

THE DRAFT LOCAL GOVERNMENT RATES CAPPING AND VARIATION FRAMEWORK JULY 2015

The Commission's Consultation and Engagement

On 31 July 2015, the Essential Services Commission (the Commission) released its draft framework on council rates capping and variation in response to the terms of reference received from the Victorian Government in February 2015.

A key part of the development of the framework is engagement with the local government sector and interested parties – the local councils, ratepayers, peak bodies, other council groups, suppliers, and unions. The engagement program is occurring in two parts, the first was to inform the preliminary research period which led to the draft framework (March – June) and the second is the consultation period following the release of the draft framework (August).

During the first consultation period, from February to July, each of Victoria's 79 Councils were engaged in some way. This included events and forums held by representative bodies, such as the Municipal Association of Victoria, the Victorian Local Governance Association, LGPro, FinPro, and groupings of councils such as the Great South Coast Group and the Inner Southern Metropolitan Mayor's Forum. We have also engaged with some councils directly through one-on-one meetings or conversations. Over 70 submissions were received from councils and the sector's representative bodies.

In addition, an interactive session was held with six representative ratepayer groups. Invitations to this session were issued to ratepayer groups individually or through their peak body, Ratepayers Victoria. One hundred ninety-six submissions have been received from ratepayers individually or through their various special interest organisations.

During the first consultation period one-on-one meetings were also held with representatives of the Australian Services Union, Professionals Australia and the Australian Nursing and Midwifery Federation. We also met with the Victorian Farmers Federation, the Institute of Public Works Engineering Australasia and the Victorian Civil Construction Industry Alliance and interested parties from the private sector such as CT Management Group.

We have met with State Government departments and agencies such as Local Government Victoria, the Victoria Grants Commission, the Victorian Auditor-General's Office, the Department of Treasury and Finance and the Department of Premier and Cabinet. We have also presented to the Fair Go Rates Reference Group established by the Minister for Local Government, as well as the Minister's Local Government Mayoral Advisory Panel.

We have also engaged with our colleagues in New South Wales (NSW) at the Independent Pricing and Regulatory Tribunal and the Office for Local Government about NSW rate pegging.

This level of engagement with interested parties undertaken was to allow us to hear from all interested parties on major matters in order to help us formulate the draft framework. Discussions involved developing a shared understanding of the terms of reference, an appreciation of the major issues and challenges faced by the sector, and the desired outcomes from an effective framework.

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Submissions made to the Commission have been published on the Commission's website at <http://www.esc.vic.gov.au/Local-government/Local-Government-Rates-Capping-Framework-Review/Consultation-Paper-Local-Government-rates-capping/Submissions>

The draft framework will be consulted on in August before being finalised for submission to the Government by September.

The second consultation period in August will also be extensive. Five public information sessions will be held – four in the regional areas and one in Melbourne. These sessions will be widely advertised in newspapers and through the extensive contact list developed during the preliminary consultations.

The public information session details are below:

Region	Day	Date	Time	Venue
Traralgon	Monday	10 August 2015	5:00-6:30pm	Premier Function Centre, 29 Grey Street, Traralgon
Melbourne	Monday	17 August 2015	5:00-6:30pm	Telstra Business Centre, 242 Exhibition Street, Melbourne
Wangaratta	Thursday	20 August 2015	5:00-6:30pm	Quality Hotel Wangaratta Gateway, 29-37 Ryley Street, Wangaratta
Bendigo	Wednesday	26 August 2015	12:00-1:30pm	La Trobe University Visual Arts Centre (VAC), 121 View Street, Bendigo
Horsham	Wednesday	26 August 2015	6:00-7:30pm	Horsham Golf Club 304 Golf Course Road Horsham

If you are interested in attending one of these information sessions to learn more about the draft framework, please register with the Commission by emailing localgovernment@esc.vic.gov.au or by telephoning 03 9032 1300.

In addition, councils will be specifically invited to attend briefing sessions with the Commission's team at the locations where the Public Information Sessions will be held. Councils and their peak groups are also being encouraged to promote the public information sessions to their communities.

As with the first consultation period, one-on-one meetings are being scheduled with the peak bodies and councils to provide them with more in-depth detail on the draft framework.

Ratepayer organisations will be invited to another facilitated discussion session and two randomly selected groups of ratepayers and community members (one in regional Victoria and one in metropolitan Melbourne) will deliberate on the framework, its principles and how it can be improved or changed - from the perspective of a ratepayer or community member.

The feedback about the draft framework will be further considered by the in developing its final recommendations to the Government.