Objection of proposed Shire of Denmark rate increase for 2019/20

– Table of Submissions

Name	**Submission**	**Response by Officer**
Submission 1	Right now the ratepayers of this shire, the region and most of the nation are hurting financially – so much so that even WA's minister for local government has publicly requested local councils to show restraint when setting rates this year. Read the front page of the *Denmark Bulletin* (among others) for a glimpse of how the downturn is affecting local businesses, which are the canaries of economic wellbeing in small communities. That is the economic reality forming the backdrop to council's proposed rate rise. While I can see that there are sound pragmatic reasons for a 4% hike in rates this year, I believe that there are currently compelling and compassionate reasons to reduce any rise to a level which recognises the hip-pocket pain that people are suffering. This is not the time for economic rationalism: it is the time for seeing things as they really are, out on the street and in the average home, and to respond by factoring in ratepayer distress. So, what if it takes an extra year, or two, or three to make serious headway in the shire's asset recovery? Slowly slowly catchee monkey – because the monkey isn't going anywhere. I urge you to reduce any rate rise this year to 2-3%.	I appreciate your concern regarding the economic climate for local businesses. The overall objective of the proposed rates is to provide fairness and equity for everyone in the community and ensure service levels are maintained at sustainable levels. It is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is. Following the collection of this information, we commenced work on a capital works program that outlines what we need to spend on our assets over the next 5, 10, 15, 20 years to keep them functioning and in an acceptable state. We were also able to understand the effect that delaying the renewal of assets has had in the past and get a grip on the backlog of work that we face and the associated cost burden that this has generated. Some Councils that have found themselves in a similar position have decided to tackle the issue in one or two years through substantial rate increases in the order of 15-20%. Our survey results suggest that our community's current satisfaction levels with assets and services is in the acceptable range and as such we have decided to take a more moderate path to recovery.

Submission 2	Submission as per the CEO response from 2018/2019: As for 2018/2019 True, but is simply meeting the minimum statutory requirement's the best we can do? We should aspire to provide information that is actually useful and presented in a way that encourages understanding. The additional info provided in the Denmark Bulletin No.986 is a good start but it only happened in response to concern about the initial low key Page 14 community notice which changed nothing in response to the 2018/2019 submissions. Hopefully the improved notice will become the norm and be further improved by the inclusion of more info about what is funded by the rates increase (or would not be funded if the rates did not increase?) – ie not just generalisations about budget repair and asset management catch-up. For example, will the asset management "problem" be resolved in "x" years with "x" % rate increases? Has the Shire "shared the pain" in the 2019/2020 budget by cutting discretionary expenditure items? On a more significant long term note the CBP (Page 6, Four Year Action Plan) predicts a $4m cut in external funding. Does this indicate a systemic local government funding problem that will be very difficult to deal with by simply increasing the ratepayer burden every year over and well above the CPI? Does the Shire have clear strategies, including a LTFP that show when this problem will be fixed? I know a LTFP is in draft and has been workshopped…… but if it is a plan that has significantly influenced a large rate increase it should be publicly available. The lack of this important info makes calls for submissions on rate proposals somewhat tokenistic. I am again left with no alternative than to object strongly to the proposed 4% rate increases which appear to be both unnecessarily large and unsubstantiated when compared with: • The CPI • The WALGA Economic Briefing 21 May 19 and The increased financial constraints being experienced by many ratepayers.	I appreciate your issue regarding improved disclosure by the Shire with rating and budget information provided to community members. The Shire's Long-Term Financial Plan, Workforce Plan and Asset Management Plan, which help inform the Annual Budget are expected to be adopted by Council in the coming months and be made available to the public on our website. These documents will assist community members to further understand the strategic direction the Shire is undertaking to improve key Financial Health Indicators used to assess our performance by the State Government. Projects listed in the CBP indicated to be funded externally and that lose this funding source will not be funded by rate increases. This financial year, as part of the actions of the CBP, the Shire of Denmark will review the Council Differential Rating Equity Policy including the number and type of rating classes that will inform a model and framework for future rating decisions. As advertised, it is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is. Following the collection of this information, we commenced work on a capital works program that outlines what we need to spend on our assets over the next 5, 10, 15, 20 years to keep them functioning and in an acceptable state. We were also able to understand the effect that delaying the renewal of assets has had in the past and get a grip on the backlog of work that we face and the associated cost burden that this has generated.

