

Submission ID Number	Elected to Speak?	Speaking Timeslot	Submitter Name <i>(click on name to view submission)</i>	Submission Summary
RS06	Yes	2.20pm	<a href="#">Ralph Gallagher</a>	This submitter has (six) questions for the Rating Strategy 2019 - 2022
RS01	Yes	2.30pm	<a href="#">Barry Gilbert</a>	Reduce the Rural Vacant Land rate from 190% to 140%.
RS03	Yes	2.40pm	<a href="#">Marie Gerrard- Staton (Rate Challengers - A Community South Gippsland Group)</a>	On behalf of the Rate Challengers - Community South Gippsland Group this submitter has provided five main questions for the Rating Strategy 2019 – 2022.
RS05	Yes	2.50pm	<a href="#">Cheryl Denman</a>	Submitter considers Council's writing of the Rating Strategy is either out of touch or does not give a damn about the community's outcries. The Rating Strategy was introduced in 2013 and this is when the rate increases became unsustainable and unfair in my experience. Our Community is aging. More of us each year finding ourselves on the pension. Councillors can no longer sit back and deny the hardship rate increases are having on all rate payers, especially pensioners and low income earners, it is time to grow a heart and conscious, time to be accountable, time to change like never before.
RS07	Yes	3.00pm	<a href="#">Phil Rerden (Foster Chamber of Commerce)</a>	<p>The Foster Chamber of Commerce Advocate for maintaining the status quo in particular the Commercial and Industrial Properties differential rate should remain the same as the 2014 Rating Strategy and believe the Rural Residential differential rate is contentious.</p> <p>The impact of increased rates for Commercial and Industrial categories will directly affect the viability of many retail, commercial and industrial businesses because most of these business lease or rent their properties and pay the direct costs of rates as well as rental.</p> <p>Another area that directly impacts on the cost of running businesses is the cost of compliance. South Gippsland Shire has its own system of raising funds to pay for its services, but many of those costs and charges affect commercial, retail and industrial rate payers.</p>

**Submission RS01 – Barry Gilbert – Reduce the Rural Vacant Land rate from 190% to 140%.**



**Speaking to Submission - Yes**

8 April 2019

Barry Gilbert

Mr Tim Tamlin  
Chief Executive Officer  
South Gippsland Shire Council  
Private Bag 4  
Leongatha Vic 3953

Dear Sir,

**Re: PROPOSED RATING STRATEGY 2019-2022**

On 24 March I sent you my submission to the above Proposed Rating Strategy 2019-2022 which has been accepted and for which I have requested to speak at the Open Hearing of Council on Wednesday 22 May, 2019.

With further research on the vacant land rate at the Baw Baw Shire Council, I have been advised by Kim McGuffie, Revenue Officer, that vacant land below 2 hectares in their farming zone attracts the General Rate (Refer to copy of his email to me of April 1, 2019).

In my submission I listed the vacant land rates of neighbouring rural shires as:

<b>Baw Baw</b>	<b>Differential Rate</b>	<b>180%</b>
<b>Cardinia</b>	<b>General Rate</b>	<b>100%</b>
<b>Bass Coast</b>	<b>Differential Rate</b>	<b>150%</b>
<b>Wellington Shire</b>	<b>Differential General Rate</b>	<b>100%</b>

**Please find my amended listing:**

<b>Baw Baw</b>	<b>Differential General Rate</b>	<b>100%</b>
<b>Cardinia</b>	<b>General Rate</b>	<b>100%</b>
<b>Bass Coast</b>	<b>Differential Rate</b>	<b>150%</b>
<b>Wellington Shire</b>	<b>Differential General Rate</b>	<b>100%</b>

When studying the rating strategy of neighbouring rural shires, it is always not clear, especially in the case of Baw Baw who has a differential rating system, that small rural blocks of land in farming zones are often excluded from the higher vacant land rate and rated as "General".



