

## SPECIAL RATE VARIATION PROPOSAL FOR CONSULTATION

<b>ATTACHMENTS:</b>	<b>1. IMPLICATIONS 2. INFORMATION ON NSW GOVERNMENT SPECIAL RATE VARIATION GUIDELINES 3. FINANCIAL SUSTAINABILITY OPTIONS 4. COMMUNITY ENGAGEMENT PLAN (ATTACHMENTS 2-4 INCLUDED IN ATTACHMENT BOOKLET 1)</b>
<b>RESPONSIBLE OFFICER:</b>	<b>DEBRA JUST – CHIEF EXECUTIVE OFFICER</b>
<b>AUTHOR:</b>	<b>MARK SKELSEY – SPECIAL RATE VARIATION PROJECT MANAGER</b>
<b>CITY STRATEGY OUTCOME:</b>	<b>5.6 – ENSURE VALUE FOR MONEY AND FINANCIAL SUSTAINABILITY</b>
<b>MEETING DATE:</b>	<b>28 AUGUST 2023</b>

---

### 1. PURPOSE OF REPORT

To seek Council's approval to undertake community engagement on financial sustainability options.

### 2. OFFICER'S RECOMMENDATION

That Council:

- 1. Note that the NSW Government requires councils, when consulting with their communities about a potential Special Rate Variation, outline an option which does not involve a Special Rate Variation.**
- 2. Identify which of the following Special Rate Variation options, as described in this report, should accompany Option 1 (Reduce – no Special Rate Variation) in the engagement process:**
  - Option 2 (Maintain) – Seek a 12% rate increase**
  - Option 3 (Enhance) – Seek a 15% rate increase**
  - Option 4 (Accelerate) – Seek a 20% rate increase**
- 3. Endorse the Community Engagement Plan at Attachment 4.**
- 4. Approve a budget allocation of \$200,000 in 2023/24 from Projects and Capital Works contingency funds to implement the Community Engagement Plan.**
- 5. Approve the insertion of the words “Conduct community engagement on options to deliver ongoing financial sustainability, including a potential Special Rate Variation” on pages 5 and 19 of the Council's Delivery Program 2022-26.**
- 6. Note that the results of the community engagement process will be reported to the November 2023 meeting, to inform a further decision by the Council on the financial sustainability options.**

### 3. BACKGROUND

On 15 May 2023, Council resolved to exhibit the draft *Long Term Financial Plan 2023-2033* (LTFP) which canvassed the concept of Special Rate Variation (SRV) to apply from 2024/25. The LTFP stated the SRV was needed to ensure Council would remain financially sustainable and was able to deliver the asset renewal and community services envisaged in the Council’s Community Strategic Plan (known as *Our Future Willoughby 2032*) and *Delivery Program 2022-26*.

On 26 June 2023, in relation to the LTFP, the Council resolved as below:

- “1. *Thank and advise all community engagement respondents for their contribution and of Council’s decision.*
- 2. *Adopt the Long Term Financial Plan 2023-2033 in Attachment 2, noting any changes to the annual budget outlined in the Operational Plan 2023/24 that impact the base case of the Long Term Financial Plan 2023-2033 will be reflected in Quarter 1 Budget Review.*
- 3. *Endorse a public engagement process on a potential Special Rate Variation being undertaken before November 2023 in order to comply with the Independent Pricing and Regulatory Tribunal timeline should Council decide to endorse an application for a Special Rate Variation, noting the following:*
  - (a) *Project and Capital Works contingency funds will be utilised to commence this work as it is currently unfunded.*
  - (b) *A report with the complete engagement plan and final budget will be provided to the August Council meeting.*
  - (c) *This resolution is not a decision by Council to proceed to make a submission to the Independent Pricing and Regulatory Tribunal for a Special Rate Variation and that a separate report to Council will be required later in 2023 to do so.”*

At the same meeting, in relation to the Operational Plan, the Council resolved as follows:

*“Endorse the insertion of the words indicating Council’s intent to engage with the community on a Supplementary Rate Valuation into Council’s current Delivery Program 2022 – 2026 on pages 5 (Introduction) and 18 (Outcome 5) with delegation to the CEO to finalise the wording provided it does not alter the intent to ensure consistency across the documents.”*