		Some Councils that have found themselves in a similar position have decided to tackle the issue in one or two years through substantial rate increases in the order of 15-20%. Our survey results suggest that our community's current satisfaction levels with assets and services is in the acceptable range and as such we have decided to take a more moderate path to recovery.
Submission 3	The Committee of DRRA met this week primarily to consider a submission of our position on a 4% increase in rates. The area of most concern to the Committee and invited member present was our inability to make a fully informed comment about the increase because the 2019/20 budget is not presented to the community until 30 July at a Special Meeting. We understand that the demands of the newly finalised asset management plan are driving the requirement for more revenue. What we do not agree with is the timing of the increase and the amount of the increase. It has come to the attention of our organisation that business in the Shire is at a very low point as is the nationwide situation with wages growth and the corresponding low number of the CPI. Therefore, we believe that a number closer to the CPI for increase would reduce the financial burden on an already cash strapped community. Our assets have been neglected for years and so a programme more suited to our ability to pay would be much more appropriate at this time. We would like to see plans to increase the rateable area of the Shire and for the Shire to address instances (such as Air B n B properties) where the true rating category is not applied and therefore a lower number of rates than should be are being collected.	The overall objective of the proposed rates is to provide fairness and equity for everyone in the community and to ensure service levels are maintained at sustainable levels. To achieve this, it is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. To assist the community understanding the strategic direction of the Shire and the financial data that informs the Annual Budget, the Shire's Long-Term Financial Plan and Asset Management Plan are expected to be adopted by Council in the coming months and be made available to the public on our website. These documents will assist community members to further understand the strategic direction the Shire is undertaking to improve key Financial Health Indicators used to assess our performance by the State Government. In response to your suggestion regarding rateable areas, I can inform that this financial year, as part of the actions of the CBP, the Shire of Denmark will review the Council Differential Rating Equity Policy including the number and type of rating classes that will inform a model and framework for future rating decisions. The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is.

		Following the collection of this information, we commenced work on a capital works program that outlines what we need to spend on our assets over the next 5, 10, 15, 20 years to keep them functioning and in an acceptable state. We were also able to understand the effect that delaying the renewal of assets has had in the past and get a grip on the backlog of work that we face and the associated cost burden that this has generated. Some Councils that have found themselves in a similar position have decided to tackle the issue in one or two years through substantial rate increases in the order of 15-20%. Our survey results suggest that our community's current satisfaction levels with assets and services is in the acceptable range and as such we have decided to take a more moderate path to recovery.
Submission 4	My partner Angela Tillier and I agree to the 4% rate increase for the year 2019/2020. Whilst we can afford the increase, and believe it is for the betterment of the community infrastructure and amenities, we would like to see that exemptions be made for residents that are under financial duress.	The overall objective of the proposed rates is to provide fairness and equity for the community. To achieve this, it is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is. In relation to your comment for exemptions to be made for residents that are under extreme financial duress, only concession holders are currently eligible for a state government rebates or to defer rates.

Submission 5	**Overview** I understand that budget planning is like being between a rock and a hard place. If rates go up residents complain otherwise, the Shire will run at a loss or reduced services. Neither option is ideal. The Shire can win by being transparent about the budget process. Annual budgeting does not occur in a vacuum it is part of a strategic plan over a number of years. Currently, we only have a rough idea where the extra rates are applied and for how long. If you share your strategy, we are more likely to back your vision. **Question** Current economic conditions do not suggest a 4% increase in rates. Wages growth, inflation, cash rates, property sale values and economic activity are all in decline. It is unlikely that rentable values (GRV) will continue to increase in a stagnant economy. A 4% rate increase appears to be a number pulled out of the air simply to fund maintenance for newly identified assets. • What is the basis for the 4% increase in 2019/20? • How long is it going to take for newly found assets to be brought up to standard? • How many years are ratepayers expected to endure similar rate rises? • At what point are increased overheads such as rates going to stifle Denmark's fragile economy? Without a draft line item budget for 2019/20, it is impossible to ask specific questions of the budget process and outcome. The lack of detailed budget proposals makes an informed submission impossible.	I appreciate your concern regarding the economic climate for community members and local businesses. The overall objective of the proposed rates is to provide fairness and equity for everyone in the community and ensure service levels are maintained at sustainable levels. It is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The Shire's Long-Term Financial Plan and Asset Management Plan are expected to be adopted by Council in the coming months and to be available to the public on our website. These documents will assist community members to further understand the strategic direction the Shire is undertaking to improve key Financial Health Indicators used to assess our performance by the State Government The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is. Following the collection of this information, we commenced work on a capital works program that outlines what we need to spend on our assets over the next 5, 10, 15, 20 years to keep them functioning and in an acceptable state. We were also able to understand the effect that delaying the renewal of assets has had in the past and get a grip on the backlog of work that we face and the associated cost burden that this has generated. Some Councils that have found themselves in a similar position have decided to tackle the issue in one or two years through substantial rate increases in the order of 15-20%. Our survey results suggest that our community's current satisfaction levels with assets and services is in the acceptable range and as such we have decided to take a more moderate path to recovery.