This further illustrates the grossly inequitable proposed South Gippsland Shire's new category of "Rural Vacant Land" at 190% when compared to neighbouring rural shires.

I request that this extra submission be included as an addendum to my previous submission.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Barry Gilbert".

Barry Gilbert



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**Date:** Monday, April 01, 2019 1:49 PM

**Subject:** RE: General Enquiry

Good afternoon Barry,

The Farm Rate differential is %10 less than the General Rate and is applied to property which meet the criteria as set out in the Farm Rate application from.

Vacant land under 2ha that is zoned Farm will attract the General Rate

Regards

**Kim McGuffie**  
Revenue Officer



**Baw Baw Shire Council**  
[bawbawshire.vic.gov.au](http://bawbawshire.vic.gov.au)



Council acknowledges the traditional custodians of the land that makes up Baw Baw Shire. We pay our respects to their Elders both past and present. We are committed to providing a safe working environment that embraces and values child safety, diversity and inclusion.

**Sent:** Wednesday, March 27, 2019 10:29 AM

**Subject:** General Enquiry

Hello Baw Baw Shire,

I wish to make an enquiry re your differential rating strategy, in particular, the rate for rural vacant land below 2 hectares in the farming zone as a percentage of the general rate.

It appears to me after looking at your web site and budget that the differential rate is approximately 180% of the general rate.

Am I correct or is there a reduced rate for vacant land in the farming zone?

4/1/2019

Submission RS03 – Marie Gerrard – Staton - On behalf of the Rate Challengers - Community South Gippsland Group this submitter has provided five main questions for the Rating Strategy 2019 - 2022:

[Return to top](#)

### Speaking to Submission - Yes

25/04/19

MARIE GERRARD-STATION

TO: S.G.S. CEO.  
PRIVATE BAG  
LEONATHA. VIC. 3953.

DEAR COUNCILLORS.

ENCLOSED SUBMISSIONS NUMBERED 1-5  
RE PROPOSED RATING STRATEGY 2019-2022.

I, MARIE GERRARD-STATION formally  
request to be heard in support of each of  
these 5 submissions, as per the S.G.S.C.  
submission process as outlined in SECTION 223  
of the LOCAL GOVT. ACT 1989.

Yours faithfully,  
Marie Gerrard-Staton.



25/4/19

To: CEO. S9SC.  
PRIVATE BAY 4.  
LEONGATHA, VIC. 3953.

Submission / Petition 1.

Dear S9S Councillors,

Please accept my submission as follows.

Considering that there were 19,752 Rateable Properties in S9S in July 2018 - Dec 2018  
CS9S Organisational Performance Report.

P. 38. Council's Service Performance.

and S9S.C. offered no public platforms to its ratepayers in that period specifically to offer them the chance to address questions or clarify issues relating to their rates we submit a request that S9S.C. initiate and setup regular monthly community consultative meetings throughout various locations within the S9S.

The present regular S9S.C. ordinary meetings do not offer a user friendly platform in which ratepayers can address Councillors and Administrative staff personally and openly and spontaneously.

Ratepayers in S9S. have indicated their interest in participating in such future meetings which are designed specifically to improve communication between S9S.C and its ratepayers.

Thank you.

Marie Gerard-Stokan.

( Rates Challengers -  
A Community South Gippsland Group.)

Ref: S9S.C. Proposed Rating Strategy. 2019-2022  
Simplicity. P. 11.



25/04/19

Submission/Petition 2.

To: SGSC, C.E.O  
Private Bag 4,  
Leongatha Vic. 3953

RE: SSS. Proposed Rating Strategy 2019/20.

Dear Councilors,

We request that the panel of community representatives that inputs feedback to the SSS rating strategy includes the following additional representatives from the SSS community.

- ① 50% minimum female representation reflecting the figures of the female population in SSS in the SSS population profile.
- ② A representative of the increasingly growing number of ~~age~~ older female ratepayers who live alone in the SSS community and are responsible for rates payment.
- ③ A representative of ratepayers who receive an aged pension or disability allowance as their sole form of income to pay SSS rates.
- ④ A representative who does not belong to formal community groups, i.e. a newcomer or someone who is not linked in or otherwise represented on the panel yet still is obligated to pay rates.

