

## **MEDIA RELEASE**

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Approved by: Cr John Medcalf OAM, Chair of Central NSW Joint Organisation, Mayor of Lachlan Shire Council

## **How independent is IPART?**

Councils across Central NSW are questioning the independent process of determining the latest rate rise.

"No one likes to increase rates, however the latest rate rise is the lowest in 20 years, and does not pass the pub test," said Cr Medcalf.

"On the one hand Councils have 30% increases in construction costs, up to 100% increases in fuel prices and a 2% increase in the Local Government Award for wages. On the other we see Councils paying for this with a 0.7% rate rise," said Cr Medcalf.

"We see Councils going to the wall because they can't afford to do their jobs. We see the State duck shoving more work to Councils and increasing the costs of the compliance burden. Councils in our region are either the biggest or one of the biggest employers, so this has real impacts on real people in our communities," said Cr Medcalf.

"The State and Federal Governments keep asking us to co-fund construction to help with the economy after Covid. The pressure on Council budgets is huge. Ultimately, Councils will have to make very hard choices," said Cr Medcalf.

"The only other way to make up the shortfall which will be the direct result of this rate cap is to spend less on local roads, parks, pools, libraries and other community services on which our regional and rural communities depend," said Cr Medcalf.

"What is the point of all the consultation we are doing with our communities on our priorities, as we draft our Community Strategic Plans, when we have no money to do anything. Instead, we will be using this information to prioritise cutting services. It will push many Councils into applying for Special Rate Variations," said Cr Medcalf.

"In the meantime a lot of planned work, intended to drive a locally-led recovery from COVID will now simply be out of financial reach," said Cr Medcalf.

## **ENDS**