Inquiry Name: Inquiry into Rate Capping Policy.

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SUBMISSION CONTENT:

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Dear Secretary,

I thank the Environment and Planning Committee for taking the time to conduct an inquiry into the Andrews Government Rate Capping Policy. This issue is close to myself not only as a resident of Benalla but an employee of a not-for-profit sporting organization in town.

It appears to me after reading through the Benalla Rural City Council's published "Council Plan 2017 - 2021" (found here) that Council are under enormous financial pressure as a result of reduced rates and charges from rate capping. Perhaps this is why Benalla Rural City Council has chosen to increase other separate fees and charges by very large percentages which I believe directly contravenes the State Governments Rate Capping Policy.

Perhaps most damaging to my personal circumstances is the expected impact these new Council fees, charges and land rental rates will have in my workplace when applied. As the Office Manager for the Gliding Club of Victoria, I fear that such drastic increases (400% base plus further 200% development fee) in Council rates will force the closure of the (not-for-profit) gliding club and will ultimately result in unemployment for our staff.

The Gliding Club of Victoria is an iconic tourist attraction of Benalla, so much so that the Council's Annual Report 15-16 estimates our club would inject $7 - $9Million into the local economy in January 2017. This unfortunately may have given Council the view that our sporting club is "flush with cash" and would be an easy target to help make up "lost revenue" through increased fees and charges.

It appears to me that the Council are attempting to create a large surplus using airport income, generated by drastically increasing user fees. In an effort to help justify this increase Council recently published figures (here) that the Aerodrome cost $77,971 to run last year. When this figure is compared to the last 5 years of
operating costs (attached figure1.png) it clearly shows this $77,000 figure is extraordinary. Council have since confirmed that the difference was mainly due to one off consultant and legal fees for new hangar leases.

In conclusion, the Benalla Rural City Council’s proposed increase in hangar rates of up to 700%+ would not only cover costs but come close to leaving a surplus of almost double operating costs. I believe that the Council are using airport fees to help subsidize a reduction in rates caused by rate capping.

I urge the Environment and Planning Committee to consider this information during their inquiry into rate capping.

Thank You

Rhonda Gelletly

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File1: 599f98ef75f39-figure1.png

File2:

File3: