

Media Release

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Council to apply for special rate variation to fund new events

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Tamworth Regional Council has endorsed a proposal to submit an application for a Special Rate Variation (SRV) to the Independent Pricing and Regulatory Tribunal (IPART), amending the original proposed application to see the special rate introduced over four years from 2020 with lower cumulative increases.

The decision was made during an extraordinary council meeting on Tuesday night, following a robust discussion around the balance between the need for the new event levy and the economic benefit new events would bring, and the need to minimise the impact for local businesses.

The application to IPART is one of the final stages of the process following the development of an event attraction strategy which provides the framework to establish, attract, retain and grow quality events and extensive consultation with the business community in November 2018.

The proposed SRV would be levied on an equitable basis across all business rated properties, with increases commencing from 1 July 2020. The special rate would have no impact on residential properties or farming land.

As Tamworth Region Mayor Col Murray explains, "This is a great opportunity for Council to further bolster our local economy by hosting and creating new events.

"Council has conducted thorough consultation with the business community on the impact of, and need for, a Special Rate Variation and while we understand the impact of this rate rise, we are confident that longer-term, it will provide enormous economic benefit.

"Businesses have also told us they support the concept of a levy and understand the benefits it could deliver."

The amended proposal includes a special variation to the general rate income phased in over four years with 2.70% in 2019/20, 2.84% in 2020/21, 2.88% in 2021/22 and 2.88% in 2022/23. This includes the rate peg of 2.7% for year 1 (no increase), and 2.5% for years 2-4. The cumulative increase will then remain permanently to fund the event attraction strategy.

The increase to general rate income that this special variation provides will be raised by an increase to the rates on all business properties in addition to the rate peg with 0% in 2019/20, and 2% for each of the following three years. The full increase to business rates during the phase in period will therefore be; 2.7% in 2019/20, 4.5% in 2020/21, 4.5% in 2021/22 and 4.5% in 2022/23.

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Funds raised through the levy would be used solely for the purpose of attracting and hosting new events, not for pre-existing events.

If the application is accepted by IPART and the new event levy comes into effect, a dedicated staff member will work with venue managers and stakeholders to actively bid on events and to develop new initiatives.

A Tamworth Event Impact Assessment Model 2018 has been developed to guide the process of valuing events to ensure a fair and equitable distribution of funds and assessing return on investment. A secondary assessment framework will measure marketing, seasonal and community impacts.

Cr. Murray said that Council had explored a number of options to establish a permanent revenue stream for the ongoing management and attraction of major events.

"We looked at all possible revenue sources to deliver what's needed and the special rate was deemed the most valid and suitable option," he said.

Council will lodge the application for a Special Rate Variation to IPART, who will review the submission and inform of the outcome by the end of May 2019.

For more information about the proposed Special Rate Variation and Council's event attraction strategy, visit www.yourvoice.tamworth.nsw.gov.au

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