

25 May 2022

Sean McComish
Economic Regulatory Advisor
Essential Services Commission
GPO 2605
ADELAIDE SA 5001

Re: SUBMISSION - Local Government Rates Oversight Scheme - Draft Framework and Approach

Our Ref: 7.69.5.3

Dear Mr McComish,

The District Council of Robe has considered the draft framework and approach for the rates oversight scheme at its ordinary Council meeting on 11 May 2022.

On behalf of the Council, I am providing the following submission.

1. The District Council of Robe is a small regional Council with limited capacity and resources. The proposed imposed flat rate of \$52,000 for the scheme's administration is not fair or equitable across the local government sector if you compare our Council with other Metro or larger regional councils. To impose the proposed rate on a pro-rata basis would be considered fair and equitable across the local government sector.
2. The charge of \$52,000 would equate to a 0.9% increase in rates for our ratepayers. A significant cost for our ratepayers, the very people who the scheme is supposed to be looking after. As the legislation is an initiative of the State Government, the cost of applying the legislation should be funded by State Government rather than being passed on to the Local Government, which ultimately is the ratepayer.
3. The timing of the information provision results in an impost of our capacity and resources. As our only financial officer would be working on the End of Year Financial Statements and Audit processes, Council would be required to engage additional resources to ensure the provision of information is met for ESCOSA. The revised information requirement of "*Any other material considered relevant*" is also a significant concern for Council due to the finite resources and capacity, which would require additional budget requirements and a cost to ratepayers.

4. As part of our end of year processes, Council submits data to the Grants Commission, the same data necessary for ESCOSA. The impost of submitting the data would require Council to engage a resource to ensure that timeline requirements are met. ESCOSA should obtain the information from the Grants Commission or vice versa, rather than Council submitting the same information twice and increasing labour costs which would be a cost to the ratepayer.
5. Our long-term financial plans, Asset Management Plans, Annual Business plans and budgets, annual reports, and Audited Financial Statements are available on our website. The information contained in these plans should be adequate for ESCOSA to understand our rating system.

The Council strongly objects to the proposed scheme in the format presented in the above points.

Yours faithfully,

