

## **Feedback on rate capping.**

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Essential Services Commission.

The Keysborough Learning Centre (KLC) is a NFP community organisation which provides a wide variety of educational and community programs. KLC is a Learning Centre and Neighbourhood House, whose primary purpose (from its Constitution) is to “act...at all times as a community dedicated to service and care for all... Provide a friendly place of learning and enrichment...seek at all times to remain within the financial reach of low-income people and families...Without discrimination, be a place of welcome to all...”.

While KLC understands the proposal about capping has the intention to limit costs to families, we have concerns about whether a blanket cap, particularly based on CPI, will actually hurt more than it helps.

KLC is in the City of Greater Dandenong (CGD), and believes this council is very positive and pro-active in its community work. The CGD is also a growing area, particularly the suburb of Keysborough where KLC is based - thousands of new homes have been (and continue to be) built over the last few years. It is very evident that with this growth and community development activity, CGD Council costs are not necessarily going to stay within a simple CPI base, which is more typically reflective of household costs. There is a need for infrastructure and project costs to improve services for the long-term – it is not the case that everything is in place and the council can assume business as usual.

KLC is not advocating all councils are able to spend without accountability, but does suggest a one (CPI) cap fits all approach may be counter-productive. It could cause some councils to have to cut various social support services, which would hurt community cohesion and be even harder to rectify down the track. KLC would recommend any review of rates use appropriate indexes and be cognisant of growth and capital requirements, and/or establish some independent comparison mechanism.

Yours Sincerely

Neil Cooper  
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Keysborough Learning Centre