NSROC
Northern Sydney
Regional Organisation
of Councils

6 May 2021

Review of the Rate Peg to Include Population Growth
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
SYDNEY NSW 1240

Via email: Sheridan_Rapmund@ipart.nsw.gov.au

Dear Ms Cope

NSROC Submission to IPART on the Review of the Rate Peg to Include Population Growth – Issues Paper

Northern Sydney Regional Organisation of Councils (NSROC) appreciates the opportunity to make a submission to IPART on the Review of the Rate Peg to Include Population Growth – Issues Paper. NSROC is a voluntary association of eight local government authorities in northern Sydney whose member councils service an area of 639km^2

Please note that the submission is draft and subject to the consideration of our Board. I will provide an approved copy as soon as it is available.

While the proposal to incorporate population growth in within the rate peg is welcomed, recent announcements on the proposal to offset this from reduced infrastructure charges is not. Furthermore in the absence of detail on infrastructure charging restrictions, councils are unable to accurately assess the net impact of the two reform proposals.

The initial proposal to incorporate population growth into the rate peg recognised the difficulty of councils obtaining diminishing marginal rate revenues with increased population growth, particularly with growing density and the disincentive this created for councils to accept greater density. This will largely be negated by reducing the capacity of council to collect Infrastructure charges for the capital cost of the additional demand for the facilities emanating from the development.

In an environment where existing residents are sensitive to growth impacts, particularly from high density development and increasing heights, removing the capital revenue contribution from the development creating the demand, and transferring the burden to rates from both current and future residents, amplifies the impact and creates further disincentive.

NSROC engaged GLN Planning to assist in its analysis and consideration of the Issues Paper. We provide our own analysis of the impact of the proposed reform on our member councils and responses to each of the questions raised. Further detail can be found in the attached submission.

NSROC member councils would welcome further engagement on this matter as the new policy settings are being developed. If you require further information, please don't hesitate to contact me on 0401 640 823 or mmontgomery@lanecove.nsw.gov.au.

Yours sincerely

Dr Meg Montgomery
Executive Director NSROC

DRAFT Submission

IPART

Review of the Rate Peg to Include Population Growth – Issues Paper

6 May 2021

Prepared by Northern Sydney Regional Organisation of Councils with support from GLN Planning

Member Councils: Hornsby Council

Hunter's Hill Council

Ku-ring-gai Council

Lane Cove Council

Mosman Council

North Sydney Council

City of Ryde Council

Willoughby City Council

Contact: Dr Meg Montgomery

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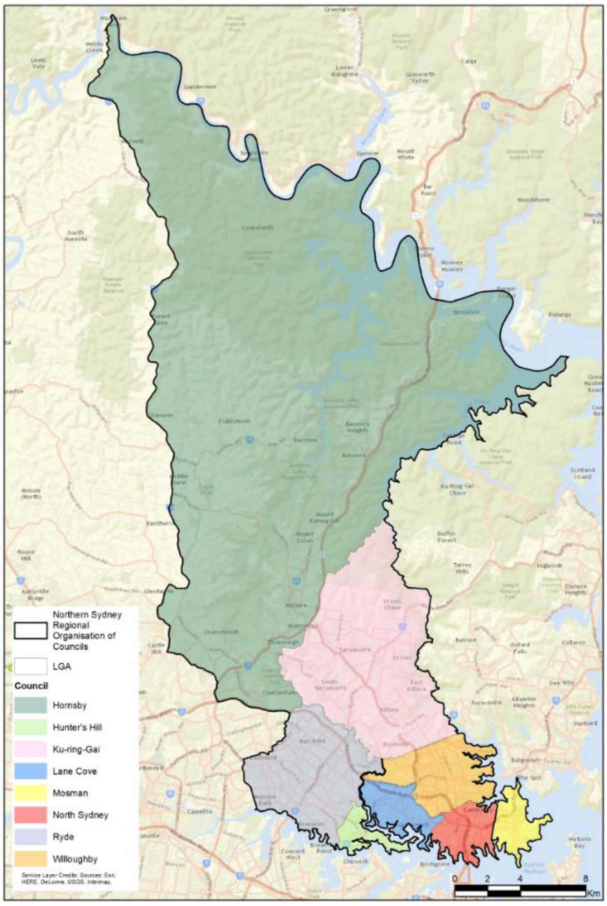
Introduction

The Northern Sydney Regional Organisation of Councils (NSROC) is pleased to make this submission to the Independent Pricing and Regulatory Tribunal's Review of the Rate Peg to Include Population Growth – Issues Paper.

The Northern Sydney Regional Organisation of Councils (NSROC) is a voluntary association of eight local government authorities in Sydney. NSROC assists member councils to collaborate on key issues and activities to develop regional solutions that generate benefits – social, environmental and economic – for their communities and for the region as a whole.

NSROC member councils service an area extending from the Hawkesbury River in the north to Sydney Harbour in the south, west to Meadowbank on the Parramatta River, as shown in Map 1.



