- undertaking a review of Council’s financial position, its Long-Term Financial Plan (LTFP) and its asset management modelling and assumptions
- defining and articulating the need for and impacts of the proposed special rate variation
- undertaking an assessment on the community’s capacity to pay for the proposed special rate variation
- supporting the community engagement process through planning, delivery and documentation of outcomes.

Engagement Objectives

The purpose of this community engagement is to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and minimum rate increase.

The objectives of this community engagement process include the following:


- To present the proposed SRV and minimum rate increase.
- To identify the impact of the SRV on the average and minimum rates across each rating category.
- To exhibit an updated LTFP demonstrating the impact of the proposed SRV options on Council’s operating results from 2023-24 for feedback and consideration/endorsement by the Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community’s feedback to inform Council’s final decision on whether to move forward with an SRV application.

Engagement Approach

The level of complexity for this engagement activity was defined as ‘high impact – city wide’ under the Council’s Community Engagement Strategy. This means the issues would have a real or perceived impact across the whole city. The issue has the potential to create controversy and has a high level of potential community interest.

Council adopted an inform and consult approach, using the IAP2 Community Engagement Framework (Figure 1 below), which is in line with the guidelines set by the Office of Local Government and the information papers provided by IPART.

Figure 1 IAP2 Spectrum of Public Participation¹

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for the Council’s General Fund is clearly articulated and identified in council’s Integrated Planning and Reporting (IP&R) documents.
2. Evidence that the **community is aware** of the need for and the extend of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.
6. Address any other matter that IPART considers relevant.

To meet criterion two, Council was required to undertake engagement at the “inform” level. Notwithstanding, Council undertook the engagement at a “consult” level which resulted in it exceeding criterion two, and to ensure that it also fully met criteria one and four.

The Long Term Financial Plan (LTFP) adopted in June 2022 included some sensitivity analysis of the impact on the General Fund demonstrating persistent deficits, but it did not model any SRV options. The 2022-26 Delivery Program indicated Council’s intention to model and consult on potential SRV options in the second half of 2022. These steps are understood to meet criteria one and four of the SRV assessment criteria. To strengthen satisfaction of these criteria, an updated LTFP, which includes the SRV options and base case from 2023-24, was exhibited as part of this community engagement process, to be considered and adopted by Council as it considers the outcomes from community engagement and whether to apply for the SRV.

¹ International Association for Public Participation (IAP2) Australasia, 2018. *IAP2 Spectrum of Public Participation*. Retrieved from: https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf.

Engagement mechanisms – how did Council engage?

Council undertook a variety of engagement activities throughout the consultation period from 5 September 2022 to 18 October 2022. The process included:

- Hosting a Council webpage on Collaborate Canada Bay with all SRV information (<https://www.collaborate.canadabay.nsw.gov.au/srv>).
- Advertisements in print news and community newspapers, postcards, e-newsletters, mailout newsletters and translated information for culturally and linguistically diverse (CALD) communities.
- Three public forums, one face-to-face and two online, with one for businesses and the other two for residents and other community members.
- For those who missed the forums, a recorded SRV presentation of the community information forum was developed and placed on the Collaborate Canada Bay website.
- Feedback and submissions were invited, including through Council's Collaborate website.

Council makes decisions on the use of social media in its community engagement activities based on the circumstances and nature of the subject matter. In regard to community engagement relating to the proposed SRV, a conscious decision was made not to utilise social media due to the risk that comments made by the public on posts may prejudice the integrity of the investigation currently being undertaken by Independent Commission Against Corruption (ICAC), and/or breach related legislation.

The background information documents in the appendices, the Collaborate Canada Bay webpage and the recorded SRV presentation to the public forum (available via the Collaborate webpage), demonstrates Council's transparency in this community engagement with explaining:

- The proposed cumulative SV rate increases including the rate peg for each major rating category (in percentage and dollar terms)
- The annual increase in average rates (in percentage and dollar terms) that will result if the proposed SV is approved
- The amount of the proposed minimum rate increase
- Productivity enhancements and cost containment strategies
- The community's capacity to pay analysis, demonstrating that the impact on ratepayers of the proposed rate increase is reasonable.

Council presented information that allowed community members to understand why the SRV is proposed and how it will affect the rates they pay. Council disclosed all relevant information to the community and identified the impact of the proposed SRV on the various categories of ratepayers that will be affected.

Council provided the public with objective information to assist them in understanding the problem, alternative, and preferred solution and to obtain the public's feedback. Council kept the public informed, listened to and acknowledged concerns and aspirations, and provided feedback on how public input will inform the decision making of Council.

During the engagement, Council adjusted some communication content in response to feedback from the community and from IPART staff. Council clarified the full extent of the proposed SRV, inclusive of the forecast rate peg in its newsletters and on the Collaborate Canada Bay page. It also broadened the number comparison councils on the Collaborate Canada Bay page.

Audience – who did Council engage?

The consultation program was designed to ensure that it reached all parts of the community:

- Via the Collaborate Canada Bay online page (survey and feedback).
- Stakeholders from groups with English as a Second Language (ESL) with the use of translated information on Collaborate website and utilising the Localize Canada Bay Newsletter published in September and October 2022.
- Residents and businesses reached by e-mails to subscribers on the Collaborate database and Business Newsletter.
- Community forums on the SRV process were held both in-person and online across different dates and times to ensure maximum opportunity for the community to attend, with registration through Eventbrite.
- Broad communities reached by e-newsletters (September and October 2022):
 - CCB news online
 - Rhodes enews
 - What’s On enews
 - Library enews (October)
- CALD (culturally and linguistically diverse) communities targeted by translated advertisements in CALD newspapers (September and October 2022):
 - La Fiamma
 - Daily Chinese Herald
 - Sydney Korean Herald
- General public was also informed from media interviews.
- Councillor information sessions.
- Council venues have postcards to inform the public.
- The events and consultation period were promoted through Council’s channels from 5 September 2022 to 18 October 2022.

Table 3 Engagement mechanisms

Mechanism	Phase of consultation	Push or pull mechanism	Reach (stakeholder groups)
Translated information on Collaborate pages using Localize	Inform	Push	Stakeholders from all groups with ESL
Canada Bay Newsletter - September and October 2022	Inform	Push	All
Postcards in all Council venues	Inform	Push	All
E-mail to – Collaborate database and Business Newsletter	Inform	Push	Separate communications for residents and businesses.

Mechanism	Phase of consultation	Push or pull mechanism	Reach (stakeholder groups)
E-newsletters CCB news online (Sept & Oct) Rhodes enews (Sept & Oct) What's On enews (Sept & Oct) Library enews (Oct)	Inform	Push	All
Translated advertisements in CALD newspapers La Fiamma (Sept & Oct) Daily Chinese Herald (Sept & Oct) Sydney Korean Herald (Sept & Oct)	Inform	Push	CALD community
Media interviews	Inform	Push (where requested by local media)	All
Collaborate Canada Bay page (host open comment survey and feedback options)	Inform and consult	Pull	All
Reference materials for Council call centre and customer service teams	Inform	Pull	All
Online forums – business and community sessions	Consult	Push	All
Councillor information sessions	Inform	Push	Councillors
Face to face forums	Consult	Push	All

Council also presented the proposed SRV to its management team, who then briefed their staff on the proposal prior to the commencement of the engagement period.

The following information and clarity on the SRV process was also available on Council's Collaborate website and available as reference materials from the call centre staff and customer services team. The following shows the clarity of information provided to the community, samples are provided in Appendix B:

- Background Information – Special Rate Variation
- SRV Frequently Asked Questions - available at: https://hdp-au-prod-app-cbay-collaborate-files.s3.ap-southeast-2.amazonaws.com/6316/6492/1569/Frequently_Asked_Questions.pdf
- Updated Long Term Financial Plan 2023-33 – available at: https://hdp-au-prod-app-cbay-collaborate-files.s3.ap-southeast-2.amazonaws.com/1416/6304/3467/Updated_Long_Term_Financial_Plan_Final_Aug_2022_v1.pdf
- A presentation for the community forums that was recorded and made available on the website.
- Guidance on how to find more information, ask questions and provide feedback.

The proposed SRV also received coverage through articles in the Sydney Morning Herald and Daily Telegraph, with these publications having reported daily readership of 350,000 and 450,000 respectively.

Engagement Results

Who did Council reach?

In raising awareness for the proposed SRV, Council sent information through its regular e-newsletters and a direct mail out. The table below provides details on the numbers reached with each of the channels.

Table 4 Audience reach

Mechanism	Reach figures
Canada Bay Newsletter - September and October 2022	September: 33,900 October: 33,900
Postcards in all Council venues	1000
Email to – Collaborate database and Business Newsletter	Collaborate database 3,244 recipients Business database 2,936 opens
E-newsletters	CCB News online September: 1,596 October: 1,606 Rhodes enews September: 817 October: 826 What's on: September: 1,846 October: 2,100 Library enews October: 6,887

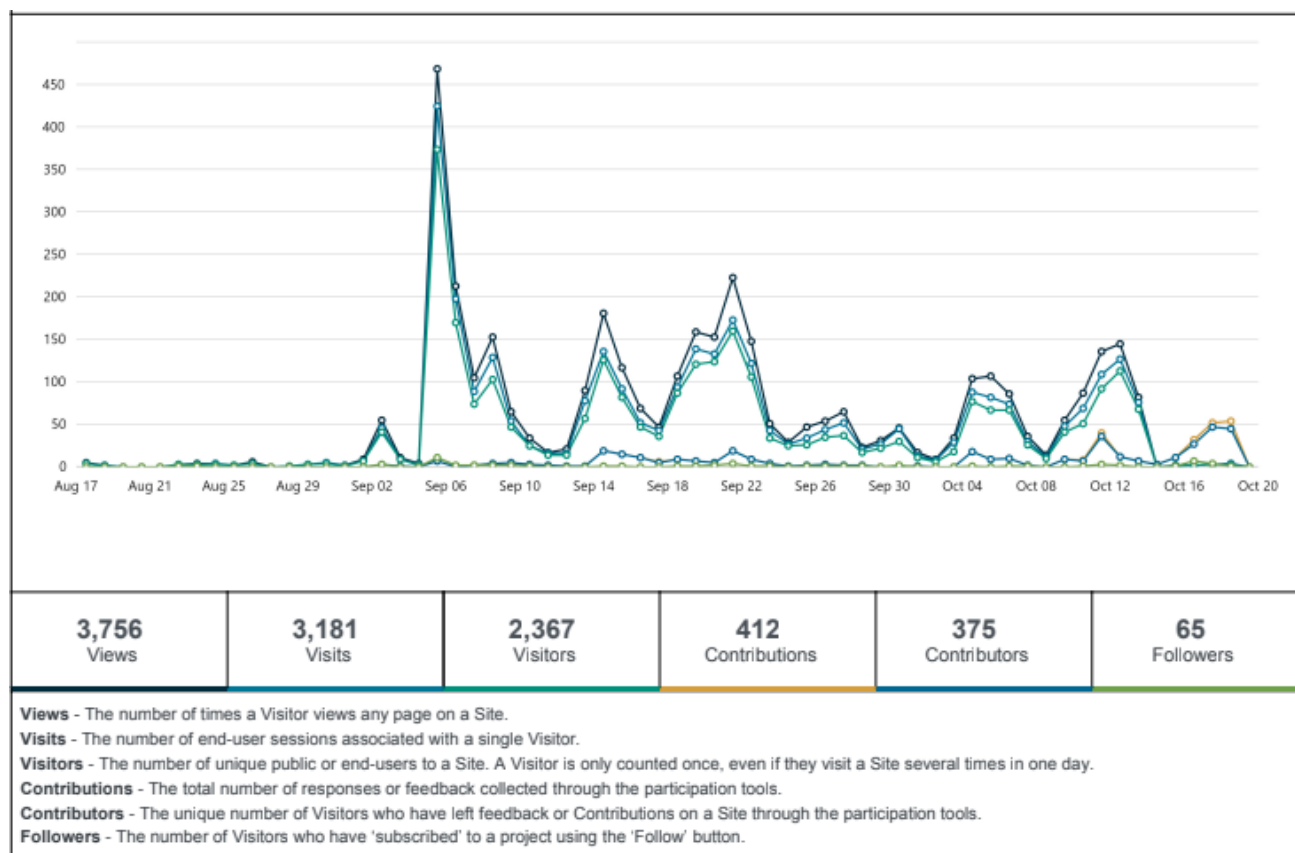
The City of Canada Bay Council held the following community forums:

- In-person Community Forum - Tuesday 13 September at Drummoyne Council Chambers, 6 - 7pm
- Online Business Forum - Wednesday 14 September via Microsoft Teams, 6 - 7pm
- Online Community Forum - Monday 19 September via Microsoft Teams, 5.30 - 6.30pm

The events were promoted through Council’s channels from 5 September 2022 with registration through Eventbrite. There was a total of 30 registrations for these events and 16 people attended.

Council had 2,367 visitors to its Collaborate page with a total of 3,181 visits. The following graph shows the level of traffic to the site from the date the webpage went live to the close of the engagement period. The detailed website traffic report is provided in Appendix C.

Figure 2 Collaborate Canada Bay SRV website performance report (17 Aug 2022 to 9 Oct 2022)



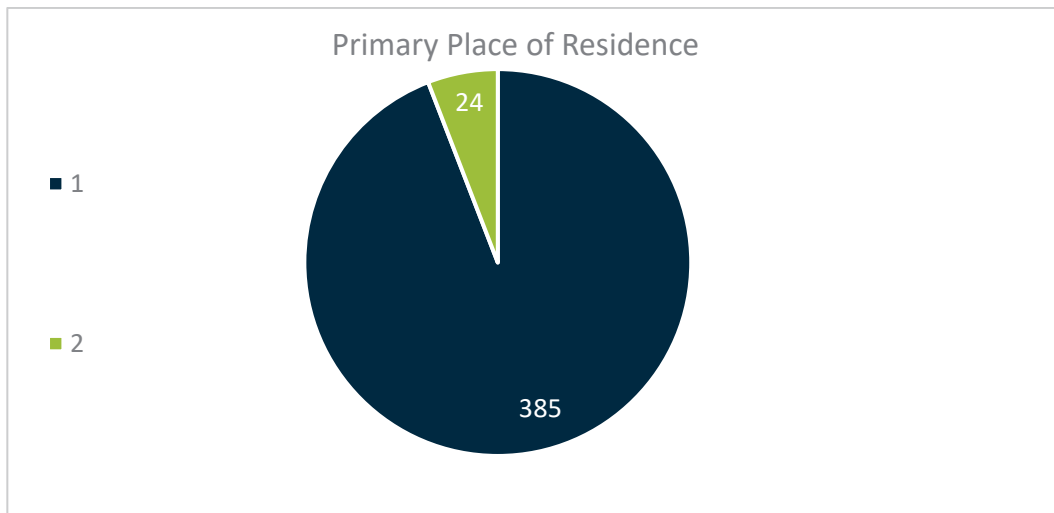
While the community remains able to access the information on the website, online submissions and feedback closed on 18 October 2022. A total of 495 submissions were received, which consisted of:

- 60 SRV email submissions
- 425 SRV online Collaborate submissions
- 10 LTFP online Collaborate submissions

Out of the 409 respondents who made online Collaborative submissions, 385 respondents' primary places of residence (94%) were within the City of Canada Bay and 24 (6%) were from outside the City of Canada Bay.

It should be noted that some respondents made submissions on both the SRV and LTFP. Further, some respondents made more than one submission on the SRV.

Figure 3 Primary place of residence of those who made Collaborate submissions



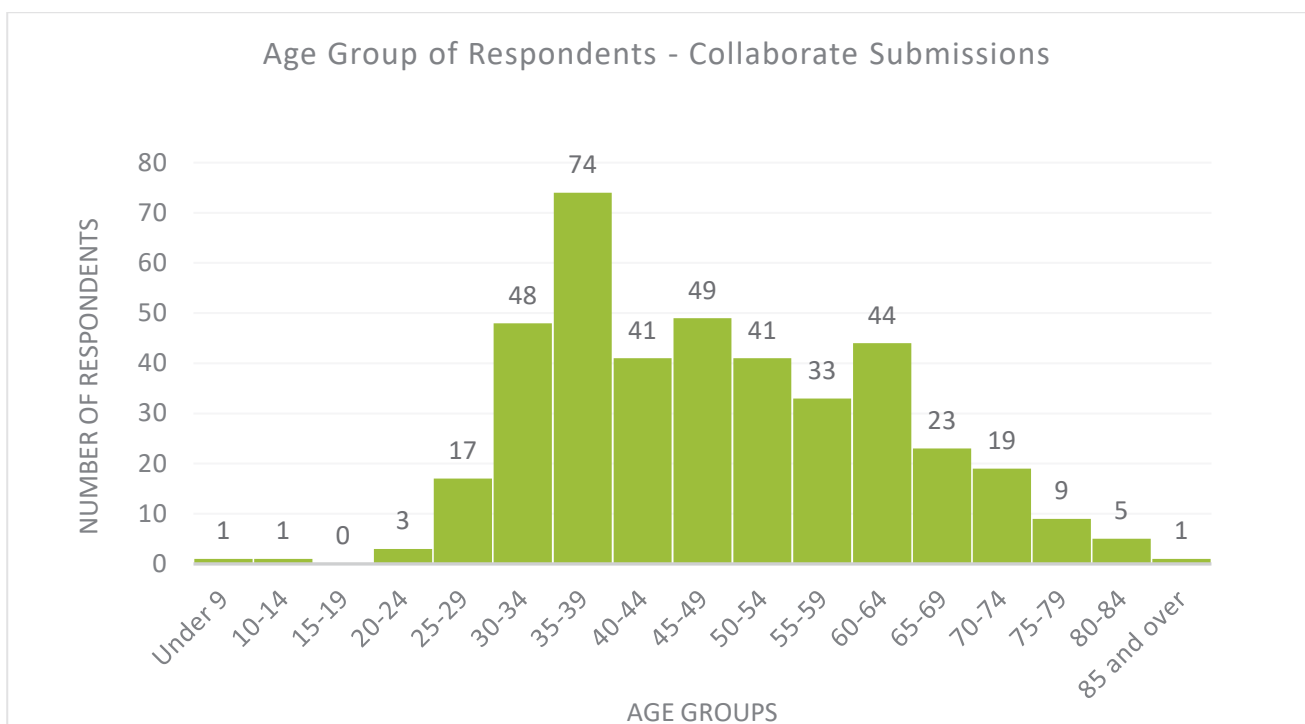
Legend Code:

1 = Primary residence is within City of Canada Bay

2 = Primary residence is outside City of Canada Bay

Of the respondents who made Collaborate submissions, the highest number of submissions was received from the 35 to 39 years old age group (74 submissions), followed by the 45 to 49 age group (49 submissions), closely followed by the 30 to 34 age group (48 submissions), then the 60 to 64 age group (44 submissions), and the 50 to 54 age group (41 submissions) with equal submissions from the 40 to 44 age group (41 submissions).

Figure 4 Age group of respondents who made collaborate submissions



What did they say?

Submissions – online survey submissions and email results

Out of a total of 409 online respondents (including 425 online survey comments on the SRV, noting that some respondents made more than one submission) and 60 emailed submissions, only 3 provided some conditional support for the SRV:

“The higher rates are acceptable if Council does deliver on increased infrastructure spending. If anything, I would support increasing rates above what is proposed to include additional resources for the management of 7.12 contribution plans and VPAs to ensure development delivers some benefit for the community.

However, if the allocation is to simply enter a general revenue stream or end up funding general community events, I do not support the increased rates”.

“Support the rate variation. My main concern is that money is sometimes spent unwisely or inefficiently in Canada Bay...

Overall the SRV is OK but only if we avoid wasted expenditure in future”.

“I support increased contribution if there is evidence of provision of more staff for Bushcare work. Previously the Bushcare program had 2 staff dealing with the program ...”

Demonstrated community awareness of the proposed SRV

There is demonstrated awareness of the proposed SRV or understanding of the proposed process, even though the majority of responses were not supportive of the proposed SRV.

“We can understand and would contribute to a rate increase to improve on our current road infrastructure and local council services but am reluctant to agree on the increase on our current rates by the proposed 35%.”

“Whilst appreciating the objective to address infrastructure and other needs within the area, to propose a special rate variation/increase at a time when inflation and costs of living are increasing along with interest rate hikes, I think this is a poorly timed proposal”

“Understand we need money but the sharp increase while the macro environment is tough really not supportable.”

“Whilst we understand the changes in property value, we also hope council realise and acknowledge the difficulties many face in this hyper inflated period.”

“We understand the increase to cost to maintain our suburbs. However, the proposed rate hike is too steep.”

“Whilst I understand the justification for the SRV, this is coming at a difficult time for most households with costs of everything increasing, particularly interest rates, leading to financial hardship and stress for many. The introduction of the SRV should be delayed until these cost pressures have eased.”

“While I understand some of the concerns and limitations, changing the minimum rate is a blunt instrument that doesn’t fix the issue of properly accounting for property values whilst at the same time significantly alters the balance of rates paid between major landowners and apartment owners.”

“I understand that services need to be provided but I'd urge you to consider the needs of those of us renting because often we're the most vulnerable members of the community. If we're forced out by increased rent, where do we go next?”

“While I understand additional residents also equates to additional costs, I suggest Council utilise a better management of these funds or reconsider allowing further medium to high density development.”

Common themes

The majority of submissions (425 of the online submissions) provided comments on the SRV. Some of the major common themes from the online submissions and emails included the following.

- There are concerns that the community may not be able to afford the size of the increase proposed and that it also seems unreasonable. The comments regarding a lack of ability to pay relates to the current cost of living pressures, inflation, interest rate rises and rent increases, impacting on the affordability of the proposed rate increases. Comments were made about the timing of introducing the SRV, with some suggestions on delaying the introduction of the SRV until the current cost pressures have eased. Examples reflecting these themes include:

I cannot afford such massive increase, which will make Canada Bay's council rate much more expensive than surrounding suburbs. That is unreasonable.

The rate increases are very steep and with so many cost of living pressures, this is one that really pinches as it is not expected.

This significant increase will cause added cost of living pressure which we all can't cope with.

Council rates are already high. With cost of living pressures due to petrol, mortgage and groceries, we can't afford increasing council rates.

In the current inflationary, monetary tightening and cost of living pressures environment, the plan to introduce a special rate variation over and above the rate PEG is out of step with the needs, wants and everyday pressure that local residents are currently feeling. This doesn't take into account the continued pressure to come.

With the cost of inflation increasing impacting just about every item we purchase and interest rates increasing so much, the timing of this SRV is absolutely wrong.

No rate increase. Worst timing ever...

I think the proposed increase is excessive in view of the increasing cost of living. The timing is not right.

Timing is not appropriate with the escalating costs of living already.

Whilst I understand the justification for the SRV, this is coming at a difficult time for most households with costs of everything increasing, particularly interest rates, leading to financial hardship and stress for many. The introduction of the SRV should be delayed until these cost pressures have eased.

Council seriously needs to consider delaying its application for a SRV at this point in time and prioritise the most important issues Council needs to service as opposed to what it would like to fully cover until cost-of-living pressures improve.

Whilst appreciating the objective to address infrastructure and other needs within the area, to propose a special rate variation/increase at a time when inflation and costs of living are increasing along with interest rate hikes, I think this is a poorly timed proposal and will put more pressure both monetary and mentally/psychologically on families who are already struggling and concerned about their financial future. Council does a great job and I think have made vast improvements to our wonderful suburbs and honestly, delaying/refraining on a SRV will not impact the current quality of facilities we have in the area. In summary as a rate payer I am not supportive of a SRV.