Pet. 2. Executive Summary & Recommendations, Page 6.  
SSS Proposed Rating Strategy 2019 - 2022.

Marie Gerard - Stefan.

MARIE GERARD - STAFEN

(FOR) RATES CHALLENGERS - SSS Community Group.



25/04/19

Submission/Petition 3

TO: S9SC. LEO.  
Private Bag 4.  
Leongatha Vic 3953

RE: PROPOSED RATING STRATEGY S9S 2019/20

Dear S. G. S. Councillors,

Please accept the following submission.  
Since the current S9S Councillors recently publicly admitted in Ordinary S9SC meetings that it was "hard to get their heads around the difficult subject of rates" that all S9S Councillors attend meetings specifically designed to educate and inform them about this subject of key importance to S9S ratepayers.

We also suggest that invitations be extended to interested S9S ratepayers so that they too can be better informed and misunderstanding avoided.

Ref: Cr. Mayor J. Hill's response to question on notice posted by Arie Bernard Stetson on behalf of S9S rates challengers at S9S ordinary meeting 24/04/19.

Thank you.

REF: 2. EXECUTIVE SUMMARY + RECOMMENDATIONS P.6.

S9S PROPOSED RATING STRATEGY 2019-2022

Arie Bernard Stetson.



25/04/19

SUBMISSION 4.

MARIE GERRARD-STATION

TO: SGS CEO.

PRIVATE BAG. 4.

LEONGATHA VIC. 3953.

Dear SGS Councilors,

Please accept my submission as follows: -  
South Gippsland Shire at present does not offer any  
waiver on rates payment due from pensioners, old  
aged or disability.

We believe that this is unfair and  
does not represent a "fair go" for those  
SGS pensioners who as ratepayers make up  
an increasing number of the SGS ratepaying  
community.

We are aware that a waiver is possible  
by the SGC if adopted, as is the case in  
neighbouring Shires.

Please introduce such a waiver to  
the deserving struggling ratepayers of the  
South Gippsland Shire.

Thank you.

Marie Gerrard-Station.

(for RATES CHALLENGERS)  
(A community south gippsland  
group)

TO: CEO S.G.C.O.  
SUBMISSION 5.

SUBMISSION 5  
MARIE GERRARD - STATION

SUBMISSION RE SGS RATING STRATEGY  
~~QUESTION WITHOUT NOTICE~~  
PROPOSAL 2019-2022



Question No: 1.

What specific event &/or administration performance failure happened between 1<sup>ST</sup>. October, 2018, when Cr. Don Hill, in the presence of Cr. Meg Edwards & MP Danny O'Brien, addressed about 80 ratepayers at a Public Meeting (Scout Hall, Korumburra) & firmly indicated a rate reduction of 10% was affordable & yet, by March, 2019 Cr. Hill is supporting a 2.5% rate increase – effectively that's a multi-million \$, 12 ½% turnaround in the rate revenue target in just 5 months - such a change of position appears odd, given the Finance Manager, Tracey Lindupp, said around that time: "Cash and other financial assets were projected to be \$18.87 million in 2018-19" (Ref. The Great Southern Star, 30 Oct. 2018, p9) & moreover when considered in light of Cr. Hill's previous commitment to the 'South Gippsland Council Plan 2017-2021 (Adopted Revised Version – June 2018), Ref. page 23, where in the segment 'Enhance Organisational Development & Implement Governance Best Practice' – Strategies to Achieve the Objective, 4.3, it states: "Work in partnership with the Chief Executive Officer and senior staff to develop a four year Rate Reduction Strategy, to reduce the rate burden by 3% through improved innovation and productivity savings, streamlining the administrative structures and processes, through improved Business Unit performance and economic growth"?