Map 1: Northern Sydney Regional Organisation of Councils area

The eight NSROC member councils are:

- Hornsby Shire Council
- Hunter's Hill Council
- Ku-ring-gai Municipal Council
- Lane Cove Council
- North Sydney Council
- Mosman Municipal Council
- City of Ryde
- Willoughby City Council.

The Gross State Product (GSP) for NSROC is estimated at $70.24 billion, or around 11% of the state's GSP (economy.id, 2019). The economy altogether provides 404,019 jobs (NIEIR, 2020).

One of NSROC's three main strategic objectives is for 'Improved Urban Planning and Infrastructure' to integrate infrastructure projects that support opportunities in the region to link with the North District Plan and meet community and business needs into the future. Road and rail investments such as the Sydney Metro Northwest and the Sydney Metro City will enhance access for the region and further bolster business and jobs growth (Greater Sydney Commission (GSC), North District Plan, p 8).

The Northern Sydney Region, as an established region, is experiencing residential densification and demographic change. In 2020, the NSROC Region had an Estimated Resident Population of 655,817 (profile.id), representing 8% of the NSW total, with a population density of 10.26 persons per hectare. Much of the projected population growth for Greater Sydney's North District (of which NSROC LGAs form a large part) will occur among younger and older residents.

Forecast population growth in the Northern Sydney region is lower than for other regions of Sydney (see the figure below from The North District Plan, p 9). The region has limited new release development areas and faces considerable cost constraints in sourcing land for community infrastructure. As at June 2018, the median house price in the region was 144% more than the state average (profile.id).

Six of the NSROC member councils (Hornsby Shire, Hunter's Hill, Ku-ring-gai Municipal, Lane Cove, North Sydney and Mosman Municipal) are considered to be **'below state-average growth metro councils'** by CIE in its assessment of the *Revenue projections for changes to local government rates and local infrastructure contributions* (released March 2021, p 3).

Lane Cove Council has exhibited periods of high growth, averaging annual population growth of 2.1% over the last 10 years, despite its 'lower growth' categorisation. By comparison, the other five 'lower growth' councils have together averaged population growth of 0.8% per annum in this period.

Willoughby City and Ryde City councils are the only two member councils to be categorised as **'above state-average growth metro councils'** by CIE.

Ryde LGA, with the strategic centre of Macquarie Park, is clearly the highest growth council area within NSROC, with average annual population growth of 2.2% over the past 10 years. This level of growth is projected to continue over the long term.

Willoughby City Council's population growth over the last 10 years averaged 1.5%, and looking into the future, high projected growth is concentrated in the five years to 2036.

Rate peg reform revenue impact estimates

In late March 2021, the NSW Government released modelling undertaken by the Centre for International Economics (CIE) showing the financial impact of the proposed rate pegging reforms. The modelling found that over five years (to 2026/27) there would be a net gain in funding for key infrastructure for growing communities across NSW. This model relies on DPIE projected population growth estimates, assumptions about base council revenues and gross averages only. CIE's table of impacts is presented below.

1 Revenue impacts of changes over five years

Council group	Average over five years			In fifth year		
	$m/year	Per cent	$/capita/ year	$m/year	Per cent	$/capita/ year
Below state-average growth metro councils						
Rates	29	1.6	13	51	2.6	22
Contributions	- 11	-6.1	-5	- 14	-7.3	-6
Total	18	0.9	8	37	1.7	16
Above state-average growth metro councils						
Rates	82	4.5	27	147	7.3	49
Contributions	- 39	-6.2	-13	- 52	-7.6	-17
Total	42	1.7	14	96	3.5	32
Below state-average growth regional and non-metro councils						
Rates	23	0.8	8	41	1.3	13
Contributions	- 4	-2.4	-1	- 5	-2.7	-2
Total	19	0.6	6	36	1.1	12
Above state-average growth regional and non-metro councils						
Rates	2	3.2	27	3	5.2	49
Contributions	0	-16.3	-7	- 1	-19.8	-9
Total	1	2.3	20	3	4.1	40
All councils						
Rates	135	2.1	16	243	3.4	29
Contributions	- 55	-5.5	-7	- 71	-6.7	-8
Total	80	1.1	10	172	2.1	20

The council benefits from rate peg reform, as stated in dollars in this table ($m/year), appear to be the aggregates for the groupings of councils, rather than an average per council.

CIE has assumed base rate revenue growth of 4.75% per annum for a council's rates revenue *before* it added in a one-to-one percentage increase in rates revenue for population growth. This compares with the rate peg set by IPART averaging 2.2% over the last 5 years, and 2.5% over the last 10 years.

CIE made the 4.75% assumption for zero population growth based on a regression analysis which was not statistically significant, linking revenue growth to population growth over the period 2007/08 to 2018/19. It is likely that if longer history were considered, the assumed revenue growth would be much lower, because:

- Between 1976/77 and 2006/07, local government taxation (rates) revenue increased by just 1.9% in NSW, compared with 3.4% for the rest of Australia (IPART, *Final Report - Revenue Framework for Local Government*, December 2009, p 51).