Council should delay this proposal till after the next State Government elections in 2023...

I would strongly consider the council to postpone the rate hike until the RBA cash rate and mortgage interest rates are stabilised.

- Feedback also referred to the increased dwellings and developments in Rhodes and Canada Bay, and the resulting growth of the rates base and revenue, without a SRV:

In Rhodes we are receiving a 30% increase in Dwellings, related to the Billbergia Walker street development, so that is already a 30% increase in council revenue.

As a resident in Rhodes, the proposed rate will be 50% more expensive than the next suburb over - being Wentworth Point. How is this justified, especially with the large increase in dwellings (and subsequent council revenue) in Rhodes?

The following themes reflected general perceptions of unfairness and inequity of the proposed rate rise/SRV.

- Feedback has indicated a perceived disproportionate rate increase to Rhodes residents as compared to other residents of Canada Bay:

Rate is too high for whom living in the Rhodes

The Special Rates Variation being applied to council rates to all Rhodes owners, is disproportionately higher to the amount of land owned by the Rhodes community.

In Rhodes we are receiving a 30% increase in Dwellings related to the Billbergia Walker street development. So that is already a 30% increase.

Secondly, the land area of Rhodes only amounts to 5% of the total land area of Canada Bay, but the contributions from Rhodes after the proposed SRV to the Council's fund will almost be twice to that of the remaining suburbs combined. Is it fair? With the sustained increase in dwellings in Rhodes over the years (e.g. developments in Walker Street by Billbergia), Rhodes households collectively have long been contributing substantially to the Council fund. Is it fair to demand more contributions from Rhodes households?

- There is also a narrative of Rhodes residents paying 50% more than those in Wentworth Point:

But my council rates will end up 50% more than Wentworth point!

...the SRV indicates that Rhodes will not be paying more council rate than its neighbouring councils. However, data show that the proposed SRV will see Rhodes paying substantially more than our neighbour Wentworth Point.

Sorry, I cannot afford this massive increases of the minimum rate. And also you advertised that we would be cheaper than our surrounding councils. But my council rate will end up 50% more than Wentworth point! Why is that? It is unfair!

My council rates will end up 50% more than Wentworth Point! How can that be?

This rise will see Rhodes paying 50% more than those in Wentworth Point.

- There are concerns from apartment owners/renters in Breakfast Point who are already paying considerable fees to their Community Association (or via their rent) in order to look after the roads, parks, footpaths and other infrastructure within their community when Council does not contribute to these expenses. They are concerned that under the proposed SRV, the Breakfast Point owners/residents will be expected to pay further increased rates which will not be used to improve or maintain their community infrastructure. This is seen by the Breakfast Point residents as unfair or inequitable:

Despite Breakfast Point owners paying full Council rates, Council makes no contribution to these considerable expenses. Expecting Breakfast Point owners, especially Seniors such as us to pay any additional rates, particularly almost 20% is in my view is totally unacceptable. To inflict further disproportionate burden on me and my partner is inequitable and unreasonably excessive and therefore I strongly oppose any increase in the minimum rate level and the proposed SRV as I see it as inequitable and unconscionable to me and owners in Community Associations that already maintain their own infrastructure and pay full Council rates. These proposals will only exacerbate that inequity.

Breakfast Point residents already contribute a large percentage of the council's rate revenue for very little return. It seems that we are already subsidising the rest of the council area.

I am strongly opposed to the special rate variation especially when the roads within Breakfast Point are not the responsibility of council and the residents are responsible for its maintenance. I don't see why we need to be paying for a additional fees when it provides no benefit to us. This is not a fair allocation of costs for apartment dwellers especially for Breakfast Point residents and only a cash grab from council. Any special rate variation should be considered in conjunction with adjusting for method of rate determination for communities when infrastructure is not maintained by council such as ours.

I live in Breakfast Point, and we already subsidise councils through our strata payments, so this is double dipping for us and strongly disagree.

I live in Breakfast Point which is a private community where we have to pay for our own roads and road repair's and other facilities with no financial assistance from Council. Under your planned rate structure review you want me to pay additional money which will be spent on other areas of the council outside of the Community where I live. I find this extremely unjust and believe the rate structure should be rejected.

- Feedback included perception of the unfair impact on apartment owners with the raising of the minimum rate:

The residents who are living in apartments share less public areas than the residents who are living in the house should pay less or do not need pay the Special Rate Variation.

Rhodes has been experiencing increasing traffic congestion and limited public facilities due to the unlimited build up new skyscrapers. It's very unfair to the residents who are enduring these problems and at the same time have to pay the SRV as the residents who are living in less human density but more public areas.

I am very distressed that I am being victimized by this proposal to target apartment owners who in my suburb, where I already pay to maintain all the street infrastructure and roadway.

I strongly oppose any increase in the minimum rate level and the proposed SRV as I see it as inequitable and unconscionable to me and owners in Community Associations that already maintain their own infrastructure and pay full Council rates. These proposals will only exacerbate that inequity.

I cannot understand how you could consider raising the minimum rate which will affect apartment owners most and yet apartments have the least burden per sq metre for the council to operate. It is woeful how council can explore apartment building to increase density, to also increase revenue per sq metre, and now suggest that those owners burden a huge cost increase. apartment owners are already subsidising free standing housing within the Canada Bay council area

- Concerns are expressed for retirees, the elderly, pensioners and renters who will be impacted and will find it harder to pay for the increased rate:

The proposed variation is unacceptably huge and will adversely affect many self-funded retirees like me who have paid their dues all their working life on time.

We are self-funded retirees and over the last 5 years our super fund has been decimated.

With the current inflation rate causing significantly increase in the cost of living a rise in rates would be a nail in our coffin.

Even in LGAs like Canada Bay, where many residents are on higher incomes, financial hardship is still being experienced particularly by large cohorts of renters and older retirees who live in the area.

It is worth noting that not only will pensioners on limited incomes find an increase of this size difficult to absorb but Landlords within Canada Bay will no doubt backload any additional costs received from Council into rent increases to tenants.

Additionally, the LGA has a high number of elderly people on fixed incomes that would not be able to tolerate the increase and it would cause hardship.

If there is an increase it will of course be passed on to Renters instead of the owner of the property absorbing the increase. This should absolutely not be allowed, but it cannot be controlled as owners and agents increase rents to the maximum they are able.

I understand that services need to be provided but I'd urge you to consider the needs of those of us renting because often we're the most vulnerable members of the community. If we're forced out by increased rent, where do we go next?

- Feedback also included the mention of already reduced Council services such as the reduced bulk household waste collection services and the lack of other infrastructure.

Canada Bay Council has removed our waste services by half which will create significant rubbish dumping in high density areas which we are already suffering from.

This is more money for council while we get less services and just a view of Rubbish, Traffic and People running onto the congested street without infrastructure and community facilities.

Rate increase all the while services are being taken away I.e. kurb side rubbish collection.

Not to mention the fact that we are still waiting for lighting along the foreshore to be fixed and also can't seem to keep the rubbish bins from over-flowing on the weekends.

During a time in which council is cutting bulk waste services (with no community consultation) in a high density area.

Also as a resident in Rhodes, I am concerned that there will be an increase in costs, yet reduced bulk household waste collection services (recently it was 3-4 times a year, but now reduced to only 2 times a year), no pool in the new Rhodes Recreation Centre as initially promised, and delays to the pedestrian crossing on Marquet Street near the new Rhodes Central Shopping Centre and footbridge between Rhodes Central Shopping Centre and Rhodes Train Station.

The rates are already high enough especially given the cutting of council services eg bulk collection being reduced. The council is apparently also asking Billbergia to contribute to the creating an airwalk from the station to Rhodes Central and in creating a badly needed pedestrian crossing across Marquet street near Rhodes Central.

All our facilities that were promised has been taken away. Services such as waste and rubbish have been taken away.

Conclusion

Considerable time and resources were used to inform and receive feedback on the proposed SRV and the updated LTFP. Council only received 30 registrations and 16 attendees for the forums. Despite a lower turnout for the forums, Council received online submissions from a total of 409 respondents (including 425 online comments on the SRV) as well as an additional 60 emailed submissions, in response to the invitation to provide submissions and feedback. Collaborate Canada Bay's website statistics showed the SRV as the top visited page with 3,178 visits during the period of 17 August 2022 to 19 October 2022. The use of the variety of engagement mechanisms demonstrated that there was sufficient reach to all segments of the community, to be informed and given the opportunity to provide feedback.

Overall, the submissions and feedback clearly demonstrated community awareness of the proposed SRV even though the general sentiment conveyed through the submissions was not supportive of the SRV.



Appendix A SRV Community engagement plan



SRV Community Engagement Plan

City of Canada Bay

October 2022



Document status

Job #	Version	Written	Reviewed	Approved	Report Date
7624	1.0				October 2022

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1 Context

1.1 Background

The City of Canada Bay's ('Council') Long-Term Financial Plan (LTFP), adopted in June 2022, demonstrates a consolidated operating result which moves into increasing surpluses over the ten-year forecast period. However, these results are supported by strong surpluses in the Domestic Waste Fund. The General Fund, from which all services except waste services are funded, shows ongoing deficits resulting from costs increasing faster than revenue and some service increases that were absorbed without commensurate revenue growth. To ensure its ongoing financial sustainability, Council must review options to address these ongoing deficits in the General Fund.

In the 2022-2026 Delivery Program, the City of Canada Bay identified the need to consider a special rate variation (SRV) to increase services and committed to consulting with the community on a potential SRV in late 2022.¹ Additionally, the Council is proposing to increase minimum rates to bring it in line with other similar councils.

In June and July, Council was presented with some option for an SRV included an outline of the service improvements that can be funded with the proposed level of rate increase. At the Council Meeting on 15 August, Council will consider a potential SRV and, if supported, will seek the community's feedback on it and the related service level improvements.

This community engagement plan outlines the approach, key messages and timeline for community consultation on the potential SRV. This plan has been developed to ensure that it meets the SRV assessment criteria set out by the NSW Office of Local Government, who sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), who will assess any SRV application submitted. It has also been developed in compliance with the City of Canada Bay's Community Engagement Policy and Community Engagement Strategy as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard.

1.2 Engagement purpose and goals

The purpose of this community engagement is to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and the impact of not applying for a special rate variation.

The objectives of this community engagement process include:

- To present the proposed SRV.
- To identify the impact of the SRV on the average and minimum rates across each rating category.
- To exhibit an updated LTFP demonstrating the impact of the proposed SRV options on Council's operating results from 2023-24 for feedback and final endorsement by the Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community's feedback to inform Council's final decision on whether to move forward with an SRV application.

¹ City of Canada Bay, *2022-2026 Delivery Program*, p.35.

1.3 Stakeholder analysis

The key impacted stakeholders are those that pay rates in the City of Canada Bay Local Government Area (LGA) or are renting property in the City of Canada Bay, where there may be rent increases passed to fully or partly cover the proposed rate increases.

Stakeholder groups have been identified below to ensure that the specific considerations of these groups can be integrated into the community engagement plan. These groupings are not mutually exclusive, that is individuals may fall into a number of different stakeholder groups. For example, individuals who own multiple properties in the LGA may be both resident ratepayers and landlord ratepayers. Minimum ratepayers will also be in one of the other ratepayer stakeholder groups.

Table 1 Stakeholder groupings

Stakeholder group	Who is in the group	Specific considerations
Resident ratepayers	Homeowners who are residents of Canada Bay (LGA)	Proposed rate increases will be directly incurred by these stakeholders.
Renters	Renters who are residents of Canada Bay LGA	It will be a decision of the landlord on whether and when any rate increases are passed on to renters.
Landlord ratepayers	Investment property owners of property within the Canada Bay LGA	It will be a decision of the landlord on whether and when any rate increases are passed on to renters.
Business ratepayers	Business property owners within the Canada Bay LGA	Proposed rate increases will be directly incurred by these stakeholders. Where there are commercial leases in place, it will depend on the contract terms as to whether and when any increase will be passed to tenants.
Minimum ratepayers	Those ratepayers who are currently paying the minimum rate or will potentially pay the minimum rate proposed under the SRV options.	Current minimum ratepayers will receive the full increase in minimum rates. Others may become minimum ratepayers as the minimum rate is increased. As minimum rates are planned to increase over a number of years, specific communication on this should be targeted at this group.

Within each stakeholder group there will be a range of socio-economic factors that will be considered through a capacity-to-pay analysis and report, this will further inform not only the affordability of any SRV, but also may provide further insight to improve the consultation plan and key messages.

2 Approach


2.1 Engagement complexity

The level of complexity for this engagement activity is defined as ‘high impact – city wide’ under the Council’s Community Engagement Strategy. That means that the issues will have a real or perceived impact across the whole city. The issue has the potential to create controversy and has a high level of potential community interest.

2.2 Levels of engagement

The level of engagement is defined from the IAP2 Spectrum of Public Participation in the figure below, also included in the Council’s Community Engagement Strategy. This spectrum outlines the level of engagement required depending on the purpose and desired outcome of the project.

Figure 1 IAP2 Spectrum of Public Participation²

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

© IAP2 International Federation 2018. All rights reserved. 20181112_v1

To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for the council’s General Fund is clearly articulated and identified in council’s Integrated Planning and Reporting (IP&R) documents.
2. Evidence that the **community is aware** of the need for and the extend of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.
6. Addressed any other matter that IPART considers relevant.

² International Association for Public Participation (IAP2) Australasia, 2018. *IAP2 Spectrum of Public Participation*. Retrieved from: https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf.

To meet criterion two, Council would only need to undertake engagement at the “inform” level, but a “consult” level would ensure it more fully meets criteria one and four.

The LTFP adopted in June 2022 does include some sensitivity analysis of the impact on General Fund demonstrating persistent deficits, but it did not model any SRV options. The 2022-26 Delivery Program indicates Council’s intention to model and consult on potential SRV options at the end of 2022. These steps are expected to partly meet criteria one and four of the SRV assessment criteria. To more fully meet these criteria, it is proposed that an updated LTFP model, which includes the SRV options and base case from 2023-24, be exhibited, approved and adopted by Council in parallel to this community engagement process.

As a result, this community engagement plan is drafted to meet both the **inform** and **consult** levels of engagement. This means that Council will 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. Council will keep the public informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision made by Council.

2.3 Engagement mechanisms

Given the complexity of the project and proposed level of engagement, the Council’s Community Engagement Strategy outlines the following as possible mechanisms for community engagement:

- designated telephone hotline
- e-newsletters and other email campaigns (CCB E-news, Rhodes E-news, and Business Update)
- printed communication collateral
- computer-based polling
- telephone surveys/polls
- internet surveys
- events
- social media.

This community engagement will operate in two phases:

1. Inform: to raise awareness and inform all stakeholder groups of the options being considered
2. Consult: to seek considered community feedback on these options to inform the Council in their final deliberations on a potential SRV application.

It will also seek to include both push and pull engagement mechanisms in each phase:

- Push mechanisms will actively get information from the Council into the public, for example – media releases, e-newsletters, newspaper notices, surveys.
- Pull mechanisms will provide places and resources that members of the public can seek out to further inform themselves or provide feedback, for example – websites, telephone hotlines, events.

The proposed mechanisms to be used for this engagement are outlined in the table below.

Table 2 Engagement mechanisms

Mechanism	Phase of consultation	Push or pull mechanism	Reach (stakeholder groups)
Translated information on Collaborate pages using Localize	Inform	Push	Stakeholders from all groups with ESL
Canada Bay Newsletter - September and October 2022	Inform	Push	All
Postcards in all Council venues	Inform	Push	All
E-mail to – Collaborate database and Business Newsletter	Inform	Push	Separate communications for residents and businesses.
E-newsletters: CCB news online (Sept & Oct) Rhodes enews (Sept & Oct) What's On enews (Sept & Oct) Library enews (Oct)	Inform	Push	All
Translated advertisements in CALD newspapers La Fiamma (Sept & Oct) Daily Chinese Herald (Sept & Oct) Sydney Korean Herald (Sept & Oct)	Inform	Push	CALD community
Media interviews	Inform	Push (where requested by local media)	All
Collaborate Canada Bay page (host survey and feedback options)	Inform and consult	Pull	All
Reference materials for Council call centre and customer service teams	Inform	Pull	All
Online forums – business and community sessions	Consult	Push	All
Councillor information sessions	Inform	Push	Councillors
Face-to-face forum	Consult	Push	All

These external community engagement mechanisms will be coupled with internal communications to inform all staff about the proposed SRV options and process and provide them with information to direct questions from members of the public that may arise in their day-to-day interactions. This will include:

- a manager's briefing pack
- updates in staff e-news.

2.4 Roles and responsibilities

The roles of councillors, Council officers and Morrison Low in the engagement process are defined in the table below.

Table 3 Roles and responsibilities

Role	Responsibility
Morrison Low	<ul style="list-style-type: none"> Develop background papers Facilitate public forums Project manage the community engagement process Prepare report on community engagement outcomes
Canada Bay communications and engagement team	<ul style="list-style-type: none"> Develop collateral for the various written mechanism Publish and release materials in line with this community engagement plan, including internal communications Monitor and review community engagement outcomes, recommend adjustments to the plan as required
Canada Bay CFO and finance team	<ul style="list-style-type: none"> Support the development of background papers and other collateral with financial analysis and modelling Manage the exhibition process and finalisation of the updated 2023-24 LTFP (which includes SRV options)
Canada Bay executive and management team	<ul style="list-style-type: none"> Brief staff on SRV options, process and community engagement activities
Canada Bay councillors	<ul style="list-style-type: none"> Approve community engagement plan Participate in media interviews and public forums, where required
Canada Bay Chief Executive Officer	<ul style="list-style-type: none"> Endorse community engagement plan, approve any adjustments to community engagement process as required Participate in media interviews and public forums, where required
Canada Bay Director Corporate Services	<ul style="list-style-type: none"> Endorse community engagement plan Monitor community engagement process and approve adjustments as required.

2.5 Timeline

The high-level timeline, with key milestones, is mapped out in the figure on the following page. Further detail on tasks and dependencies is provided in the supporting action plan.

Figure 2 Community engagement timeline



3 Action plan

Table 4 Action plan

Ref	Action	Responsible	By when	Dependency
1	Draft content for CCB news (physical newsletter) ³	Communications team	24 Aug2022	
2	Prepare FAQ document	Communications team	16 Aug 2022	
3	Prepare Service, Delivery and Infrastructure Improvement document	Communications team	19 Aug 2022	
4	Establish Collaborate Canada Bay page with basic information (to be made available to the public pending Council Meeting outcome)	Engagement team	16 Aug 2022	
5	Develop basic information for call centre and customer service staff (to be circulated pending Council Meeting outcome)	Engagement team	16 Aug 2022	
6	Council resolves to proceed to community consultation on an SRV	Council	16 Aug 2022	
7	Approve SRV CCB content for release into production	CEO/Director Corp Services	17 Aug 2022	1, 2
8	Draft copy for website(s), infographic, newsletters, e-mails, briefing packs, and physical collateral	Communications team	24 Aug 2022	2
9	Develop reference material for call centre and customer service staff	Communications team	24 Aug 2022	2
10	Update Collaborate Canada Bay page with consultation information	Engagement team	24 Aug 2022	2
11	Schedule three public forums (one face-to-face, two online, one of which with a focus on business stakeholders)	Engagement team	24 Aug 2022	2
12	Approve all content for community engagement	CEO/Director Corp Services	26 Aug 2022	4, 5, 6, 7
13	Brief managers on SRV process	CEO/Director Corp Services/CFO	29 Aug 2022	9

³ CCB News content deadline 8 Aug 2022 for the newsletter distributed from 29 Aug 2022. As Council will not have approved to proceed to community engagement for a potential SRV until 15 Aug 2022, this plan recommends a draft is developed for this newsletter in advance of the council meeting, but final approval will only be given for the SRV content to be included in the CCB News after the council meeting and only if Council resolve to proceed to community engagement stage.

Ref	Action	Responsible	By when	Dependency
14	Release internal communications via Staff News	Communications team	1 Sep 2022	10
15	Brief call centre and customer service staff (providing reference materials)	Communications team	1 Sep 2022	10
16	SRV page on Collaborate Canada Bay available to the public (or updated with consultation information)	Communications team	5 Sep 2022	7, 9
17	Publish community newsletters with SRV details: <ul style="list-style-type: none"> ● Rhodes E-news ● CCB E-news ● Business News ● CCB News print newsletter ● Sustainable Living ● Collaborate database 	Communications team	5 Sep 2022 13 Sep 2022 5 Sep 2022 18 Aug 2022 5 Sep 2022 5 Sep 2022	9
	Postcards printed and delivered to all Council venues	Engagement and communications team	12 – 16 Sep 2022	
18	Schedule and manage any media interviews requests	Communications team	5 Sep - 17 Oct 2022	14
19	Facilitate forums	Morrison Low	7-21 Sep	8
20	Reminder of SRV community engagement (closing 18 Oct): <ul style="list-style-type: none"> ● Rhodes E-news ● CCB E-news ● Business Update ● CCB News print newsletter 	Communications team	10 Oct 2022 11 Oct 2022 10 Oct 2022	9
21	Close engagement, exhibition of updated LTFP and gather all community feedback	Communications team	18 Oct 2022	
22	Analyse public exhibition feedback and draft community engagement report	Morrison Low	18 Oct - 31 Oct 2022	19
23	Finalise updated LTFP based on feedback over exhibition period	Finance team	18 Oct - 31 Oct 2022	19

3.1 Measures of success

A final community engagement report will be produced to document the outcomes of the engagement process, but also to clarify the extent to which the community engagement activities reached all relevant stakeholder groups. Measures to understand the level of reach and participation in the engagement process will include:

- SRV-related inquiries through the call centre and customer service teams
- number of submissions to the Long Term Financial Plan public exhibition
- number of page 'clicks' to the Collaborate Canada Bay site.

Where feasible, measures of success would also include documenting key demographics of participants to ensure that it is both representative of the Canada Bay community and engagement activities have reached groups that can sometimes be hard to reach, such as young people, seniors, culturally and linguistically diverse (CALD), people with disabilities and LGBTQI+.

4 Key messages

The key messages for the community should clearly communicate what is not negotiable and what aspects are open for community feedback to inform the decision-making process.

Non-negotiables include:

- the legislative requirement for the Council to employ sound financial management principals
- the current core deficits in the General Fund need to be addressed, targeting small surpluses over time to ensure the ongoing financial sustainability of the Council.

Community feedback is sought to understand:

- the level of service increases the community expects from the Council and the level of rate increase that the community is willing to absorb to fund these increases
- the level of minimum rates increase that would meet expectation of equity in distribution of the rates burden across the LGA.

In order to support these key messages and the development of collateral for the community engagement activities, two background papers will be developed:

1. Background paper on the SRV, outline the need and analysis.
2. A capacity to pay report which will investigate, analyse and report on the community's capacity to pay against Council's rating categories and proposed SRV. This includes research of specific residential/business/industry across the LGA and will undertake a range of comparisons and assessments of information for areas/locations within the LGA, and associated land use.
3. An updated LTFP and financial sustainability analysis that will demonstrate the impact of the SRV options on the ongoing financial sustainability of the Council.

In addition to these background papers, key messages in any community communications and collateral will include:

- how community members can seek further information or have their questions answered
- how community members can provide their feedback on the SRV and minimum rate increases proposed
- what to expect after the community engagement activity is completed, including IPART's public submission and assessment process.

4.1 Frequently asked questions

A set of frequently asked questions (FAQs) and their responses will be developed for this engagement process. While every effort is made to ensure that this is a complete list of FAQs at the commencement, these questions will be regularly reviewed and updated throughout the engagement process.