There have been extensive briefings with Councillors on matters covered by this report, as listed below:

<b>Briefing Topic</b>	<b>Date of Briefing</b>
Future Summit 1	21 November 2022
Future Summit 2	4 February 2023
Service Levels – Open Space & Streetscapes	13 March 2023
Budget and Long Term Financial Plan – 2023/24	20 March 2023
Long Term Financial Plan – SRV 2023/24	3 April 2023
Long Term Financial Plan – 2023/24	1 May 2023
Long Term Financial Plan & Operational Plan 2023/24	8 May 2023
Outcome of Public Exhibition of Operational Plan 2023/24	19 June 2023
Outcome of Public Exhibition of Long Term Financial Plan	19 June 2023
Workshop 1 - Special Rate Variation - Services	7 August 2023
Workshop 2 - Special Rate Variation – Services & Revenue	14 August 2023
Workshop 3 - Special Rate Variation – Options & Engagement	21 August 2023

This report discusses the financial options and engagement processes for Council’s endorsement to proceed to consultation.

## 4. DISCUSSION

### Legislative framework

Under the *NSW Local Government Act* (the Act) any increase in a Council's rates revenue must be approved by the NSW Minister for Local Government. The Minister has delegated this approval function to the NSW Independent Pricing and Regulatory Tribunal (IPART).

Councils are entitled to automatically increase rates in line with IPART's annual rates peg and, if they choose, also apply to IPART for a Special Rates Variation (SRV) above this rate peg amount under Section 508A of the Act.

Any SRV application must be made in accordance with the Office of Local Government guidelines released in 2020. This guideline is supported by information papers published by IPART, to help guide the Council SRV process. More information about these documents is available at **Attachment 2**.

In the eyes of the NSW Government, there are two critical dates if the Council is to proceed with a SRV application, if this SRV was to be included in rates notices from 1 July 2024:

- by the end of November 2023 (exact date not known at this time), the Council must write to IPART, stating its intention to apply for a SRV
- by February 2024 (exact date not known at this time), the Council must formally apply to IPART for the SRV.

Council resolutions will be sought before the Council proceeds with either of the steps above.

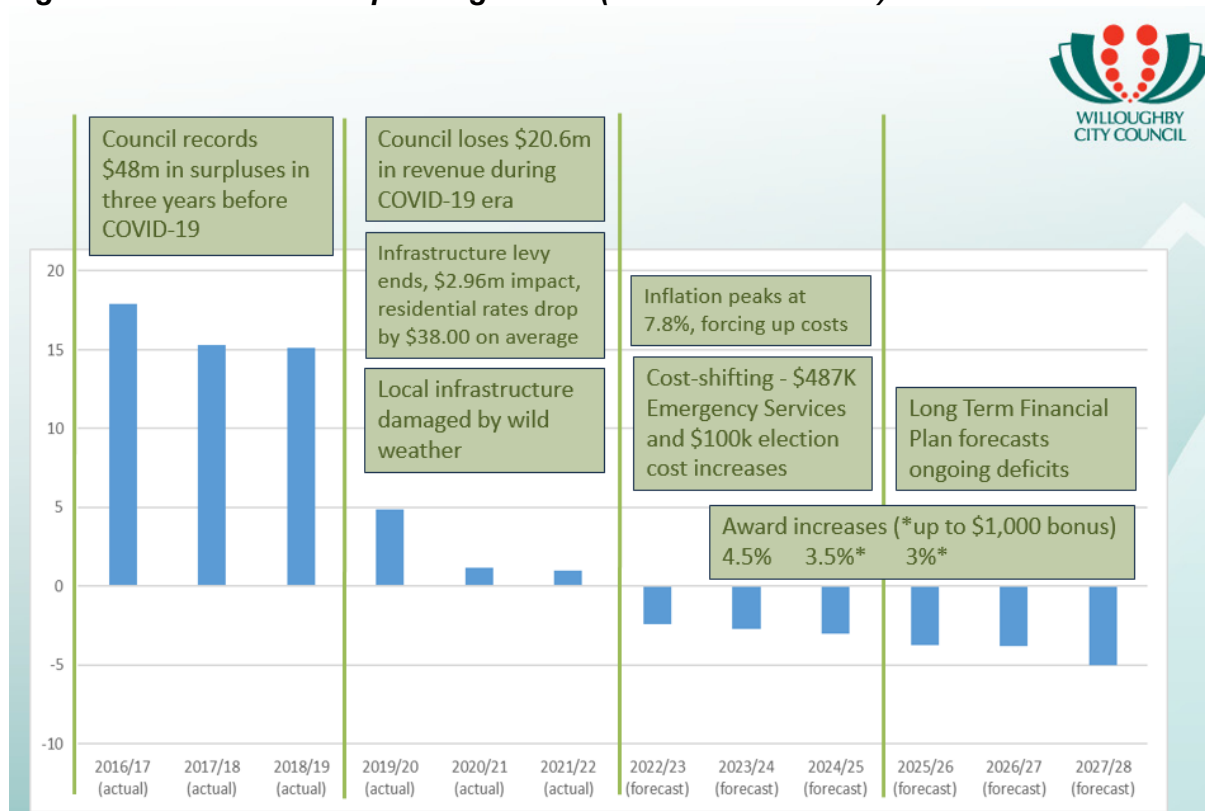
The Council last benefitted from a SRV between (and including) the financial years 2015/16 to 2021/22. This was a 7.3% increase on rates, used to fund local infrastructure improvements. The cessation of this SRV (known as the Infrastructure Levy) removed \$2.96m from the Council's rates revenue in 2022/23 and resulted in a decrease in rates in that year for the average ratepayer.

