

2018 RATING STRATEGY

DISCUSSION PAPER

INTRODUCTION

Council is about to prepare its 2018 Rating Strategy.

The Strategy will apply for the three years from 2018-19 to 2020-21 and will guide how Council shares the rates burden across the entire community. As rates revenue is Council's major source of revenue and directly impacts property owners and leases of commercial properties, it is crucial the principles which underpin the strategy are based upon the expectations of the community.

As a result, Council is engaging in an extensive consultative process before preparing the strategy.

AIMS OF THIS DISCUSSION PAPER

The aims of this discussion paper are:-

- To advise the community of the issues/themes that should form the guiding principles for the preparation of the 2018 Rating Strategy
- To encourage community consideration of these themes; and
- To elicit further feedback, and if required, to further develop the guiding principles.

It is felt this will ensure the principles that underpin the 2018 Rating Strategy will, as much as possible, reflect the broad aspirations of the community.

WHAT HAS OCCURED SO FAR?

Part of the preparation of the 2018 Rating Strategy was to seek comment from a number of community representative groups from throughout the shire. The aim of this was to identify key themes and issues that were important to the community that could then be taken into consideration in preparation of a draft rating strategy.

Invitations were therefore sent to the following selected groups/organisations inviting them to prepare a submission and present their views to a Briefing Session of Council. It was felt these groups represented the main sectors within the shire (i.e. business, farming and residents). The organisations/groups invited were:-

Group organisation	Representing Interests Of:-
Associated Kiln Driers (AKD)	Industry/significant employer
Apollo Bay Chamber of Commerce & Tourism (ABCC)	Business sector covering the Apollo Bay area
Victorian Farmers Federation (VFF)	Farming sector (particularly dairy industry)
Colac Business Inc. (CB Inc.)	Business sector covering the Colac area
Colac Otway Ratepayers & Residents Association (CORRA)	Ratepayers and residents shire wide
Otway Forum (OF)	Ratepayers and residents in Otway area

In addition, 31 other community groups/organisations were invited (by emails sent on 24th August 2017) to submit written submissions.

Five of the six selected organisations/groups elected to participate and make submissions to Council.

One community group from the 31 other groups submitted a written submission.

The presentations were scheduled to be delivered at Briefing Sessions of Council on 4th and 18th October 2017. Due to a scheduling delay on 4th October ABCC & OF were rescheduled to the 11th October 2017 and due to an overrun of Council briefing on 18th October, when CORRA, Colac Business Inc. and the VFF were scheduled to appear, representatives of CORRA and Colac Business Inc. elected not to give their presentation and VFF gave an abbreviated presentation.

Colac Business Inc. and CORRA both subsequently emailed details of their submissions to officers rather than be re-scheduled to appear.

SCOPE OF THE RATING STRATEGY

It was acknowledged that a “rating strategy” can be an abstract concept for many and that many may focus on the more basic issues of how much rates are to be raised and/or how rates revenue should be spent etc. Issues such as how much rates are raised and how they are spent are determined as part of Council’s budget process and are not part of the rating strategy.

As the focus of the Rating Strategy is to determine how the total rates burden is to be shared across the community, (rather than how much is raised and how it is spent) the following topics were suggested as in scope for consideration:-

- Do the existing rating categories adequately capture all property types?
- Should Council have a differential rating structure?
- Are the existing differentials between rating categories appropriate and fair?
- If assistance is to be given to one rating category, what will be the effect on other rating categories?
- Should Council raise a greater/less percentage of its total income from the Municipal Charge than it currently does?
- Is the level of pensioner rates concession adequate?
- Should capacity to pay be taken into consideration and if so, how is this assessed?
- Should Council apply annual rate increases to the limit of the State Government’s rate cap?
- If it doesn’t, what are the long term effects?

It should also be borne in mind Council has a number of legislative requirements it must comply with insofar as levying rates and charges is concerned. These requirements are primarily referred to in the:-

- Local Government Act 1989
- Valuation of Land Act 1961
- Ministerial Guidelines for Differential Rating – April 2013

ISSUES / THEMES RAISED IN SUBMISSIONS

The most commonly raised issues/themes in the six submissions that are in scope for the rating strategy are as follows:-