Submission 6	Please see attached document	I appreciate your concern regarding the economic climate for community members and local businesses. Perceived affordability within the community is just one consideration used to determine rate yield for the budget. Others include: • expenditure and revenue forecast in the Shire's Long-Term Financial Plan; • change in property values; • increases in State Government charges; • the demand for services and whether the level of these services has changed; • changes in the cost incurred by the Shire for expenditure including labour, materials, utilities, contractors and insurance; • various indices and forecasts used to measure changes in costs; • legislative compliance requirements; and • the shortfall in funding required to ensure a budget deficit is not recorded. As advertised, it is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The Shire's Long-Term Financial Plan, Workforce Plan and Asset Management Plan, which help inform the Annual Budget are expected to be adopted by Council in the coming months and be made available to the public on our website. These documents will assist community members to further understand the strategic direction the Shire is undertaking to improve key Financial Health Indicators used to assess our performance by the State Government. This financial year, as part of the actions of the CBP, the Shire of Denmark will review the Council Differential Rating Equity Policy including the number and type of rating classes that will inform a model and framework for future rating decisions.

		Salaries and wages have gone up over the last few years but many factors need to be considered when assessing this data on a year to year basis. Factors to consider: • some included positions are fully funded or partly funded; • new staff have been recruited to address compliance issues; • staff have been underpaid and are now at parity with the sector; • recent culture survey results indicate our staff are more satisfied than ever.
Submission 7	Were it not for the sound and fury being raised in anticipation of a 4% rate increase for 2019/20, I would not feel it necessary to make this submission … for I have complete trust that the current Shire Officers will have provided the necessary information upon which Councillors must reach a decision. That said, I do feel that the information provided to ratepayers could be perhaps made more palatable in two ways. The first concerns the manner of presentation. The public domain data revealed in https://www.mycouncil.wa.gov.au shows that the eleven LGAs in the Great Southern use one of only two types of 'expenditure summaries'. Albany, Denmark and Gnowangerup tabulate just a minimum set of five expenditure types in their total expenditures i.e.: Depreciation; Employee Costs; Material & Contracts; Utilities; Other. whereas the other eight LGAs list … Community Amenities; Economic Services; Education and Welfare; General Purpose Funding; Governance; Health; Housing: Law, Order, Public Safety; Other Property and Services; Recreation and Culture; Transport. The set of five used by Denmark seems largely of technical interest and probably fails to engage the average ratepayer. In contrast, the expanded set of eleven used by the majority of LGAs in the Great Southern is likely to engage meaningfully	The overall objective of the proposed rates is to provide fairness and equity for everyone in the community and to ensure service levels are maintained at sustainable levels. In response to your budget presentation concern, Local Government accounting systems are required to have the capacity to output accounting reports in at least two mandatory classifications being: • Nature or Type (supplied on mycouncil.wa.gov.au website by Shire of Denmark) • Statutory Reporting by Program (showing 11 revenue and expenditure types) The Annual Budget prepared each year (available as a public record) presents the budget in both formats described above. As you have suggested, we will present the budget on the My Council website with both classifications. This financial year, as part of the actions of the CBP, the Shire of Denmark will review the Council Differential Rating Equity Policy including the number and type of rating classes that will inform a model and framework for future rating decisions. It is proposed to increase rates revenue yield by 4% within the Annual Budget presented to Council, which is in line with the projected increase in the Shires Long Term Financial Plan (draft). Of the proposed 4% rates revenue increase, roughly 2% covers increasing costs and the remaining 2% is for asset management. The key focus for the 2019/20 Budget is to provide more funding to maintain Shire assets, both in terms of asset renewal and maintenance. The Shire has undertaken a significant body of work over the last two

