



Independent Pricing and Regulatory Tribunal\  
16/2-24 Rawson Place  
Sydney NSW 200

Re: **CENTRAL COAST COUNCIL SPECIAL VALUE RATE INCREASE.**

Dear Sir/Madam

This is a submission to contest the rate increases over a 10-year timeline being sought by the NSW Central Coast Council.

### **Hypothesis**

The NSW Government put in place an ill-advised and financially inept action within a selected number of Local Government Areas incurring an almost 1 billion dollar debt across 10 LGA's.

In conjunction with this action, critical debt levels were exposed and the Central Coast Council had incurred some \$500,000,000. Of this debt. Concurrently the State Government via the person Ms Gladys Berejiklian (ex-Premier) Mr Robert Stoke Minister for Planning and Ms Shelly Hancock implemented substantial changes to the Planning and Environmental Assessment Act and the Local Government Act, significantly changing planning rules and increasing Planning Areas and Planning Panels, all at additional cost to ratepayers.

Simultaneously, after Ms Hancock suspended all existing positions of Councillor and appointed two non-contested appointments namely Messrs Persson and Administrator and later as CEO. Mr Persson has left the position and Mr Hart was appointed Administrator and Mr David Farmer as the CEO. Both of these positions have a combined income of over 1 million dollars, again placing the burden on ratepayers. (This is equivalent to approx. four and twenty 420 ratepayer's contributions.

The legislation permits these two persons to implement any action deemed necessary without communication (probably with selected focus groups) with ratepayers and then only confirming the action, they have taken.

Ratepayers are paying excessive sums of money in rates to keep an inept system functioning, with no known legal prosecution of those accountable and responsible for the as yet unexplained to all ratepayers of all corrective action

### **Background**

Council has been granted rate increase in 2015, 2016 and 2019, the latter allegedly rates were sought by CCC and granted approval by IPART to increase the base rate value by 15%.

On the surface, this appears to meet all the legislative and probity conditions to be applied.

What is missing is the details related to the factual and actual increase to existing 2018-19 rates through to 22023.

Using our own property as an example of the factual increase in rates, we submit the following:

#### **Rates calculations from Council web site 29-7-2021**

WAMBERAL

**2018/19 Average**            \$1,758.16

**2019/20 Average:**        \$1,798.92

**Annual \$ Increase:**     \$40.76

**Weekly \$ Increase:**     \$0.78

**Percentage Increase:**   2.32%

**Based on 2019 Land Value of \$331,800**    *(Extracted from Council documents)*

RATES ASSESSMENT Land valuation 2016                      \$530.000  
RATES ASSESSMENT Land valuation 2019                      \$750.000  
Increase in value over three year's                      \$220,000 equivalent to 41.5%  
This increase was not included in Council's calculation, and  
In essence, creates a factual rate increase is 56.5 per cent p.a.



Last year's rates per quarter were \$521.00 or \$2,084.00 p.a.  
This year's rates (21/22) are \$2,923.96 p.a. or \$730.99 per quarters

Actual increases per annum    \$899.99 or  
    \$17.26 per week or  
    \$224.77 per quarter  
    \$899.99 per annum  
Percentage increase              56.5% not 15% as claimed by Mr Rik Hart

Future rate increases are guaranteed as unimproved land values are reviewed tri-annually  
Alternatively, earlier as witnessed in the 2015 and 2016 land valuations.  
We have received our third rate notice and reference your included brochure and it is contended that based  
on Land Valuations which mainly reflect fiscal settings the next  
Three-year review, using a 3% inflation value would produce increases on the previous table data as follows:  
Current ¼ rate \$731.00 increased at annual rates i.e.  
**2022 equivalent to 3% p.a = \$21.93 per ¼ or \$87.72 pa and to \$3,011.72 p.a.**  
**2023 equivalent to 3% p.a... = \$43.96 per 1/4 \$175.84 and to \$3,187.56**  
**2024 equivalent to 3% p.a. = \$65.79 per ¼ \$263.16 and to \$ 3,450.56**

Currently, Council is now proposing a further 10-year extension of a special valuation of rates placing yet  
another burden on impoverished ratepayers by increasing charges for service provided by the Council. Those  
that are outsourced (contracted) should be forensically reviewed to ascertain value for services provided.