Theme	Retain Differential rating?
Nature	There were opposing views as to whether differential rating should be retained.
Rating Strategy Status	In Scope
Council's view	<p>The alternative to differential rating is that Council applies the same rate in the dollar to all properties.</p> <p>There would be a range of implications resulting from this, with most effect being on lower valued properties (particularly in the Balance of Shire rating category) and Farms as they would almost certainly be rated at a significantly higher rate in the dollar.</p> <p>Council has supported differential rating since 1994 and believes, with the varying demographics and valuations across the shire, a differential rating structure provides the flexibility to equitably share the rates burden across the community.</p>
Community Feedback/Thoughts	

Theme	Differential between rating categories (e.g. Farm , Commercial, Holiday rental, new Coastal)
Nature	<p>There were differing views expressed, such as:-</p> <ul style="list-style-type: none"> • That the Farm differential needs to be greater (i.e. reduced to 55% of the base rate) • The Holiday rental differential should be reviewed (i.e. increased) to encourage property owners to provide full time permanent rental instead of short term holiday rentals (in order to develop the community) • That any change to the Farm rate in dollar should be based on economic analysis that considers their overall taxation situation • That all businesses (Commercial, farm & Holiday rental) should pay the same rate in the dollar • That a separate rating category be created for the coast (i.e. at 80% of the base rate).
Rating Strategy Status	In Scope
Council's view	Altering differentials shift the rates burden from one category to other rating categories. The suggestions provided will be among options modelled in the preparation of the Rating Strategy. Details of the modelling will be reviewed by Councillors but capacity to pay must be balanced with accessibility to services.
Community Feedback/Thoughts	

Theme	Municipal Charge
Nature	<p>There are opposing views regarding the Municipal Charge, ranging from increasing it to raise the allowable 20% of revenue to abolishing it all together.</p>
Rating Strategy Status Council's view	<p>In Scope</p> <p>As the Municipal Charge is a flat charge on a property, it ensures lower valued properties contribute a reasonable amount towards the shire's costs (in this case, the costs of having offices, operational systems, plant , equipment etc.).</p> <p>Increasing the Municipal Charge tends to disadvantage owners of lower valued properties as it represents a greater proportion of the total rates bill. These property owners also tend to have lower incomes.</p> <p>The Municipal Charge is levied on all properties, with the only exemption being on second and subsequent farm properties owned by a single farm enterprise.</p> <p>Council currently raises approximately 10% of its rates revenue (excluding waste) from the Municipal Charge.</p>
Community Feedback/Thoughts	

Theme	Fairness & Equity
Nature	<p>The views appear to be that:-</p> <ul style="list-style-type: none"> • Council should consider a person’s ability to pay • Property owners of similar socio-economic level should pay the same total amount of rates • Council should use the user pays model more extensively so ratepayers aren’t subsidising services they don’t use • The services provided in an area should be commensurate with rates paid by an area.
<p>Rating Strategy Status Council’s view</p>	<p>In Scope</p> <p>This is a complex issue. Despite Council being required to fairly and equitably share the rates burden, there is no definition in the rating legislation of what constitutes this. As a result, what is fair and equitable is a subjective opinion.</p> <p>Whilst the points raised may seem reasonable, they present the following significant issues:-</p> <ul style="list-style-type: none"> • Philosophically and legally, rates are not based upon a person’s income – they are a property tax based on the valuation of the property • Councils have no access to income data, • Reliance on income as a means of assessing rates would render Council unable to prepare a budget for the next financial year as ratepayers’ income would not be finalised until into that financial year • A fundamental premise of taxation is that revenue is used to provide community services that may not otherwise be viable, Reliance on “user pays” principles may lead to some services not being viable due to the service being used by a relatively small section of the community (e.g.: saleyards, harbour , airfields, Visitor Information centres etc.), whereas other services may become too expensive for recipients (e.g.: Meals on wheels and other aged care services) • As a tax, revenue is used where it is most needed and economically prudent. Spending priorities may change from year to year, resulting in “subsidisation” of some areas of the shire by other areas.
<p>Community Feedback/Thoughts</p>	

A comprehensive list of themes /issues raised is provided as an appendix to this discussion paper.

The themes / issues were divided into “WITHIN SCOPE ISSUES” or “OUTSIDE SCOPE ISSUES”.

“Within Scope issues” were those that could be directly actioned as part of the Rating Strategy, whilst “Outside Scope issues” were those that were contrary to current legislation (and therefore “ultra vires” to implement) or were issues concerned with where/how rates revenue was spent (in which case they will be dealt with as part of budget considerations).

Brief comments are provided as to implications that may result from the issue being implemented and whether or not the issue is feasible or permissible under the current legislation.