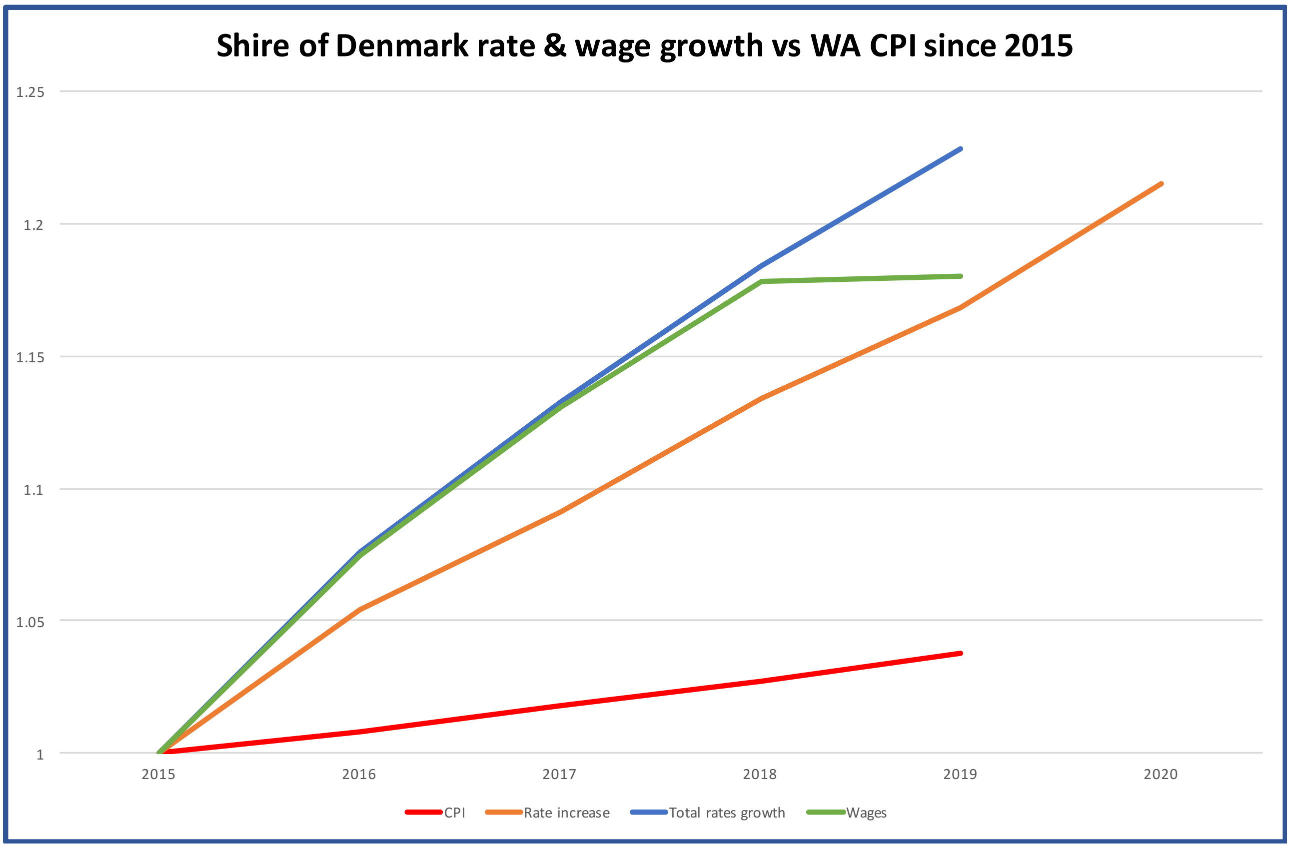
	with the reader – perhaps reducing the likelihood of complaint? Secondly, I suggest that dollar amounts are less frightening than percentages. A table showing the mean, median, minimum and maximum dollar rates in each of the 14 categories would be easy to prepare and, I suggest, less provocative. Finally, now that the Shire has an Assets Register, it is hardly surprising that more attention must be paid to maintain those assets. Past neglect should be addressed and so a rate increase rather larger than otherwise might be expected seems not unreasonable.	years to document the number and type of assets we have, where they are, what their value is, when they were built and how long their predicted lifespan is.

Submission to Shire of Denmark re Proposed 19/20 Rates

Support the principle of differential rates as it is fair and equitable.

