

Dick Persson AM

Administrator





26 February 2021

CEO Liz Livingstone IPART PO Box K35 Haymarket Post Shop NSW 1240

Email: Sheridan_Rapmund@ipart.nsw.gov.au

Dear Ms Livingstone,

Thank you for your recent letter inviting Council to set out the reasoning behind my request for IPART to make an 'early' determination regarding Council's SRV application.

At the outset I wish to express my appreciation for IPART's cooperation and flexibility shown following our late approach.

Central Coast Council is in a rather unique situation regarding the lack of clarity about its governance arrangements, particularly in terms of the timing of a possible return of the elected body at the completion of my term as Administrator on the 29th April. At this stage there is a strong possibility that Minister for Local Government will determine that the Councillor's suspension will end on April 30.

Given the 'messages' being sent from a number of prominent suspended Councillors, I believe the most prudent path is for me to 'lock in' a Budget for the 2021/22 financial year. If I pass a budget for next year it can be 'protected' by the Minister appointing a Financial Controller. This action would deny the Council the power to change any financial arrangements put in place by the previous Council [i.e. the Administrator].

As you would appreciate, a key component of the preferred way forward includes a 15% rate increase. Such an increase would generate \$25 million per annum in additional revenue. This is only around 30% of the amount needed to return the organisation to a small surplus. The balance will be achieved by a range of strong savings measures, including a major reduction in staff numbers, a large reduction in capital works, further borrowings and across the board cuts to operational budgets.

Several of the suspended Councillors are on the record that they do not support a rate rise or major staff cuts.

Given the above, I would formally request IPART to bring forward the timetable for determining the Council's SRV application to allow me to put in place a budget for 2021/22 that cannot be changed by the returning Councillors should the Minister decide to go down that path.

While I appreciate an independent statutory body such as IPART has a lot to consider with such a request, I would respectfully submit that, given the unique circumstances of the Central Coast Council, no precedent would effectively be made.

Please contact me directly on should you require further information.

I am available to address the Tribunal directly if they so wish.

Yours sincerely,



Dick Persson AMInterim Administrator
Central Coast Council