### Long Term Financial Plan (LTFP) and financial impacts

As outlined in the LTFP, from 2019/20 onwards the Council's finances have been negatively and significantly impacted by a range of external factors. These factors have included the COVID-19 pandemic, extreme weather requiring expensive infrastructure repairs, unexpectedly high and persistent inflation, and cost-shifting by the NSW Government (refer to Figure 1).

In addition, the Council's overall rates revenue has only increased by 5.8% in the five years to July 2023 - an average of just over 1% a year. This compares to an overall cumulative inflation increase of 17.2% in the same period, which means the Council's rates have fallen in real terms.

**Figure 1 – Influences on operating results (actual and forecast) from 2016/17-2027/28**



Given the above, the LTFP makes clear that a new approach is required, from 2024/25 onwards, to deal with the Council's increasingly challenged financial position.

The LTFP included the following rating scenarios for the next decade:

- Increasing rates in line with the NSW Government rate peg; or
- Applying (to the NSW Government) for a SRV of either 18.5% or 23.5% (inclusive of a presumed 3.5% government rate peg increase)

The LTFP did not support increasing rates in line with the rate peg, as this would lead to the Council becoming financially insolvent by 2025/26, if Council attempted to deliver asset renewals to meet NSW Government benchmarks without undertaking significant cost cutting. The LTFP instead supported the Council pursuing a SRV.

The LTFP also proposed that the Council should adopt, as a Strategic Financial Objective, a new Operating Performance Ratio (OPR) target of 2% (that is revenue being 2% greater than expenditure in any financial year) to ensure the Council had a sufficient buffer against future financial shocks and stresses (such as high inflation levels, unexpected significant revenue losses, cost-shifting from the NSW Government or repair costs associated with severe weather or natural disasters).

This 2% OPR target is higher than the NSW Government OPR benchmark of "greater than zero per cent", but consistent with a successful SRV application lodged by Hornsby Shire Council for the 2023/24 financial year.

Of the 23 submissions from consultation on the LTFP exhibited in May-June 2023, 12 raised concerns about cost impacts of the proposed SRV, with seven of these submissions calling on the Council to find savings to offset or eliminate the need for a rate increase.