The below is a starting list of the questions we expect to develop for the FAQs:

- IPART releases 2023-24 base rate peg (added in following release on 29 September 2022)
- What will the proposed variation cost for residents and businesses?
- Why does Council need to apply for a Special Rate Variation?
- What services and improvements will the SRV fund
- Does this SRV impact rates for businesses or residents or both?
- How significant is this rise compared to other Councils?
- What do other Councils pay in rates?
- Will my rates rise in increments or all at once?
- Why increase minimum rates?
- What are my rates spent on?
- What is the total annual variation proposed?

5 Monitoring and risk

5.1 Monitoring

During the consultation process, the level of engagement will be monitored by Morrison Low and the Council's communications and engagement team.

Any proposed adjustments to the plan will be approved by Director Corporate Services and CEO before implementation.

5.2 Risk assessment

The table below documents the key risks associated with this community engagement. The risk ratings are assessments of the residual risk after the documented risk responses are implemented.

Table 5 Risk assessment

Risk	Risk response	Residual likelihood	Residual consequence	Residual risk rating
Engagement doesn't meet IPART assessment criteria.	Engagement plan and activities analyse and integrate requirements to meet criteria.	Low	Medium	Low
Community conflate current ICAC investigation with need for an SRV.	Key messages and FAQs to clarify that these are NOT related.	Medium	Medium	Medium
Impact on ratepayers of raising rates at a time of increasing inflation and cost of living pressures.	Capacity to pay analysis to understand the impacts of rate increase on community. Key messages around Canada Bay delaying SRV to do efficiency improvement first and comparison of increased rates with other councils. Key messages to understand service increases that will be maintained/implemented with rates funding.	Medium	Medium	Medium
Timing of rates increase close to next local government election.	Key messages on the Council's obligation for sound financial management principles and need for the SRV.	Medium	Medium	Medium



Appendix B Sample information provided on the SRV

Collaborate Canada Bay page on the SRV

[Special Rate Variation | Collaborate Canada Bay \(nsw.gov.au\)](https://www.nsw.gov.au/special-rate-variation/collaborate-canada-bay)



Special Rate Variation
 A Special Rate Variation (SRV) to help Council build a bright future for our community.

[+ Follow](#)

Home > Special Rate Variation

This community consultation has now closed for feedback. A Council report will be presented at the Tuesday, 15 November 2022 meeting regarding Council's application to the Independent Pricing and Regulatory Tribunal (IPART). To read more about Council Meetings, including the reviewing agendas and attachments, click [here](#).

SECURING Our Future

Improving our infrastructure \$5.9m	Improved customer service \$200k	Community services \$200k	Keeping our City beautiful \$400k
Maintaining our assets \$1.7m	Planning for our City \$1.3m	Environmental sustainability \$400k	

To maintain our local infrastructure and secure a bright future for our residents and businesses, for the first time ever, the City of Canada Bay is engaging with our community about a Special Rate Variation (SRV) that will fund increases in services and improvement to public assets.

This proposal will fund \$5 million of maintenance and renewals for local footpaths, town centres, green spaces and buildings per year. It will also provide \$5 million for improved Council services such as a commitment to reduce DA processing times, better community

A Special Rate Variation

- [Read Frequently Asked Questions](#)
- [Read the Long Term Financial Plan](#)

Special Rate Variation - community information forum

Did you miss our information forums? Watch the presentation below to learn about the Special Rate Variation.



Do you have a question?

Call our customer service team and ask for either:

- Technical financial questions** - Finance Manager, Mark Wohlfel, and his team
- General questions** - Community Engagement Coordinator, Sarah Corry

Ways to have your say

Have Your Say

We are seeking feedback on our Special Rate Variation as well as our Long Term Financial Plan. You can provide feedback in the following ways:



Provide feedback below

We are taking feedback on the Long Term Financial Plan (LTFP) as well as the Special Rate Variation (SRV).

[Scroll down](#)



Attend an information forum

We are hosting 3 forums to discuss the SRV with the community. Sign up below

[Register here >](#)



Call or email us

Call 9911 6555 or email council@canadabay.nsw.gov.au

[Click here to email >](#)



Send feedback by mail

Locked Bag 1470, Drummoyne NSW 1470



Review a printed copy

The Long Term Financial Plan will be available to view at:

- Concord Library: 60 Flavelle Street, Concord 2137
- Five Dock Library: Level 1, 4-12 Garfield Street, Five Dock 2046
- Drummoyne Civic Centre: 1A Marlborough Street, Drummoyne 204

The SRV Flyer

The flyer was available on the website and included in the mail out to residents.

SECURING Our Future

- Keeping our City beautiful \$400k
- Community services \$650k
- Environmental sustainability \$650k
- Improved customer service \$850k
- Planning for our City \$1.1m
- Improving our infrastructure \$2.9m
- Maintaining our assets \$1.7m

A Special Rate Variation to help Council build a bright future for our community

To maintain our local infrastructure and secure a bright future for our residents and businesses, for the first time ever, the City of Canada Bay is engaging with our community about a Special Rate Variation (SRV) that will fund increases in services and improvement to public assets.

This proposal will fund \$3 million of maintenance and renewals for local footpaths, town centres, green spaces and buildings per year. It will also provide \$5 million for improved Council services such as a commitment to reduce DA processing times, better community services, improved customer service and more resources for keeping our City clean.

Historically, City of Canada Bay residents and businesses have paid lower rates on average than residents and businesses in neighbouring Councils. Following this proposed variation, that will still be the case.

For more info head to collaborate.canadabay.nsw.gov.au/srv

What will the SRV cost?

	2023-24	2024-25	2025-26	2026-27
Minimum rate payer per week	\$2.27	\$1.43	\$1.46	\$1.51
Residential property with land value of \$1.5 million per week	\$4.18	\$0.78	\$0.80	\$0.82
Businesses with land value of \$1.2 million per week	\$7.98	\$1.49	\$1.62	\$1.58

The above table reflects an average total increase of 32.5% over four years, including the forecast rate peg approved by IPART.



Frequently Asked Questions

See following page.

Special Rate Variation - Frequently Asked Questions

What is a Special Rate Variation?

A special rate variation allows a council to increase its general income above the rate peg (forecasted increase), under the provisions of the Local Government Act 1993 (NSW). Special variations can be for one or several years and can be temporary or permanently retained in the rates base.

What will the proposed variation cost for residents and businesses?

To secure the future of our services and assets and ensure our Council is ready for the future, the City of Canada Bay is engaging with our community on a Special Rate Variation (SRV).

For residents who own a property with land value of \$1.5 million the variation of rates equates to \$3.31 per week in addition to the forecast rate peg in 2023-24 with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$0.87	\$0.78	\$0.80	\$0.82	\$3.27
Increase from SRV above the forecast rate peg	\$3.31	\$0.00	\$0.00	\$0.00	\$3.31
Total (including forecast rate peg)	\$4.18	\$0.78	\$0.80	\$0.82	\$6.58

For residents paying the minimum rate, the weekly increase is \$4.82 over the forecast rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increases from the forecast rate peg	\$0.48	\$0.42	\$0.45	\$0.50	\$1.85
Minimum rate increase above forecast rate peg	\$1.79	\$1.01	\$1.01	\$1.01	\$4.82
Total (including forecast rate peg)	\$2.27	\$1.43	\$1.46	\$1.51	\$6.67

For businesses with land value of \$1.2 million, the proposed variation of rates would equate to \$6.30 per week in 2023/24 in addition to the forecast rate peg with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$1.68	\$1.49	\$1.52	\$1.56	\$6.25
Increase from SRV above the forecast rate peg	\$6.30	\$0.00	\$0.00	\$0.00	\$6.30
Total (including forecast rate peg)	\$7.98	\$1.49	\$1.52	\$1.56	\$12.55

Following the proposed Special Rate Variation, in 2026/27 City of Canada Bay residents would pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these councils do not apply for any variation of their rates above the rate peg in the coming four years.

Following the proposed Special Rate Variation, our local businesses would in 2026/27 pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these Councils do not apply for a variation above the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Why does Council need to apply for a Special Rate Variation?

To secure the future of our services and assets and ensure our Council can resource our community’s vision for the future of our area, the City of Canada Bay requires a Special Rate Variation (SRV).

To date, the City of Canada Bay has never applied for a Special Rate Variation. We are proud to have provided excellent services and infrastructure for our growing community over the past two decades without the need for a SRV, however significant past population growth and expanding future needs now require Council to secure our future by planning for a SRV.

The decision to consult with our community about a SRV has been taken following years of planning and financial modelling. The variation in rates will work in parallel with an ongoing program of internal review and productivity improvements, which has identified \$1.7 million of annual savings, to ensure our organisation’s proud record of financial sustainability will continue into the coming decades.

A rate variation will not result in our residents and businesses paying higher rates than our neighbouring councils, in fact the City of Canada Bay’s average rates will continue to be lower than the majority of local councils that neighbour our LGA.

If successful, what will the Special Rate Variation fund?

Service Area	Purpose of service increase	Operational per year (\$000)	Capital per year (\$000)
Buildings and trade maintenance	Increase maintenance and management of buildings	\$590	
Cleansing operations for public areas	Expand town centre cleaning and footpath sweeping	\$400	
Community services	Expansion of Community Development services	\$500	
Environmental sustainability	Enhanced biodiversity programs	\$155	
Environmental sustainability	Enhanced environmental sustainability services	\$130	
Environmental sustainability	Increase in funding to implement Climate Risk Strategy	\$120	
Governance	Increase in resources for Internal Audit, Risk and Governance	\$200	
Information systems	Renewal and systems expansion for Information Technology		\$250
Other	Business improvement programs - project management, systems and processes	\$400	
Place Management	Increase resources to deliver a Cultural Plan	\$150	
Road maintenance services	Expand Footpath Management program	\$220	
Sports fields and golf courses/garden services and bushcare	Increase resources for Open Space assets	\$670	
Statutory planning	Increase resources to reduce assessment times for Development Applications	\$300	
Strategic planning	Deliver commitments under State-led strategies (Rhodes and Parramatta Road corridor)	\$600	

Strategic asset management	Increased resources to renew assets including Roads, Footpaths and Seawalls		\$2,900
Strategic asset management	Increased resources to maintain and renew drainage assets	\$100	\$150
Traffic and transport	Increase resources for Strategic Traffic Management	\$200	
Tree services	Expand Tree Maintenance and Management service	\$245	
Total		\$4,980	\$3,300
Grand Total			\$8,280

Does this SRV impact rates for businesses or residents or both?

Rates for residents and business would be increased as a result of the Special Rates Variation.

Historically, City of Canada Bay residents and businesses have paid lower rates on average than residents and businesses of our neighbouring councils. Following this proposed variation, that will still be the case.

Following the proposed Special Rate Variation, in 2026/27 City of Canada Bay residents would pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these Councils do not apply for any variation of their rates above the rate peg in the coming four years.

Our local businesses would in 2026/27 still pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this proposed variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these councils will not apply for a variation above the rate peg.

For residents on our minimum rate, this increase would be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, with all increases being in addition to the rate peg.

As another example, for residents who own a property with land value of \$1.5 million the variation of rates equates to \$3.30 per week in addition to the rate peg in 2023/24 with no further increase in the following years aside from the rate peg.

For businesses with land value of \$1.2 million, the variation of rates would equate to \$6.30 per week in 2023/24 in addition to the rate peg with no further increase in the following years aside from the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

How significant is this rise compared to other Councils?

Historically, City of Canada Bay residents and businesses have paid lower rates on average than residents and businesses of our neighbouring Councils. Following this proposed variation, that would still be the case.

In 2026/27, following this Special Rate Variation, City of Canada Bay residents will pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these councils do not apply for any variation of their rates above the rate peg in the coming four years.

Following the proposed Special Rate Variation, our local businesses would in 2026/27 pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these Councils do not apply for a variation above the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

What do other Councils pay in rates?

The following tables project the average rates for residents and businesses in the City of Canada Bay and in surrounding local Councils in 2026/27.

Please note these projections assume that all other Councils will not apply for a Special Rate Variation over the course of the next four years.

Average residential rates 2026–27

Rank	Council	Avg rate (2026–27)
1	Hunters Hill	\$2,269.99
2	Burwood	\$1,573.19
3	Lane Cove	\$1,461.31
4	Inner West	\$1,419.96
5	Canada Bay	\$1,357.48
6	Ryde	\$1,239.46
7	Strathfield	\$943.18

Average business rates 2026–27

Rank	Council	Avg rate (2026–27)
1	Ryde	\$11,525.11
2	Burwood	\$7,536.94
3	Inner West	\$7,183.78
4	Strathfield	\$6,038.31
5	Lane Cove	\$5,466.53
6	Canada Bay	\$4,299.72
7	Hunters Hill	\$1,322.11

Minimum residential rates 2026/27

Minimum rates would also change as part of the City of Canada Bay’s Special Rate Variation.

Not all councils have minimum rates, however we have projected our minimum rate increase against a number of other Sydney metropolitan councils that do have minimum rates.

The rates below assume that these Councils only increase their minimum rates by the rate peg, and do not apply to IPART for increases in excess of the rate peg.

Rank	Council	Avg rate (2026–27)
1	Burwood	\$1,203.05
2	Ryde	\$1,167.23
3	Ku-ring-gai	\$1,109.61
4	Canada Bay	\$1,108.07
5	Georges River	\$1,092.71
6	Sutherland	\$1,065.62
7	Lane Cove	\$1,053.34
8	Inner West	\$957.01

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Will my rates rise in increments or all at once?

Whilst residents and businesses will be affected differently, in total, Council is consulting with the community over a potential increase of 12.24% above the rate peg for 2023/24, 2.31% in 2024/25, 2.19% in 2025/26 and 2.08% in 2026/27.

This equates to a cumulative increase of 19.78% above the rate peg over four years in addition to the rate peg.

For residents on our minimum rate, this increase would be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, with all increases being in addition to the rate peg.

As another example, for residents who own a property with land value of \$1.5 million the variation of rates equates to \$3.30 per week in addition to the rate peg in 2023/24 with no further increase in the following years aside from the rate peg.

For businesses with land value of \$1.2 million, the variation of rates would equate to \$6.30 per week in 2023/24 in addition to the rate peg with no further increase in the following years aside from the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Why increase minimum rates?

To date, the City of Canada Bay has never applied for a special variation to minimum rates. There are important reasons to do so now in order to make our rates more equitable and to ensure we are sustainable and equipped fit for the future.

As rates are calculated on land values, there can be a significant difference between the rates calculated for a house and a unit.

For example a 4-bedroom unit in a waterfront development which has sold for \$4 million currently would pay minimum rates. Because this unit has a lower land value than a detached dwelling which has sold for \$2.8 million, the apartment owner currently pays \$595 per annum less in rates than the owner of the detached home.

These differences neither reflect the relative difference in the capacity to pay for each owner, nor the costs of services that the City of Canada Bay provides to both owners.

As the City of Canada Bay continues to see a greater proportion of residential unit development, it must increase minimum rates to ensure services can be extended to these new developments, while not disproportionately increasing the rates burden to single house dwellings.

For residents on our minimum rate this proposed increase will be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, in addition to the standard rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

What are my rates spent on?

Your rates help to make the City of Canada Bay the place we love – a place to be proud of and the best local government area in Sydney to live and work.

They build local roads, footpaths and bike trails. They maintain our fantastic sports facilities, green spaces and 36 kilometres of beautiful foreshore. Council rates help support the older, vulnerable members of our community; babies and new parents; children and young people.

Your City of Canada Bay rates support the places where we come together – our libraries, community gardens, town centres, men’s sheds and community halls. They help us plan for a great future for our growing population.

To find out more about where your rates for 2022/23 are going, check out this year’s edition of our annual *Your Rates at Work* pamphlet.

Alongside our proposed application for a Special Rate Variation, to ensure we are equipped for the future the City of Canada Bay is always looking inward at our organisation to ensure we are finding productivity efficiencies wherever possible.

In 2018, the Council undertook a broad review of its services and implemented an ongoing improvement program to reduce costs and improve productivity. The initiatives implemented under the program so far have produced savings of \$1.7 million per year. This is already included in Council’s base case Long Term Financial Plan.

Council has a continuous improvement program and is implementing an ongoing service review program. It has identified further cost savings of \$80,000 and net increases in revenue of \$335,000 to be implemented.

More information on your rates can be found here: <https://www.canadabay.nsw.gov.au/residents/your-ho...>

What is the total annual variation proposed?

Overall increase

Year	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg	15.49%	4.81%	4.69%	4.58%

What would be the impact on ratepayers?

\$1.5M (land value) residential

Year	Current	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg		15.49%	2.5%	2.5%	2.5%
Annual rate	\$1,404.23	\$1,621.75	\$1,662.29	\$1,703.85	\$1,746.45
Proposed \$ increase including forecast rate peg		\$217.52	\$40.54	\$41.56	\$42.60

\$1.2M (land value) business

Year	Current	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg		15.49%	2.5%	2.5%	2.5%
Annual rate	\$2,677.50	\$3,092.24	\$3,169.55	\$3,248.79	\$3,330.00
Proposed \$ increase including forecast rate peg		\$414.74	\$77.31	\$79.24	\$81.21

Minimum ratepayer

Year	Current	2023-24	2024-25	2025-26	2026-27
Total proposed increase including forecast rate peg		15.49%	8.44%	7.98%	7.57%
Annual rate	\$761.71	\$879.70	\$953.95	\$1,030.06	\$1,108.07
Proposed \$ increase including forecast rate peg		\$118.09	\$74.25	\$76.11	\$78.01



Community Forum Presentation

See following page.

Special Rate Variation – Public forum

City of Canada Bay Council

September 2022



Prepared for:

Ref	Date	Version	Approving Director
7624	12 Sept 2022	1.0	██████████

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Introduction

- Who are Morrison Low?
 - We are a local government focused management consultancy with expertise in helping councils address sustainability challenges.
 - Morrison Low have independently reviewed Canada Bay Council's financial position and modelled options to ensure a financially sustainable future.
- Purpose for today:
 - to inform you of the proposed Special Rate Variation (SRV) and the reasons for it
 - to provide you with an opportunity to ask question to understand the challenges facing council and the reasons for the proposal to apply for a SRV.
- By the end of this meeting you should be more informed to form and express your views on the SRV.

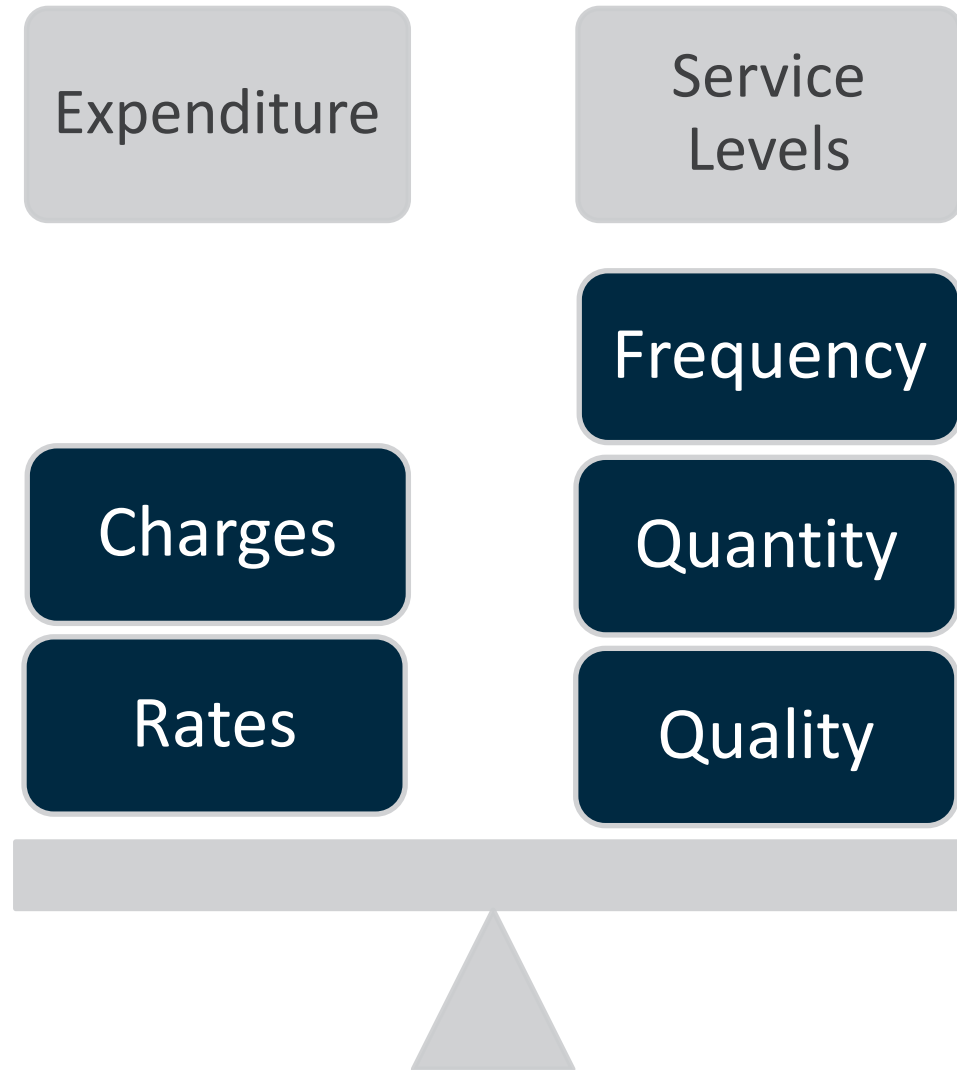
Today's process

- Presentation on the Council's current financial position, the proposed SRV and minimum rates, and the impact on average rates.
- Opportunity to ask questions at the end of the presentation.
- This forum will cover:
 - Council's current financial position
 - The proposed SRV and what it will be used to fund
 - The proposed minimum rates increases
 - Impact on average rates
 - The SRV process and next steps.
- This forum is not intended to:
 - Review Council's Delivery Program or Community Strategic Plan
 - Make a decision on whether to apply for the SRV

Council must be financial sustainable

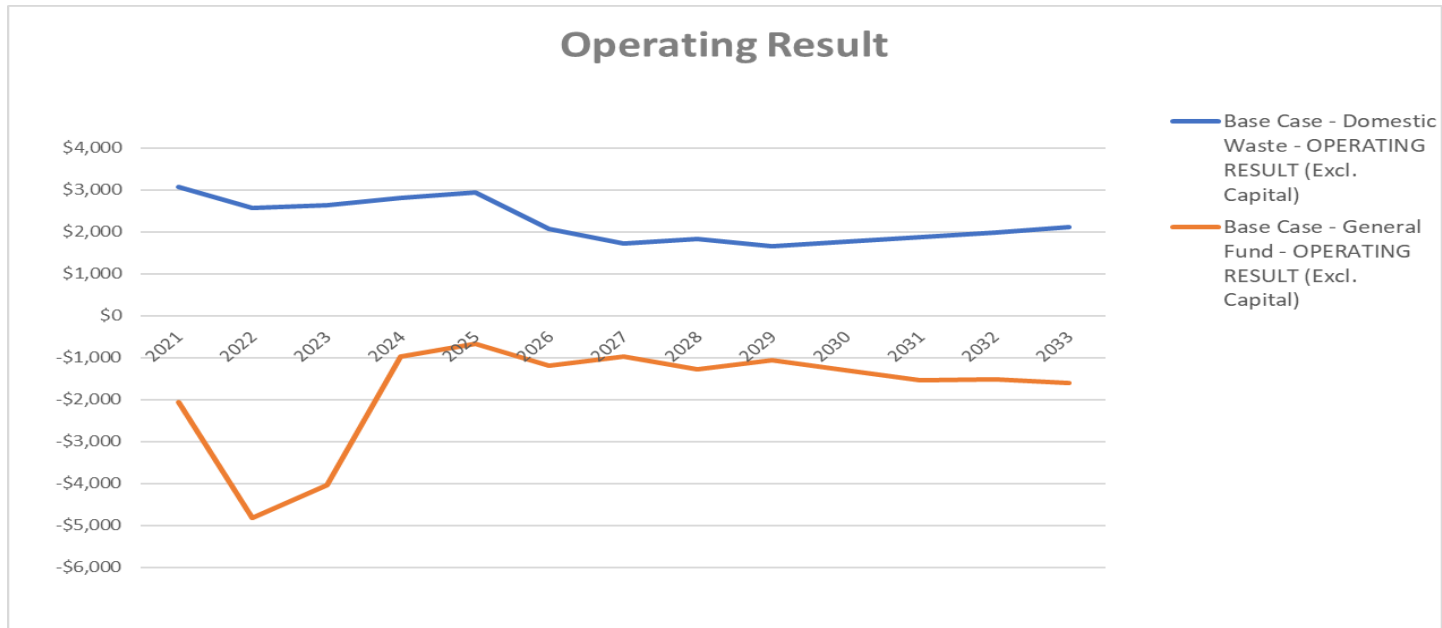
- The Local Government Act requires councils to apply sound financial management principles
- S8(b) of the Act - Council spending should be responsible and sustainable, aligning general revenue and expenses.
- This includes:
 - achieving a **fully funded operating position**
 - **maintaining sufficient cash reserves**
 - having an appropriately **funded capital program**
 - **maintaining its asset base** ‘fit for purpose’
 - having adequate resources to meet ongoing **compliance obligations**.
- **Not negotiable** - failure to meet these obligations can lead to NSW Office of Local Government intervention.