An example- Tree removal approval.  
Council insists on a detailed report from a class five Arborist                      Cost \$400  
Submission of Arborist report and approval application to Council                      \$200\*\*  
Tree removal by owner                      \$2500  
Total cost                      \$3,100

\*\* This fee resulted in a five-minute on-site inspection but no doubt included reading and endorsing arborist  
report and issuing approval say \$75.00. Is this good value for ratepayer?  
Alternatively, just another Council extortion?

The aggregated debt of \$500,000,000 over three years by elected Councillors aided and abetted by  
employees should be subject to an ICAC investigation and any criminal findings should be referred to the  
DPP for the prosecution of any persons found are thought to be  
Involved in criminal activity or gaining any financial benefits resulting from their dealings.

At least two major infrastructure projects that we are personally aware of includes-  
The Terrigal Boardwalk, and  
Installation of the Adelaide mast in the Haven at Terrigal.  
The former was touted to cost \$5,800,000 50% funded by the State Government (Proposed by Mr Adam  
Crouch MP for Terrigal and 50% by council (ratepayers) this project exceed budget levels, the details of  
which were concealed.

## **Futility**

Before compiling and during the progress of this submission I had thoughts and held beliefs that just maybe change could be influenced, however, if the hypothesis above is correct It is realised that attempting to seek changes by communicating to one group of public servants (IPART) about two politically appointed Administrator and CEO would be useless.

Although I am in my eighties, my career included facilities maintenance, facilities planning, Building, and Properties well before the introduction of mainframe computer programming including productivity levels comparable to the programme's need. Financial assessment of each project and monitoring progress and financial commitments.

A perusal of the highly technical and verbose submission from CCC to IPART will not and does not justify the increases now being sought not only in rate increases but also in service charges.

In my limited knowledge, the CCC has never achieved completion of any operational programme without significant cost over-runs and due to gestation period increase in costs due to out-turn price on completion. In addition, there is an exceptionally high usage of Consultants by CCC indication:

1. Academic employees cannot achieve their own needs and target.
2. The preferred use of consultants admonishes CCC of any faults, blame, or incompetence.

An example was the proposal to erect the Adelaide Mast in the Terrigal Haven, which employed multiple, at least 11 individual consultants over 10-11 years with a net negative result and many wasted funds.

## **Conclusion**

Given the futility and frustration being experienced IPART should look very closely at the CCC submission With advice to tailor their financial need to projects that can be completed within the current three years.

Should IPART and other state government agencies continue to prescribe to the protection of politicians and non-elected officials; then as is the case with CCC the result is autocracy and not democracy they are not responsible, accountable or transparent in their dealings and the outstanding question is why should they be trusted? **The legislation provides all the protection they need to avoid scrutiny.**

## **Recommendation**

Should IPART consider the submission the increases should be limited to three of four years and based? on the last unit value of rate and not ever-increasing unimproved values by the Valuer-General which also appear to be subject to changes in periods other than three years. Three-year programming Is supported not only for rate increases but operational plans and major works dependent upon state and federal government grants.

Councils should programme their commitments to achieve completion as follows:

### **Assets**

1. Preventative maintenance
2. Cyclic maintenance (3 to 5 years)
3. Contingency for breakdown maintenance

### **Operational programme**

1. Concept design
2. Design documentation and tendering
3. Implantation phase.

All programmes should be subject to continuous programme, evaluation, review techniques thus allowing productivity and progress to meet financial planning and control. The current methodology is used to over employ officers whose duty includes preparation of verbose glossy reports read-only internally and by professionals, not ratepayers.

Yours sincerely

Richard Abrahams

.p.m. the current Administrator and CEO's combined salaries are equivalent to the contributions of approximately 200 individual ratepayers.

**Total Solution**

**Activate an ICAC inquiry into all aspects of amalgamation, any Business Plans to support amalgamation and the subsequent inept funding of NSW LGA's amalgamation.**