Since the adoption of the LTFP, staff and Councillors have carefully considered:

- community feedback on the LTFP, which generally favoured limiting rate increases by finding savings and new revenue sources
- the latest financial information, in particular confirmation of Award wage increases from 2024/25 onwards resulting in an annual improvement of \$500,000 in Council's employee costs, compared to the higher estimates of costs in the LTFP
- the need for the community to have the opportunity to understand and influence any financial sustainability option.

### **Financial sustainability options**

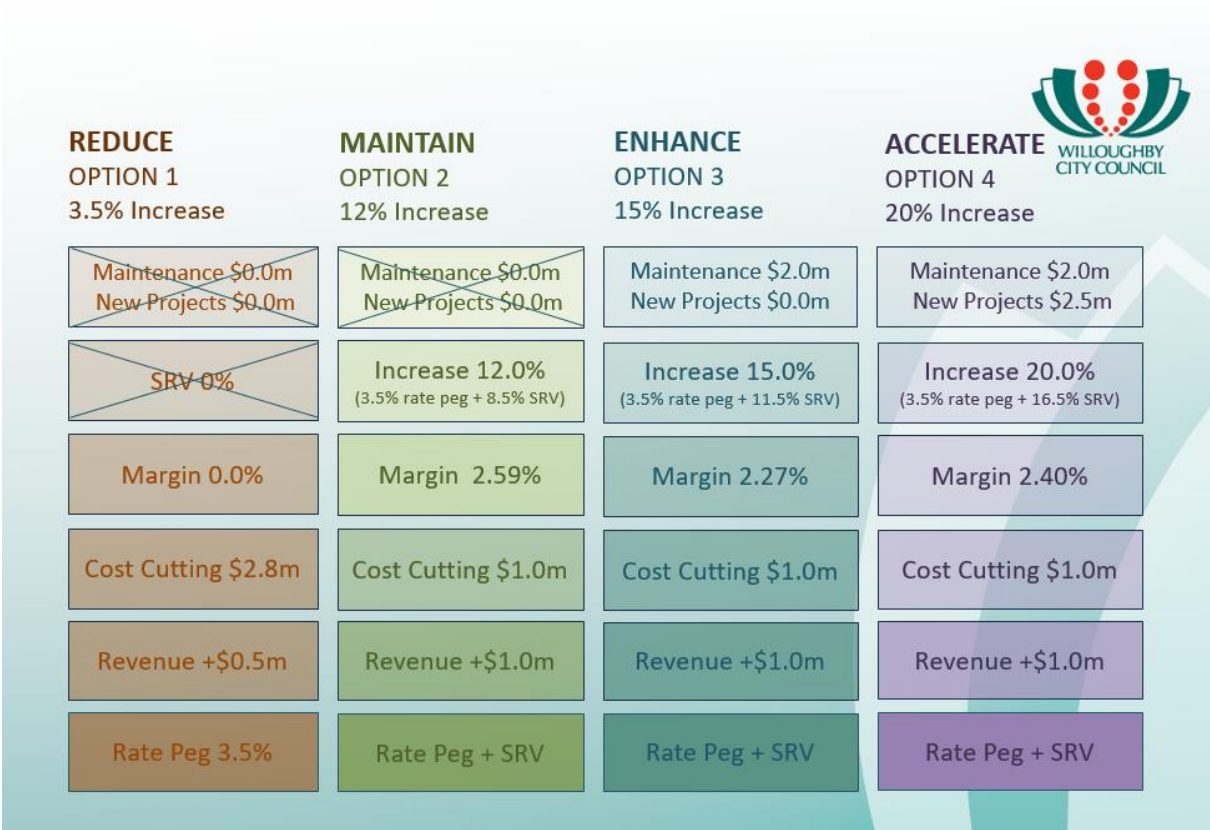
Four financial sustainability options, proposed to commence from the 2024/25 financial year, have been developed. Councillors are being asked to select which of these options they wish to take to the community. These options are listed below:

- **Option 1** is known as the **Reduce** option and will involve no SRV application and Council relying on an assumed 3.5% rate peg increase. Under this option, the Council will need to make significant cuts to services to balance its budget.
- **Option 2** is known as the **Maintain** option and will involve a 12% rate increase, including via a SRV application. Under this option, the Council will maintain highly valued services by increasing rates to match inflation. It is considered the minimum level that rates would need to increase to deliver ongoing financial sustainability, without significant cost-cutting.
- **Option 3** is known as the **Enhance** option, and will involve a 15% rate increase, including via a SRV application. Under this option, the Council will deliver what is envisaged under Option 2, and also be able to provide a noticeable uplift in public area maintenance.
- **Option 4** is known as the **Accelerate** option, and will involve a 20% rate, including via a SRV application. Under this option, the Council will deliver what is envisaged under Options 2 and 3, and accelerate the upgrade of community infrastructure.