Balancing services with resources



Sustainability of the General Fund

- While the Long Term Financial Plan (LTFP) base case shows a consolidated view of deficits moving into surpluses from 2024 onward, the General Fund show consistent deficits over the 10 years.
- This includes the forecast rate peg of 3.25% in 2023-24 and 2.5% thereafter. This is a typical challenge for many councils, as the rate peg doesn't keep pace with cost increases.



Managing the General Fund Deficit

- The deficits in the General Fund are result of costs growing faster than revenue. Inflation and wages grow faster than the rate peg.
- Council reviewed all of its services in 2018 and implemented \$1.7 million in annual savings as a result.
- A further \$415 thousand of savings have been identified and will be implemented in 2022/23.
- Council's program of service reviews will continue to look for and implement productivity and efficiency savings.

Proposed service and asset improvements

- Council has also identified the need for further investment in priority service and asset areas.
- This will enable both improved and expanded services and lays a solid foundation following significant past population growth.

Proposed increased services

Service Improvement	Cost (\$000 pa)
Strategic Planning: to deliver the State-led strategies	\$600
Development Assessment: to cope with increased volume of Development Applications and speed up assessment times.	\$300
Parks & Recreation: to expand facilities inspections, maintenance, tree maintenance and management, and operations	\$1,000
Roads & Traffic: to deliver additional maintenance and cleaning of streetscapes in population hubs	\$800
Community strategies and services: to improve community safety, cultural planning, biodiversity, sustainability and climate change strategies, and community services	\$1,100
Corporate Services: to enhance systems and processes for internal audit, risk management and business improvement.	\$600
Asset Maintenance: to improve maintenance of buildings and assets	\$600
Increased operational expenditure on expanded services	\$5,000

Proposed asset renewal increases

- Council has also identified the need to increase ongoing capital expenditure of \$3.3 million to renew key infrastructure to ensure they continue to meet requirements, including the following:
 - Roads
 - Footpaths
 - Street lighting
 - Seawalls
 - Drainage
 - Community buildings and facilities, including Swimming Pools, Leisure Centre, Libraries, and parks and sport field amenities
 - Information Technology
- **\$8.3 million** has been identified to increase services and ensure asset are kept at required conditions.

Proposed Special Rate Variation

- A special rate variation of **19.78%** over and above the forecast rate peg is proposed to ensure Council remains financially sustainable and to fund the proposed service and infrastructure expenditure increases.

	2023-24	2024-25	2025-26	2026-27	Cumulative
Forecast rate peg	3.25%	2.5%	2.5%	2.5%	11.19%
Permanent increase above the forecast rate peg	12.24%	2.31%	2.19%	2.08%	19.78%
Total increase (including forecast rate peg)	15.49%	4.81%	4.69%	4.58%	32.52%

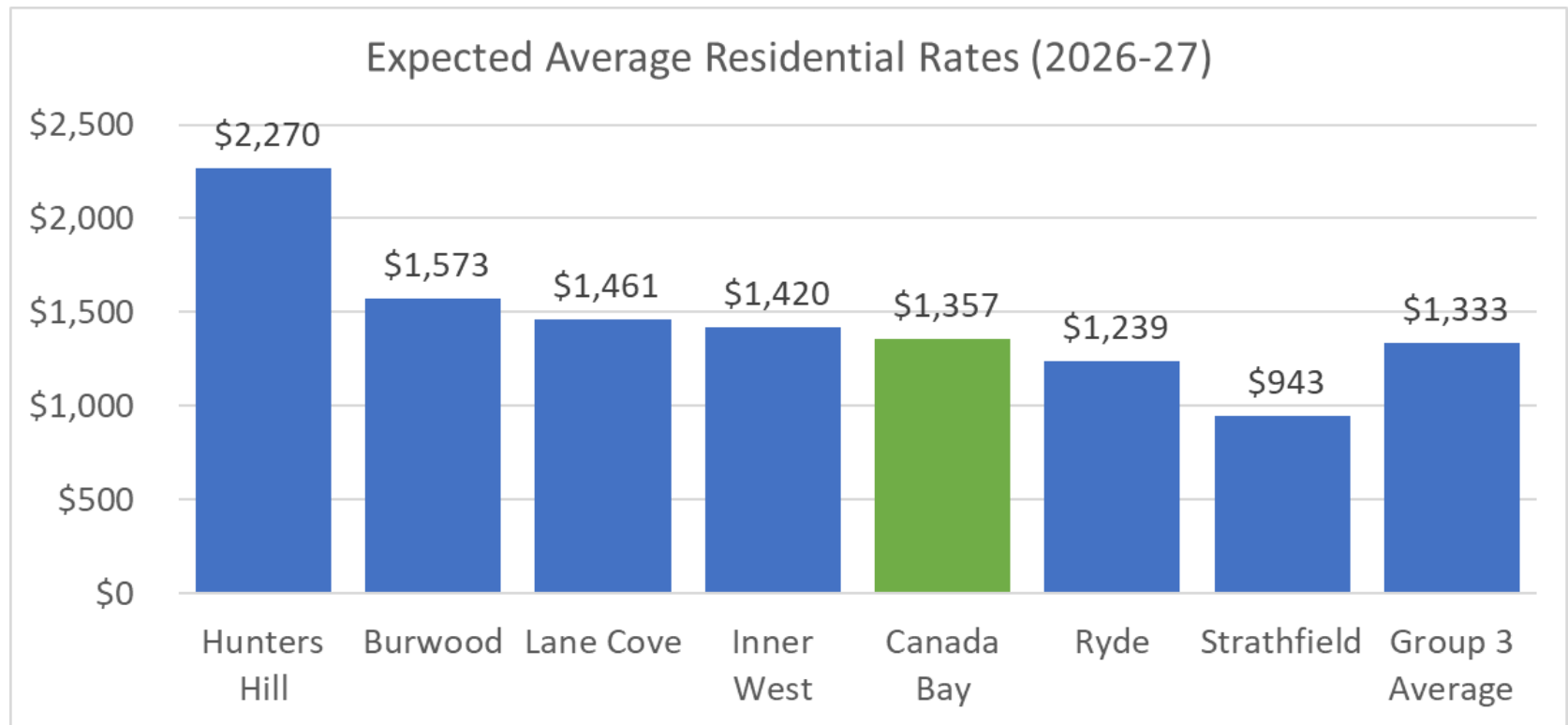
What does this mean for residents?

- For residents who own a property with land value of \$1.5 million the variation of rates equates to **\$3.31** per week in addition to the forecast rate peg in 2023-24 with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$0.87	\$0.78	\$0.80	\$0.82	\$3.27
Increase from SRV above the forecast rate peg	\$3.31	\$0.00	\$0.00	\$0.00	\$3.31
Total (including forecast rate peg)	\$4.18	\$0.78	\$0.80	\$0.82	\$6.58

Comparison to other councils – residential

- Even with the proposed Special Rate Variation, Canada Bay’s average rates remains close to the average of other comparable councils.



Proposed Minimum Rates increase

- As rates are calculated on land values, there can be a significant difference between the rates calculated for a house and a unit. These differences neither reflect the relative difference in the capacity to pay for each owner nor the costs of services that Council provides to both owners.
- As the City of Canada Bay continues to see a greater proportion of residential unit development, it must increase minimum rates to ensure services can be extended to these new developments, while not disproportionately increasing the rates burden to single house dwellings.
- Council is proposing to increase Minimum Rates by **\$250** over and above the forecast rate peg increase. This equates to a total \$346.46 over four years when the forecast rate peg increases are included.

Total Minimum Rates	Current	2023-24	2024-25	2025-26	2026-27
Proposed minimum rate	\$761.61	\$879.70	\$953.95	\$1,030.06	\$1,108.07

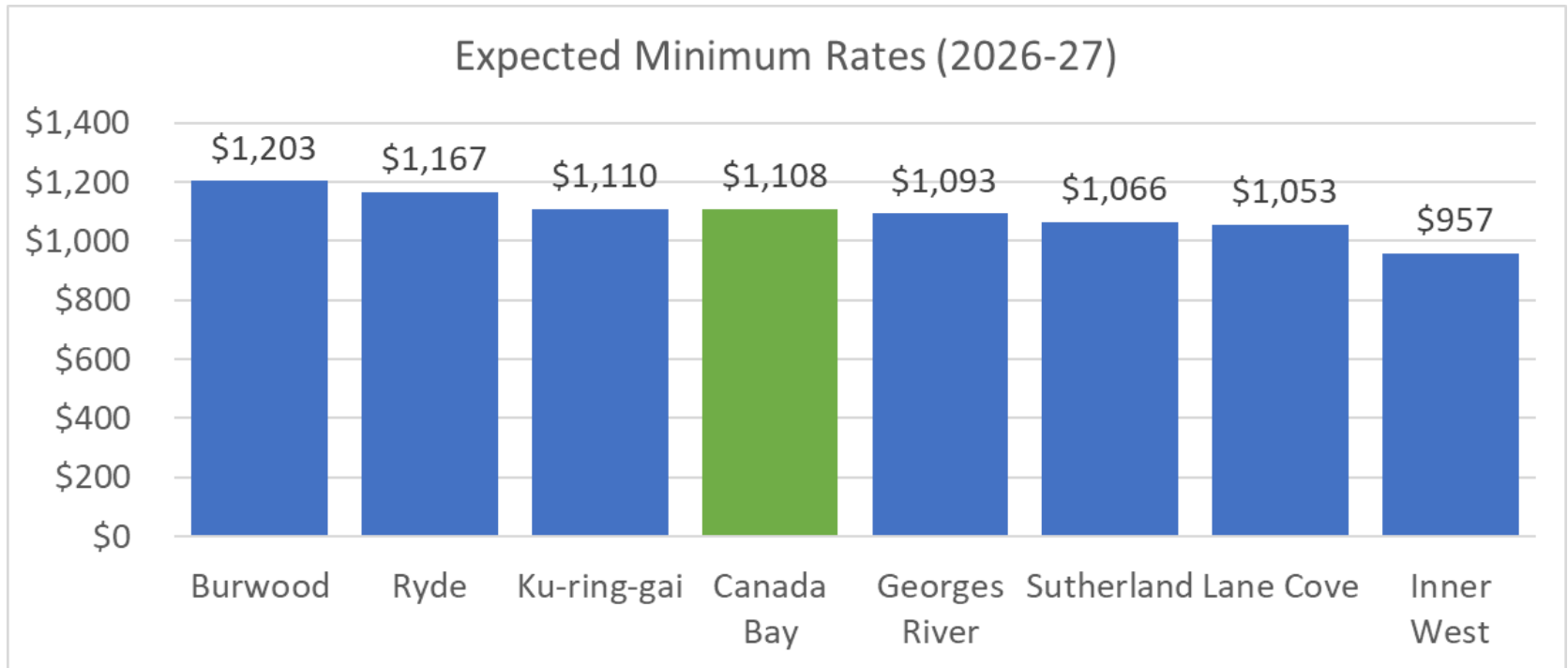
Weekly impact for minimum ratepayers

- For residents paying the minimum rate, the weekly increase is \$4.82 over the forecast rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increases from the forecast rate peg	\$0.48	\$0.42	\$0.45	\$0.50	\$1.85
Minimum rate increase above forecast rate peg	\$1.79	\$1.01	\$1.01	\$1.01	\$4.82
Total (including forecast rate peg)	\$2.27	\$1.43	\$1.46	\$1.51	\$6.67

Minimum rates comparison

- The minimum rate increase allow Canada Bay to remain comparable with other similar councils with minimum rates.



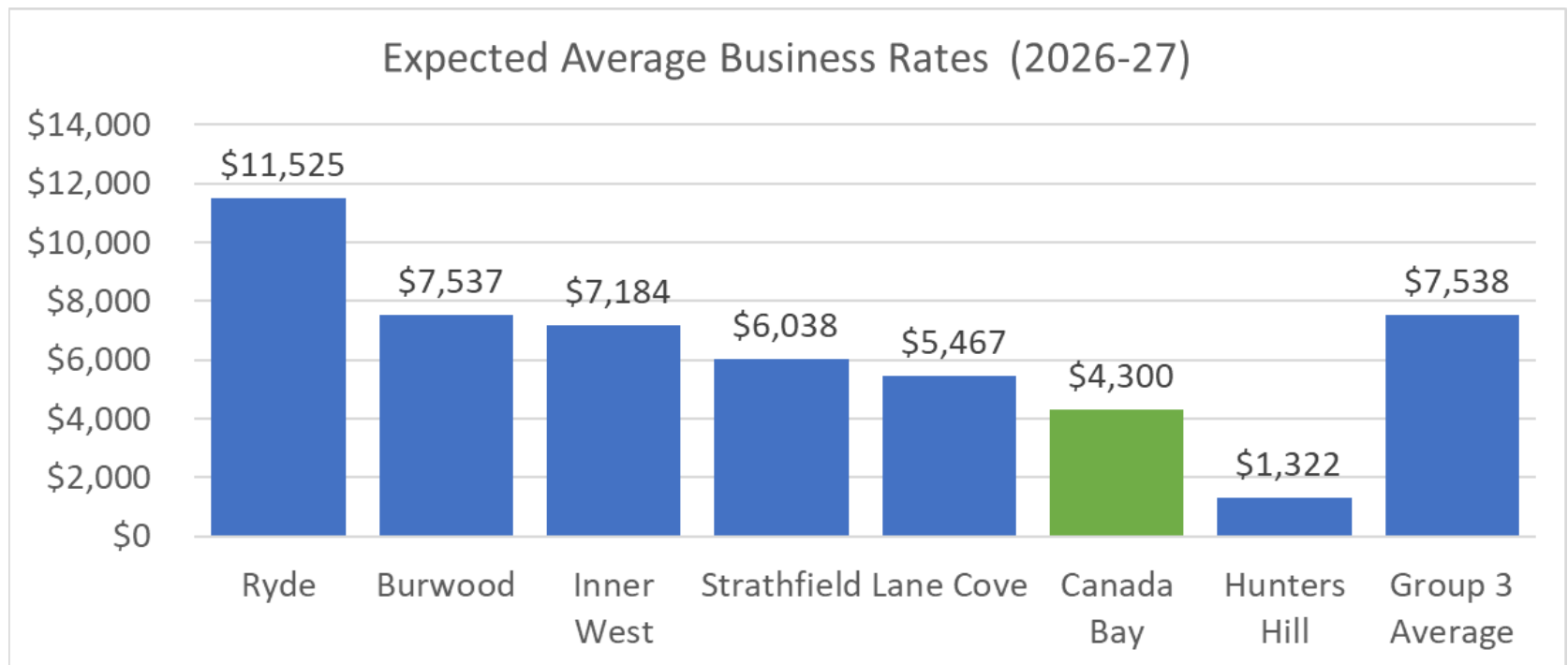
What does this mean for businesses?

- For businesses with land value of \$1.2 million, the proposed variation of rates would equate to \$6.30 per week in 2023/24 in addition to the forecast rate peg with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$1.68	\$1.49	\$1.52	\$1.56	\$6.25
Increase from SRV above the forecast rate peg	\$6.30	\$0.00	\$0.00	\$0.00	\$6.30
Total (including forecast rate peg)	\$7.98	\$1.49	\$1.52	\$1.56	\$12.55

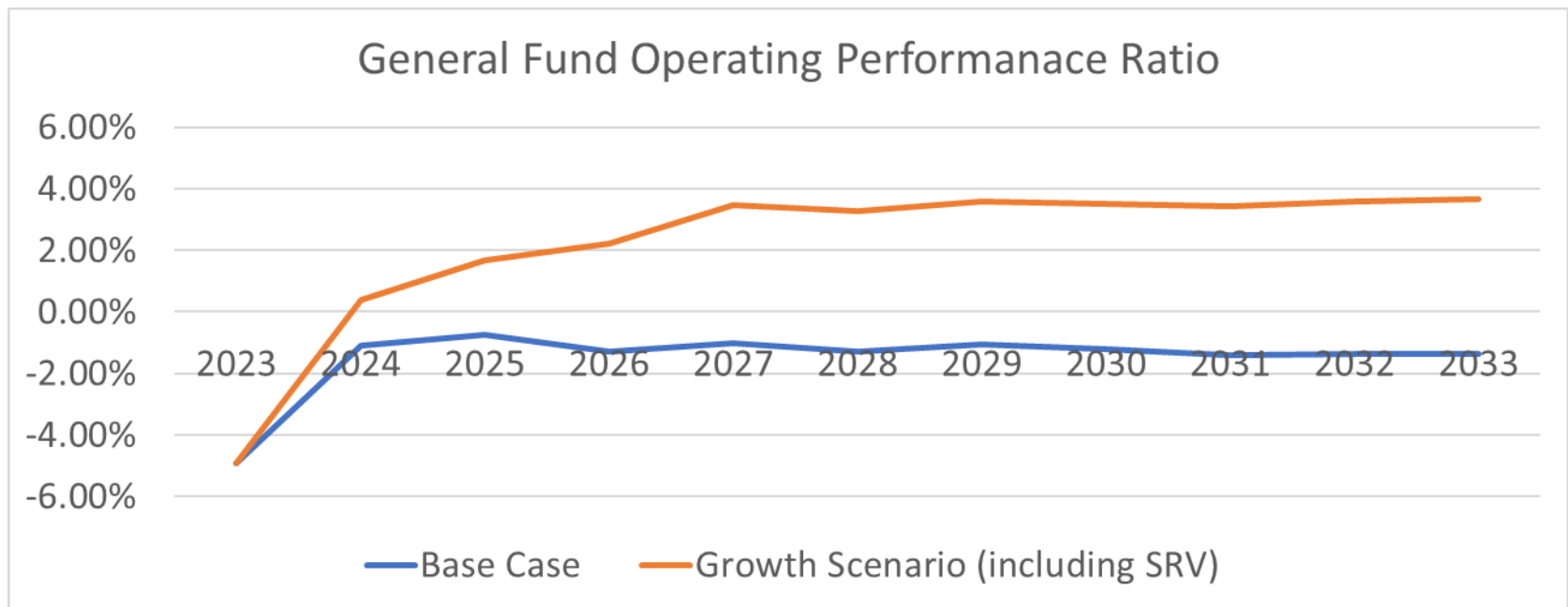
Comparison to other councils - business

- Even after the proposed Special Rate Variation, Canada Bay's business rates remains significantly below the average of other comparable councils.



What does it mean for Council?

- The special rate variation as proposed would enable Council to be financially sustainable in its General Fund into the future.



What happens next

- **September & October 2022:** Community consultation on the SRV
- **November 2022:** Council will consider all submissions and decide on whether to proceed to apply for the SRV.
- **February 2023:** Council lodges the SRV application (subject to above decision).
- **Between March and April 2023:** IPART invites submissions and evaluates the application.
- **May 2023:** IPART makes its determination and Council determines if it will apply all or part of the approved SRV.

How the SRV will be assessed?

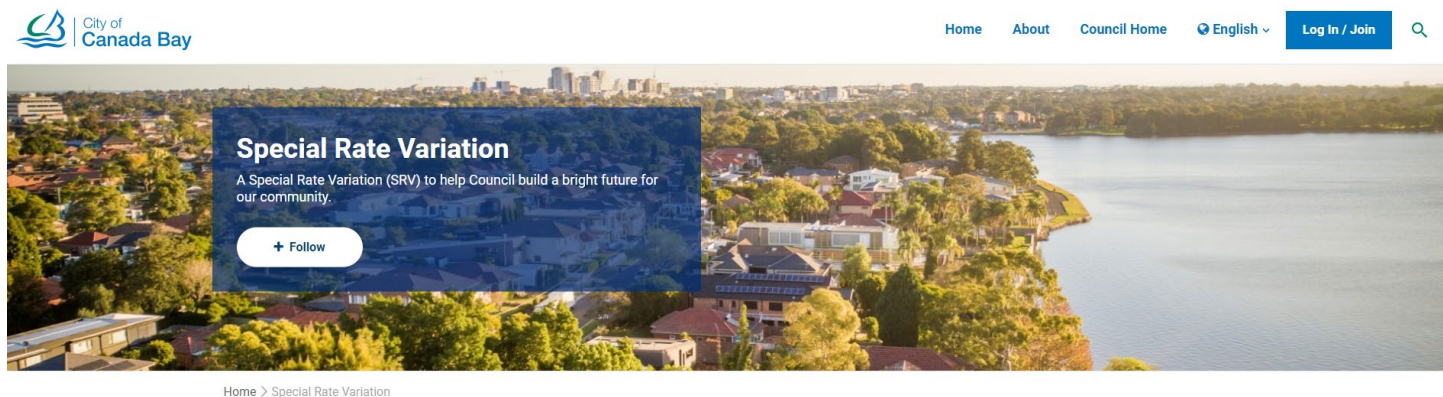
IPART assesses the SRV applications using the following criteria:

1. The **need and purpose** of a different rate path for the council's General Fund is clearly articulated and identified in council's IP&R documents.
2. Evidence that the **community is aware** of the need for and the extend of a rate rise.
3. The **impact on affected ratepayers** must be reasonable
4. The relevant **IP&R documents** must be exhibited, approved and adopted by council.
5. The IP&R documents or councils application must explain and quantify the **productivity improvements and cost containment** strategies.
6. Any other matter that IPART considers relevant.

How to have your say?

- Find more information and provide your feedback on the SRV and/or the updated Long Term Financial Plan on Council's Collaborate Canada Bay page:

<https://collaborate.canadabay.nsw.gov.au/srv>



Securing our future



Do you have a question?