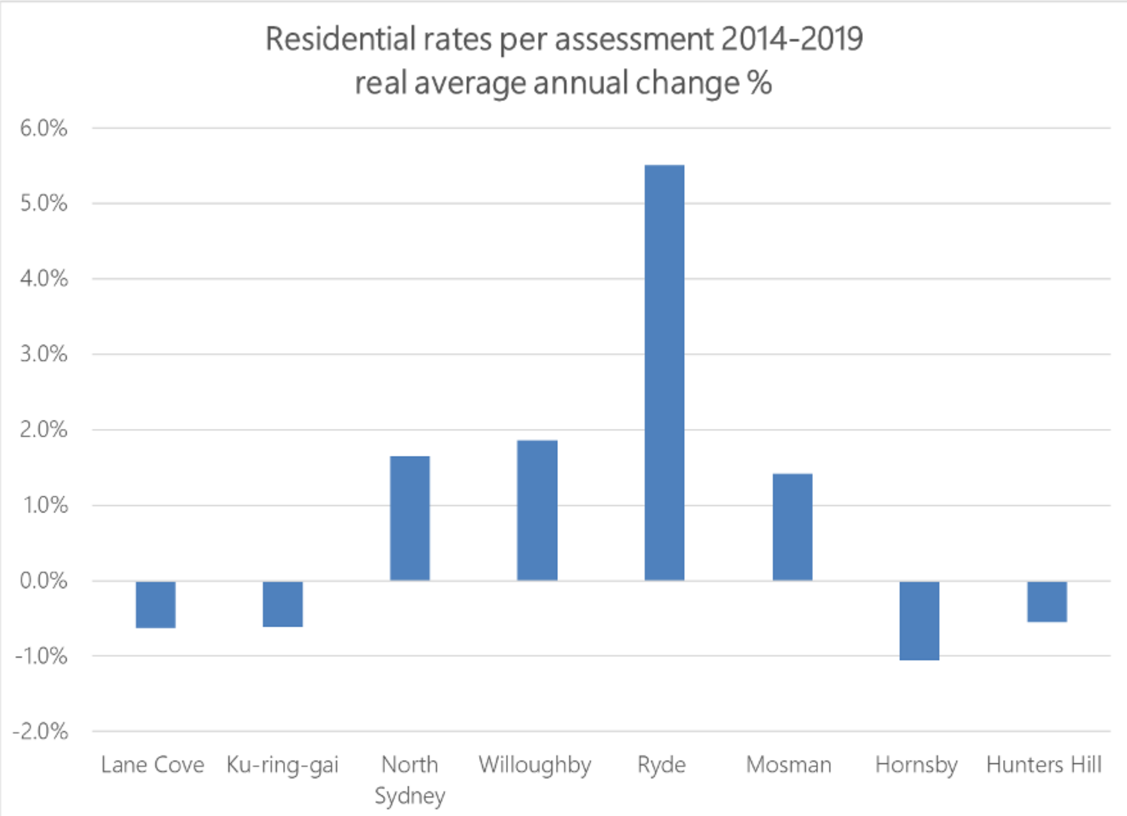
It is reasonable to expect that a period of 'catch up' would occur among NSW councils regarding rates revenue from 2009 since numerous reviews and reforms have focused on the financial capacity and sustainability of the local government sector since then. IPART's Review of the Revenue Framework for Local Government in 2009, as an example, identified these past trends and the significant infrastructure backlog faced by councils at this time before numerous reforms such as the

Integrated Planning and Reporting (IP&R) framework, and IPART determining the rate peg and special variations, followed.

The additional growth in rates revenue over the period examined by CIE (2007/08 to 2018/19) is mainly due to special variations being approved for certain councils, and also the supplementary valuation adjustments that occur with the creation of new rateable properties which factor into a council's permissible general income each year.

However, this level of rates revenue growth – 4.75% plus population growth - is not indicative of the recent rates revenue growth of most NSROC councils, nor many councils in NSW. It is merely an overall NSW average. Average rates revenue growth from 2014 to 2019 for NSROC councils was 4.4%, without adjustment. At the same time, population growth averaged 1.5% per annum for member councils, suggesting a base 'zero growth' rate more in the vicinity of 2.9% just over this period.

The figure below shows the average real growth in residential rates per assessment from 2014 to 2019. All but the City of Ryde (which was granted a special variation in this period) experienced real growth below 2% over this period, while four member councils experienced negative growth.



If councils can automatically increase their permissible general income by more than the Local Government Cost Index (LGCI) increase to accommodate population growth, all else being equal, it is more realistic to expect that the number and quantum of special variations would also be reduced. Thus, CIE's assumption of the base case (4.75% growth without population growth) is too high.

Further, in the short to medium term at least, COVID-related effects are expected to continue to create uncertainty for economic growth and net migration prospects, with continued deflationary pressure on rates accordingly.

Our calculations of the potential revenue benefits to NSROC councils from the reforms are as set out in the two tables below. For comparative purposes only, firstly we assumed the base growth rate of 4.75% (in the first table). We have then assumed only the rate peg (of 2% in 2022/23, as in 2021/22, and thereafter 2.5%) plus the growth factor (in the second table). We also note that councils would have received the benefit of some increases due to supplementary rating, the amount varying depending on the rates structure for each council

In both cases, for North Sydney Council, we have also assumed growth of 7% in 2021/22 to reflect the approved special variation in that year.