All options travel with cost cutting and revenue targets (see section of this report entitled *Cost cutting and revenue targets* for more information).

The options are outlined in summary form in Figure 2, with a more detailed analysis available at **Attachment 3**.

**Figure 2 – Financial sustainability options to be presented for community feedback**



If the Council resolves to proceed with community engagement on any of Options 2, 3 or 4, the Council must also take Option 1 to the community.

This is because the NSW Government requires that the community is presented with an alternative to a SRV as part of any engagement process. This is expressed in an information paper published by IPART in September 2022, entitled “Community awareness and engagement for special variation and minimum rate increases”, which states that information about the need for an SRV proposal should include “*how the council will approach funding services and service delivery levels if the proposed (SRV) is not approved, and rate revenue increases only in line with the rate peg.*”

**Cost cutting and revenue targets**

As noted above, all options will travel with cost cutting and revenue targets, which will be met by either permanently reducing expenditure or by securing additional non-rate revenue sources, from 2024/25 onwards.

Included in all four options is an underlying assumption that Council will target a 7% efficiency dividend for all staff costs. This is a demonstration to the community that Council is tightly managing one of its most significant costs.

**Option 1 (Reduce)** would require a total \$3.3m cost cutting and revenue target, including \$2.8m in expenditure reduction and \$0.5m in increased non-rate revenue. Given Option 1 does not involve a SRV (and is required by IPART to be included in consultation) Council is required to meet this target to achieve a fragile and minimal level of financial security through service and expenditure reductions. Alternatives such as borrowing and asset sales were considered as either not viable, or of limited value, due to the fact they will not provide timely, and ongoing, rate relief.

To meet the expenditure reduction target, Council will need to examine significant cuts to services to ensure the annual budget is balanced. Any cuts to services are difficult decisions to make, and could involve reduced maintenance, reducing or cutting services to the community, and putting at risk the timely renewal of assets.

Given the significant reduction target of \$2.8m, it is proposed that it would be achieved over two years, being 2024/25 and 2025/26.

**Options 2 (Maintain), 3 (Enhance) and 4 (Accelerate)** would travel with a \$2m target (\$1m in cost cutting and \$1m in new revenue), which would be achieved in 2024/25. The \$1m revenue target under Options 2, 3 and 4 is higher than Option 1, as the Council will be less impacted by service reductions and therefore have greater capacity to raise revenue. For example, fewer compliance officers would mean less opportunity to raise fine revenue, from builders who are not adhering to legal requirements.

Meeting the \$1m expenditure reduction target may also be assisted through more efficient work practices identified in service reviews.

The targets for Options 2, 3 and 5 respond to the following:

- it will continue the Council's long-standing commitment to run an efficient operation by seeking savings and reducing impacts on ratepayers (see section on *Efficiencies to date* below); and
- the targets respond to community feedback on the LTFP that any rate rise option should be accompanied by an examination of savings and revenue measures (without this target the rate increase under each of Options 2, 3 and 4 would be around 3.7% higher).

Further information on expenditure and revenue reviews will be presented prior to the November 2023 meeting and, if applicable, as part of planning for the 2024/25 Budget and Operational Plan.

### **Efficiencies to date**

Willoughby City Council has a long-standing commitment to limiting ratepayer costs by reviewing services, delivering services more efficiently and finding alternate revenue sources.

In June 2015, an organisational review reduced senior staff positions and resulted in savings of \$2m per annum, without a change in service standards.

During each year of the COVID-19 pandemic, the Council found budget savings to offset revenue losses, including by deferring projects, cancelling events or reducing facility expenditure.

