



Pathway Ref: 85352 (15/07247)
15 May 2015

Dr Ron Ben-David
Chairperson
Local Government Rates Capping and Variation Framework Review
Essential Services Commission
Level 37
2 Lonsdale Street
Melbourne VIC 3000

Dear Dr Ben-David

Re: Consultation Paper - Local Government rates capping and variation framework

The Consultation paper has not been formally considered at a Council meeting, however, it was informally discussed by the Mayor and Councillors during an assembly of Councillors.

Councillors support the Commissions' goal to make the framework clear, robust, flexible and adoptable. Councillors are also pleased to see that the principles which will guide the design and implementation of an effective framework, recognise –

- the diversity of our sector,
- the responsibilities we have in delivering services,
- our autonomy,
- the need for us to satisfy the burden of proof if we want to seek a variation to the cap, and
- the need for us to engage our communities when prioritising our expenditures and setting our rates,

Councillors agree that these are good goals and principles to guide the consultation process and they are pleased the consultation paper highlights the collaboration between state government, local government and the communities we represent.

Councillors support the view that CPI is not the appropriate index of a councils costs and that you will examine the merits of using an alternative index.

In conclusion, thank you for the opportunity to provide comments on the Consultation Paper and Councillors look forward to a rigorous consultation process.

Yours sincerely

Peter Johnston
Chief Executive Officer