

**Submission
No 41**

**SUPPORT FOR DROUGHT AFFECTED COMMUNITIES IN NEW SOUTH
WALES**

Organisation: Cootamundra-Gundagai Regional Council

Date Received: 29 November 2019

At the ordinary meeting of Cootamundra-Gundagai Regional Council on Tuesday 26 November Council resolved (RESOLUTION 428/2019):

That a submission be prepared for the NSW Government Inquiry into support for drought affected communities in NSW, recommending:

(a) The NSW Government consider rate relief for rural businesses as a form of support for drought affected communities.

(b) That the NSW Government provide financial and administrative support to local Councils to enable them to implement the relief without incurring additional costs for ratepayers.

8.3.3 INQUIRY - SUPPORT FOR DROUGHT AFFECTED COMMUNITIES

DOCUMENT NUMBER	316605
REPORTING OFFICER	Miriam Crane, Manager Community and Culture
AUTHORISING OFFICER	Phil McMurray, General Manager
RELEVANCE TO COMMUNITY STRATEGIC PLAN	1. A vibrant and supportive community: all members of our community are valued 1.1 Our Community is inclusive and connected
FINANCIAL IMPLICATIONS	There are no Financial implications associated with this report.
LEGISLATIVE IMPLICATIONS	Compliance with the Local Government Act, 1993.
POLICY IMPLICATIONS	There are no Policy implications associated with this report.
ATTACHMENTS	Nil

RECOMMENDATION

That a submission be prepared for the NSW Government Inquiry into support for drought affected communities in NSW, recommending:

- (a) The NSW Government consider rate relief for rural businesses as a form of support for drought affected communities.**
- (b) That the NSW Government provide financial and administrative support to local Councils to enable them to implement the relief without incurring additional costs for ratepayers.**

Introduction

On 25th September, 2019 the New South Wales (NSW) Government commenced an Inquiry into support for drought affected communities in NSW.

The Terms of Reference for the inquiry are below. Council has been requested to make a submission by 29th November, 2019. Other community members and groups are also able to make submission.

The Committee on Investment, Industry and Regional Development inquire into and report on the impacts of drought on regional NSW and identify potential government action with particular reference to regional businesses, economies and communities including:

- (a) population loss and loss of key trades, skills and businesses, and community services such as schools and medical services;
- (b) business debt finance and responses of financial companies to the impact of drought;
- (c) direct and indirect impacts of drought on businesses and industries;
- (d) transition and recovery from drought when drought conditions begin to improve;
- (e) preparedness for future drought events;
- (f) assessment of current Government programs;

- (g) temporary relief from state taxes, charges and levies for drought affected businesses;
- (h) capacity and coordination of town water supplies and further recycling opportunities;
- (i) particular impacts on Indigenous communities; and
- (j) any other related matter.

Discussion

Given that rates form a large expense to residents, rural landholders and business (often it represents the largest single account a business might pay each year), consideration should be given to how Council can influence the State Government to reduce the impact of these costs on drought affected communities.

Effectively, legislation prohibits reducing rates levied & payable. The only concession the Local Government Act, 1993 (the Act) allows Councils to provide currently is pension concession, the amounts and eligibility details of which are prescribed by the Act. Full rates are levied as per legislation, then the concession is applied. This is then 55% funded to Councils by the NSW Government.

There are provisions in the Act for postponement of rates, but this specifically applies only to properties where surrounding development has greatly increased the value of land that has existed for a long time.

Being not legal, there's no provision in Councils' finance and rating systems for calculating or processing any other concession or rebate.

As such any provision for rates relief due to drought would need to be a scheme of direct cash operating grant funding from Government to Councils for rates foregone, plus the cost of administration, writing and implementation of IT system changes and programs. There would need to be details provided by the government on eligible assessments and amounts.