In May 2022, the Council made a series of difficult decisions to close or outsource a range of loss-making, under-utilised or non-core services, including the Loop Bus service and Devonshire Street child care centre.

The Council has also been successful in winning government grants to help deliver projects, including the Willoughby Leisure Centre upgrade and Artarmon and Naremburn streetscape projects. These grants have reduced the burden on ratepayers and totalled more than \$16m in 2022/23.

## Impact on ratepayers

Figure 3 outlines the average rate increase, by major rating sub-category, as a result of each of the three financial sustainability options.

**Figure 3 – Changes in average per annum and weekly rates by major rating sub-category under each option in 2024/25**

	Residential	Business (general)	Business (Chatswood Town Centre)
<b>Option 1 (Reduce)</b>	\$38 / year \$0.73 / week	\$228 / year \$4.38 / week	\$273 / year \$5.25 / week
<b>Option 2 (Maintain)</b>	\$130 / year \$2.50 / week	\$783 / year \$15.1 / week	\$936 / year \$18 / week
<b>Option 3 (Enhance)</b>	\$163 / year \$3.13 / week	\$979 / year \$18.82 / week	\$1,170 / year \$22.50 / week
<b>Option 4 (Accelerate)</b>	\$218 / year \$4.19 / week	\$1,305 / year \$25.09 / week	\$1,561 / year \$30.01 / week

There is strong evidence that our community has the general capacity to pay the proposed rate rises in the above options, due to the fact that:

- the dollar value of our rates has fallen over time, with the Council's overall rates revenue only increasing by 5.8% in the five years to July 2023, compared to an overall cumulative inflation increase of 17.2% in the same period. This means the Council's rates have fallen in real terms.
- Council's percentage of outstanding rates and charges is significantly lower than the NSW Government benchmark.
- Willoughby has the 12<sup>th</sup> lowest level of relative socio-economic disadvantage out of all 130 new local government areas. In other words, there are 117 other Councils in NSW with higher levels of social-economic disadvantage compared to Willoughby.
- in 2023/24, eligible pensioners received a statutory reduction of 50% of the combined rates and domestic waste management charge of up to a maximum value of \$250. Pensioners and qualifying self-funded retirees also received a \$158 reduction in the domestic waste service charge.
- Council did not have a single application under its financial hardship policy in 2022/23.
- in 2023/24, Council had the lowest average residential rate of any council within the Northern Sydney Regional Organisation of Councils (NSROC) region, as shown in Figure 4 below. While the figure does not include 2023/24 average rate information from Ku-ring-gai Council, in 2020/21 (the latest year the NSW Government published comparative information) Ku-ring-gai had higher residential rates than Willoughby.



**Figure 4 – Average residential rate among Northern Sydney councils in 2023/24**



**Alternatives to a SRV**

In September 2022, IPART published an information paper entitled “Community awareness and engagement for special variation and minimum rate increases”.

This document states the need for a SRV proposal to include “other options considered such as alternative revenue sources (grants, borrowing, public-private partnerships, changing expenditure priorities, productivity or efficiency measures, adopting different modes and levels of service delivery).”

The information below outlines the options which have been considered, and considered non-viable, in the development of the financial sustainability options.

**Figure 5 – Non-viable financial sustainability options**

Option	Why not-viable
Taking out new or expanded loans	<p>The Council’s LTFP has objectives to:</p> <ul style="list-style-type: none"> <li>• reduce debt levels over the medium term</li> <li>• focus on intergenerational equity; and</li> <li>• debt should only be used for assets with life over 20 years or projects with a payback under seven years.</li> </ul> <p>Taking out new borrowings to deal with ongoing financial sustainability issues is considered to be inconsistent with each of the above objectives. This is because borrowing would:</p> <ul style="list-style-type: none"> <li>• increase debt over the medium term</li> <li>• require future generations to pay for today’s expenditure</li> <li>• not be linked to an individual asset or project; and</li> <li>• not address the underlying business fundamentals and, with extra interest and principle repayments, is not a sustainable option.</li> </ul>
Selling assets	<p>Council has a property plan which identifies surplus assets. It has sold some of those assets in recent times, including at Scott St, Willoughby and Parkes Rd, Artarmon.</p> <p>Under NSW Government guidelines, the net gain on the loss or sale of assets is excluded from the calculation of the Council’s</p>