We have isolated the net benefits to the population growth factor only, rather than stating the total income change over this period. This approach best isolates the most likely revenue impact of the reforms.

Assumes 4.75% plus Growth factor	Average over 5 years			In Fifth year		
Council or council grouping	$m/year	Per cent	$/capita/year	$m/year	Per cent	$/capita/year
CIE's 'Below state-average growth metro councils'	29	1.6	13	52	2.6	22
Hornsby Shire	1.86	2.5	12	3.12	3.4	19
Hunter's Hill	0.01	0.1	1	0.01	0.1	1
Ku-ring-gai Municipal	3.12	4.3	22	5.18	6.0	36
Lane Cove	1.81	6.6	38	2.77	8.4	57
Mosman Municipal	0.10	0.5	3	0.16	0.6	5
North Sydney	1.99	3.9	24	3.49	5.6	42
CIE's 'Above state-average growth metro councils'	82	4.5	27	147	7.3	49
City of Ryde	8.02	10.2	48	13.77	14.5	79
Willoughby City	1.10	2.0	13	2.49	3.7	29
NSROC total	19	4.7	26	32	6.8	43

Assumes Rate Peg only plus Growth factor	Average over 5 years			In Fifth year		
Council or council grouping	$m/year	Per cent	$/capita/year	$m/year	Per cent	$/capita/year
CIE's 'Below state-average growth metro councils'	29	1.6	13	52	2.6	22
Hornsby Shire	1.70	2.2	11	2.78	3.4	17
Hunter's Hill	0.01	0.1	1	0.01	0.1	0
Ku-ring-gai Municipal	2.86	4.0	20	4.61	6.0	32
Lane Cove	1.66	6.0	35	2.46	8.4	51
Mosman Municipal	0.09	0.4	3	0.14	0.6	5
North Sydney	1.87	3.7	23	3.19	5.6	38
CIE's 'Above state-average growth metro councils'	82	4.5	27	147	7.3	49
City of Ryde	7.35	9.3	44	12.26	14.5	70
Willoughby City	1.00	1.8	12	2.21	3.7	26
NSROC total	17	4.3	24	28	6.8	38

This analysis demonstrates the difference in a council's revenue growth based on the 4.75% base rate increase assumption (adopted by CIE) versus the rate peg only assumption. For NSROC councils, over these five years, we believe that the rate peg only assumption is likely to be more accurate, especially given that there are no approved special variations for any of the councils in this period.

The impact on council revenue also varies significantly between councils, depending on income levels, growth projections and population. No matter which base case assumption is used, there is a significant variation in the growth in revenue on a per capita basis between councils in the same CIE grouping.

For these reasons, it is imperative that IPART's review to redefine the rate peg for population growth consider the actual revenue impacts for NSROC and other councils as a result of its recommended approach. Otherwise, there is a significant risk that further local contribution reforms, which reduce the quantum of local contributions income, will result in a substantial net deficit for councils and not just a redistribution of infrastructure costs from developers to ratepayers. As a result, the capacity of local councils to deliver quality community and civic infrastructure will be adversely impacted.

Responses to IPART questions

1. What council costs increase as a result of population growth? How much do these costs increase with additional population growth?

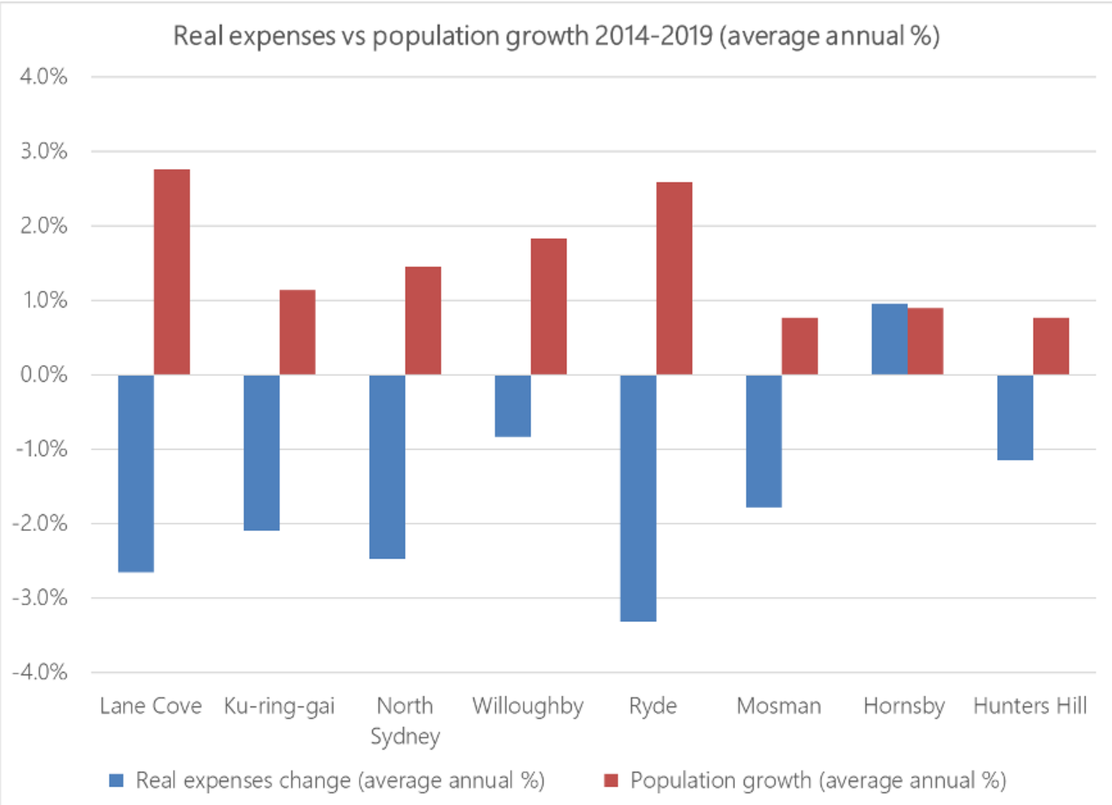
There are a range of costs incurred by councils as a result of population growth. These can include:

a. Employees, materials and contract costs and other recurrent expenses to maintain existing service levels (and the asset base) over time.

b. Capital works costs (and associated land take costs) for new community infrastructure requirements. Existing facilities eventually reach capacity with increased population growth. New or augmented infrastructure is required and existing assets have to be renewed more frequently. For new demographic growth cohorts, such as more younger people or more aged people, increased demand for specialist community facilities and services for their needs are also required.

c. The planning that goes into major planning/development proposals which is not fully recoverable by planning proposal fees and charges. This means that existing rates income is subsidizing development planning often years in advance of receiving rate revenue that will ultimately flow from the development, if approved.

The figure below demonstrates how with the existing rate peg, NSROC councils have needed to restrain their spending, in real terms, despite population growth. This suggests that the increased service needs associated with the population growth may eventually need to be recovered by future rate increases. Hornsby Shire Council is an outlier here, but this is partly due to the effect of its recent merger.



2. How do council costs change with different types of population growth?

Councils' infrastructure facilities tend to be long lived assets that are fixed in place, costly and time-consuming to plan and build, and require routine maintenance and periodic upgrading to prolong their lives. Therefore, councils need to constantly spend on infrastructure at least in line with the rate of consumption of the assets, which can accelerate with increased use and demand pressure arising from population growth.

For infill areas, catering for the infrastructure needs of relatively dispersed population growth can be more challenging to plan for and fund, compared with greenfield release areas. There is often shared demand for the infrastructure between new and existing residents. The high cost of land can also prevent the provision of community infrastructure, despite population growth needs.

Under the present rating regime, rate income per capita for a council usually declines with population growth unless it coincides with a significant special variation, and even then, the redistribution of rates towards new ratepayers is limited. Most development in NSROC LGAs (and inner metropolitan Sydney) is in the form of attached dwellings and many of these residences are charged the minimum rate (typically less than one third of a detached dwelling). Therefore, they contribute less rate revenue than their detached dwelling counterparts for essentially the same service.

3. What costs of population growth are not currently funded through the rate peg or developer contributions? How are they currently recovered?

Rate peg funds are unrestricted and can be spent on either capital or recurrent spending needs for councils. However, because the rate peg is set to reflect the cost increases for the same basket of expenditure items, from one year to the next, in general, it will not be sufficient to fund any increase in service requirements associated with population growth. This was evident in the real expense trend in the figure provided under question 1 above.

Councils have the administratively-complex option to apply for a special variation to increase rates to cater for population growth. One common source of special variation in recent years has been to address infrastructure backlogs in an LGA. In this scenario, the additional funds recouped address previous periods of inadequate funding for maintenance, renewal and replacement expenditure on infrastructure assets in the LGA. Given limited sources of funding, the opportunity cost of spending these funds on addressing infrastructure backlogs (borne from the past) can be instead catering for the additional recurrent spending needs that arise from population growth into the future.
Developer contributions are restricted to the capital works purpose (or associated land take) for which they were collected (except for heavy vehicle maintenance costs). These contributions can be recouped under section 7.11 or s7.12 of the EP&A Act with the appropriate plan in place, and there must *at least* be a relationship between the nature of the works and development levied (and nexus must be demonstrated for s7.11 contributions). Limits on the s7.11 contribution amounts from development (and the type of infrastructure which can be funded) have been in force for the past 10 years in NSW, putting further pressure on other funding sources for growth.