Do not support the proposed increase in rates because it is too high in relation to WA economic conditions.

Please see attached chart and graph showing recent Shire of Denmark rate and wages history plus WA CPI figures.



Since 2015 the WA economy has suffered a marked downturn and has been flat and subdued.

The total CPI increase over 4 years has been only 3.8%.

WA unemployment rate has risen from 5.1% to 6.3%.

Mortgage defaults in WA are running at close to twice the national average.

Moodys Investor Services are warning of high levels of mortgage stress in the Australian economy.

ANZ bank have warned of up to 5% of house loans slumped into negative equity in March.

Links below show a sample of articles and research from internet that indicate high levels of mortgage stress in WA.

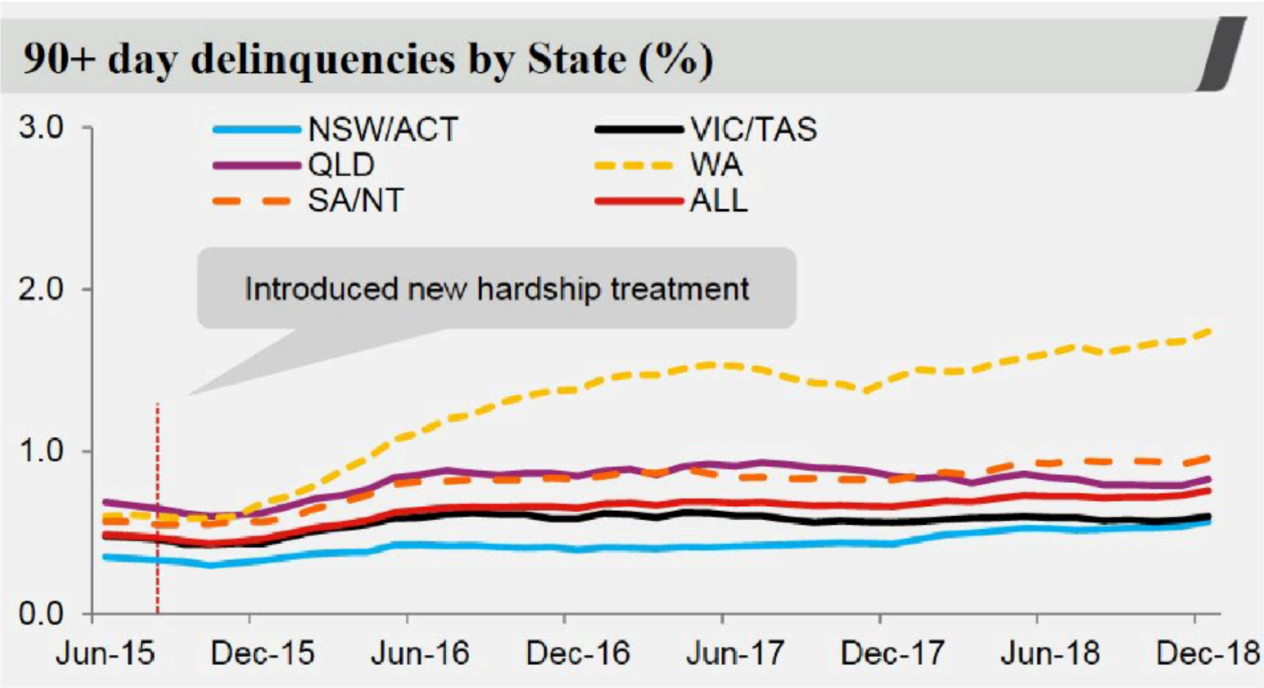
https://www.abc.net.au/news/2018-09-19/mortgage-stress-surges-as-dream-of-home-ownership-fades/10249498

https://www.realestateview.com.au/blog/2019/04/suburbs-suffering-mortgage-stress/

https://www.macrobusiness.com.au/2018/06/australian-mortgage-stress-postcode/

http://digitalfinanceanalytics.com/blog/tag/mortgage-stress/

https://digitalfinanceanalytics.com/blog/mortgage-delinquencies-higher-at-westpac/



Economists are warning of uncertain outlook and possible recession.

5 year bond yields have fallen sharply and US bonds are showing negative yield.

Please read the link below for an explanation.

https://www.theguardian.com/commentisfree/2019/jun/25/bond-yields-are-useful-for-telling-us-about-the-future-and-its-not-looking-good

Anecdotal evidence points to a slowdown in retail activity in Denmark. In 2015 there were zero vacant shops - today there are a number of vacant shops available.

