

## **DISTRICT COUNCIL OF YANKALILLA-RATES MODELLING**

### **Roger Sweetman -Chief Executive**

The IBIS system enabled Council to achieve its rating strategy goals by allowing us to conduct extensive rate modelling with a high degree of certainty in a manner which was not resource intensive.

All Councils are unique, as all districts are unique but our Council has the same issues and difficulties as all local government authorities do irrespective of their, location, size, or resources and one of those issues is *How to allocate the rate burden across the rate base to effectively meet Council's stated objectives.*

Yankalilla Council is situated within the Southern Fleurieu Peninsula with:

- A resident population of 4,400
- An area of 76,540ha
- An annual budget of \$9.5 million
- Road network covering 486 kilometres
- Workforce of 32 Full Time Employees

A district that encompasses:

- Large rural holdings
- Small towns that service the rural community
- Coastal townships that service the tourists and holiday home owners
- Coastal investment properties
- Tourist facilities and holiday homes
- Coastal retirement properties
- Property valuations reflecting the market that were neither consistent in their % increase nor their application
- Development/growth that exceeds the state average
- 48% of landowners are non resident

Council stated that its rating policy should contain the following principles and it needed to be able to put these in practice:

- Protection for Rural Land owners
- Protection for retirees/pensioners
- Protection for residents from significant property value increases

After protecting the above groups it is not difficult to see where the rate burden has been shifted to and in fact there may be some of you in the audience who have been affected by this policy, council makes no apology. In fact council has been upfront and honest in stating that it will protect the local residents and owners of investment properties or holidays will pay for that protection.

What the IBIS software was able to provide was a system that enabled council to quickly model the impact on the total rate bill and individual properties.

Advantages of the Rate Modelling System:

- Quick Calculations
- No Interpretation
- Confidence in Figures
- See it working
- Results

Councillors and staff spent time during budget preparation discussing ideas, principles and proposals which were quickly calculated and displayed via the miracle of Information Technology (IT).

The big advantage was that it gave councillors instant results that did not need to be interpreted by staff, confidence in the figures and results because they put forward a proposal, saw it working, and saw the results.

Staff identified the non resident owners and therefore residents, pensioners, self funded retirees, fixed income residents within the system and then selected a list of properties within each grouping.

Then options were run, impact checked against the target properties and our budget and we continued to do this until we were confident that the rates in the dollar levied and remissions and rebates provided achieved council's rating policy.

Increases of 9 & 19% are still large; our community appreciated the fact that Council has made an effort to protect our community from the negative impact of the popularity of coastal properties.

The fact that we were able to be confident that we were achieving our objectives coupled with a well thought out and implemented consultation and communication plan resulted in one letter of complaint to the local paper and three letters of complaint to the Chief Executive.

A tool, it will not prevent or help clean up after the implementation of bad policy or poor consultation or communication practices.

## INTRODUCTION

**Roger Sweetman**

**Chief Executive – District Council of Yankalilla**

**30 years experience in Local Government including in the past 10 years positions of Corporate Services Manager Adelaide Hills Council and Chief Executive District Council of Onkaparinga**