Local Government Team,
Independent Pricing and Regulatory
Tribunal of NSW,
P.O. Box K35,
Haymarket Post Shop.
NSW 1240

3 March 2015

Dear Sir/Madam





## **RE: Blue Mountains City Council Proposed Rate Increase**

It has just come to my attention that the BMCC has applied to the Tribunal to increase council rates by 40% over the next four years. As a rate payer I would like to object and comment as follows.

To be quite candid I think this proposed rate increase in just outrageous and, in my opinion, should not only be rejected out of hand but the BMCC should be sacked forthwith for incompetence and an administrator appointed to attend to ratepayers requirements under the circumstances.

Indeed it is issues such as this that make me loose all faith in the democratic process particularly at local Government level and local residents would be better served by a competent administrator.

In my opinion the following are just a few examples of what I consider to be the sheer incompetence and negligence of the BMCC:

- 1) I would imagine that the BMCC is the only council within Australia, and possibly the world, but I have not researched this, that maintains 5 swimming pools for its residents. I understand that only one swimming pool is profitable? If this is the situation council should consider closing down 3 swimming pools to save money without any further ado.
- 2) I further understand that the Blackheath swimming pool looses approximately \$1m pa.
- 3) Some years ago now the BMCC decided to close the Springwood swimming pool, as it was allegedly leaking water, and spend \$5m + building a new one. In my opinion this was a colossal waste of money. All my four children learned to swim and enjoyed the old swimming pool at Springwood. Surely the leak could have been repaired at a cost considerably less than \$5m? I again understand that the Springwood swimming pool is the only profitable pool in the Blue Mountains. However does this evaluation include interest payable on capital?

It is a matter of record that the initial contractor who submitted the cheapest quote to build the Springwood swimming pool went bankrupt within months.

4) As you are no doubt aware the BMCC has pulled down a perfectly good Civic Centre at Springwood and has spent \$1m + building a new one (construction yet to be fully completed).

This is only four examples of what is, in my opinion, testimony to the negligence and stupidity of the BMCC. The sooner we get rid of the directors and officers of the BMCC who authorise such imprudent financial decisions and/or authorise such grandiose schemes the better. For the BMCC to then cry out for a substantial increase in rates is just beyond the pale.

The BMCC should learn to live within its means. If the BMCC is incapable of undertaking its duties prudently and within its own financial constraints as is required of every household, public and private company and sole trader within Australia the council should be sacked or allowed to go bankrupt thus resulting in the appointment of an administrator to sought the financial mess out. Why should ratepayers be called upon to fund the negligence and stupidity of the directors and officers of the BMCC who appear to lack commonsense; can the ratepayers of the Blue Mountains demand a net increase in their pensions from the Federal Government or their employers over the next four years. I think not.

I might add that I canvassed some friends at a weekly meeting that we have and not one of them knew anything about this proposed increase in the rates.

As a matter of interest I read in the Blue Mountains Gazette dated 4 March 2015 that:

A) "Up to 40 Blue Mountains properties may be sold because the owners haven't paid their council rates"...that the "owners could face their properties being sold out from under them" due to their failure to pay their rates.

The council was told 562 residents were currently overdue on their rates and had been "referred to legal recovery". Some \$2.3 million is owed in rates fees with overdue accounts ranging from 1 cent to \$30,000".

2) In the mayor's column in the Gazette of the same date the mayor stated with respect to the "2014 -2015":

"I am pleased to report we are in good shape.....Despite the challenges facing council, we have a balanced half yearly budget, with yet another modest surplus projected.

We have made some hard decisions along the way to stay true to our goal of financial sustainability. There is no doubt Council is financially viable **living within its means**".......

On the one hand we have numerous residents struggling to pay their rates whilst at the same time the BMCC seeks a substantial increase in its rate income when Council "is financially viable living within its means".

It would appear there is no doubt that the BMCC wants the substantial increase in its rates income to fund its grandiose schemes. It would appear the Counsellors can afford this increase. In my opinion the majority of the households within the Blue Mountains cannot and many more households will struggle to pay their rates. I would assume that the majority of the households are like myself? What we require is for our garbage to be collected, our roads and footpaths maintained, some recreation fields/parks, the occasional library and a swimming pool (limit two in my opinion) and the like.

What we do not need is a civic centre to be torn down and rebuilt and a swimming pool that soaks up an enormous amount of funds for the convenience of a few ratepayers because they cannot be bothered to travel to the Katoomba swimming pool etc.

Needless to say you will have gathered that I am opposed to the proposed rate increase and I would be surprised if the majority of the ratepayers would not say, "and so say all of us". That is certainly the feed back I have encountered when the subject has been raised whether or not the ratepayers concerned put pen to paper or not. Some times the spirit is willing but the flesh weak!