**Submission RS05– [Cheryl Denman](#) - The Rating Strategy was introduced in 2013 and this is when the rate increases became unsustainable and unfair time to change it.**



### **Speaking to Submission - Yes**

Hello,

I am submitting my opinion on the revised rating strategy.

I have sat in on many council meetings, organised and attended community meetings regarding SGS's outrageous rate hikes and been personally advocating for those like myself with this council for many years regarding the unsustainable rate rises continually forced upon the community. I have and am still under financial stress due to my personal situation which I do not expect to change as the underlying cause will never change. I represent those in our community that are doing it hard. I'm not only on a disability pension due to a broken back, PTSD, anxiety etc due to domestic violence, but at the age of 57 I also found myself with a mortgage. Hard living with no prospect of improvement, the pressure of outrageous rate rises from council only causing more stresses in an already depressing, challenging situation.

I know Councillors are aware the community is hurting from the rate hikes they impose, I've seen and heard their stories in community meetings. The council writing the rating strategy is either out of touch or does not give a damn about the community's outcries. Councillors are there to serve the community not rip us off. They need to listen and hear and represent us and our needs not their own agendas. It's time the Councillors put their words into action and pass on promised rate cuts to their community, after all, they are in a great financial position we are told at Council meetings. Please don't waive that around as a victory flag, do something compassionate and positive, connect and fulfil your rate reduction promises with the community, IT'S TIME.

The fact that council can give an additional concession on top of the Government concession to those holding concession cards living on the lowest of incomes, pensioners, needs to be implemented now. Council concealing this assistance from the community it serves is disgraceful. This is as important if not more so than changing the hardship policy as it gives consistent and real financial assistance to those of us who need it most taking pressure of the need to apply for councils hardship policy which currently does nothing in fact to help those applying for it, it is humiliating and degrading in its nature. I don't need a financial adviser to explain that my hmm \$3 per fortnight, twice a year pension increase will not cover the cost of increases in food costs, electricity, insurances, petrol etc and rate rises. Being in this position, living under these circumstances I can tell you I don't have a problem with my spending, I have a problem with councils!

I sincerely hope Councillors listen and hear me, show some compassion and understanding, reduce the burden of rates imposed on us, the community, especial since the 2013 rate strategy was introduced as this is when rate increases became unsustainable and unfair in my experience. Our community is aging, more of us each year finding ourselves on a pension. Councillors can no longer sit back and deny the hardship rate increases are having on all rate payers, especially pensioners and low income earners, it's time to grow a heart and conscience, time to be accountable, time to change like never before!

Sincerely

Cheryl Denman

## Submission RS06– [Ralph Gallagher](#) – Six questions for the Rating Strategy 2019 - 2022



### Speaking to Submission - Yes

To:	Chief Executive Officer, Shire of South Gippsland
From:	Ralph Gallagher
Date:	Friday, 26 April 2019
Please note that I would appreciate the opportunity to speak in support of this submission at the meeting proposed for this purpose.	

#### 1. Preamble

The rates issue has lain on the table for almost 18 months since the initialisation of the Shire's second ratings strategy review process. That second process was left unresolved as result of Council's decision to put to one side both the report of the reviewing committee and the minority report submitted by two members of that committee. Council elected to proceed with the existing rates structure (v.2017/2018) and to conduct a further examination over the course of the current reference year. The decisions reached by Council listed in the report ***Proposed Rating Strategy 2019 – 2022*** and to a lesser extent, several aspects of the review process, are considered here.

#### 2. Aspects of The Second Ratings Strategy Review Process

The review process was not a satisfactory one – the meetings were littered with attempts to misapply statistics, heated exchanges, unsubtle and frequent efforts to effect category-wide changes on a single case basis. And at times, quite inappropriate behaviour. The Chair did admonish one member for such behaviour. It is also relevant to note that the reference to the review process in the current report overlooks the fact that a minority report was also submitted to Council as part of that review. When Council met with the review committee the chair of the latter made it abundantly clear that the behaviour of some members of the committee had been, on several occasions, inappropriate. Apparently this verbal advice has not been recorded.