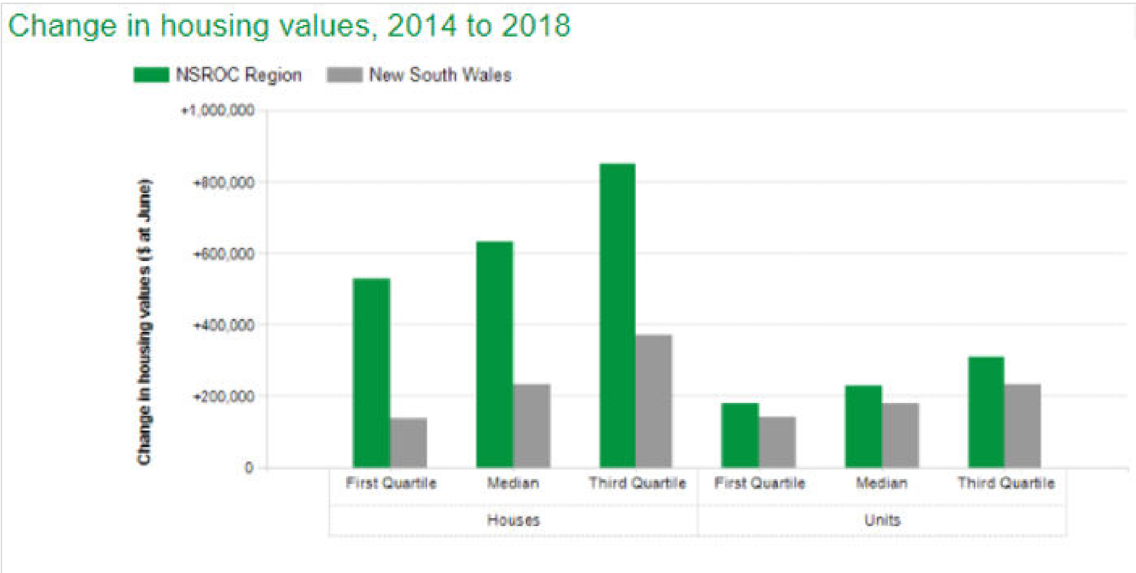
For some services (e.g. swimming centres and waste management), councils can recoup the additional variable costs associated with increased demand through increased user charges and fees. But this is only to the point that these user charges and fees are cost-reflective for the service and not already cross subsidized by other sources.

As well as investment and interest income, councils also receive grants (as such untied financial assistance grants and tied road grants) for their spending needs. For NSROC member councils, this tends to be a lower source of income than for many other councils (particularly regional councils) since they have generally high 'own source revenue ratios' (all in excess of two thirds; some as high as around 90%).

4. Do you have any views on the use of the supplementary valuation process to increase income for growth, and whether this needs to be accounted for when incorporating population growth in the rate peg?

The supplementary valuation process does not sufficiently cater for population growth, as CIE found in its assessment. It identifies a ¼ percentage increase in council revenue for 1 percentage of growth. This is largely because of the high proportion of apartment development among Sydney councils, in particular, and the fact that councils often can only charge owners minimum rates.

We note that supplementary valuations cover all development in the LGA, and not just residential development. The funds that councils would have received as a result of supplementary rating would vary depending on the rates structure for each council.
NSROC valuation data for rateable properties shows that on average there was around 13% growth per annum in total land valuations from 2016 to 2020 for member councils. The Established House Price Index for Sydney increased by around 8% per annum over this period but Northern Sydney suburbs tended to experience higher property price increases, often well in excess of 10% over this period. The relative valuation increases are shown in the figure below (from profile.id).



This suggests that just a small percentage increase of the increased land valuations was attributable to supplementary valuations.

Given how small the impact of supplementary valuations, we recommend excluding it from the population growth calculation and allowing councils the means to generate enough revenue to meet their growth needs.

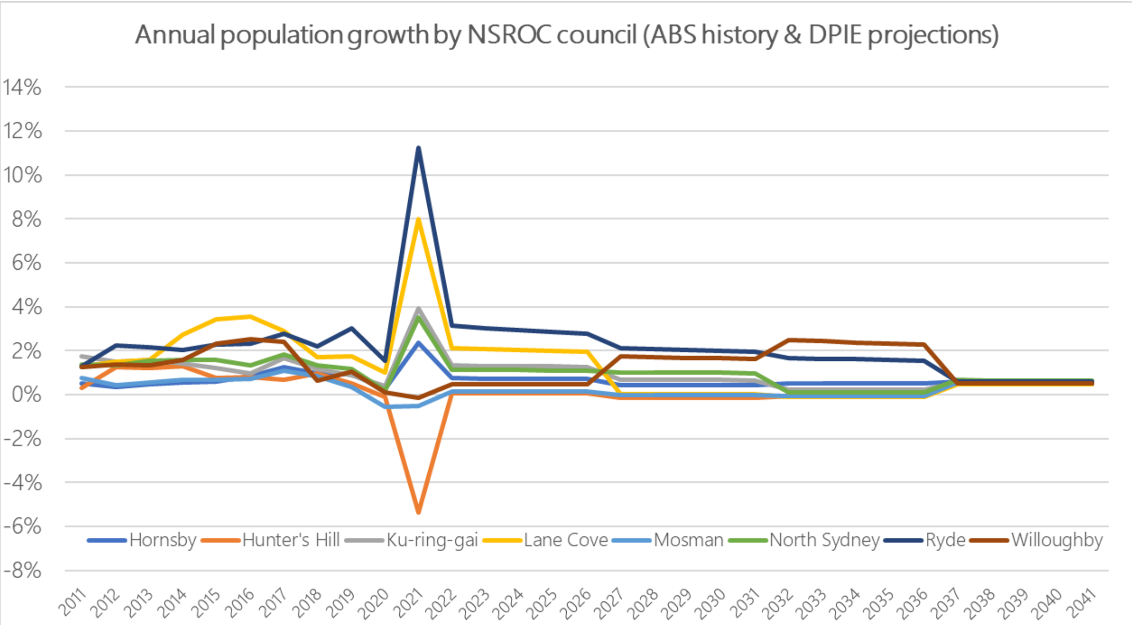
5. Are there sources of population data we should consider, other than the ABS historical growth and DPIE projected growth data?