Tourist numbers and spend are reported to be down.

Building and planning approvals in Denmark have slumped. (see chart) Single dwelling approvals fell from 72 to 46 - a fall of 36%.

This has resulted in a negative flow on effect to business and job activity in the building sector which is a major employer and key economic driver in Denmark.

US treasury bond yields

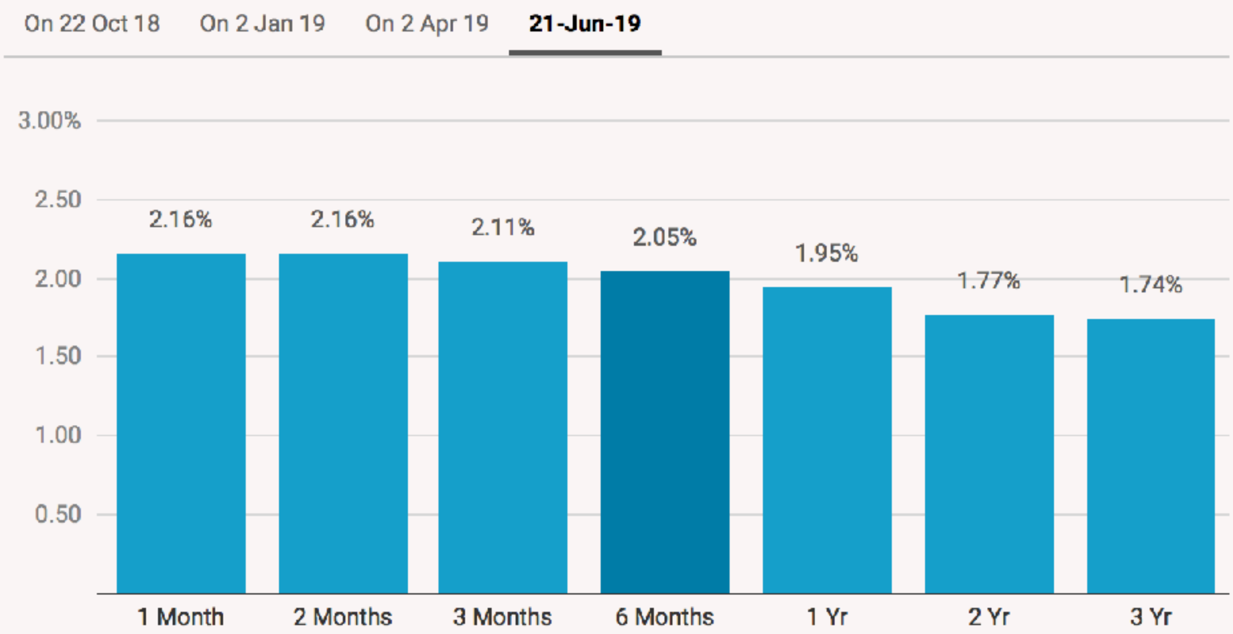


Chart: Greg Jericho • Source: Treasury.gov • Get the data • Created with Datawrapper

That is a recession outlook. The last time the three-year US bond yield was that much lower than the one-month yield was in 2007 – just before the GFC was about to hit.

Australia govt and US treasury 5 year bond yields

Chart: Greg Jericho • Source: RBA, Treasury.gov • Get the data • Created with Datawrapper

To be clear I am not saying the sky is falling or trying to paint an overly pessimistic picture, rather I am trying to provide a frank and accurate assessment of how the WA economy has performed and its short to medium outlook.

Based on this assessment I believe that a 4% rate increase is unwarranted particularly taking into consideration the Shire has **already increased rates** over the last 4 years by **16.8%** when the background WA CPI was **only 3.8%.**

The Shire made the following argument last year in response to complaints about previous increases -

“Council’s decision to increase rates by 4% was influenced by a number of factors including the Shire’s broader financial and asset management position. The 18/19 budget is based on two key elements; 1. A focus on renewing and maintaining existing assets 2. A focus on improving our ratio performance and overall Financial Health Indicator. The Shire has been undergoing a comprehensive asset management and long term financial planning process. The results confirm that the Shire has numerous assets in either poor or very poor condition. The 19/19 budget looks to improve this position in a responsible and considered manner.”

