

## Dinner Plain Special Rate (2023/2024) Public Notice of Proposed Declaration

### INTRODUCTION

The purpose of this report is to recommend that public notice be given of a proposed declaration of a Special Rate for the Dinner Plain village applicable to Commercial / Industrial land in the 2023/2024 financial year.

### **RECOMMENDATION**

#### ***That Council:***

- 1. Gives public notice in accordance with s163 of the Local Government Act 1989 of the intention to declare a special rate for the period 1 July 2023 to 30 June 2024 as follows:***
  - a. a special rate (the Dinner Plain Special Rate) be declared for the purpose of defraying any expenses in relation to the provision of services of special benefit to the owners of Commercial / Industrial land within the Dinner Plain village;***
  - b. the Dinner Plain Special Rate will apply to Commercial / Industrial land within the Dinner Plain village as defined in attachment 8.3.3;***
  - c. the definition of Commercial / Industrial land is the definition provided in the Alpine Shire Council Revenue and Rating Plan;***
  - d. the amount of the Dinner Plain Special Rate to be levied is determined as 43% of the general rate as provided in the Alpine Shire Council draft Budget Report for the financial year 2023/2024;***
  - e. the amount of the Dinner Plain Special Rate to be levied for the period 1 July 2023 to 30 June 2024 is estimated to be \$172,000, or such other amount as is lawfully raised as a consequence of this Resolution;***
  - f. the amount of the Special Rate will be the amount shown as due and payable in any notice sent to a person required to pay the Dinner Plain Special Rate;***
  - g. each person liable to pay the Dinner Plain Special Rate is to pay by instalments in line with Council's general rate payment requirements each year; and***
  - h. the total cost of the performance of this function is estimated to be \$290,000 over one year, and based on inclusion of the following services:***
    - i. The Dinner Plain to Hotham winter bus service \$140,000 or transport subsidies to an equivalent value;***
    - ii. Marketing for Dinner Plain \$90,000; and***
    - iii. Events support to Dinner Plain \$60,000.***
- 2. Invites written submissions from the public in relation to the proposed declaration of the Dinner Plain Special Rate in accordance with s163A and s223 of the Local Government Act 1989, with submissions closing at 5pm on Wednesday May 31 2023;***

- 3. Forms a committee according to Section 223 (1)(b) of the Local Government Act 1989, if required, consisting of Councillors for the purpose of hearing submissions in relation to the proposed declaration of the Dinner Plain Special Rate; and**
- 4. Considers the Dinner Plain Special Rate for 2023/2024 declaration at an Ordinary Council Meeting on 27 June 2023.**

***Cr Kelley***

***Cr Janas***

***Carried***

## **BACKGROUND**

A Council may declare a special rate for the purpose of defraying the expenses of performing a function that is of special benefit to the persons required to pay the special rate. The declaration of a special rate is a requirement of the Local Government Act 1989, Section 163.

The Dinner Plain village has for some time been subject to a Special Rate to defray the expenses associated with services of special benefit to Dinner Plain Commercial / Industrial ratepayers.

A declared Special Rate for Dinner Plain reduced to 43% in 2017/18. In 2018/19, the Special Rate was aligned to the differential rate for Commercial / Industrial Land in the rest of the shire and was only paid by ratepayers who own Commercial / Industrial land in the Dinner Plain village (including holiday lets).

This approach has continued since 2018/2019. In 2023/2024 it is proposed that it be maintained for the declaration of a Special Rate to be made.

In the Alpine Shire Council's draft Council Budget 2023/2024, it is expected that income of an estimated \$172,000 will be received and this will be allocated to defray the following expenses:

- the Dinner Plain to Hotham winter bus service or transport subsidies to an equivalent value (\$140,000);
- marketing for Dinner Plain (\$90,000); and
- events support to Dinner Plain (\$60,000).

## **ISSUES**

The Dinner Plain village operates on a total cost recovery basis. If there is a deficit or surplus based on the difference between:

- a. all general and Special income attributable to Dinner Plain and
- b. all general and Special costs attributable to Dinner Plain,

this is allocated to a reserve, namely the 'Dinner Plain Reserve'.

Therefore, the Dinner Plain Special Rate and the expenses it is raised to meet are all placed in the Dinner Plain Reserve.

This is inclusive of all relevant income and costs, including, for example, the general rates paid by Dinner Plain ratepayers; an apportionment of general Council grants; Council services relevant to Dinner Plain (including roadways snow clearing and cross-country snow grooming); an apportionment of Council overheads; all Special Rate costs; and all capital works expenditure in Dinner Plain.

Based on current forecasts, Dinner Plain expenditure will continue to exceed income in 2023/2024.

On 30 June 2024, the Dinner Plain Reserve is estimated to be \$574k.

It is noted that in the 2019/20 Dinner Plain Special Rate declaration, Council committed to delivery of \$1.5m new and upgrade capital works within Dinner Plain by 2027. It is estimated that by 30 June 2023 this commitment will be met. However, significant capital works will continue to be delivered in Dinner Plain over the financial year 2023/2024.

## **POLICY IMPLICATIONS**

The preparation of the Dinner Plain Special Rate 2023/2024 is on accordance with the:

- Special Rate and Charges, Ministerial Guidelines, September 2004,
- *Local Government Act 1989*, and
- Alpine Shire Council Revenue and Rating Plan.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2021-2025:

- 5.2 A responsible, transparent and responsive organisation

## **FINANCIAL AND RESOURCE IMPLICATIONS**

Based on current property valuations across the Alpine Shire, the Dinner Plain Special Rate for 2023/2024 is estimated to raise \$172,000 over the 12-month period.

This is significantly less revenue than the cost of the Special Rate services which are estimated to cost \$290,000 over the same period.

## RISK MANAGEMENT

Risk	Likelihood	Impact	Mitigation Action / Control
The Dinner Plain Special Rate declaration is not undertaken in accordance with the Act, invalidating the Rate charge	Unlikely	Moderate	<ul style="list-style-type: none"><li>Each stage of the declaration process is checked to ensure it meets the requirements of the Act, Revenue and Ratings plan and Ministerial Guidelines.</li></ul>

## CONSULTATION

Under Section 163 of the *Local Government Act 1989*, a Council must give public notice of its intention to make a special rate declaration at least 28 days before making the declaration and that notice must contain information detailed in the Act.

Under Section 223 of the *Local Government Act 1989* a person has a right to make a submission on the proposed Dinner Plain Special Rate for 2023/2024 and any submission must be considered before adoption of the budget by Council. Council must allow a minimum 28 days after the public notice to receive submissions. A person has the right to have their submission heard at a committee formed according to Section 223 (1)(b) of the *Local Government Act 1989*, if required, consisting of Councillors for the purpose of hearing submissions.

## CONCLUSION

Public notice of the intention to declare a special rate is a requirement of the *Local Government Act 1989*.

Council is giving public notice of the intent to declare a Dinner Plain Special Rate. It is proposed to declare the Dinner Plain Special Rate at an Ordinary Council Meeting on 27 June 2023.