#### 3. Proposed Ratings Categories

The ***Proposed Rating Strategy 2019 – 2022*** recommends the adoption of three new ratings categories.

- ❖ Extractive Industries
- ❖ Infrastructure and Utilities
- ❖ Vacant Rural Land



3.1 Extractive Industries “*properties are those that are used for the purpose of quarrying sand, gravel and stone*”. There are 12 such properties and the differential remains as it was/is when the 12 were included in the Industrial category. The reason for the change is unclear. Paragraph 3 of Item 9.3 leaves the impression of confusion. A better explanation is needed for consideration.

3.2 The newly-identified Infrastructure and Utilities category suffers a similar malady to its fellow newbie. Why do it? What was unsatisfactory about the previous categorisation? Such mystery, absence of adequate explanation, gives rise to doubts about intent. Acknowledging the repeated expression of commitment to transparency, Council should expect residents of the Shire to look for an effective statement of need for the change and the corrections and benefits accruing therefrom and such should be provided.

3.3 Vacant Rural Land is to be subject to a 1.9 differential. A slight reduction to that applied to other vacant land, apparently recognising the alleged higher cost of service connections. Are there data available to provide an adequate basis for this claim?

3.4 Overall the establishment of these three categories, unjustified in any sensible way (if one relies on the text of the report), adds further size and definition issues to the ratings system without any obvious benefit to the Shire. Increased claims of unfairness and discrimination will no doubt result. What is the real demonstrated need and consequential benefit of these new categories?

#### 4. Taxation

The report (prolix and otiose as it is) makes several mentions of “*ability to access taxation deductibility*” as a condition that on one hand is a negative feature for “the farm” but a positive benefit for a commercial or industrial enterprise. Advice suggests all enjoy a positive taxation regime that is not available to the general ratepayer. The usage of taxation provisions as a basis for the application of a differential needs to be clarified.

#### 5. Rates Cap

For some years now Council has promoted the severity of the State Government’s cap imposition and the difficulty this causes. More recently the *Town Crier* declared that Council had done well to observe the cap at the same time as it anticipates a significant reduction in “rates” in years to come. Some doubts about the actual worth of the future promise have been promoted recently suggesting that the promise will become real only as a result of the substantial increases imposed on ratepayers over recent years. Council should rebut these claims using data not simply statements.

#### 6. Necessary Information for Ratepayers

Following on from the previous observations Council should provide a number of data reports for our information and consideration.





- Firstly a report (anonymised of course) showing the rates payable for say 30 rated properties across each of the categories (except vacant land and Cultural and Recreational land) for each of the last five years.
- In addition a similar report for the last five years showing the rates payable at various CIV points over that same period across each of the categories referred to in the preceding paragraph.

None of these data are difficult to obtain from the Shire's ratings model. The ease of extracting such data was demonstrated many times during the review process. Circulation of such data would add greatly to our understanding of the system – reduce the mystique, further re-inforce the notion of transparency!

## **7. Conclusion**

I look forward to the opportunity to speak to Council and to explain any of the foregoing should this be necessary.

**Ralph Gallagher**

**Submission RS07– [Phil Rerden \(Foster Chamber of Commerce\)](#) - Maintain the status quo for the Commercial and Industrial Properties differential rate and the Rural Residential differential rate is contentious.**



**Speaking to Submission - Yes**



**Re: Submission to the Rating Strategy South Gippsland Shire 2019**

**The Foster Chamber of Commerce supports the decision of Council on the 21<sup>st</sup> March 2018 to reject the recommendations of the Rating Review Committee with its changes to the rating strategy.**

**We advocate maintaining the status quo. In particular we advocate that the differential for Commercial and Industrial properties should remain the same as the 2014 strategy. We believe the category Rural Residential (lifestyle blocks) and the rate subsidies enjoyed by the owners of these properties are particularly contentious.**

This submission focuses on the disproportionate share of rates, to come from the Commercial and Industrial sectors in the Shire. If these changes were to be accepted there would be a significant impact on those businesses with large increases in amounts individual properties would have to pay. The impacts would be far reaching, given the role retail, industrial, and commercial businesses contribute to the economy of our shire.