It is important for there to be clear, reliable and publicly available sets of data informing the population growth factor(s).
The only population data besides the ABS and DPIE data that potentially meets this criteria is the profile.id population forecasts by LGA. This data often has greater input from local council planners and other staff who have better local knowledge of development rates compared with the DPIE projections. In certain years, it can also provide more up-to-date immediate year forecasts (than the DPIE forecasts which are updated every three years).

However, this data is obtained by councils' commercial arrangements and is not available for all LGAs in NSW, including three NSROC councils (Lane Cove, Hunter's Hill and Ku-ring-gai).

Should IPART choose population data to inform the population growth factors, it should maintain some flexibility about the data sources it relies on, noting that there might be economic or other shocks (such as the Covid epidemic) which render the DPIE projections unreliable.

The figure below shows how there can be a significant anomaly when ABS population history (up to 2020) meets DPIE population projections from 2021 where significant variations in growth appear in the joining year. Certainly, these variations from one year to the next, are unlikely to eventuate.



6. Is population data the best way to measure the population growth councils are experiencing, or are there better alternatives (number of rateable properties or development applications, or other)?

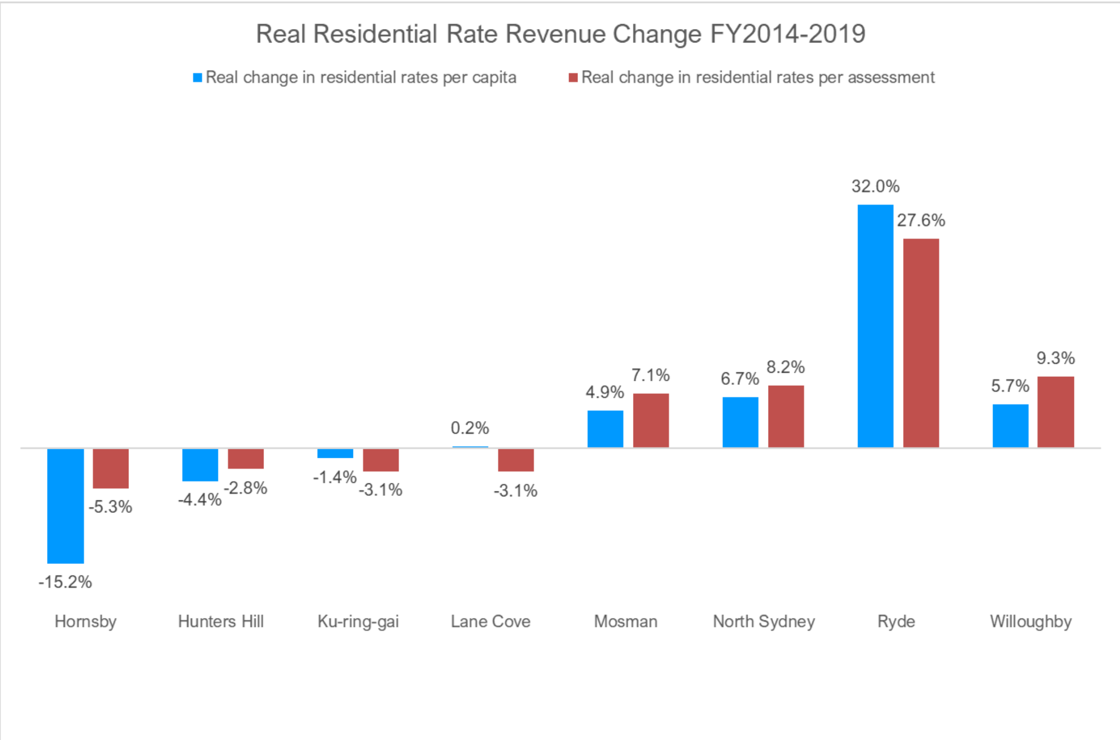
Population data is one way to measure resident population growth, and IPART can easily access this publicly available data. The main disadvantage of using resident population data is that it does not measure commercial or worker population growth. Councils do also incur significant costs for the additional enabling infrastructure for non-residential developments and ongoing servicing needs associated with an increased worker population. ABS building approval data (value of non-residential and residential investment) is another indicator of both residential and non-residential growth in an LGA.