WHERE TO FROM HERE?

You encouraged to consider the issues/themes referred to above and to raise any new issues/themes you believe are relevant.

The submissions period for written or emailed submissions close 01/12/2017

Community members may also participate online by completing a short survey which can be found at the shire website at www.colacotway.vic.gov.au

A draft 2018 Rating Strategy will then be prepared in January/February 2018 and presented to the public as part of the draft 2018-19 Council Budget in April 2018.

This will provide a further opportunity for the public to make submissions in relation to the Rating Strategy before it is finally adopted.

RELATED RATES INFORMATION

The following information is provided to answer many of the questions you may have.

Why are rates charged?

Rates pay for the provision of a range of services and infrastructure throughout the shire. They are a “tax” – not a “user charge” or a “fee for services”. Ratepayers therefore contribute to all the services provided for the benefit of the community at large.

The extent to which a person uses services has no bearing on the amount of rates they are required to pay. It is expected that over the course of a person’s life, they will access a variety of Council provided services.

Fundamentally, rates are property based tax where properties of a proportionally higher value pay higher rates.

Rates to be “fair” and “equitable”

The rates burden is required to be apportioned fairly and equitably across the community. There is however no legislative definition of what is “fair” and “equitable”.

As such, what is “fair and equitable” will depend on an individual’s perspective.

Some may consider all properties paying the same amount, regardless of valuation, access to services or usage of services is fair and equitable.

Others may consider the use of the same rate in the dollar for all (or similar) properties is fair and equitable.

Others again may have different views of what constitutes fair and equitable.

Council’s view is that fairness and equity is achieved by:-

- Having a differential rating structure (see below for further information),
- Having different rates in the dollar for different types of property (to ameliorate the total amount payable by some types of properties),
- Applying the same rate in the dollar to all properties within a rating category.

How are rates calculated?

Two components are used to calculate the amount of rates a person will pay.

These are:-

- (a) The Capital Improved Valuation (CIV) of the property
- (b) The rate in the dollar (which is set annually by Council).

The Capital Improved Valuation (CIV) of the property is multiplied by the rate in the dollar to give the “General Rates” part of the rates bill

Fixed charges such as a Municipal Charge, Waste Management Charge and the State Government’s Fire Services Property Levy are then added to give the total amount payable.

How is the “rate in the dollar” determined?

Each year Council prepares a budget and determines how much revenue it requires from rates and charges to cover its expenses. The amount of income to be raised is divided by the total CIV of properties to be levied to give a rate in the dollar that is required to be charged.

For example, if Council was to raise \$100,000 from properties worth \$25 million the calculation would be $\$100,000 / \text{CIV} \$25,000,000 = 0.004 \text{ cents/CIV } \$$.

How is the Capital Improved Valuation (CIV) determined?

All properties in the Shire are valued biennially at a common date (the last being 1 January 2016). The CIV is determined by Council’s contract Valuer every two years by analysing sales of similar

properties in the area for the 16 months (approx.) prior to the common valuation date. The valuation is an estimate of the market value of the property as at the common valuation date.

The valuations are prepared in accordance with the “Valuation Best Practice Guidelines” prescribed by the Valuer General of Victoria, which apply to all Victorian Council’s.

The next valuation date is 1 January 2018. This valuation will be used for rating purposes in the 2018-19 and 2019-20 financial years.

Differential Rating Structure

Like nearly all Victorian Councils, this Shire has a Differential Rating structure. All properties in the shire are included in one of the following rating categories. Each category may have a different rate in the dollar that is used to calculate the “General Rates” component of the rates bill. The 2017/18 budgeted amounts for each category are shown below.

CATEGORY	2017-18	Cents / CIV \$	Differential
Residential - Colac/Elliminyt (Residential properties in the Colac & Elliminyt Township)		0.004422	100%
Residential - Balance Shire (Residential properties located in the municipality excluding Colac & Elliminyt)		0.003759	85%
Holiday Rental (Properties available for short term holiday accommodation purposes for a tariff)		0.004422	100%
Rural – Farm (Properties meeting the definition of a “Farm” set out in the Valuation of Land Act 1960 and used for such purposes).		0.003405	77%
Commercial / Industrial - Colac/Elliminyt/Colac West (Commercial properties in the Colac, Elliminyt & Colac West Township)		0.007297	165%
Commercial / Industrial - Balance Shire (Commercial properties not located in the townships of Colac, Apollo Bay, Elliminyt or Princes Highway Colac West)		0.006191	140%
FIXED CHARGES			
Municipal Charge		\$184.64	Nil
Waste Management Charge - Weekly Service		\$298.00	Nil
Waste Management Charge - Fortnightly Service		\$198.00	Nil

What is the “Differential”?