We would like to quote the philosophy of Council articulated in the letter accompanying the 17/18 Budget which stated "...an increased emphasis on economic development. In a changing global economy we must support our industries to be adaptive and attract new industries to the region.

While agriculture underpins our economy it is augmented by food production, value adding and manufacturing sectors .... We believe there is a bright future for South Gippsland we just have to have everything in place to harness it." (Cr. Argento)



The intent of the Rates Strategy Review Committee recommendations clearly gives further relief to the farming sector and owners of small acreages (by categorising the latter as farms). The Rating Strategy Committee was over represented by the farming sector with an inappropriate amount of discussion on relief for farmers and not enough consideration given to impacts on other sectors.

It is noted that the reintroduction of a municipal charge which was phased out by the previous Rating Review Committee would be regressive and would impact especially adversely on those least able to pay.

We acknowledge that farmers are also small business operators, indeed there are quite a few 'Main Street' retail or industrial estate owners who also have significant land holdings and operational farms. It is a fact that rates are a form of Wealth Tax, the greater the Capital Improved Value the higher the rates, the more the property owner has to pay. That is the system that Council operates within. At the moment the farmers already have a 70% differential rate.

The State Government is in the process of reviewing the current rating system. It would be appropriate for Council to wait for the outcomes of this review.

No one wants to pay more tax, and there is no evidence that small businesses (which represent 95% of all businesses in the Shire) are doing any better than any other sector at present and able to increase their proportion of the contribution to the rate base. Cr. Hill's statement at the March 2018 meeting that "businesses can afford to pay their employees so they can afford to pay more .... And that the increases only equated to a cup of coffee every three weeks" is ludicrous and over simplifies the situation.

In your own Council plan you have acknowledged that the community has requested you to "focus attention on the economic growth of our Shire, the sustainability of our businesses and creation of jobs". The Council plan goes on to acknowledge that "the cost of living is escalating, so please improve the efficiency of your operations and minimise rate rises and keep rates affordable and reduce them where you can". These are the commitments you have made, as councillors, to the South Gippsland community.

Small businesses have a number of pressures they have to deal with. Not only is there the commitment to have the door open at the same time every day, there is the juggle to find enough to pay wages, services and overheads. Electricity costs have risen rapidly and disproportionately lately. The growth of large supermarket chains and the advent of the digital age and online purchasing have meant that small business operators have to be innovative and flexible to be competitive – all of which serves as an additional financial burden. The dramatic changes in the retail sector have adversely affected our main streets, particularly in Leongatha and Korumburra.

The impact of increased rates for Commercial and Industrial categories will directly affect the viability of many retail, commercial and industrial businesses because most of these business lease or rent their properties and pay the direct costs of rates as well as rental.

Another area that directly impacts on the cost of running businesses is the cost of compliance. South Gippsland Shire has its own system of raising funds to pay for its services, but many of those costs and charges affect commercial, retail and industrial rate payers.

### **We need South Gippsland to be competitive.**

Cr. Brown, when speaking to the motion on March 21<sup>st</sup> 2018 pointed out a number of comparisons with other Gippsland Shires and we stood up well. Historically, our Shire has developed out of the

direct needs of farmers to have communities and suppliers within a reasonable distance of their farms. The cost of maintaining the services in our 28 towns and villages is significant. Not only do we want our communities to survive, we need them to prosper, with opportunities for employment.

Therefore, we are not asking Council to 'slash and burn' and cut rates dramatically. What we are asking for is a considered approach to managing budgets, and a considered and fair approach to their rating strategy, which at the present time would be to maintain the current rates status quo.

Phil Rerden

President Foster Chamber of Commerce