<p>Government grants</p>	<p>Operating Performance Ratio. As such, the sale of assets will not assist the Council’s operational position, which is the focus of this report, as it doesn’t give an ongoing source of funds for day-to-day operations and services.</p> <p>In addition, Council’s LTFP states that the Council’s focus should be to “optimise returns from assets”, as distinct to selling assets. While asset sales will always be considered on their merits, and have the potential to assist the Council’s financial position, asset sales are irregular and will not be timely enough to address the immediate financial sustainability of Council.</p> <p>In summary, selling assets is not a long term option for sustainability and does not address the underlying issue of an unsustainable financial model.</p> <p>Council will continue to source relevant grants, just as it secured more than \$16m in grants in 2022/23.</p> <p>However, government grants are not a stable form of income and should not be relied upon for ongoing financial sustainability. Grants are usually received for, and tied to, a specific purpose and as such do not assist Council in closing the gap between costs and revenue.</p> <p>Many grants also tie the Council to building new assets, which creates an ongoing depreciation and maintenance burden, as distinct to helping with ongoing operational expenditure which is the focus of this report.</p>
--------------------------	--

It should be noted that this report outlines how productivity and efficiency measures, different modes of service delivery and changing expenditure priorities (principally additional maintenance and infrastructure expenditure) have been incorporated into the financial sustainability options.

Public-private partnerships are not relevant, as this report is focussed on day-to-day operating costs, as distinct to the funding of a major new asset.

### Engagement plan

As outlined earlier, under the relevant Office of Local Government guidelines, the Council is required to undertake extensive awareness-raising and consultation in relation to any proposed SRV.

Separately, the Council’s Community Engagement Strategy (page 19) supports engagement with the community on matters where there is likely to be community interest in a matter, and a range of options as to how the matter can be handled.

As such, a comprehensive engagement plan has been prepared and is available at **Attachment 4**. This plan seeks to ensure that any decision that Council makes, in relation to its financial sustainability, has the benefit of well-informed, broad-based and genuinely inclusive community feedback.

This plan proposes a six-week community engagement period, between 25 September and 5 November 2023, running under the banner ‘Securing Willoughby’s future: have your say’. The first two weeks of the engagement period will be focussed on awareness-raising, with the final four focussed on in-person engagement activities.

The plan includes the following awareness-raising activities:

- distribution of a brochure and/or mailout to all ratepayers
- social media promotion, including via a short video
- placement of outdoor signs in various town centres
- media release
- promotion on home page of the Council's website
- council e-newsletters
- signed letters to, and offers to meet with, Chatswood Chase, Chatswood Westfield and local State MPs

The following engagement activities are being proposed:

- have Your Say survey, as part of a Have Your Say hub which will include multiple pages, including an online rates calculator and frequently asked questions
- randomly-selected survey of around 400 residents
- in-person community engagement sessions across the LGA, of which five will be targeted to residents and two to businesses
- a webinar, which will be recorded and placed online
- in-person events specifically targeted at Mandarin and Cantonese speakers, with translators
- invited roundtable with Progress Associations and Chambers of Commerce

The results of this engagement will be reported to Council in November, to inform a decision by the Council as to whether to write to IPART outlining the intention to apply for a SRV.

### **Budget**

An existing staff member has been seconded to manage the project. This staff member's position is currently being back-filled with a temporary officer. The project will be resourced by this project manager, combined with assistance from other staff, the SRV Project Control Group (including the Executive Leadership Team) and support by expert consultants.

As outlined in the section above on the engagement plan, the SRV project is a significant undertaking, with an emphasis on making a wide cross-section of community members aware of the proposal. This work is not possible without a budget allocation.

Significant cost elements will include the mailout to all ratepayers, a randomly-selected survey, material translation and hiring engagement consultants to run and facilitate community engagement events.