Should population data inform the population growth factor, this underlines the importance of it being set based on the maximum growth level for councils in a grouping (as we discuss in our response to Question 7 below). This will help councils to have adequate funds for commercial, as well as residential growth. The local contribution reforms which will limit contributions to 'development-contingent' efficient costs only, and potentially restrict the rate of commercial development levies, will otherwise reduce council funding available to service commercial development.

Development applications (DAs), while covering both residential and commercial growth proposals, would be an unnecessarily complex data source and would require further dissection to assess the relevant growth impact for councils. In particular, not all DAs progress to completed development.

Rateable property growth, including residential, business, mining and farmland property growth, might provide a simpler option which also covers the broader growth demands in an LGA. This data source would not account for the changes in average household size in an LGA, which will influence the population-based demand for council infrastructure and services. Nonetheless, the growth of rateable properties would be a more current data source than the ABS historical population data (presumably, by a year), which might render a mix with projection data unnecessary.

The figure below shows the variation between residential rates per assessment and residential rates per capita growth (from 2014 to 2019) for each NSROC member council. This demonstrates how the relationship between population and rateable residence growth is not fixed and the relative growth of each will be different for each council.



Note: Hornsby Shire Council results are affected by a boundary adjustment and a large area of the LGA (Epping) that was merged with Parramatta City Council in 2016.

7. **Do you think the population growth factor should be set for each council, or for groups of councils with similar characteristics? How should these groups be defined?**

A single population growth factor across all NSW councils would not cater enough for the variation of population growth that occurs between different councils. Total population growth varied among NSW councils between 2014 and 2019 from a minimum of 0.4% to a maximum of 47.4%.

Conversely, setting the growth factor specific to each council would ensure that a council's growth in revenue is in line with its population growth, and avoid additional rate levies not tied to growth in some LGAs or underfunding for growth in LGAs elsewhere. However, the downside of this approach is that it presents a much more complex rate peg process. It might also create significant spikes in rates in high-growth years (noting a rolling three-year average could be a solution).

Setting the growth factor for groups of councils, as suggested by CIE growth cohorts, has the primary benefit of enhanced simplicity. Groups should be defined to limit the growth variation among the included councils (e.g. based on 'low', 'medium' and 'high' growth groupings).

Consideration should be given to setting growth as a maximum limit that broadly caters for all councils' growth scenarios within the group. Councils then have the flexibility to apply the rate increases with consideration of affordability and funding concerns specific to their constituent needs. This approach should also reduce the need for special variations which are administratively costly for councils to apply for and implement.

8. **Should we set a minimum threshold for including population growth in the rate peg?**

The minimum threshold should be zero and there should not be negative growth incorporated into the rate peg. Most negative growth occurs relatively sporadically for Sydney metropolitan LGAs and very few Sydney LGAs have experienced year-on-year population decline in the last decade.

The population growth time series figure in the response to Question 5 above showed how Hunter's Hill and Mosman LGAs have both experienced periods of negative growth. Over the longer term (e.g. 2011 to 2020), both of these councils have still recorded positive population growth.

Councils are unlikely to be able to adjust their expenditure for this type of sporadic negative growth since most of the costs funded through rates revenue (such as community facilities or recurrent asset (road) maintenance) cannot be reduced in short timeframes. Further, council employee costs are subject to awards and contracts and cannot be increased and decreased from one year to the next at short notice. Should there instead be sustained and material negative growth over a longer period of time for a council or group of councils, IPART could adjust its approach accordingly.

9. **What is your view on the calculation of the growth factor – should we consider historical, projected, projected with true-up, a blended factor or another option?**

The choice of historical data versus projections, or a combination of the two, is relevant to the resident population data. In this case, historical ABS data is not current enough with the 2-year lag and the DPIE projections, without any adjustment for actual population growth, risk being too inaccurate. An option which incorporates both history and projections, although more complex, would provide more immediate funding for projected growth. A 'projected with true-up' approach would also adjust for the actual rate of growth that occurred so that there are not significant surpluses or deficits of funding over time.

If the growth in the number of rateable properties were used as an alternative, then projections would not be required since the preceding financial year's results should be available at reg peg determination time.

10. How should the population growth factor account for council costs?

The population growth factor need not directly account for costs in its derivation with the continued implementation of the LGCI to account for cost-price inflation in the rate peg.

However, it will, all else being equal, increase the funds available to councils to meet the increased costs of delivering services and infrastructure to growing communities, including fixed capital and recurrent operating costs. This additional ratepayer funding will be critical with the reduced funding available for growth infrastructure from local contributions as a result of the NSW Government's reforms.

11. Do you have any other comments on how population growth could be accounted for?

Accounting for population growth in the rate peg is a welcome development but only if councils are not worse off by the overall local contribution reforms. At present, the CIE estimates do not convincingly demonstrate this for many councils.

Preliminary analysis commissioned by NSROC suggests that local councils could be worse off for many years under the proposed reforms, and for some councils, the increased revenue from proposed rate peg reforms would still not be sufficient enough to offset loss development contributions revenue, even over 10 or 20 years or longer. And this assumes the maximum population growth increase for an LGA could be captured in increased rates, which in itself, raised sustainability issues.

This represents an extremely unfair and unreasonable burden on our local communities.

- ENDS –