

Hepburn Shire Council higher cap application

Submission received via email

Date submitted: 8 April 2025

Submission written by: Benny Petersson

Dear Essential Services Commission,

Apologies, my submission omitted my post code which I have now added.

I am writing to formally object to Hepburn Shire Council's application for a 10% rate increase—significantly above the 3% rate cap.

This proposal places an excessive financial burden on residents and businesses at a time when many are already struggling with increased living costs. In addition to the proposed rate hike, the Council has implemented steep increases in fees and charges over the past year:

- Domestic animal registration fees have risen by approximately 30%.
- Business registration fees have increased by more than 100% in some categories.

These fee hikes, coupled with a proposed 10% rate rise, reflect a pattern of the Council attempting to recover from financial mismanagement by shifting costs onto the community.

There are numerous examples of questionable and reckless financial decisions:

- The Creswick Trails project cost Council \$7 million, which the Council did not have and was forced to borrow. With a \$200,000 a year maintenance cost.
- In Trentham, a population of around 2,000, the Council committed \$3 million toward two projects totalling \$10 million—an enormous investment during a time when financial prudence is critical.
- Council chose to lease new chambers, at an estimated cost of \$200,000 per year, despite already owning multiple office buildings across the shire and with many staff able to work remotely up to 50% of the time. This decision appears unnecessary and wasteful.
- The Daylesford Town Hall Hub project is another concerning example. It has already cost over hundred thousand dollars in planning—even though plans for this very project were previously

developed and paid for under past council terms. Now, the project is being revisited with a staggering estimated execution cost of \$20–\$25 million, despite no funding being secured. Recycling a previously planned project with no clear funding pathway—at such a high cost—is not financial responsibility; it's a repeat of poor strategic planning and a waste of ratepayer money, in the face of current financial pressures?

These decisions do not reflect financial responsibility or strategic planning. Instead, they suggest a continued pattern of spending beyond the Council's means.

Furthermore, the community consultation process cited in support of this rate increase was deeply flawed and not credible. Conducted in mid-2024, it was based on a poorly advertised, mainly online survey, with no controls to prevent multiple submissions. Only 315 responses were received from a population of around 16,000. Approximately 40% opposed any rate increase, and of those who were open to an increase, the majority supported only a modest rise of 4% or under.

Crucially, the consultation did not limit participation to actual ratepayers, which further undermines its validity as a measure of community sentiment regarding a rate rise. It is entirely inappropriate to use this data to justify a substantial increase when the process was neither representative nor robust.

In summary, this proposed 10% rate increase is excessive, not community-supported, and stems from years of poor financial management. I urge the Commission to reject the application and to encourage Hepburn Shire Council to take meaningful steps toward responsible governance.

Kind regards,