Given the above, Council approval is sought to allocate \$200,000 to the project from Project and Capitals Works contingency funds. The impact of this \$200,000 allocation on the Council's 2023/24 budget scenario will be reported in the quarter one review to be presented to the November meeting of Council. This is in line with Council's resolution of 26 June 2023.

### **Delivery Program**

The *Delivery Program 2022-26* was last adopted by Council in June 2022 and outlines the key services and projects Council will be delivering to 2026. There are two matters to address in relation to the *Delivery Program*.

Firstly, the Council resolved in June 2023 to support a change to the *Delivery Program* to note the Council would undertake engagement on a SRV, including giving delegation to the CEO to finalise the wording.

However, under the NSW *Government's Integrated Planning & Reporting Guidelines*, the correct approach is for the Council to resolve and note the proposed change at one meeting, and then adopt it at the next. Officer's Recommendation 5 deals with this matter.

Secondly, it is intended that, if there is a report to the November 2023 meeting recommending the Council support a SRV application, an addendum will be prepared for the *Delivery Program* which will explain the history and rationale for the SRV, its proposed ratepayer impact and the discarded alternatives to a rate rise. Approval would then be sought to adopt this change at the December meeting.

## **5. CONCLUSION**

Council approval is sought to resource and undertake extensive community engagement on financial sustainability options, to inform a further decision by the Council in November 2023

IMPLICATIONS	COMMENT
<b>City Strategy Outcome</b>	5.6 – Ensure value for money and financial sustainability
<b>Business Plan Objectives, Outcomes / Services</b>	As above
<b>Policy</b>	Engagement on the SRV will take place in line with the Council's <i>Community Engagement Policy</i> and <i>Community Engagement Strategy</i>
<b>Consultation</b>	Community members were consulted about a potential Special Rate Variation in May and June 2023, as part of the exhibition of the Council's <i>Long Term Financial Plan 2023-2033</i> . This report seeks approval for the Council to undertake additional engagement.
<b>Resource</b>	This report, and its attachments, have been prepared through internal staff resources.
<b>Risk</b>	Without a successful Special Rate Variation, the Council could be facing a significant risk to its financial viability, with the potential that it becomes insolvent by 2025/26 if it attempts to continue to maintain and renew assets to benchmark levels.
<b>Legal</b>	No legal implications
<b>Legislation</b>	Section 508A of the <i>Local Government Act</i> , supported by <i>Guidelines For The Preparation Of An Application For A Special Variation to General Income</i> , by the Office of Local Government, 2020
<b>Budget/Financial</b>	This report is seeking a budget allocation of \$200,000 to implement the Special Rate Variation project.

## **RESOLUTION**

That Council:

1. Note that the NSW Government requires councils, when consulting with their communities about a potential Special Rate Variation, outline an option which does not involve a Special Rate Variation.
2. The following Special Rate Variation options should accompany Option 1 (Reduce Services - no Special Rate Variation) in the engagement process. Option 2 (Maintain) - Seek a 12% rate increase Option 3 (Increase Services) - seek a 15% rate increase Option 4 (Increase Services and Infrastructure) - Seek a 20% rate increase
3. Endorse the Community Engagement Plan at Attachment 4.
4. Approve a budget allocation of \$200,000 in 2023/24 from Projects and Capital Works contingency funds to implement the Community Engagement Plan.
5. Approve the insertion of the words "Conduct community engagement on options to deliver ongoing financial sustainability, including a potential Special Rate Variation" on pages 5 and 19 of the Council's Delivery Program 2022-26.
6. Note that the results of the community engagement process will be reported to the November 2023 meeting, to inform a further decision by the Council on the financial sustainability options.
7. This resolution is not a decision by Council to proceed to make a submission to the Independent Pricing and Regulatory Tribunal for a Special Rate Variation and that a separate report to Council will be required later in 2023 to do so.

MOVED COUNCILLOR WRIGHT / SECONDED COUNCILLOR SAMUEL

### **CARRIED**

Voting For the Motion: Councillors Taylor, Eriksson, Greco, Moratelli, Mouradian, Roussac, Samuel, Wright, Xia and Zhu

Against: Councillor McCullagh