

Comparative Special Rate Variation options and associated cost to ratepayers and delivery of Biodiversity Management Strategy actions

Lismore City Council is undertaking community consultation on an ongoing \$500,000 per annum Special Rate Variation (SRV) which is linked to achieving a program of actions in the Draft Biodiversity Management Strategy (BMS). Although this is Council's proposal, Council has also developed two other funding scenarios for the purposes of showing the community what would shift if the community was to request more or less funding for the BMS. This document provides details on the varied costs and actions deliverable associated with any increase or reduced SRV.

1. Comparative 10-year budget summary and BMS actions

The Draft BMS is based on a \$594,000 annual budget that would be needed to implement key actions. This funding is made up of the recurrent \$94,000 that Council has already allocated towards biodiversity related activities as well as a proposed \$500,000 which may be achieved through an SRV.

Table 1: Funding allocations to deliver key BMS actions over 10 years from 2014/15 to 2023/24.

Note: the table below provides a 10-year budget summary for all funded actions in the BMS from 2014/15 (design phases) to 2023/24. The first two years of the 10-year budget do not include the proposed SRV (annual \$500,000). These two years are made up of the \$94,000 already allocated by Council, additional one-off project funding committed by Council, and grant funding already achieved. The budget also does not account for the annual rate peg increase, which is set by the NSW Independent Pricing and Regulatory Tribunal (IPART), which would apply if the SRV was approved and introduced.

Funding allocations in the Biodiversity Management Strategy	Action Number	\$700,000/annum	PROPOSED OPTION \$500,000/annum	\$300,000/annum
Council keeping its house in order				
Planning and Processes				
Review and update Operational Plan for Roadside Vegetation Management 2005	1	\$20,000	\$20,000	\$20,000
Staged weed management in road reserve HCV areas	2	\$304,000	\$250,000	\$142,000
Complete vegetation mapping for the Lismore LGA	3	\$80,000	\$80,000	\$80,000
Operational procedures and training				
Internal operational procedures and training – engage Change Management Officer	17; 18.	\$243,000	\$243,000	\$243,000
Tree planting day	21	\$10,000	\$10,000	\$10,000
Supporting the community				
Recognition of community achievements	25	\$70,000	\$45,000	\$45,000
Strategic conservation projects (e.g. wild dogs)	28	\$240,000	\$200,000	\$50,000
Community consultation for SRV	37	\$25,000	\$25,000	\$25,000

Funding allocations in the Biodiversity Management Strategy	Action Number	PROPOSED OPTION		
		\$700,000/annum	\$500,000/annum	\$300,000/annum
Education actions	57; 58.	\$265,000	\$155,000	\$105,000
Subtotal		\$1,257,000	\$1,028,000	\$720,000
Working with rural landholders				
Program design				
Program design – SCU landholder study	42	\$30,000	\$30,000	\$30,000
Rural landholder capacity building – pilot projects	43	\$173,400	\$133,400	\$140,400
Implementation				
Rural landholder capacity building – project implementation	44	\$1,125,900	\$747,900	\$386,900
Rural landholder capacity building – extension officer/s	45	\$1,356,000	\$688,000	\$602,000
Rural and rural residential collaborative information pack	46	\$40,000	\$40,000	\$9,000
CZMP implementation – riparian restoration in rural areas	48	\$460,450	\$460,450	\$460,450
Community and industry group partnerships	47	\$260,000	\$240,000	\$109,000
Rate rebate program	38	\$75,000	\$75,000	\$0
Subtotal		\$3,520,750	\$2,414,750	\$1,737,750
Working in the urban environment				
Implement components of Council’s Sport and Recreation Plan	54	\$215,000	\$175,000	\$74,000
Wellbeing and tourism initiatives	54	\$40,000	\$40,000	\$0
Weed management in urban bushland	52	\$1,115,000	\$1,055,000	\$870,000
Weed management in priority urban riparian areas	53	\$188,000	\$147,000	\$40,000
Road and traffic management for wildlife	13	\$103,000	\$54,000	\$12,000
Koala Plan of Management implementation				
Advisory Group	14	\$10,000	\$10,000	\$10,000
Training program for development assessment	36	\$10,000	\$10,000	\$10,000
Koala habitat restoration program	14	\$265,000	\$180,000	\$90,000
Study: koala density and population in koala planning area	14	\$60,000	\$60,000	\$0
Subtotal		\$2,006,000	\$1,731,000	\$1,106,000
TOTAL:		6,783,750	5,173,750	3,563,750

2. Comparative ratepayer cost with Special Rate Variation scenarios

There are seven ratepaying categories in the Lismore LGA, of which only three would pay the rate: Farmland, Residential Rural and Residential Urban/Villages. The business rating categories would be excluded from the SRV. Within these three categories there are 1,920 ratepayers in the Farmland category; 2,852 in the Residential Rural category, and 12,356 in the Residential Urban/Villages category.

This section provides a comparative view of Council's proposed SRV of \$500,000 per annum and two other options – \$300,000 per annum and \$700,000 per annum.

Table 2 below shows the average cost for each rating category which has been calculated on the average land value in each of the three rating categories. The average land values for each rating category are: Farmland = \$375,000; Residential Rural = \$192,000; and Residential Urban/Villages = \$113,000. Note that the average cost for Farmland is higher due to the higher average land value.

PROPOSAL – \$500,000 per annum		
Rating Category	Average Increase (Per year)	Average Increase (Per week)
Farmland	\$50.63	97c
Residential Rural	\$31.68	61c
Residential Urban/Villages	\$25.43	49c

\$300,000 per annum (for comparison)		
Rating Category	Average Increase (Per year)	Average Increase (Per week)
Farmland	\$30.38	58c
Residential Rural	\$19.01	36c
Residential Urban/Villages	\$15.26	29c

\$700,000 per annum (for comparison)		
Rating Category	Average Increase (Per year)	Average Increase (Per week)
Farmland	\$70.88	\$1.36
Residential Rural	\$44.35	85c
Residential Urban/Villages	\$35.48	68c

Table 3 below shows examples of land values and the corresponding cost for each rating category based on the proposed rate increase (\$500,000 per annum) and two other comparative examples (\$300,000 per annum and \$700,000 per annum).

PROPOSAL – \$500,000 per annum			
NSW Valuer General Land Value			
Rating Category	\$100,000	\$250,000	\$500,000
Farmland	\$13.50	\$33.75	\$67.50
Residential/Rural	\$16.50	\$41.25	\$82.50
Residential	\$22.50	\$56.25	\$112.50

\$300,000 per annum (for comparison)			
NSW Valuer General Land Value			
Rating Category	\$100,000	\$250,000	\$500,000
Farmland	\$8.10	\$20.25	\$40.50
Residential/Rural	\$9.90	\$24.75	\$49.50
Residential	\$13.50	\$33.75	\$67.50

\$700,000 per annum (for comparison)			
NSW Valuer General Land Value			
Rating Category	\$100,000	\$250,000	\$500,000
Farmland	\$18.90	\$47.25	\$94.50
Residential/Rural	\$23.10	\$57.75	\$115.50
Residential	\$31.40	\$78.50	\$157.00