Call our customer service team and ask for either:

- Technical financial questions** - Finance Manager, Mark Wohlfel, and his team
- General questions** - Community Engagement Coordinator, Sarah Corry

City of Canada Bay
9911 6555
council@canadabay.nsw.gov.au

Questions





Appendix C Collaborate website traffic and referral data

Collaborate Canada Bay

Report Type: Project

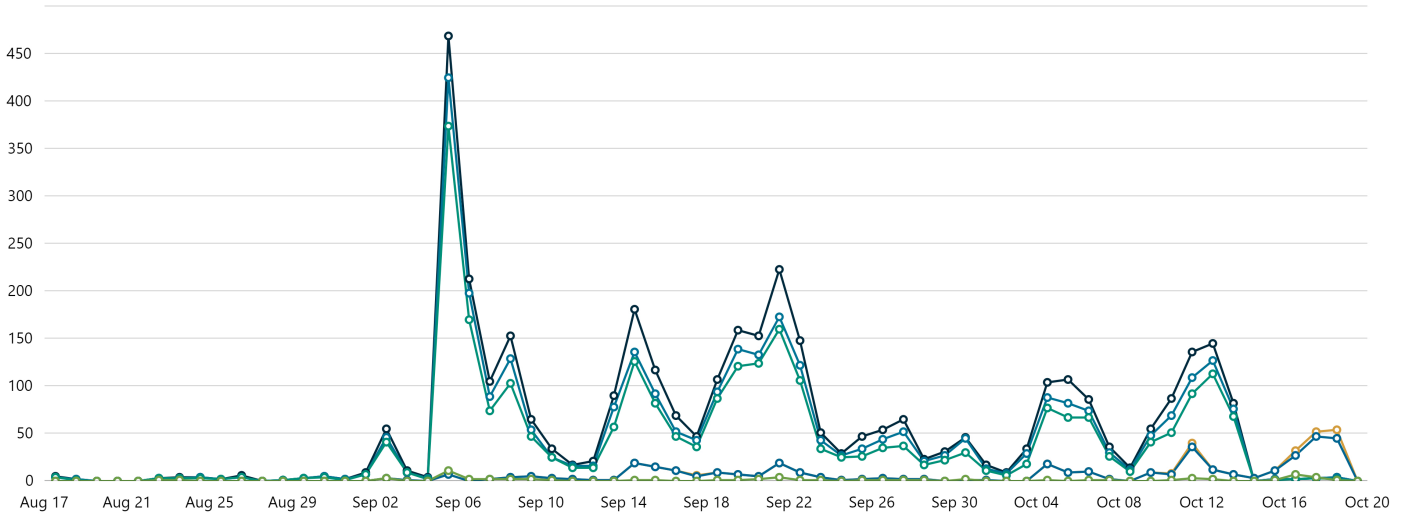
Project Name: Special Rate Variation

Date Range: 17-08-2022 - 19-10-2022

Exported: 19-10-2022 13:17:51

Performance Summary

Information regarding key visitation and utilisation metrics for your Site or projects.



3,756
Views

3,181
Visits

2,367
Visitors

412
Contributions

375
Contributors

65
Followers

Views - The number of times a Visitor views any page on a Site.

Visits - The number of end-user sessions associated with a single Visitor.

Visitors - The number of unique public or end-users to a Site. A Visitor is only counted once, even if they visit a Site several times in one day.

Contributions - The total number of responses or feedback collected through the participation tools.

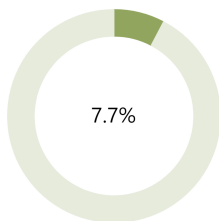
Contributors - The unique number of Visitors who have left feedback or Contributions on a Site through the participation tools.

Followers - The number of Visitors who have 'subscribed' to a project using the 'Follow' button.

Conversions

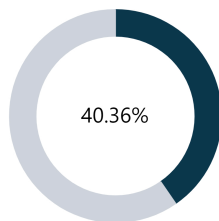
Information regarding how well your engagement websites converted Visitors to perform defined key actions.

Feedback



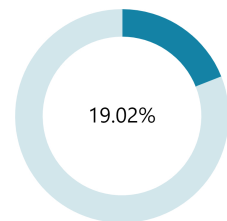
Percentage of visits where at least **1 contribution** was made.

Attention



Percentage of visits that lasted at least **1 active minute**.


Actions




Percentage of visits where at least **2 actions** were performed.

Participation

Information regarding how people have participated in your projects and activities.

Contributions by Activity Contributions by Activity is a breakdown of contributions across each tool			
Activity	Contributions		%
 Form	412	<div style="width: 100%;"></div>	100%

Top Activities Top Activities is the top 5 tools that received the highest contributions			
Activity	Page Name	Contributions	Contributors
 Form	Special Rate Variation	412	375

Projects

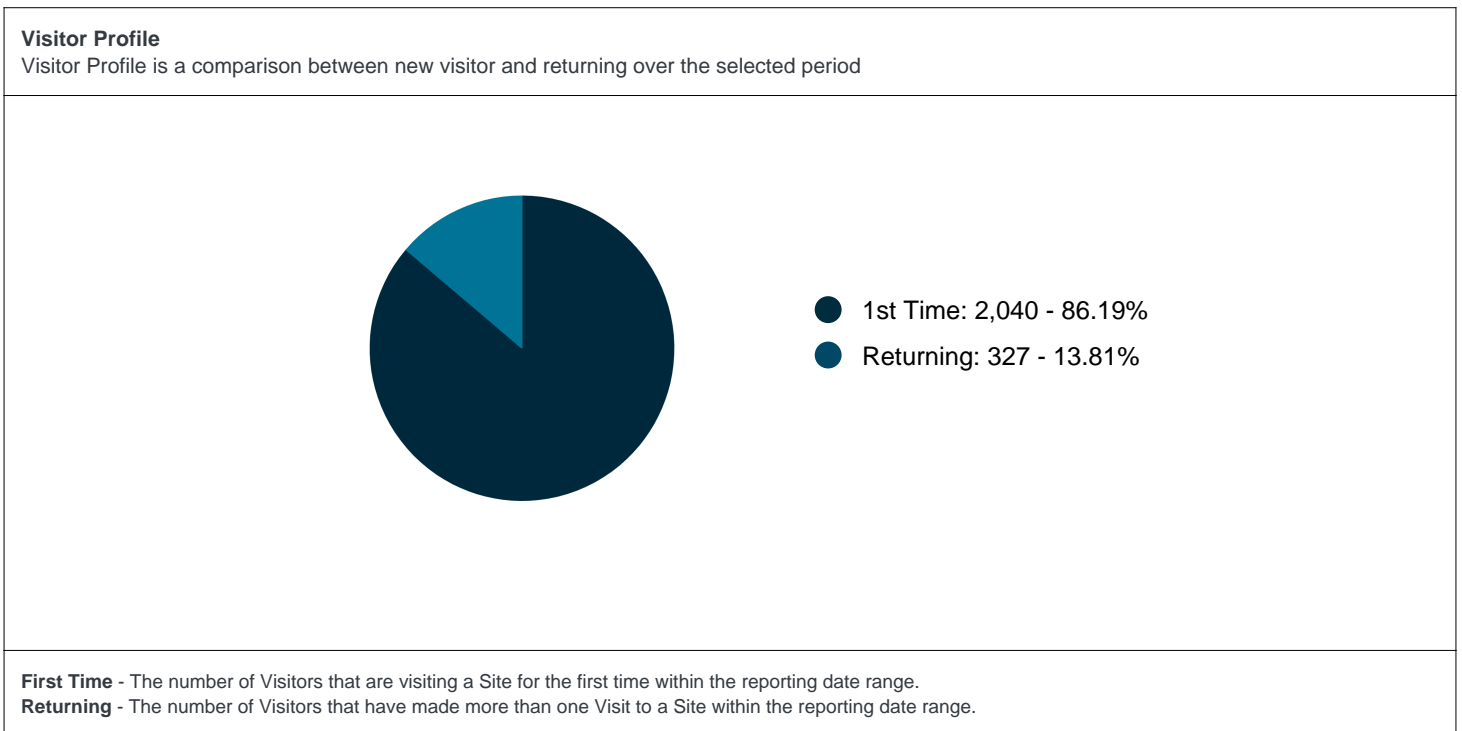
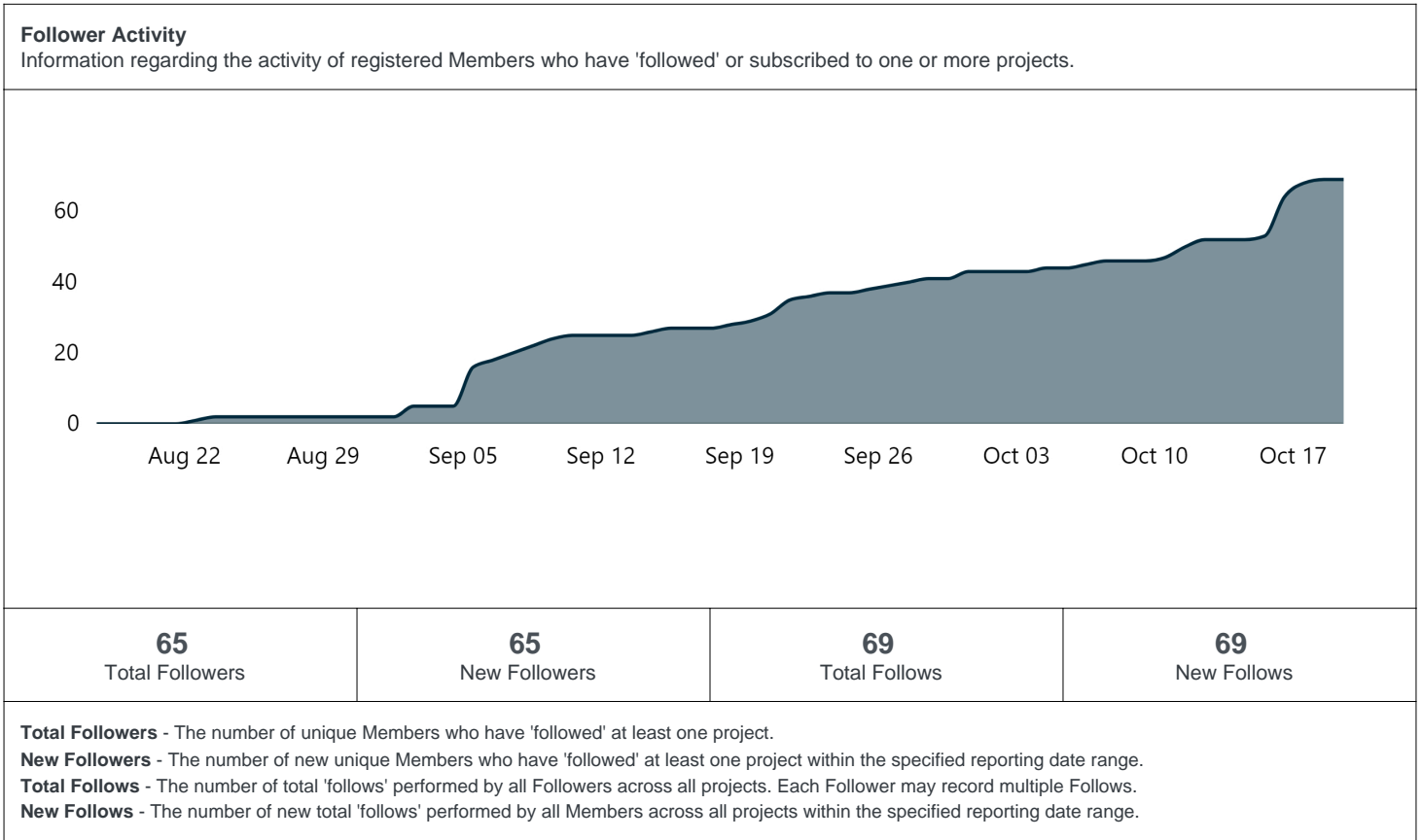
The current number and status of your Site's projects (e.g. engagement websites)

Engagement Time		
4 Days	0 Hours	19 Minutes
Sep 5th 2022 Peak Visitation Date	Wednesday Peak Visitation Day	

Top Visited Pages Summary information for the top five most visited Pages.			
Page Name	Visitation %	Visits	Visitors
Special Rate Variation	100%	3,178	2,367

People

Information regarding who has participated in your projects and activities.

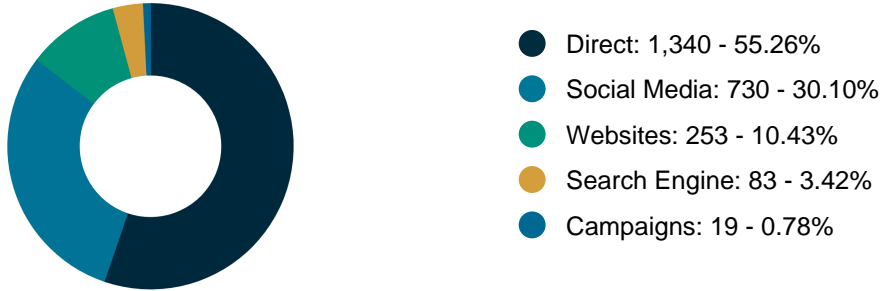


Acquisition

Information regarding the method by which Visitors arrived to your Site or projects.

Referral Types

Referral traffic is the segment of traffic that arrives on your website through another source, like through a link on another domain.



Direct - Visitors who have arrived at a Site by entering the exact web address or URL of the page.

Search Engine - Visitors who have arrived at a Site via a search engine. Such as Google, Yahoo, etc.


Websites - Visitors who have arrived at the Site after clicking a link located on an external website.

Social Media - Visitors who have arrived at a Site by clicking a link from a known social media site such as Facebook, Twitter, LinkedIn, etc.

Campaigns - Visitors who have arrived through a campaign (using a UTM). See your email campaign report for more details on campaigns sent from this platform.

Downloads




Information regarding your downloads, the total set of unique documents downloaded, total downloads of all files, and your top downloads.

 21 Total Documents	 333 Total Downloads
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Top Downloads		
Top file downloads in your selection, ordered by the number of downloads.		
File Title	File Type	Downloads
Updated Long Term Financial Plan Final Aug 2022 v1.pdf	PDF	120
Frequently Asked Questions.pdf	PDF	100
Frequently Asked Questions.pdf	PDF	69
Frequently Asked Questions.pdf	PDF	43
Frequently Asked Questions.pdf	PDF	1

Email Campaigns

Information regarding your email campaigns, your total campaigns, the total number of recipients, and your top campaigns by click-through rate (clicks as a percentage of total recipients).

 0 Email Campaigns Sent	 0 Total Recipients	 0% Click-through Rate
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No Data Available



SRV Community Engagement Plan

City of Canada Bay

October 2022



Document status

Job #	Version	Written	Reviewed	Approved	Report Date
7624	1.0				October 2022

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1 Context

1.1 Background

The City of Canada Bay's ('Council') Long-Term Financial Plan (LTFP), adopted in June 2022, demonstrates a consolidated operating result which moves into increasing surpluses over the ten-year forecast period. However, these results are supported by strong surpluses in the Domestic Waste Fund. The General Fund, from which all services except waste services are funded, shows ongoing deficits resulting from costs increasing faster than revenue and some service increases that were absorbed without commensurate revenue growth. To ensure its ongoing financial sustainability, Council must review options to address these ongoing deficits in the General Fund.

In the 2022-2026 Delivery Program, the City of Canada Bay identified the need to consider a special rate variation (SRV) to increase services and committed to consulting with the community on a potential SRV in late 2022.¹ Additionally, the Council is proposing to increase minimum rates to bring it in line with other similar councils.

In June and July, Council was presented with some option for an SRV included an outline of the service improvements that can be funded with the proposed level of rate increase. At the Council Meeting on 15 August, Council will consider a potential SRV and, if supported, will seek the community's feedback on it and the related service level improvements.

This community engagement plan outlines the approach, key messages and timeline for community consultation on the potential SRV. This plan has been developed to ensure that it meets the SRV assessment criteria set out by the NSW Office of Local Government, who sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), who will assess any SRV application submitted. It has also been developed in compliance with the City of Canada Bay's Community Engagement Policy and Community Engagement Strategy as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard.

1.2 Engagement purpose and goals

The purpose of this community engagement is to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and the impact of not applying for a special rate variation.

The objectives of this community engagement process include:

- To present the proposed SRV.
- To identify the impact of the SRV on the average and minimum rates across each rating category.
- To exhibit an updated LTFP demonstrating the impact of the proposed SRV options on Council's operating results from 2023-24 for feedback and final endorsement by the Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community's feedback to inform Council's final decision on whether to move forward with an SRV application.

¹ City of Canada Bay, *2022-2026 Delivery Program*, p.35.

1.3 Stakeholder analysis

The key impacted stakeholders are those that pay rates in the City of Canada Bay Local Government Area (LGA) or are renting property in the City of Canada Bay, where there may be rent increases passed to fully or partly cover the proposed rate increases.

Stakeholder groups have been identified below to ensure that the specific considerations of these groups can be integrated into the community engagement plan. These groupings are not mutually exclusive, that is individuals may fall into a number of different stakeholder groups. For example, individuals who own multiple properties in the LGA may be both resident ratepayers and landlord ratepayers. Minimum ratepayers will also be in one of the other ratepayer stakeholder groups.

Table 1 Stakeholder groupings

Stakeholder group	Who is in the group	Specific considerations
Resident ratepayers	Homeowners who are residents of Canada Bay (LGA)	Proposed rate increases will be directly incurred by these stakeholders.
Renters	Renters who are residents of Canada Bay LGA	It will be a decision of the landlord on whether and when any rate increases are passed on to renters.
Landlord ratepayers	Investment property owners of property within the Canada Bay LGA	It will be a decision of the landlord on whether and when any rate increases are passed on to renters.
Business ratepayers	Business property owners within the Canada Bay LGA	Proposed rate increases will be directly incurred by these stakeholders. Where there are commercial leases in place, it will depend on the contract terms as to whether and when any increase will be passed to tenants.
Minimum ratepayers	Those ratepayers who are currently paying the minimum rate or will potentially pay the minimum rate proposed under the SRV options.	Current minimum ratepayers will receive the full increase in minimum rates. Others may become minimum ratepayers as the minimum rate is increased. As minimum rates are planned to increase over a number of years, specific communication on this should be targeted at this group.

Within each stakeholder group there will be a range of socio-economic factors that will be considered through a capacity-to-pay analysis and report, this will further inform not only the affordability of any SRV, but also may provide further insight to improve the consultation plan and key messages.

2 Approach


2.1 Engagement complexity

The level of complexity for this engagement activity is defined as ‘high impact – city wide’ under the Council’s Community Engagement Strategy. That means that the issues will have a real or perceived impact across the whole city. The issue has the potential to create controversy and has a high level of potential community interest.

2.2 Levels of engagement

The level of engagement is defined from the IAP2 Spectrum of Public Participation in the figure below, also included in the Council’s Community Engagement Strategy. This spectrum outlines the level of engagement required depending on the purpose and desired outcome of the project.

Figure 1 IAP2 Spectrum of Public Participation²

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for the council’s General Fund is clearly articulated and identified in council’s Integrated Planning and Reporting (IP&R) documents.
2. Evidence that the **community is aware** of the need for and the extend of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.
6. Addressed any other matter that IPART considers relevant.

² International Association for Public Participation (IAP2) Australasia, 2018. *IAP2 Spectrum of Public Participation*. Retrieved from: https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf.

To meet criterion two, Council would only need to undertake engagement at the “inform” level, but a “consult” level would ensure it more fully meets criteria one and four.

The LTFP adopted in June 2022 does include some sensitivity analysis of the impact on General Fund demonstrating persistent deficits, but it did not model any SRV options. The 2022-26 Delivery Program indicates Council’s intention to model and consult on potential SRV options at the end of 2022. These steps are expected to partly meet criteria one and four of the SRV assessment criteria. To more fully meet these criteria, it is proposed that an updated LTFP model, which includes the SRV options and base case from 2023-24, be exhibited, approved and adopted by Council in parallel to this community engagement process.

As a result, this community engagement plan is drafted to meet both the **inform** and **consult** levels of engagement. This means that Council will 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. Council will keep the public informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision made by Council.

2.3 Engagement mechanisms

Given the complexity of the project and proposed level of engagement, the Council’s Community Engagement Strategy outlines the following as possible mechanisms for community engagement:

- designated telephone hotline
- e-newsletters and other email campaigns (CCB E-news, Rhodes E-news, and Business Update)
- printed communication collateral
- computer-based polling
- telephone surveys/polls
- internet surveys
- events
- social media.

This community engagement will operate in two phases:

1. Inform: to raise awareness and inform all stakeholder groups of the options being considered
2. Consult: to seek considered community feedback on these options to inform the Council in their final deliberations on a potential SRV application.

It will also seek to include both push and pull engagement mechanisms in each phase:

- Push mechanisms will actively get information from the Council into the public, for example – media releases, e-newsletters, newspaper notices, surveys.
- Pull mechanisms will provide places and resources that members of the public can seek out to further inform themselves or provide feedback, for example – websites, telephone hotlines, events.

The proposed mechanisms to be used for this engagement are outlined in the table below.

Table 2 Engagement mechanisms

Mechanism	Phase of consultation	Push or pull mechanism	Reach (stakeholder groups)
Translated information on Collaborate pages using Localize	Inform	Push	Stakeholders from all groups with ESL
Canada Bay Newsletter - September and October 2022	Inform	Push	All
Postcards in all Council venues	Inform	Push	All
E-mail to – Collaborate database and Business Newsletter	Inform	Push	Separate communications for residents and businesses.
E-newsletters: CCB news online (Sept & Oct) Rhodes enews (Sept & Oct) What's On enews (Sept & Oct) Library enews (Oct)	Inform	Push	All
Translated advertisements in CALD newspapers La Fiamma (Sept & Oct) Daily Chinese Herald (Sept & Oct) Sydney Korean Herald (Sept & Oct)	Inform	Push	CALD community
Media interviews	Inform	Push (where requested by local media)	All
Collaborate Canada Bay page (host survey and feedback options)	Inform and consult	Pull	All
Reference materials for Council call centre and customer service teams	Inform	Pull	All
Online forums – business and community sessions	Consult	Push	All
Councillor information sessions	Inform	Push	Councillors
Face-to-face forum	Consult	Push	All

These external community engagement mechanisms will be coupled with internal communications to inform all staff about the proposed SRV options and process and provide them with information to direct questions from members of the public that may arise in their day-to-day interactions. This will include:

- a manager's briefing pack
- updates in staff e-news.

2.4 Roles and responsibilities

The roles of councillors, Council officers and Morrison Low in the engagement process are defined in the table below.