As there can be a different rate in the dollar for each category, the difference is referred to as the “differential”. Colac Otway Shire uses it’s” Residential – Colac/Elliminyt” rate as the “base rate” (i.e.: 100%). Other categories have a rate in the dollar higher or lower than the base rate as indicated in the table above.

What is effect of the Differential?

Changing the differentials above or below the base rate shifts the rating burden, assuming there is minimal increase on the valuation of all properties within the rating category

For example, raising the “Residential – Balance of Shire” rate in the dollar to 90% of the base rate would mean properties in that category would pay at a higher rate of 0.00398 cents/CIV\$. Thus the general rates payable for a \$100,000 property would become \$398.00, compared to \$375.90 if the differential remained at 85% of the base rate.

Municipal Charge – what is it?

The Municipal Charge is a fixed charge levied on all properties. The charge is to cover some of the governance and administrative costs of Council. Councils can use the Municipal Charge to raise no more than 20% of its total revenue from rates and charges.

It ensures all properties, particularly those with a low CIV, pay a minimum amount towards Council’s costs. For example, a vacant residential lot in a rural township valued at \$10,000 would pay General rates of \$37.59. With the imposition of the Municipal Charge, this property pays \$222.23. Raising the Municipal Charge therefore has greater effect on lower valued properties.

Municipal Charge Exemption?

The only properties that may be exempt from the Municipal Charge are multiple farm properties occupied by a single farm enterprise (SFE). SFE’s are required to pay at least one Municipal Charge.

Waste Management Charge – what is it?

A fixed charge levied on all developed properties (i.e. those not being vacant land) that are **located along the kerbside collection routes. The charge attempts to recoup the cost of** providing the kerbside collection service from those that benefit from the service.

It does not recoup other waste management costs such as landfill management or rehabilitation etc. Properties not on the collection routes are not levied with this charge.

Rate Capping – what is it?

Rate capping is a limit imposed by the State Government on how much additional rates revenue Councils can raise from one year to the next. For example, if the rate cap for 2018-19 was 2%, Councils rates revenue for that year could not exceed the 2017-18 rates revenue by more than 2%.

ENQUIRIES?

All enquiries you have in relation to this matter should be directed to:-

Paul Carmichael

Revenue Services Co-ordinator

Phone: 5232-9461 Email: paul.carmichael@colacotway.vic.gov.au

APPENDIX 1 – 2017/18 budgeted rates

COMPARISON OF TOTALS

Type or class of land	Differentials	# of Assessments	CIV(\$)	General rates	Municipal Charge	Total Charge
TOTALS		15130	\$5,793,153,872.83	\$23,714,195.07	\$2,632,957.84	\$2,632,957.84
Commercial/Industrial - BOS	140%	343	\$170,283,608.09	\$1,054,296.66	\$63,331.31	\$1,117,627.97
Commercial/Industrial - Colac	165%	631	\$285,203,458.98	\$2,080,992.74	\$116,507.46	\$2,197,500.20
Holiday Rental	100%	454	\$241,748,359.14	\$1,069,117.61	\$83,826.29	\$1,152,943.90
Residential - BOS	85%	5369	\$1,986,837,694.98	\$7,467,664.58	\$989,297.91	\$8,456,962.49
Residential - Colac	100%	5562	\$1,430,792,128.04	\$6,327,592.34	\$1,026,041.15	\$7,353,633.49
Rural Farm	77%	2771	\$1,678,288,623.59	\$5,714,531.14	\$353,953.73	\$6,068,484.87

% of TOTALS

Type or class of land	Differentials	# of Assessments	CIV(\$)	General rates	Municipal Charge	Total Charge
Commercial/Industrial - BOS	140%	2.27%	2.94%	4.45%	2.41%	4.24%
Commercial/Industrial - Colac	165%	4.17%	4.92%	8.78%	4.42%	8.34%
Holiday Rental	100%	3.00%	4.17%	4.51%	3.18%	4.38%
Residential - BOS	85%	35.49%	34.30%	31.49%	37.57%	32.10%
Residential - Colac	100%	36.76%	24.70%	26.68%	38.97%	27.91%
Rural Farm	77%	18.31%	28.97%	24.10%	13.44%	23.03%

