

H a × k Φ sbury City Counci

ordinary meeting mayoral minute

date of meeting: 14 May 2019 location: council chambers time: 6:30 p.m.

# ORDINARY MEETING

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# ORDINARY MEETING SECTION 2 – Mayoral Minute

Meeting Date: 14 May 2019

### MAYORAL MINUTE

# Item: 085 MM - Correspondence from Revenue NSW advising of Significan Increases to the 2019/2020 Emergency Services Levy - (79353, 79351)

#### **REPORT**:

Without any prior consultation or communication, the NSW State Government announced its intentions to increase the Emergency Services Levy by way of a media release on Saturday 4 May 2019, with the changes coming into effect on 1 July 2019.

Again without any consultation or communication, the actual Invoice in respect of the increased Emergency Services levy arrived at Council on Monday 7 May 2019. This was less than 2 months before the 2019/20 Budget – currently on exhibition becomes operational.

Both of these actions preceded the release of NSW Office of Local Governments Circular on 8 may 2019, confirming changes to the emergency services funding arrangements.

As per the NSW Office of Local Government's Calendar of Compliance and Reporting Requirements 2018/2019, the 2019/2020 Operational Plan must be adopted by 30 June 2019. Allowing for public consultation, Draft Budgets for all Councils will most likely have been prepared and placed on public exhibition before the increase was announced.

In the case of Hawkesbury City Council the:

- 2018/2019 Emergency Levy payable by Council was \$871,303.
- 2019/2020 Emergency Levy is \$1,064,272 an increase of \$192,969 or 22% as opposed to the 2.7% Rate Cap imposed on Local Government by the State Governments own Independent Pricing and Regulatory Authority
- Draft 2019/2020 Budget is \$927,858 a shortfall of \$136,414.

This is the second attempt by the State Government to effect change in this area. In 2017, the Government sought to establish the Emergency Services Property Levy from residents via councils. Again consultation with Local Government was minimal and the proposal was eventually abandoned, causing confusion amongst the various stakeholders and resulting in disruption and costs to local government.

Discussions with other councils have confirmed that they share Hawkesbury's concerns about this unexpected rise in the Levy, both in terms of the State Government's approach and its financial impact.

#### **RECOMMENDATION:**

That Council:

- 1. Support in principle, the changes to workers compensation in relation to volunteer and career firefighters.
- 2. Request that the NSW State Government fund the scheme in the first year.
- Work with Local Government NSW, other Local Government organisations and other councils to arrange a delegation to meet with the Premier and relevant Minister to express Council's dismay in relation to:

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- a) The lack of consultation by the NSW State Government.
- b) The timing of the decision, when most councils already have their draft budgets finalised and on public exhibition.
- c) The financial consequences of the decision, in the case of Hawkesbury resulting in an increase of 22% as opposed to the 2.7% Rate Cap imposed on Local Government by the NSW State Governments own Independent Pricing and Regulatory Authority.
- d) Residents who are landowners with insurance coverage who will pay twice, once with their Local Government rates and a second time with their annual insurance premiums.
- 4. Advise the Member for Hawkesbury of Council's resolution in respect to this matter.

### ATTACHMENTS:

AT1 – LGNSW Correspondence

# ORDINARY MEETING

### **SECTION 2 – Mayoral Minute**

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#### AT1 – LGNSW Correspondence



Attention: Mayors, Councillors, General Managers

#### **Emergency Services Levy Increases**

#### Hello all,

As some of you may know, councils are this week receiving letters from Revenue NSW containing invoices with significant increases to the 2019/20 Emergency Services Levy.



Many councils have contacted us to express their concerns about this unexpected rise in the Levy.

I have spoken to the Minister's office about this, and will continue to talk to her and the Government in coming days.

In the meantime, we would be grateful if you could please <u>email Mark Helv</u> with details on how this will specifically affect your council and to inform our next steps.

Thank you for your ongoing engagement with us.

Linda

Cr Linda Scott President LGNSW

#### 0000 END OF MAYORAL MINUTE O000



# ordinary meeting

end of mayoral minute

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