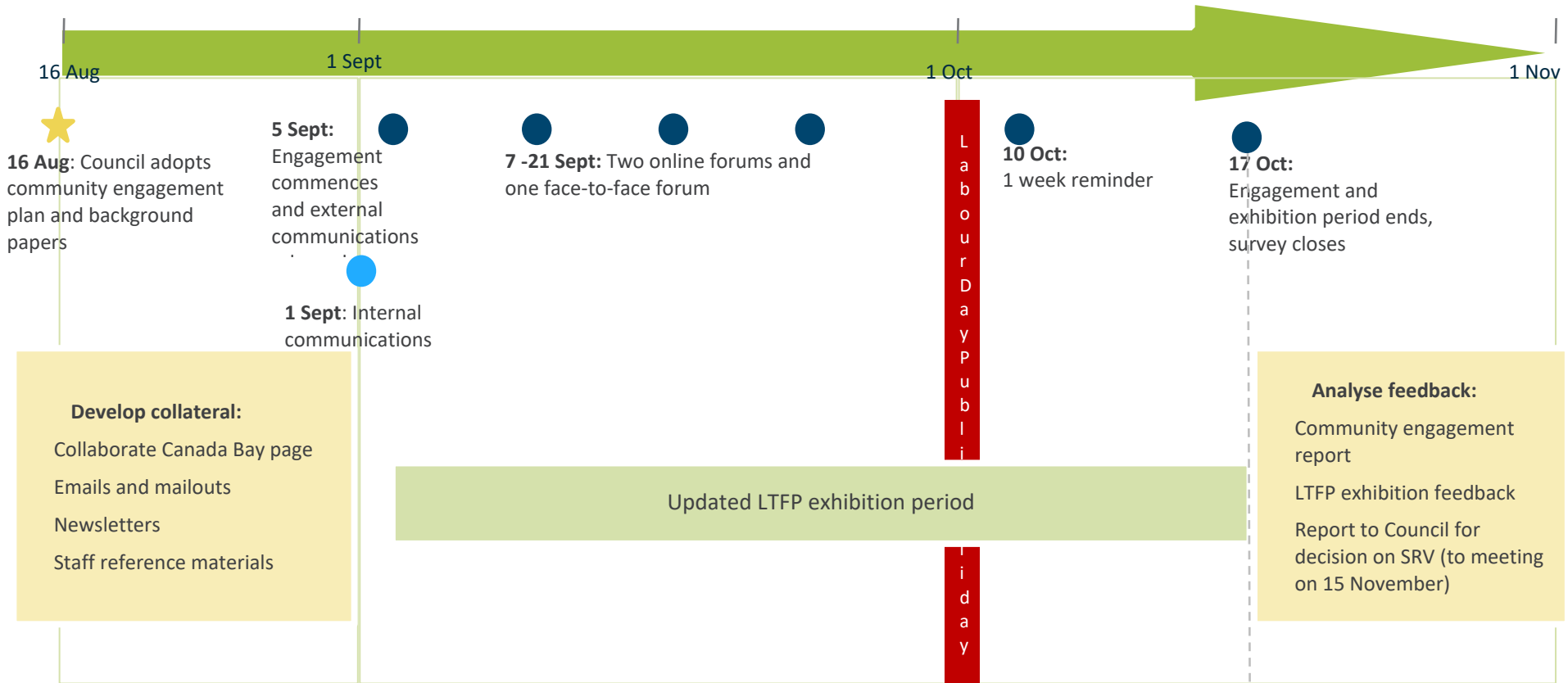
Table 3 Roles and responsibilities

Role	Responsibility
	<ul style="list-style-type: none"> ● Develop background papers ● Facilitate public forums ● Project manage the community engagement process ● Prepare report on community engagement outcomes
	<ul style="list-style-type: none"> ● Develop collateral for the various written mechanism ● Publish and release materials in line with this community engagement plan, including internal communications ● Monitor and review community engagement outcomes, recommend adjustments to the plan as required
	<ul style="list-style-type: none"> ● Support the development of background papers and other collateral with financial analysis and modelling ● Manage the exhibition process and finalisation of the updated 2023-24 LTFP (which includes SRV options)
	<ul style="list-style-type: none"> ● Brief staff on SRV options, process and community engagement activities
	<ul style="list-style-type: none"> ● Approve community engagement plan ● Participate in media interviews and public forums, where required
	<ul style="list-style-type: none"> ● Endorse community engagement plan, approve any adjustments to community engagement process as required ● Participate in media interviews and public forums, where required
	<ul style="list-style-type: none"> ● Endorse community engagement plan ● Monitor community engagement process and approve adjustments as required.

2.5 Timeline

The high-level timeline, with key milestones, is mapped out in the figure on the following page. Further detail on tasks and dependencies is provided in the supporting action plan.

Figure 2 Community engagement timeline



3 Action plan

Table 4 Action plan

Ref	Action	Responsible	By when	Dependency
1	Draft content for CCB news (physical newsletter) ³	Communications team	24 Aug2022	
2	Prepare FAQ document	Communications team	16 Aug 2022	
3	Prepare Service, Delivery and Infrastructure Improvement document	Communications team	19 Aug 2022	
4	Establish Collaborate Canada Bay page with basic information (to be made available to the public pending Council Meeting outcome)	Engagement team	16 Aug 2022	
5	Develop basic information for call centre and customer service staff (to be circulated pending Council Meeting outcome)	Engagement team	16 Aug 2022	
6	Council resolves to proceed to community consultation on an SRV	Council	16 Aug 2022	
7	Approve SRV CCB content for release into production	CEO/Director Corp Services	17 Aug 2022	1, 2
8	Draft copy for website(s), infographic, newsletters, e-mails, briefing packs, and physical collateral	Communications team	24 Aug 2022	2
9	Develop reference material for call centre and customer service staff	Communications team	24 Aug 2022	2
10	Update Collaborate Canada Bay page with consultation information	Engagement team	24 Aug 2022	2
11	Schedule three public forums (one face-to-face, two online, one of which with a focus on business stakeholders)	Engagement team	24 Aug 2022	2
12	Approve all content for community engagement	CEO/Director Corp Services	26 Aug 2022	4, 5, 6, 7
13	Brief managers on SRV process	CEO/Director Corp Services/CFO	29 Aug 2022	9

³ CCB News content deadline 8 Aug 2022 for the newsletter distributed from 29 Aug 2022. As Council will not have approved to proceed to community engagement for a potential SRV until 15 Aug 2022, this plan recommends a draft is developed for this newsletter in advance of the council meeting, but final approval will only be given for the SRV content to be included in the CCB News after the council meeting and only if Council resolve to proceed to community engagement stage.

Ref	Action	Responsible	By when	Dependency
14	Release internal communications via Staff News	Communications team	1 Sep 2022	10
15	Brief call centre and customer service staff (providing reference materials)	Communications team	1 Sep 2022	10
16	SRV page on Collaborate Canada Bay available to the public (or updated with consultation information)	Communications team	5 Sep 2022	7, 9
17	Publish community newsletters with SRV details: <ul style="list-style-type: none"> ● Rhodes E-news ● CCB E-news ● Business News ● CCB News print newsletter ● Sustainable Living ● Collaborate database 	Communications team	5 Sep 2022 13 Sep 2022 5 Sep 2022 18 Aug 2022 5 Sep 2022 5 Sep 2022	9
	Postcards printed and delivered to all Council venues	Engagement and communications team	12 – 16 Sep 2022	
18	Schedule and manage any media interviews requests	Communications team	5 Sep - 17 Oct 2022	14
19	Facilitate forums	Morrison Low	7-21 Sep	8
20	Reminder of SRV community engagement (closing 18 Oct): <ul style="list-style-type: none"> ● Rhodes E-news ● CCB E-news ● Business Update ● CCB News print newsletter 	Communications team	10 Oct 2022 11 Oct 2022 10 Oct 2022	9
21	Close engagement, exhibition of updated LTFP and gather all community feedback	Communications team	18 Oct 2022	
22	Analyse public exhibition feedback and draft community engagement report	Morrison Low	18 Oct - 31 Oct 2022	19
23	Finalise updated LTFP based on feedback over exhibition period	Finance team	18 Oct - 31 Oct 2022	19

3.1 Measures of success

A final community engagement report will be produced to document the outcomes of the engagement process, but also to clarify the extent to which the community engagement activities reached all relevant stakeholder groups. Measures to understand the level of reach and participation in the engagement process will include:

- SRV-related inquiries through the call centre and customer service teams
- number of submissions to the Long Term Financial Plan public exhibition
- number of page 'clicks' to the Collaborate Canada Bay site.

Where feasible, measures of success would also include documenting key demographics of participants to ensure that it is both representative of the Canada Bay community and engagement activities have reached groups that can sometimes be hard to reach, such as young people, seniors, culturally and linguistically diverse (CALD), people with disabilities and LGBTQI+.

4 Key messages

The key messages for the community should clearly communicate what is not negotiable and what aspects are open for community feedback to inform the decision-making process.

Non-negotiables include:

- the legislative requirement for the Council to employ sound financial management principals
- the current core deficits in the General Fund need to be addressed, targeting small surpluses over time to ensure the ongoing financial sustainability of the Council.

Community feedback is sought to understand:

- the level of service increases the community expects from the Council and the level of rate increase that the community is willing to absorb to fund these increases
- the level of minimum rates increase that would meet expectation of equity in distribution of the rates burden across the LGA.

In order to support these key messages and the development of collateral for the community engagement activities, two background papers will be developed:

1. Background paper on the SRV, outline the need and analysis.
2. A capacity to pay report which will investigate, analyse and report on the community's capacity to pay against Council's rating categories and proposed SRV. This includes research of specific residential/business/industry across the LGA and will undertake a range of comparisons and assessments of information for areas/locations within the LGA, and associated land use.
3. An updated LTFP and financial sustainability analysis that will demonstrate the impact of the SRV options on the ongoing financial sustainability of the Council.

In addition to these background papers, key messages in any community communications and collateral will include:

- how community members can seek further information or have their questions answered
- how community members can provide their feedback on the SRV and minimum rate increases proposed
- what to expect after the community engagement activity is completed, including IPART's public submission and assessment process.

4.1 Frequently asked questions

A set of frequently asked questions (FAQs) and their responses will be developed for this engagement process. While every effort is made to ensure that this is a complete list of FAQs at the commencement, these questions will be regularly reviewed and updated throughout the engagement process.

The below is a starting list of the questions we expect to develop for the FAQs:

- IPART releases 2023-24 base rate peg (added in following release on 29 September 2022)
- What will the proposed variation cost for residents and businesses?
- Why does Council need to apply for a Special Rate Variation?
- What services and improvements will the SRV fund
- Does this SRV impact rates for businesses or residents or both?
- How significant is this rise compared to other Councils?
- What do other Councils pay in rates?
- Will my rates rise in increments or all at once?
- Why increase minimum rates?
- What are my rates spent on?
- What is the total annual variation proposed?

5 Monitoring and risk

5.1 Monitoring

During the consultation process, the level of engagement will be monitored by Morrison Low and the Council's communications and engagement team.

Any proposed adjustments to the plan will be approved by Director Corporate Services and CEO before implementation.

5.2 Risk assessment

The table below documents the key risks associated with this community engagement. The risk ratings are assessments of the residual risk after the documented risk responses are implemented.

Table 5 Risk assessment

Risk	Risk response	Residual likelihood	Residual consequence	Residual risk rating
Engagement doesn't meet IPART assessment criteria.	Engagement plan and activities analyse and integrate requirements to meet criteria.	Low	Medium	Low
Community conflate current ICAC investigation with need for an SRV.	Key messages and FAQs to clarify that these are NOT related.	Medium	Medium	Medium
Impact on ratepayers of raising rates at a time of increasing inflation and cost of living pressures.	Capacity to pay analysis to understand the impacts of rate increase on community. Key messages around Canada Bay delaying SRV to do efficiency improvement first and comparison of increased rates with other councils. Key messages to understand service increases that will be maintained/implemented with rates funding.	Medium	Medium	Medium
Timing of rates increase close to next local government election.	Key messages on the Council's obligation for sound financial management principles and need for the SRV.	Medium	Medium	Medium

Special Rate Variation - Frequently Asked Questions

IPART releases 2023-24 base rate peg

On 29 September 2022, IPART set a new base rate peg for NSW councils at 3.7% for 2023-24. This is higher than our forecasted rate peg of 3.25%. Please note that, should the special rate variation be approved, Council would absorb this increased rate peg and the cumulative rate increase would not be affected.

More information from IPART can be found [here](#).

What is a Special Rate Variation?

A special rate variation allows a council to increase its general income above the rate peg (forecasted increase), under the provisions of the Local Government Act 1993 (NSW). Special variations can be for one or several years and can be temporary or permanently retained in the rates base.

What will the proposed variation cost for residents and businesses?

To secure the future of our services and assets and ensure our Council is ready for the future, the City of Canada Bay is engaging with our community on a Special Rate Variation (SRV).

For residents who own a **property with land value of \$1.5 million** the variation of rates equates to \$3.31 per week in addition to the forecast rate peg in 2023-24 with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$0.87	\$0.78	\$0.80	\$0.82	\$3.27
Increase from SRV above the forecast rate peg	\$3.31	\$0.00	\$0.00	\$0.00	\$3.31
Total (including forecast rate peg)	\$4.18	\$0.78	\$0.80	\$0.82	\$6.58

For residents paying the **minimum rate**, the weekly increase is \$4.82 over the forecast rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increases from the forecast rate peg	\$0.48	\$0.42	\$0.45	\$0.50	\$1.85
Minimum rate increase above forecast rate peg	\$1.79	\$1.01	\$1.01	\$1.01	\$4.82
Total (including forecast rate peg)	\$2.27	\$1.43	\$1.46	\$1.51	\$6.67

For **businesses with land value of \$1.2 million**, the proposed variation of rates would equate to \$6.30 per week in 2023/24 in addition to the forecast rate peg with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$1.68	\$1.49	\$1.52	\$1.56	\$6.25
Increase from SRV above the forecast rate peg	\$6.30	\$0.00	\$0.00	\$0.00	\$6.30
Total (including forecast rate peg)	\$7.98	\$1.49	\$1.52	\$1.56	\$12.55

Following the proposed Special Rate Variation, in 2026/27 City of Canada Bay residents would pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these councils do not apply for any variation of their rates above the rate peg in the coming four years.

Following the proposed Special Rate Variation, our local businesses would in 2026/27 pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these Councils do not apply for a variation above the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Why does Council need to apply for a Special Rate Variation?

To secure the future of our services and assets and ensure our Council can resource our community's vision for the future of our area, the City of Canada Bay requires a Special Rate Variation (SRV).

To date, the City of Canada Bay has never applied for a Special Rate Variation. We are proud to have provided excellent services and infrastructure for our growing community over the past two decades without the need for a SRV, however significant past population growth and expanding future needs now require Council to secure our future by planning for a SRV.

The decision to consult with our community about a SRV has been taken following years of planning and financial modelling. The variation in rates will work in parallel with an ongoing program of internal review and productivity improvements, which has identified \$1.7 million of annual savings, to ensure our organisation's proud record of financial sustainability will continue into the coming decades.

A rate variation will not result in our residents and businesses paying higher rates than our neighbouring councils, in fact the City of Canada Bay's average rates will continue to be lower than the majority of local councils that neighbour our LGA.

If successful, what will the Special Rate Variation fund?

Service Area	Purpose of service increase	Operational per year (\$000)	Capital per year (\$000)
Buildings and trade maintenance	Increase maintenance and management of buildings	\$590	
Cleansing operations for public areas	Expand town centre cleaning and footpath sweeping	\$400	
Community services	Expansion of Community Development services	\$500	
Environmental sustainability	Enhanced biodiversity programs	\$155	
Environmental sustainability	Enhanced environmental sustainability services	\$130	
Environmental sustainability	Increase in funding to implement Climate Risk Strategy	\$120	
Governance	Increase in resources for Internal Audit, Risk and Governance	\$200	
Information systems	Renewal and systems expansion for Information Technology		\$250
Other	Business improvement programs - project management, systems and processes	\$400	
Place Management	Increase resources to deliver a Cultural Plan	\$150	
Road maintenance services	Expand Footpath Management program	\$220	
Sports fields and golf courses/garden services and bushcare	Increase resources for Open Space assets	\$670	
Statutory planning	Increase resources to reduce assessment times for Development Applications	\$300	

Strategic planning	Deliver commitments under State-led strategies (Rhodes and Parramatta Road corridor)	\$600	
Strategic asset management	Increased resources to renew assets including Roads, Footpaths and Seawalls		\$2,900
Strategic asset management	Increased resources to maintain and renew drainage assets	\$100	\$150
Traffic and transport	Increase resources for Strategic Traffic Management	\$200	
Tree services	Expand Tree Maintenance and Management service	\$245	
Total		\$4,980	\$3,300
Grand Total			\$8,280

Does this SRV impact rates for businesses or residents or both?

Rates for residents and business would be increased as a result of the Special Rates Variation.

Historically, City of Canada Bay residents and businesses have paid lower rates on average than residents and businesses of our neighbouring councils. Following this proposed variation, that will still be the case.

Following the proposed Special Rate Variation, in 2026/27 City of Canada Bay residents would pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these Councils do not apply for any variation of their rates above the rate peg in the coming four years.

Our local businesses would in 2026/27 still pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this proposed variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these councils will not apply for a variation above the rate peg.

For residents on our minimum rate, this increase would be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, with all increases being in addition to the rate peg.

As another example, for residents who own a property with land value of \$1.5 million the variation of rates equates to \$3.30 per week in addition to the rate peg in 2023/24 with no further increase in the following years aside from the rate peg.

For businesses with land value of \$1.2 million, the variation of rates would equate to \$6.30 per week in 2023/24 in addition to the rate peg with no further increase in the following years aside from the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

How significant is this rise compared to other Councils?

Historically, City of Canada Bay residents and businesses have paid lower rates on average than residents and businesses of our neighbouring Councils. Following this proposed variation, that would still be the case.

In 2026/27, following this Special Rate Variation, City of Canada Bay residents will pay less on average than Hunters Hill, Burwood, Lane Cove and Inner West Councils, with only Ryde and Strathfield Council residents paying lower rates – and this is assuming these councils do not apply for any variation of their rates above the rate peg in the coming four years.

Following the proposed Special Rate Variation, our local businesses would in 2026/27 pay less than Burwood, Lane Cove, Inner West, Ryde and Strathfield Councils following this variation. Only Hunters Hill Council will have lower rates on average for businesses and this also assumes these Councils do not apply for a variation above the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

What do other Councils pay in rates?

The following tables project the average rates for residents and businesses in the City of Canada Bay and in surrounding local Councils in 2026/27.

Please note these projections assume that all other Councils will not apply for a Special Rate Variation over the course of the next four years.

Average residential rates 2026–27

Rank	Council	Avg rate (2026–27)
1	Hunters Hill	\$2,269.99
2	Burwood	\$1,573.19
3	Lane Cove	\$1,461.31
4	Inner West	\$1,419.96
5	Canada Bay	\$1,357.48
6	Ryde	\$1,239.46
7	Strathfield	\$943.18

Average business rates 2026–27

Rank	Council	Avg rate (2026–27)
1	Ryde	\$11,525.11
2	Burwood	\$7,536.94
3	Inner West	\$7,183.78
4	Strathfield	\$6,038.31
5	Lane Cove	\$5,466.53
6	Canada Bay	\$4,299.72
7	Hunters Hill	\$1,322.11

Minimum residential rates 2026/27

Minimum rates would also change as part of the City of Canada Bay's Special Rate Variation.

Not all councils have minimum rates, however we have projected our minimum rate increase against a number of other Sydney metropolitan councils that do have minimum rates.

The rates below assume that these Councils only increase their minimum rates by the rate peg, and do not apply to IPART for increases in excess of the rate peg.

Rank	Council	Avg rate (2026–27)
1	Burwood	\$1,203.05
2	Ryde	\$1,167.23
3	Ku-ring-gai	\$1,109.61
4	Canada Bay	\$1,108.07
5	Georges River	\$1,092.71
6	Sutherland	\$1,065.62
7	Lane Cove	\$1,053.34
8	Inner West	\$957.01

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Will my rates rise in increments or all at once?

Whilst residents and businesses will be affected differently, in total, Council is consulting with the community over a potential increase of 12.24% above the rate peg for 2023/24, 2.31% in 2024/25, 2.19% in 2025/26 and 2.08% in 2026/27.

This equates to a cumulative increase of 19.78% above the rate peg over four years in addition to the rate peg.

For residents on our minimum rate, this increase would be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, with all increases being in addition to the rate peg.

As another example, for residents who own a property with land value of \$1.5 million the variation of rates equates to \$3.30 per week in addition to the rate peg in 2023/24 with no further increase in the following years aside from the rate peg.

For businesses with land value of \$1.2 million, the variation of rates would equate to \$6.30 per week in 2023/24 in addition to the rate peg with no further increase in the following years aside from the rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and

is based on the increase in cost of a selection of goods and services that NSW councils purchase.

Why increase minimum rates?

To date, the City of Canada Bay has never applied for a special variation to minimum rates. There are important reasons to do so now in order to make our rates more equitable and to ensure we are sustainable and equipped fit for the future.

As rates are calculated on land values, there can be a significant difference between the rates calculated for a house and a unit.

For example a 4-bedroom unit in a waterfront development which has sold for \$4 million currently would pay minimum rates. Because this unit has a lower land value than a detached dwelling which has sold for \$2.8 million, the apartment owner currently pays \$595 per annum less in rates than the owner of the detached home.

These differences neither reflect the relative difference in the capacity to pay for each owner, nor the costs of services that the City of Canada Bay provides to both owners.

As the City of Canada Bay continues to see a greater proportion of residential unit development, it must increase minimum rates to ensure services can be extended to these new developments, while not disproportionately increasing the rates burden to single house dwellings.

For residents on our minimum rate this proposed increase will be \$1.80 per week in 2023/24, followed by an increase of \$1 per week in the following three years, in addition to the standard rate peg.

The rate peg is an annual increase to Council rates across NSW, determined by the NSW Independent Pricing and Regulatory Tribunal, which accounts for inflation and is based on the increase in cost of a selection of goods and services that NSW councils purchase.

What are my rates spent on?

Your rates help to make the City of Canada Bay the place we love — a place to be proud of and the best local government area in Sydney to live and work.

They build local roads, footpaths and bike trails. They maintain our fantastic sports facilities, green spaces and 36 kilometres of beautiful foreshore. Council rates help

support the older, vulnerable members of our community; babies and new parents; children and young people.

Your City of Canada Bay rates support the places where we come together – our libraries, community gardens, town centres, men’s sheds and community halls. They help us plan for a great future for our growing population.

To find out more about where your rates for 2022/23 are going, check out this year’s edition of our annual *Your Rates at Work* pamphlet.

Alongside our proposed application for a Special Rate Variation, to ensure we are equipped for the future the City of Canada Bay is always looking inward at our organisation to ensure we are finding productivity efficiencies wherever possible.

In 2018, the Council undertook a broad review of its services and implemented an ongoing improvement program to reduce costs and improve productivity. The initiatives implemented under the program so far have produced savings of \$1.7 million per year. This is already included in Council’s base case Long Term Financial Plan.

Council has a continuous improvement program and is implementing an ongoing service review program. It has identified further cost savings of \$80,000 and net increases in revenue of \$335,000 to be implemented.

More information on your rates can be found here: <https://www.canadabay.nsw.gov.au/residents/your-ho...>

What is the total annual variation proposed?

Overall increase

Year	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg	15.49%	4.81%	4.69%	4.58%

What would be the impact on ratepayers?

\$1.5M (land value) residential

Year	Current	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg		15.49%	2.5%	2.5%	2.5%
Annual rate	\$1,404.23	\$1,621.75	\$1,662.29	\$1,703.85	\$1,746.45
Proposed \$ increase including forecast rate peg		\$217.52	\$40.54	\$41.56	\$42.60

\$1.2M (land value) business

Year	Current	2023-24	2024-25	2025-26	2026-27
Proposed % increase including forecast rate peg		15.49%	2.5%	2.5%	2.5%
Annual rate	\$2,677.50	\$3,092.24	\$3,169.55	\$3,248.79	\$3,330.00
Proposed \$ increase including forecast rate peg		\$414.74	\$77.31	\$79.24	\$81.21

Minimum ratepayer

Year	Current	2023-24	2024-25	2025-26	2026-27
Total proposed increase including forecast rate peg		15.49%	8.44%	7.98%	7.57%
Annual rate	\$761.71	\$879.70	\$953.95	\$1,030.06	\$1,108.07
Proposed \$ increase including forecast rate peg		\$118.09	\$74.25	\$76.11	\$78.01



City of Canada Bay The Special Rate Variation

Introduction

Morrison Low Consultants has been engaged by the City of Canada Bay ('Council') to model a special rate variation (SRV) and analyse its impact on the financial sustainability of the Council's Long-Term Financial Plan.