Anticipating that staff will make a similar argument this year, I would acknowledge that it has *some* merit - but only up to a point. Rate increases should also take into account and be balanced against the local economic conditions and ratepayer’s financial circumstances.

For this reason I believe that the proposed 4% increase is neither responsible nor considered.

Country local governments with large areas and small populations are always going to struggle with asset management - it is just a fact of life.

To continue with imposing rate increases of this magnitude is financially unsustainable and irresponsible.

Other levels of government have shown restraint since 2015 - why not the Shire of Denmark?

If you can’t control costs and rates now when inflation is so low - what will happen if/when inflation goes up?

Ratepayers are tightening their belts, the Shire should do likewise and refrain as much as possible from adding to the ratepayers burden.

Instead of just constantly increasing rates, council should look very hard at savings and efficiency measures.

Employment costs have skyrocketed by 18% over the last few years, given the marked downturn in the planning and building approvals this is somewhat puzzling - where has this money been spent?

What have we got for our dollars?

I also note that very few people in the community have enjoyed a 16.8% increase in their incomes over the last 4 years.

ABS figures in fact show that the Shire has a comparatively low average income.

Denmark has a higher proportion of households with low income - 28% - and experiencing rental stress - 35.7% - than compared to Regional WA averages. (15.5% and 21.2% respectively)

Many people are on pensions or indexed fixed incomes.

Staff are always going to ask for more - Councillors need to stand up for ratepayers interests and instruct staff to make do with what they have. I appreciate that it is difficult, however making savings is certainly possible and is in fact in the best long term interests of the organisation and ratepayers.

The June 26 edition of the West (attached) reported under the headline “The Great Rates Rip-Off” that Minister for local Government David Templeman had issued a stinging rebuke to councils proposing large rate increases saying “ I think all local governments need to be very mindful a lot of communities, a lot of families … are tightening their belts with their financial situation and I think there is a big expectation councils will do likewise to reflect that”
The shadow local government minister said “ Some councils have taken the current difficulties in the community seriously and are adjusting their rate increases accordingly and others still have a big disconnect with difficulties people are experiencing at the moment”

The proposed 4% increase demonstrates a very big disconnect with ratepayers circumstances.

The same West issue ran an editorial calling for more effective and efficient service delivery from councils.

Taking all the above into consideration I believe that the responsible and considered outcome should be a budget with no more than a 1% increase in rates.

Shire of Denmark rates and wages history vs CPI

Fin Year ending	WA CPI INDEX	GRV min rate $	Total rates $M	Wages $M
2015	107.1	$903.00	5.226	5.077
2016	107.9	$952.00	5.623	5.458
2017	109	$985.00	5.920	5.745
2018	110	$1024.00	6.187	5.984
2019	111.2 **3.8%**	$1055 **16.8%**	6.419 **22.8%**	5.992 (budget forecast) **18%**
2020		$1097 (proposed) **21.4%**		

Shire of Denmark Planning and Building Approvals-1

	No.Planning Approved	$ Planning value	No Build Permits	$ Building value
15/16	215	30.135 M	195	32.816 M
17/18	163	24.660 M	150	17.442 M

The West Australian
Wednesday, June 25, 2019

THE GREAT RATES RIP-OFF

EXCLUSIVE
PETER DE KRUIJFF

Perth councils are hitting households with rate rises up to 227 per cent higher than inflation.

An investigation by The West Australian can today reveal that 20 of 23 metropolitan councils are jacking up or looking to increase rates higher than they should despite cost-of-living pressures and unemployment problems in their areas.

The City of Rockingham is the worst offender with a rate rise of 3.6 per cent while the inflation rate is 1.1 per cent.

It has led to a stinging rebuke from Local Government Minister David Templeman who urged councils to think about families who were "tightening their belts" to make ends meet.

"I think all local governments need to be very mindful a lot of communities, a lot of families ... are tightening their belts with their financial situation and I think there is a big expectation councils will do likewise to reflect that," he said.

Also in the top five of proposed rate hikes are the Town of Cottesloe (3.5 per cent) and the cities of Nedlands (2.95 per cent), Vincent (2.9 per cent) and Perth (2.85 per cent).

Shadow local government minister Tony Krsticevic said some councils were not heeding the struggles of ratepayers.

"Some councils have taken the current difficulties in the community seriously and are adjusting their rate increases accordingly and others still have a big disconnect with the difficulties people are experiencing at the moment," he said.

The Town of Cambridge is at the other end of the spectrum with a proposed zero per cent rate rise this year.

Cambridge mayor Keri Shannon said the past few years had included a negative rate move and a zero rate rise.

"We're just trying to drive efficiency and also in part return to ratepayers some of the increased rate revenue that we've received from increased density in the town," she said.

Local governments have attributed the rises to the increased cost of doing business, with about two-thirds of the councils surveyed flagging rate increases greater than the Local Government Cost Index.

The index measures the inflation of cost pressures on councils which is inclusive of Perth's CPI and now sits at 1.8 per cent. Employees' wages at the City of Perth have jumped 8 per cent to $84 million.

Helping fill the hole is an extra $5.3 million in rates to be collected this year, increasing the council's annual take to $96.4 million. Perth residents are expected to pay an extra $36 a year if the new rates are passed. Council was due to decide on the matter last night. A City of Perth spokesman said staff costs took into account changes in their enterprise bargaining agreement with a 1.5 per cent pay rise and filling roles left vacant in the past financial year.

"For example, a position may have been vacant for 3-6 months last year, which will be represented in the next financial year as a full 12-month costing," he said. "The City will not be adding any new staff positions in 2019-20."

TOP FOUR

Biggest residential rate rises for 2019-20

1: City of Rockingham
Mayor Barry Sammels
3.6% INCREASE

2. Town of Cottesloe
Mayor Philip Angers
3.5% INCREASE

3. City of Nedlands
Mayor Max Hipkins
2.95% INCREASE

4. City of Vincent
Mayor Emma Cole
2.9% INCREASE

THE REST

5	City of Perth	2.85%
6	Shire of Mundaring	2.7%
7	City of Kwinana	2.5%
8	Town of Victoria Park	2.5%
9	Town of East Fremantle	2.4%
10	City of Joondalup	2.25%
11	City of Subiaco	2.18%
12	City of Belmont	2%
13	City of Kalamunda	2%
14	City of Cockburn	1.9%
15	City of Gosnells	1.9%
16	City of Fremantle	1.8%
17	City of Armadale	1.72%
18	City of South Perth	1.4%
19	Shire of Serpentine-Jarrahdale	1.3%
20	City of Swan	1.3%
	CURRENT CPI	1.1%
21	City of Melville	1.1%
22	Town of Claremont	0.94%
23	Town of Cambridge	0%

OPINI

EDITORIAL

Ratepayers just want basic service delivery at a fair cost

There is a view that Western Australia is over-governed.

With representatives in two chambers at the Federal level and the State level as well as local councillors, it is not difficult to make that argument.

And although grand words and noble ideas are aired and debated in the Federal and State Parliaments, the truth is that perhaps the most important — albeit basic — functions are provided by our councils.

Or at least they should be. But too often it seems councils can lose sight of the tasks ratepayers expect them to concentrate on.

Collecting the rubbish, keeping the streets clean and the parks safe and usable, and attending to overhanging trees and suchlike. It ain't rocket science.

And if it is kept simple it should not require excessive expenditure.

Yet an investigation by The West Australian reveals today that a number of councils are set to put up rates well in excess of what would seem to be fair and reasonable, especially in the current economic climate which has many West Australians keeping a tight hold on their purse strings.

It is noteworthy that Local Government Minister David Templeman has called on councils to think about "families" who are "tightening their belts" to make ends meet.

"I think all local governments need to be very mindful a lot of communities, a lot of families ... are tightening their belts with their financial situation and I think there is a big expectation councils will do likewise to reflect that," he said.

WA Treasury figures show that Perth's consumer price index rose just 1.2 per cent in annual average terms to March.

But proposed rate hikes include the Town of Cottesloe with 3.5 per cent, City of Nedlands with 2.95 per cent, City of Vincent at 2.9 per cent and the City of Perth with 2.85 per cent.

And the City of Rockingham, in the spotlight because of the local shanty town which The West Australian has highlighted, is handing out a rise of 3.6 per cent.

Earlier this month there was a tragic twist at the homeless community when a man who was the face of struggling residents took his own life.

If ever there was a sobering reminder of what really counts that was it.

State Upper House Liberal Simon O'Brien has given notice of a push to establish a select committee into local government.

Such committees can sometimes be a waste of time and effort and result merely in the presentation of conflicting views in a document which then gathers dust. But perhaps now such an inquiry is worth pursuing. Ratepayers just want effective and efficient service delivery from councils.