APPENDIX 2 – Within scope issues

"WITHIN SCOPE " Issue	Comment
Theme: Retain Differential Rating?	
Differentials should be retained They are :- <ul style="list-style-type: none"> • essential for farms and small towns • seem to be in line with neighbouring councils; and • Should represent access to services/infrastructure (e.g. drains, footpaths, etc.) 	Council has supported differential structure since 1994. How is "access to services" to be measured? Presumably a subjective judgement would have to be made which would be contestable.
Eliminate differential rating – "unequal taxation is based in envy"	Opposite view of previous item. Proposal would disadvantage lower valued properties that would pay more whilst assisting higher valued properties.
Increase differentials for Holiday (short term rentals) to 140% of base rate to:- <ul style="list-style-type: none"> • Encourage long-term rentals/ permanent residents bringing skills etc. to area • It will sustain community well-being /create sustainable communities • It will create a level playing field between holiday accommodation providers (i.e. all pay at same rate rather than some at Holiday rental rate and some Commercial.) 	Applaud community building sentiment but issue is more complex than this suggests. Also it is more difficult to identify holiday rental houses due to rise of AirBnB etc. Could consider having higher rate in dollar for non-owner-occupied dwellings (i.e.; create new rating category for that).
All businesses (e.g.; commercial, farms & holiday rental) should pay same rate in dollar.	Would probably have negative effect on Farms & Commercial properties in Balance of Shire.
The rating differential should be 55%. Whilst the VFF would prefer the differential to be changed to 55% immediately, they would be agreeable to it being phased in over five years.	The effect of changing the differential on other rating categories needs to be modelled.
Any move to increase the Farm rates differential (to lower than the current level) should be based on sound economic reasons (e.g.; what is their overall tax situation?).	Any change to a differential should be justifiable and based on evidence.
<ul style="list-style-type: none"> • Create "Coastal" differential category with differential of 80% of base rate (to recognise the "coastal tribe"). • Recognize a community of similar interest (i.e. creation of "Coastal" category). 	Have implications for comparison with rest of 'Balance of Shire'. If differential is 80% for new Coastal category, what is differential for rest of Balance of Shire? Presumably is should be <80%. On what grounds is differential for BA of Shire to be based? If rest of Balance of Shire is to have differential of 80%, why have a separate rating

	<p>category for coast? If Balance of Shire differential is changed, should Farm differential also be changed?- if so, why? Is it fair that other categories then expected to pick up rates burden?</p>
Theme: Municipal Charge	
Increase the Municipal Charge to raise the allowable 20% of revenue from the charge to mediate rates increases cause by valuation increases.	Increasing Municipal Charge tends to affect owners of lower value properties more (as they generally have less income).
Do not increase Municipal Charge to 20% of revenue as it would negatively affect residents who can least afford it.	Opposite view of previous item.
Abolish the Municipal Charge – it is unconstitutional, immoral, unjust, illegal	Abolishing charge would mean income lost would have to be raised from general rates or forgone.
Land value does not necessarily reflect income potential of the land.	Income producing potential is generally reflected in the valuation of the property (i.e.; better quality (income producing) land will have a higher valuation).
<ul style="list-style-type: none"> Any review should support the retention and growth of new business and business opportunities. Any change to the rating structure should be applied with minimal impact to the viability of small and emerging business – perhaps considering a minimal or capped start up rate for new business to help as an incentive to do business in the Shire. 	Admirable sentiment. Perhaps better dealt with by specific assistance packages to new businesses etc.
Theme : Fairness & Equity	
<ul style="list-style-type: none"> Rate burden & service delivery should be distributed fairly & equitably. All properties should make a meaningful rates contribution. 	<p>Every year Council attempts to achieve this. What is fair and equitable is not defined in legislation and is often a matter of opinion.</p> <p>Every year Council attempts to achieve this. Levying a Municipal Charge also ensure low valued properties make a “meaningful” contribution.</p>
Residents on similar socio-economic levels should pay a similar level of rates. (NB: coastal residents pay comparatively more than elsewhere (e.g.: Colac).	This could only be achieved by varying differentials or providing assistance rebates.