The Local Government Act requires councils to apply sound financial management principles of being responsible and sustainable in aligning income and expenses, infrastructure investment, with effective financial and asset management performance management. The objectives are to:

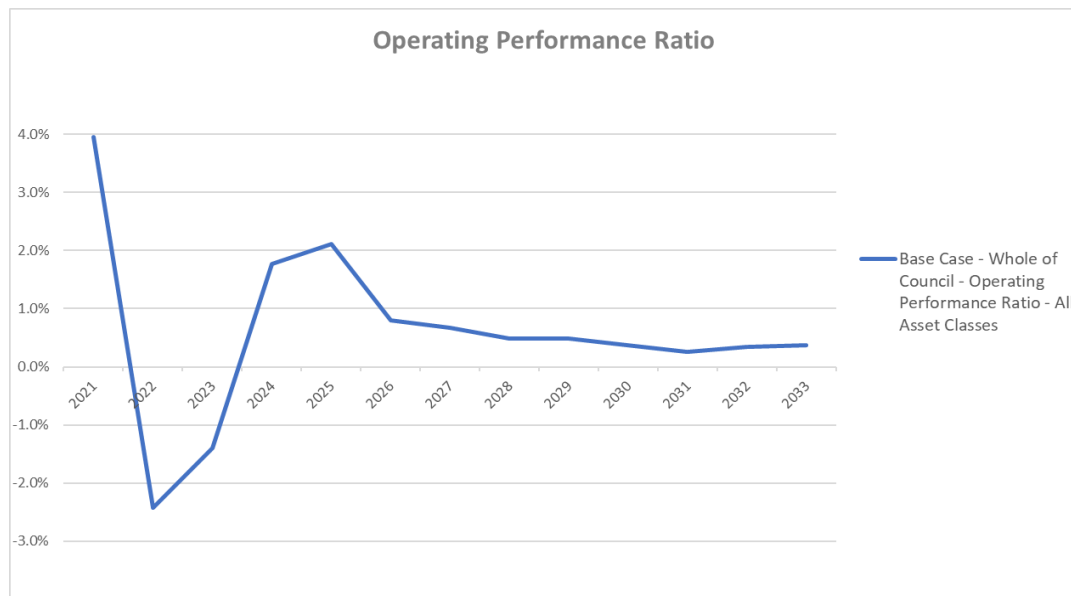
- achieve a **fully funded operating position**
- **maintain sufficient cash reserves**
- have an appropriately **funded capital program**
- **maintain its asset base** 'fit for purpose'
- have adequate resources to meet ongoing **compliance obligations**.

These objectives are the foundation for sound financial management and a financially sustainable council that has the financial capacity to deliver the services to its community over the long term.

Current situation

Council's 2023-33 Long Term Financial Plan base case, without a special rate variation, shows that consolidated operating results move from deficit to generating small surpluses each year.

Figure 1 Projected base case consolidated operating performance ratio as per City of Canada Bay's 2023-33 Long Term Financial Plan





Council has two funds, a Domestic Waste Fund that finances Council’s waste management services and a General Fund that finances all the other services that Council provides. While there are surpluses projected for the Domestic Waste Fund, these offset the core deficits that remain in Council’s General Fund.

Figure 2 Projected base case operating results by fund as per Council’s 2023-33 Long Term Financial Plan



Core deficits in the General Fund have developed over time, as a result of growing costs outpacing revenue growth and some services that were implemented on a temporary basis during the COVID-19 pandemic being expected to continue into the future.

Continued General Fund deficits restrict Council’s ability to respond to community expectations for increased services and improved asset conditions. In its 2022-26 Delivery Program, Council identified this issue and flagged the need to consider an SRV to address it. It committed to consulting with the community on any potential SRV before making a final decision to apply.

In order to maintain some of the increased services already in place, such as tree maintenance and arrest cleansing, as well as increase future services to accommodate expected population growth in the area, Council is reviewing options for increase revenue, including a special rate variation. Council is committed to consulting the community of Canada Bay on these options in late 2022, before any final decision is made.¹

¹ City of Canada Bay, 2022. *Delivery Program 2022-26 and Operating Plan 2022-23*. p.36.



Improving services with a special rate variation

Services and assets that Council wants to provide

Council has reviewed its services, identifying and costing several increases to service required to be ready for the growing population in the area and to meet the community's expectation. These are outlined in the table below.

Table 1 Proposed service improvements to be funded by the SRV

Service Area	Purpose of service increase	Operational per year (\$000)	Capital per year (\$000)
Buildings and trade maintenance	Increase maintenance and management of buildings	\$590	
Cleansing operations for public areas	Expand town centre cleaning and footpath sweeping	\$400	
Community services	Expansion of Community Development services	\$500	
Environmental sustainability	Enhanced biodiversity programs	\$155	
Environmental sustainability	Enhanced environmental sustainability services	\$130	
Environmental sustainability	Increase in funding to implement Climate Risk Strategy	\$120	
Governance	Increase in resources for Internal Audit, Risk and Governance	\$200	
Information systems	Renewal and systems expansion for Information Technology		\$250



Other	Business improvement programs - project management, systems and processes	\$400	
Place Management	Increase resources to deliver a Cultural Plan	\$150	
Road maintenance services	Expand Footpath Management program	\$220	
Sports fields and golf courses/garden services and bushcare	Increase resources for Open Space assets	\$670	
Statutory planning	Increase resources to reduce assessment times for Development Applications	\$300	
Strategic planning	Deliver commitments under State-led strategies (Rhodes and Parramatta Road corridor)	\$600	
Strategic asset management	Increased resources to renew Roads, Footpaths and Seawalls		\$2,900
Strategic asset management	Increased resources to maintain and renew drainage assets	\$100	\$150
Traffic and transport	Increase resources for Strategic Traffic Management	\$200	
Tree services	Expand Tree Maintenance and Management service	\$245	
Total		\$4,980	\$3,300
Grand Total		\$8,280	



Savings that Council has made and plans to make

In 2018, the Council undertook a broad review of its services and implemented an ongoing improvement program to reduce costs and improve productivity. The initiatives implemented under the program so far have produced savings of \$1.7 million per year. This is already included in Council's base case Long Term Financial Plan.

Council has a continuous improvement program and is implementing an ongoing service review program. It has identified further cost savings of \$80,000 and net increases in revenue of \$335,000 to be implemented.

What is a special rate variation?

New South Wales has a rate capping regime in place. Each year, the Independent Pricing and Regulatory Tribunal (IPART) sets a "rate peg", which is the maximum percentage increase in total rates that all are allowed to implement. If a council needs to increase rates by more than the rate peg, it must apply to IPART for an SRV.

Almost all NSW councils will be faced with having to apply for a special rate variation at some point. There are two types of SRVs:

- a temporary SRV for a fixed amount over a fixed period of time
- a permanent SRV for a fixed amount that remains in the rate base.

When a temporary SRV expires, rates return to the original level at the conclusion of the approval period and are usually approved to fund specific one-off projects, such as significant infrastructure projects. As the City of Canada Bay is looking to increase ongoing services, uplift ongoing maintenance and renew assets, and address the core deficit in the General Fund, a permanent SRV is required. Permanent SRVs can be implemented over up to seven years.

What SRV is proposed for Canada Bay?

To fund the identified increase in services and improvement to asset condition, Council requires a cumulative increase of 19.78% over and above the rate peg, a breakdown of the proposed rate increase is provided below.

Table 2 Proposed rate increases

	2023/24	2024/25	2025/26	2026/27	Cumulative
Permanent increase above the rate peg	12.24%	2.31%	2.19%	2.08%	19.78%
Rate peg	3.25%	2.5%	2.5%	2.5%	11.19%
Total increase	15.49%	4.81%	4.69%	4.58%	32.52%



IPART determines the annual rate peg that councils receive each year, based on the increase in cost of a selection of goods and services that NSW councils purchase. This calculation looks back over the past year of cost increases and applies the rate peg to the next financial year. The 2023-24 rate peg will be based on cost increases experienced by councils in 2022-23. This year, annual inflation is currently projected to be approximately 5%. Therefore, Council has modelled an expected 2023-24 rate peg of 3.25% to reflect this. Further details on these assumptions are outlined in Council's updated Long Term Financial Plan.

This special variation will produce additional revenue of \$8.3 million over four years, which will be used to fund the service increases outlined in table 1.

Reviewing minimum rates to prepare for growth

Why increase minimum rates?

A minimum rate is the minimum amount of a rate that can be levied on each parcel of land. As rates are calculated on unimproved land values, there can be a significant difference between the rates calculated for a house and a unit. These differences neither reflect the relative difference in the capacity to pay of house and unit owners nor the costs of services that a council provides to house and unit owners.

The minimum rate must not exceed the permissible limits provided in the Local Government Act and Regulations, unless IPART or the minister approves a higher amount.

As the City of Canada Bay continues to see a greater proportion of residential unit development, it must consider increasing minimum rates to ensure services can be extended to these new developments, while not disproportionately increasing the rates burden to single house dwellings.

Proposed increase to minimum rates

Council is proposing a minimum rate increase of \$250 over and above the rate peg, or \$346.36 including the rate peg, which will be implemented over four years. In 2022-23, Council's minimum rate is \$761.71.

Table 3 Proposed minimum rates

	2023/24	2024/25	2025/26	2026/27
Proposed minimum rate	\$879.69	\$953.95	\$1,030.05	\$1,108.07

What do these proposed changes mean for ratepayers?

The impact on an individual's rates will be different depending on the unimproved land value of their property. From 1 July 2023, changes as a result of the general revaluation undertaken by the Valuer General will also come into effect.

The following table provides an indication of the weekly increase likely to be experienced by those paying the minimum and those whose current unimproved land value is \$1.5 million, which is the current median land value within the local government area.


Table 4 Weekly increase in rates

	2023/24 Weekly increase	2024/25 Weekly increase	2025/26 Weekly increase	2026/27 Weekly increase	Cumulative weekly increase over the four years
Minimum rate payers	\$3.98	\$0.77	\$0.79	\$0.81	\$6.35
On residential land value of \$1.5 million	\$2.16	\$1.43	\$1.46	\$1.50	\$6.55
On business land value of \$1.2 million	\$7.59	\$1.48	\$1.51	\$1.55	\$12.13

How do my rates compare to other councils?

Council's rates are relatively competitive when compared to other similar councils. In 2026-27, the average City of Canada Bay's residential rate will be \$1,357.48, the table below shows how this compares to other similar councils. The Office of Local Government groups councils in groupings of similar councils, the table below also shows how Canada Bay's average residential rate compares to its group average.

Table 5 2026-27 projected average residential rate

Rank	Council	Avg rate (2026-27)
1	Hunters Hill	\$2,269.99
2	Burwood	\$1,573.19
3	Lane Cove	\$1,461.31
4	Inner West	\$1,419.96
5	Canada Bay	\$1,357.48
6	Ryde	\$1,239.46
7	Strathfield	\$943.18
	Group 3 Average	\$1,332.79

In 2026-27, the average City of Canada Bay's business rate will be \$4,299.72, the following table below shows how this compares to other similar councils. The Office of Local Government groups councils in groupings of similar councils, the following table also shows how Canada Bay's average business rate compares to its group average.


Table 6 2019-20 average business rate

Rank	Council	Avg rate (2019-20)
1	Ryde	\$11,525.11
2	Burwood	\$7,536.94
3	Inner West	\$7,183.78
4	Strathfield	\$6,038.31
5	Lane Cove	\$5,466.53
6	Canada Bay	\$4,299.72
7	Hunters Hill	\$1,322.11
	Group 3 Average	\$7,537.78

Not all councils have minimum rates, Council has projected the minimum rate increase against a number of metropolitan councils that have minimum rates. City of Canada Bay will remain comparable to other councils after the implementation of the full proposed increase to minimum rates. These projections assume that the other councils only increase their minimum rates by the rate peg, and do not apply to IPART for increases in excess of the rate peg.

Table 7 2026-27 projected minimum rates

Rank	Council	Avg rate (2026-27)
1	Burwood	\$1,203.05
2	Ryde	\$1,167.23
3	Ku-ring-gai	\$1,109.61
4	Canada Bay	\$1,108.07
5	Georges River	\$1,092.71
6	Sutherland	\$1,065.62
7	Lane Cove	\$1,053.34
8	Inner West	\$957.01

How will the increase impact Council's ongoing financial sustainability?

The proposed special rate variation will enable Council to deliver increased services and improved assets to the community. It will also enable Council to address its ongoing core deficits in the General Fund, ensuring Council is more resilient and responsive to shocks and unexpected events in the future.

While Council can deliver consolidated surpluses without the SRV, there remain core deficits in the General Fund, which finances all services and infrastructure except for domestic waste. Without the rate increase there is also no ability to increase services and an increased risk of a growing asset backlog.

The special rate variation will ensure Council's ongoing financial sustainability with surpluses in both the consolidated operations and in the General Fund.

Figure 3 Projected growth scenario (including SRV) consolidated operating performance ratio as per City of Canada Bay's 2023-33 Long Term Financial Plan

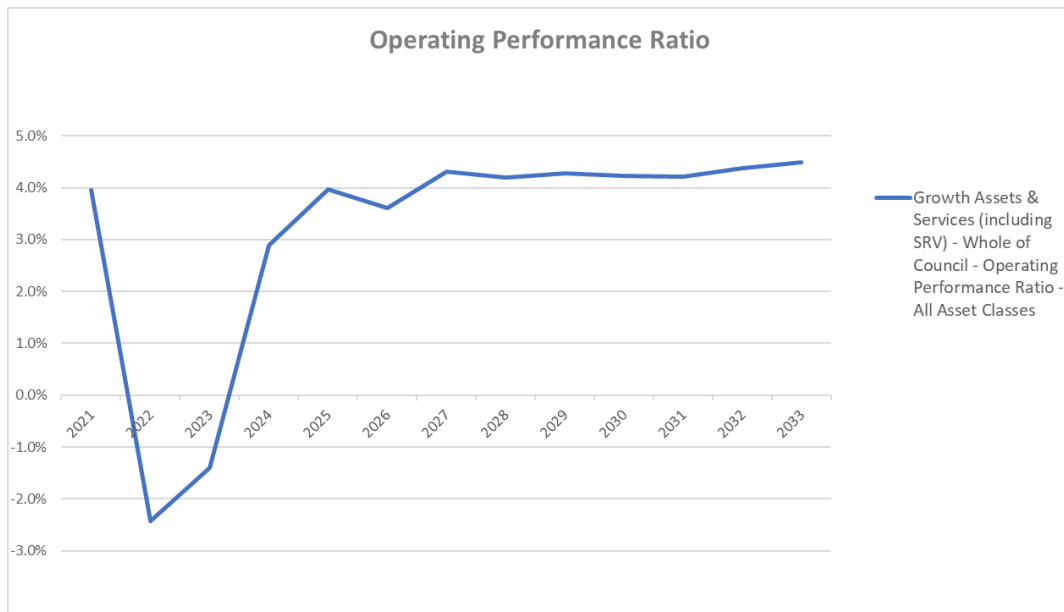


Figure 4 Projected growth scenario (including SRV) operating results by fund as per the 2023-33 Long Term Financial Plan



Council has updated its Long Term Financial Plan to show the impacts of both the base case (no SRV) and the growth scenario (including the SRV). This is out for exhibition now and is available here. [\[link provided when established\]](#)



What is the process for Council to apply for an SRV?

Council must apply to IPART for approval to increase rates through an SRV. Before doing so, Council must demonstrate that it has engaged the community about the possibility of an SRV and has considered its views. IPART will also seek community feedback.

More information on SRVs can be found on IPART's website:
<https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations>.

Where can I get more information?

From 5 September, more information on the proposed SRV is available from Council's 'Collaborate Canada Bay' website at the following link [\[link provided when established\]](#)

Council will also be including information on the proposed SRV in its regular newsletters and to the media. We will also be running three forums for the community to find out more and to ask questions as follows:

- [details of forums to be provided when scheduled]

Have your say

Council will seek feedback from the community on the SRV and its updated Long Term Financial from 5 September to 18 October 2022.

You can have your say by providing a submission or comment through Council's 'Collaborate Canada Bay' site, [\[link provided when established\]](#)

What happens after this?

Once the community consultation period concludes on 18 October 2022, Council will review the feedback received.

A report will then go to Council for their consideration of the feedback and any updates required to the LTFP. Council will decide whether to proceed with the SRV application.

If they decide to proceed with the SRV application, the application will be submitted to IPART in February 2023. IPART will conduct its own consultation, with public submissions likely to be sought in March 2023, before they make their determination in May 2023. If successful, the SRV will be included in rates from 1 July 2023.



About Morrison Low Consultants

Morrison Low is a multidisciplinary management consultancy specialising in providing advice to local government. It has extensive experience across Australia and New Zealand and in particular assisting councils with financial modelling to understand current and future sustainability challenges. Morrison Low has supported councils to become more sustainable through improvement programs and with preparing special rates variation applications to IPART where necessary. Morrison Low undertakes community engagement on behalf of councils relating to SRVs, rates harmonisation, integrated planning and reporting and statutory engagement processes, where independence is important. More information about Morrison Low can be found on our website: www.morrisonlow.com.

Special Rate Variation – Public forum

City of Canada Bay Council

September 2022



Prepared for:

Ref	Date	Version	Approving Director
7624	12 Sept 2022	1.0	[REDACTED]

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Introduction

- Who are Morrison Low?
 - We are a local government focused management consultancy with expertise in helping councils address sustainability challenges.
 - Morrison Low have independently reviewed Canada Bay Council's financial position and modelled options to ensure a financially sustainable future.
- Purpose for today:
 - to inform you of the proposed Special Rate Variation (SRV) and the reasons for it
 - to provide you with an opportunity to ask question to understand the challenges facing council and the reasons for the proposal to apply for a SRV.
- By the end of this meeting you should be more informed to form and express your views on the SRV.

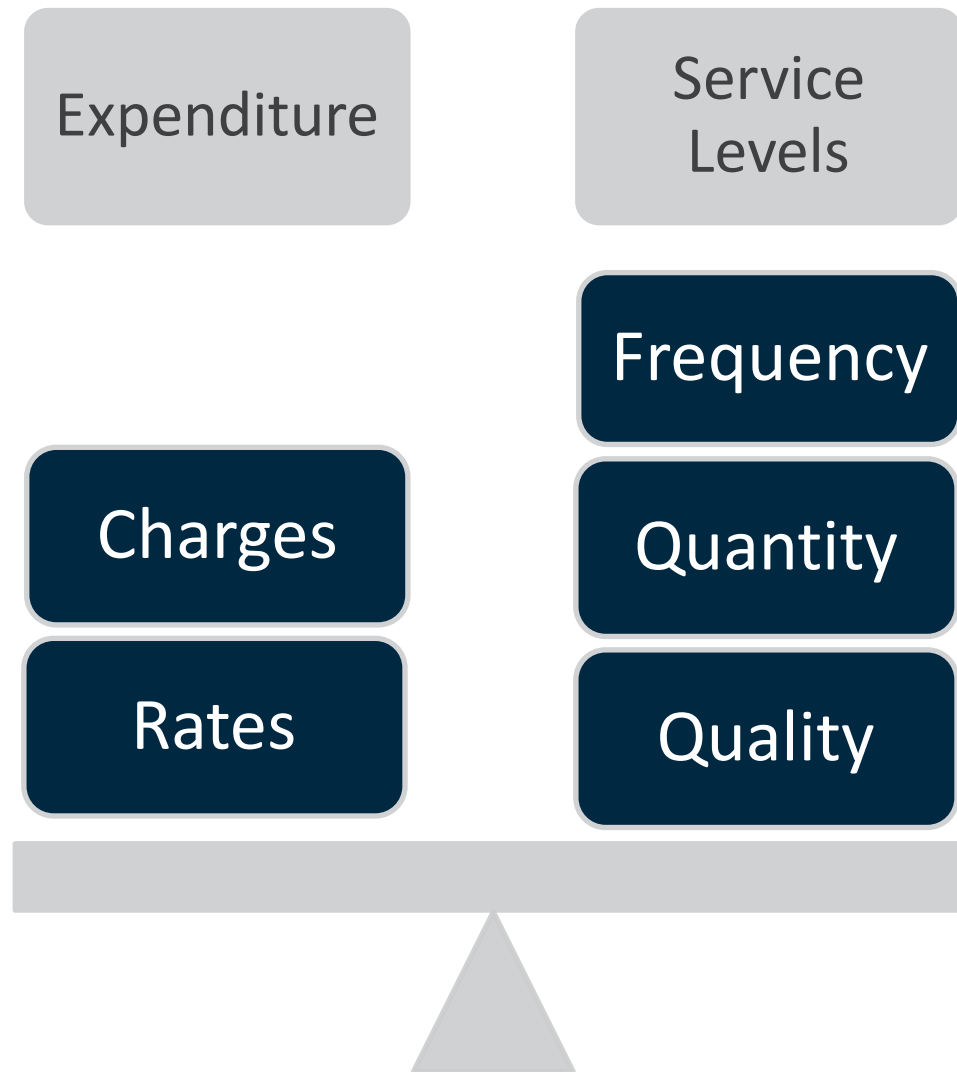
Today's process

- Presentation on the Council's current financial position, the proposed SRV and minimum rates, and the impact on average rates.
- Opportunity to ask questions at the end of the presentation.
- This forum will cover:
 - Council's current financial position
 - The proposed SRV and what it will be used to fund
 - The proposed minimum rates increases
 - Impact on average rates
 - The SRV process and next steps.
- This forum is not intended to:
 - Review Council's Delivery Program or Community Strategic Plan
 - Make a decision on whether to apply for the SRV

Council must be financial sustainable

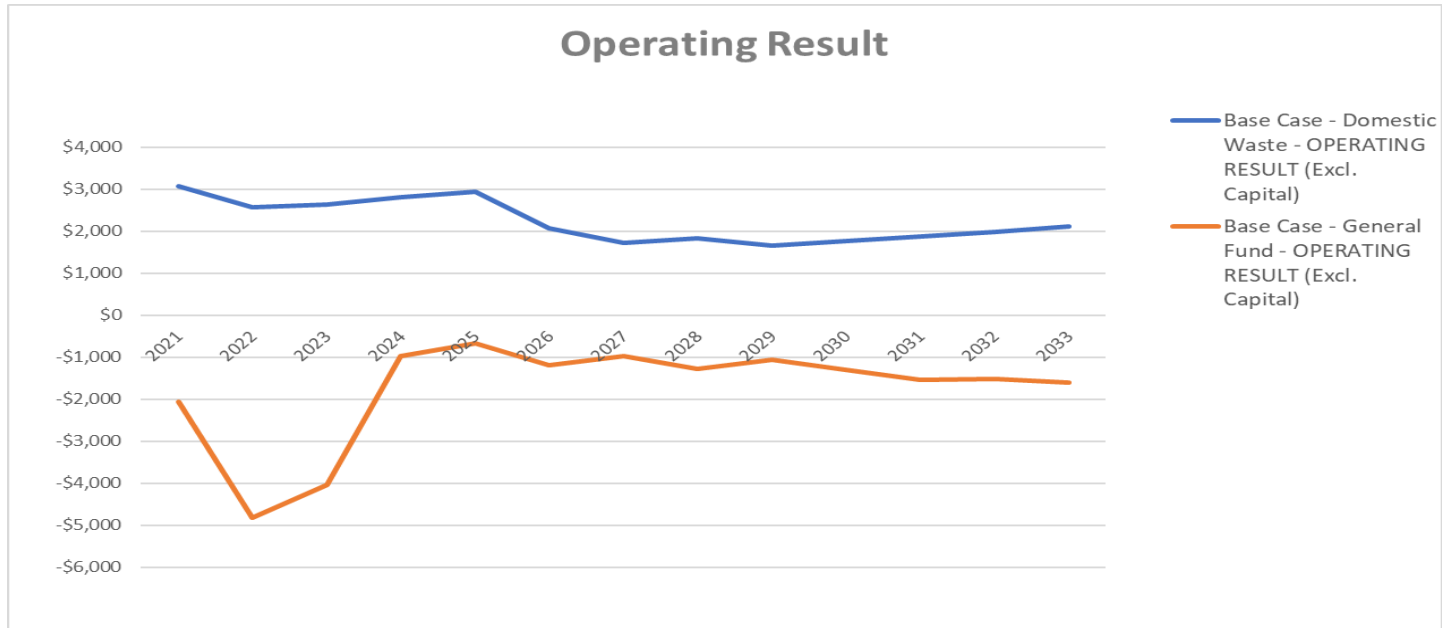
- The Local Government Act requires councils to apply sound financial management principles
- S8(b) of the Act - Council spending should be responsible and sustainable, aligning general revenue and expenses.
- This includes:
 - achieving a **fully funded operating position**
 - **maintaining sufficient cash reserves**
 - having an appropriately **funded capital program**
 - **maintaining its asset base** ‘fit for purpose’
 - having adequate resources to meet ongoing **compliance obligations**.
- **Not negotiable** - failure to meet these obligations can lead to NSW Office of Local Government intervention.

Balancing services with resources



Sustainability of the General Fund

- While the Long Term Financial Plan (LTFP) base case shows a consolidated view of deficits moving into surpluses from 2024 onward, the General Fund show consistent deficits over the 10 years.
- This includes the forecast rate peg of 3.25% in 2023-24 and 2.5% thereafter. This is a typical challenge for many councils, as the rate peg doesn't keep pace with cost increases.



Managing the General Fund Deficit

- The deficits in the General Fund are result of costs growing faster than revenue. Inflation and wages grow faster than the rate peg.
- Council reviewed all of its services in 2018 and implemented \$1.7 million in annual savings as a result.
- A further \$415 thousand of savings have been identified and will be implemented in 2022/23.
- Council's program of service reviews will continue to look for and implement productivity and efficiency savings.

Proposed service and asset improvements

- Council has also identified the need for further investment in priority service and asset areas.
- This will enable both improved and expanded services and lays a solid foundation following significant past population growth.

Proposed increased services

Service Improvement	Cost (\$000 pa)
Strategic Planning: to deliver the State-led strategies	\$600
Development Assessment: to cope with increased volume of Development Applications and speed up assessment times.	\$300
Parks & Recreation: to expand facilities inspections, maintenance, tree maintenance and management, and operations	\$1,000
Roads & Traffic: to deliver additional maintenance and cleaning of streetscapes in population hubs	\$800
Community strategies and services: to improve community safety, cultural planning, biodiversity, sustainability and climate change strategies, and community services	\$1,100
Corporate Services: to enhance systems and processes for internal audit, risk management and business improvement.	\$600
Asset Maintenance: to improve maintenance of buildings and assets	\$600
Increased operational expenditure on expanded services	\$5,000

Proposed asset renewal increases

- Council has also identified the need to increase ongoing capital expenditure of \$3.3 million to renew key infrastructure to ensure they continue to meet requirements, including the following:
 - Roads
 - Footpaths
 - Street lighting
 - Seawalls
 - Drainage
 - Community buildings and facilities, including Swimming Pools, Leisure Centre, Libraries, and parks and sport field amenities
 - Information Technology
- **\$8.3 million** has been identified to increase services and ensure asset are kept at required conditions.

Proposed Special Rate Variation

- A special rate variation of **19.78%** over and above the forecast rate peg is proposed to ensure Council remains financially sustainable and to fund the proposed service and infrastructure expenditure increases.

	2023-24	2024-25	2025-26	2026-27	Cumulative
Forecast rate peg	3.25%	2.5%	2.5%	2.5%	11.19%
Permanent increase above the forecast rate peg	12.24%	2.31%	2.19%	2.08%	19.78%
Total increase (including forecast rate peg)	15.49%	4.81%	4.69%	4.58%	32.52%

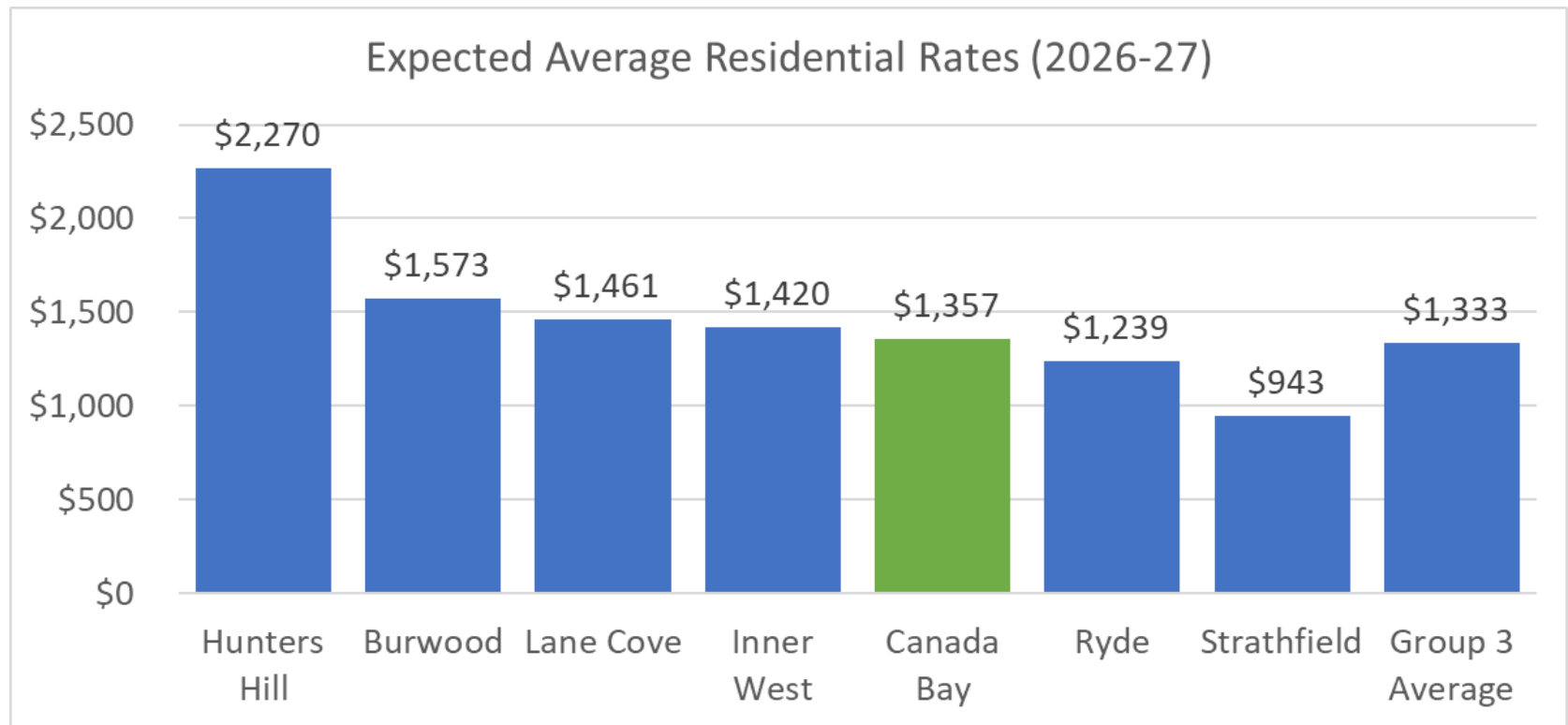
What does this mean for residents?

- For residents who own a property with land value of \$1.5 million the variation of rates equates to **\$3.31** per week in addition to the forecast rate peg in 2023-24 with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$0.87	\$0.78	\$0.80	\$0.82	\$3.27
Increase from SRV above the forecast rate peg	\$3.31	\$0.00	\$0.00	\$0.00	\$3.31
Total (including forecast rate peg)	\$4.18	\$0.78	\$0.80	\$0.82	\$6.58

Comparison to other councils – residential

- Even with the proposed Special Rate Variation, Canada Bay’s average rates remains close to the average of other comparable councils.



Proposed Minimum Rates increase

- As rates are calculated on land values, there can be a significant difference between the rates calculated for a house and a unit. These differences neither reflect the relative difference in the capacity to pay for each owner nor the costs of services that Council provides to both owners.
- As the City of Canada Bay continues to see a greater proportion of residential unit development, it must increase minimum rates to ensure services can be extended to these new developments, while not disproportionately increasing the rates burden to single house dwellings.
- Council is proposing to increase Minimum Rates by **\$250** over and above the forecast rate peg increase. This equates to a total \$346.46 over four years when the forecast rate peg increases are included.

Total Minimum Rates	Current	2023-24	2024-25	2025-26	2026-27
Proposed minimum rate	\$761.61	\$879.70	\$953.95	\$1,030.06	\$1,108.07

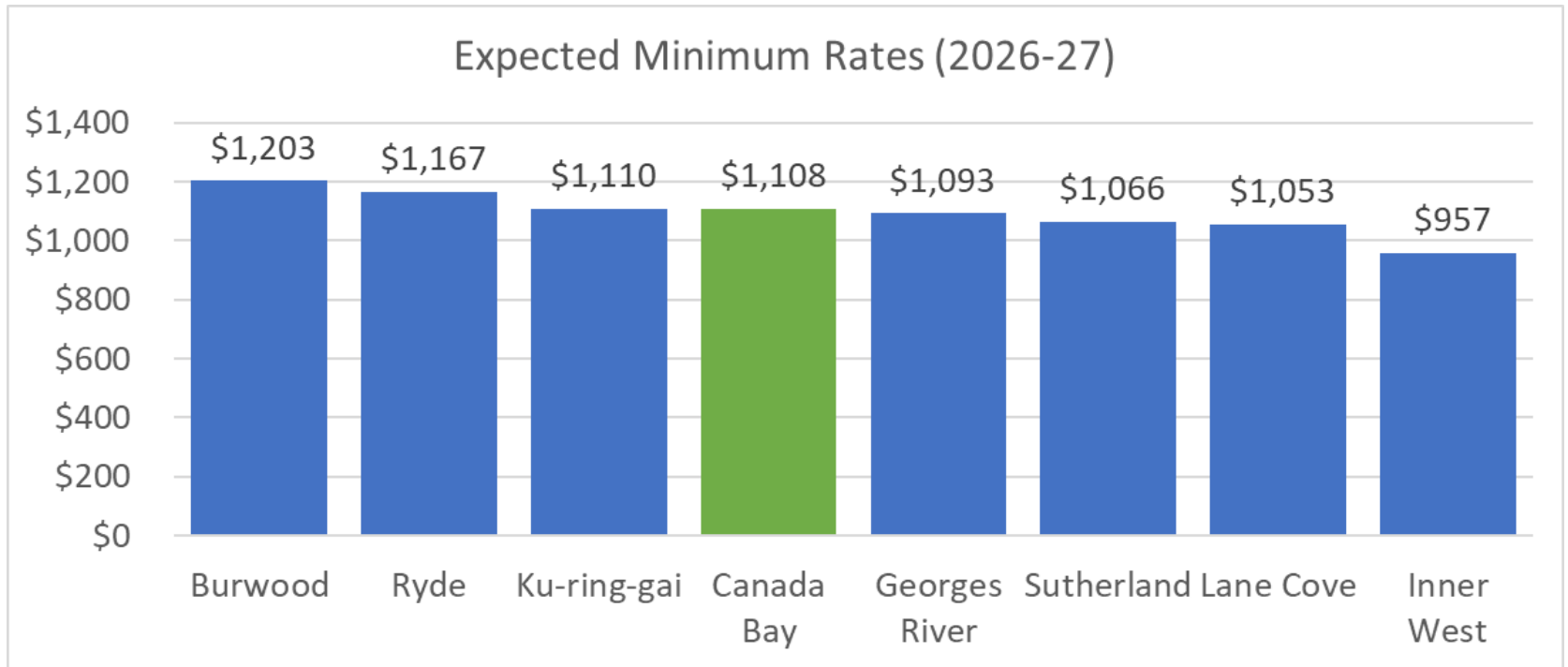
Weekly impact for minimum ratepayers

- For residents paying the minimum rate, the weekly increase is \$4.82 over the forecast rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increases from the forecast rate peg	\$0.48	\$0.42	\$0.45	\$0.50	\$1.85
Minimum rate increase above forecast rate peg	\$1.79	\$1.01	\$1.01	\$1.01	\$4.82
Total (including forecast rate peg)	\$2.27	\$1.43	\$1.46	\$1.51	\$6.67

Minimum rates comparison

- The minimum rate increase allow Canada Bay to remain comparable with other similar councils with minimum rates.



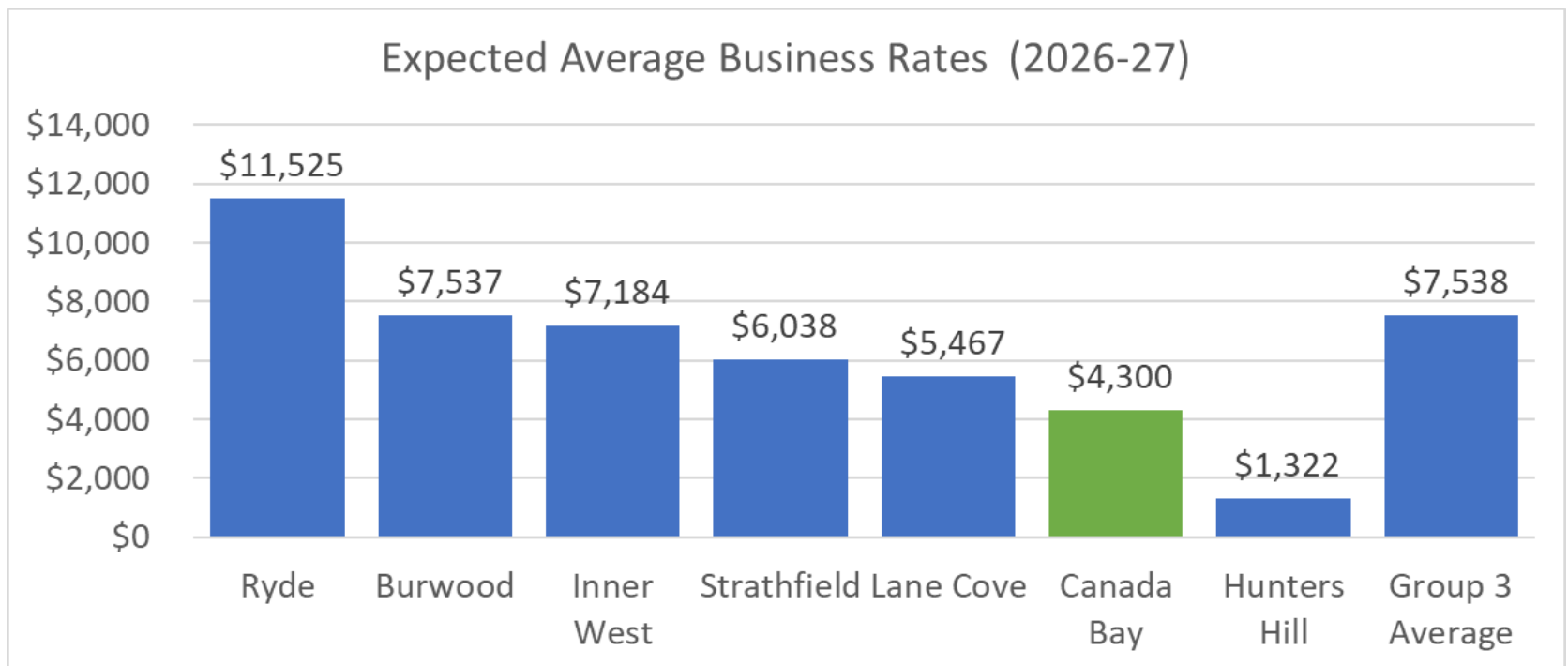
What does this mean for businesses?

- For businesses with land value of \$1.2 million, the proposed variation of rates would equate to \$6.30 per week in 2023/24 in addition to the forecast rate peg with no further increase in the following years aside from the rate peg.

Weekly Increases	2023/24	2024/25	2025/26	2026/27	Cumulative
Increase from the forecast rate peg	\$1.68	\$1.49	\$1.52	\$1.56	\$6.25
Increase from SRV above the forecast rate peg	\$6.30	\$0.00	\$0.00	\$0.00	\$6.30
Total (including forecast rate peg)	\$7.98	\$1.49	\$1.52	\$1.56	\$12.55

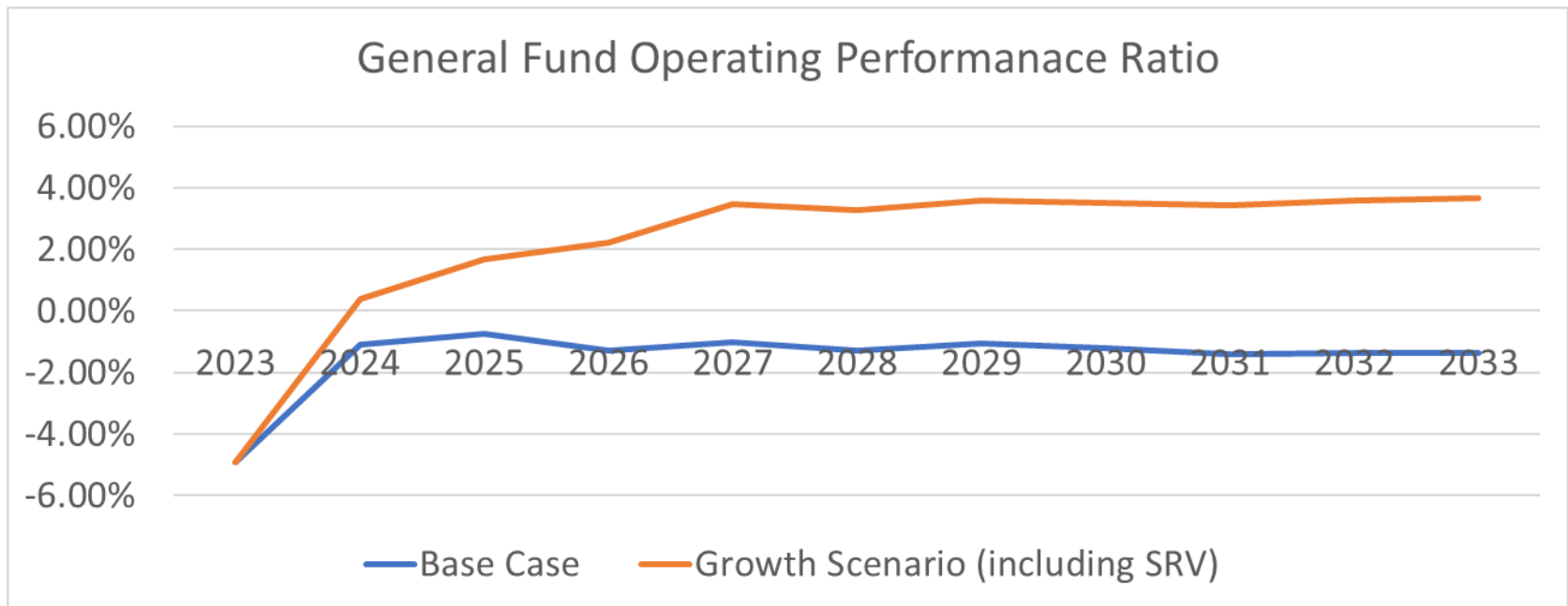
Comparison to other councils - business

- Even after the proposed Special Rate Variation, Canada Bay's business rates remains significantly below the average of other comparable councils.



What does it mean for Council?

- The special rate variation as proposed would enable Council to be financially sustainable in its General Fund into the future.



What happens next

- **September & October 2022:** Community consultation on the SRV
- **November 2022:** Council will consider all submissions and decide on whether to proceed to apply for the SRV.
- **February 2023:** Council lodges the SRV application (subject to above decision).
- **Between March and April 2023:** IPART invites submissions and evaluates the application.
- **May 2023:** IPART makes its determination and Council determines if it will apply all or part of the approved SRV.

How the SRV will be assessed?

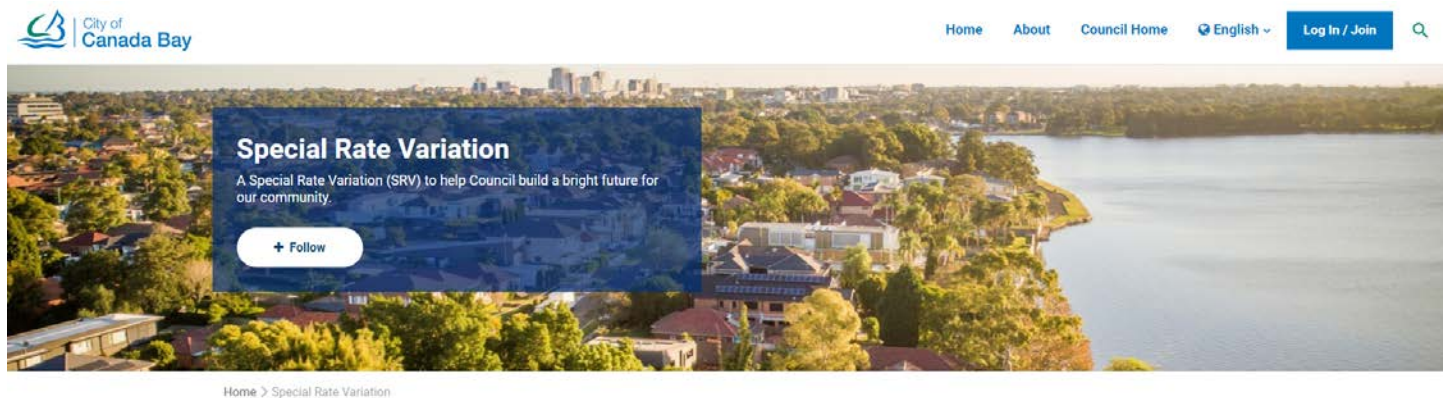
IPART assesses the SRV applications using the following criteria:

1. The **need and purpose** of a different rate path for the council's General Fund is clearly articulated and identified in council's IP&R documents.
2. Evidence that the **community is aware** of the need for and the extend of a rate rise.
3. The **impact on affected ratepayers** must be reasonable
4. The relevant **IP&R documents** must be exhibited, approved and adopted by council.
5. The IP&R documents or councils application must explain and quantify the **productivity improvements and cost containment** strategies.
6. Any other matter that IPART considers relevant.

How to have your say?

- Find more information and provide your feedback on the SRV and/or the updated Long Term Financial Plan on Council's Collaborate Canada Bay page:

<https://collaborate.canadabay.nsw.gov.au/srv>



Securing our
future



Do you have a question?

Call our customer service team and ask for either:

- **Technical financial questions** - Finance Manager, Mark Wohlfel, and his team
- **General questions** - Community Engagement Coordinator, Sarah Corry

City of Canada Bay
9911 6555
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Questions