	Issue is how does Council determine who is on similar socio-economic level? We don't have income data and the amount of rates payable can't be based on a subjective decision.
Ability to pay should be considered.	Issue is how to assess "ability to pay"? Rates are not an income tax. Considered better to cater for those with genuine inability to pay by hardship assistance.
Land value does not necessarily reflect income potential of the land (particularly for farms).	Income producing potential is generally reflected in the valuation of the property (i.e.; better quality (income producing) land will have a higher valuation).
<ul style="list-style-type: none"> • Council needs to recognise it costs more for coastal people to access Colac services. • Coast has less access to services yet pays for these services – inequitable. • Apollo Bay subsidise 20% of rates – inequitable 	This could only be achieved by varying differentials or providing assistance rebates. Presumably the services referred to are COPACC , Blue water FC, Central reserve etc. but the same applies to people outside the coastal regions wanting to use Coastal services (e.g.: harbour, Apollo Bay infrastructure etc. Some of these service are more expensive to provide to outer coastal regions due to distance etc.
<ul style="list-style-type: none"> • It is unfair for rural properties to pay for facilities they don't use (e.g. Blue Water FC, Central Reserve etc.) – therefore any rural assessment greater than say 30kms from such facilities shouldn't have to pay for these facilities • User pays model should be used more – (ie: direct users of a service pay for it) 	This could be achieved by varying differentials or providing assistance rebates. The issue is how does Council decide who pays and who doesn't. Any subjective decision will be contestable. Ultimately, rates are not a user pays charge. They are a tax, which enables a range of services, which not be economically feasible to be provided because the cost is shared by the entire community. If rural people don't contribute to the cost of these

	facilities are they to be excluded from using them? – do they not use BWFC, COPACC, cinemas etc? Should the cost of the saleyards be recouped only from farmers?
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APPENDIX 3 – Out of Scope issues

"OUTSIDE SCOPE " Issue	Comment
<ul style="list-style-type: none"> • Services that are not provided universally across the shire should have recurrent costs funded by a "user pays" model. • Grow emphasis on user pays model • Community assets to be run on a commercially sustainable basis 	<p>Legislation currently requires rates based on land valuation.</p> <p>User pays is a complex issue that requires separate investigation.</p>
<p>Investigate new funding streams (to mitigate reliance on rates)</p> <p>Investigate installation of parking meters (particularly in Apollo Bay)- residents to be exempt.</p>	<p>Specific new income streams would need separate consideration.</p>
<p>Farm enterprises should pay the same dollar amount of rates as commercial business with comparable nett incomes</p>	<p>Using income as basis for rating is not permitted by Local Govt Act.</p>
<ul style="list-style-type: none"> • Farming enterprises should be rated as a single assessment, regardless of how many separate properties they have (they need multiple properties to remain viable). • Only the "House and curtilage" on the farm should be rated. 	<p>Proposal contravenes Valuation of Land Act and Local Govt Act requirements</p>
<p>Property valuations need to reflect effect of BAL rating requirements on new dwellings</p>	<p>Valuation methodology issue.</p> <p>Effect of BAL ratings on properties will become evident in property sales and be reflected in valuations.</p>
<p>Any rates increases, even within the State Government rates cap are unacceptable</p>	<p>This is an issue for conisation in budget.</p>
<p>Council provides low level of service to coastal area (e.g. reluctant to service coastal public lands, toilets, sports grounds, picnic areas etc.).</p> <p>There is an infrastructure shortfall in coastal regions</p> <p>Council should provide tourism friendly infrastructure to promote tourism which is a significant economic driver in coastal regions (particularly in Apollo Bay).</p>	<p>Outside scope of Rating Strategy.</p> <p>This is matter of opinion and more appropriately dealt with in budget considerations.</p>
<p>If any rating responsibility increase has to be borne by the business community, there has to be a tangible increase in the focus on economic development within this shire.</p>	<p>This is more appropriately dealt with in budget considerations.</p>
<p>Council should focus on core activities to reduce expenditure – Health related activities should be transferred to Colac Area Health, kindergartens to be transferred to Education sector etc.</p>	<p>Transferring responsibility for services is a complex issue requiring extensive investigation.</p>
<p>Otway Coast Committee not funded by rates – why not? – Council should assume responsibility for Committee activities or fund it.</p>	<p>Opposite view of previous item</p> <p>Why would Council want to bear more of the State Government's responsibilities and costs?</p>
<p>Coast region would be better off joining in the Surf Coast Shire, which has a similar community of interest</p>	<p>This is a matter of opinion.</p>
<p>There needs to be a complete overhaul of how local government is funded.</p>	<p>The submitter should pursue this at a State Government level.</p>