

# Coalcliff Community Association

## Submission to IPART

Wollongong City Council has applied for a special rate variation from 2014/15, in accordance with the *NSW Local Government Act 1993*.

As concerned residents and ratepayers we would ask that IPART consider our real concerns about the special rate variation. We have no meaningful way of discussing our concerns or having them discussed in any forums that afford real participation. At no stage has a meeting been organised by Council or Councillors to address our concerns. Only when the community has organised a meeting and asked councillors to attend has there been any communication. Only one councillor Greg Petty has made himself available to attend a public meeting. (Attached for your reference is the Coalcliff Community Association submission to WCC Financial Sustainability Citizen Panel Review.)

In reference to the criteria that IPART will use to assess Council's application, in accordance with the Guidelines issued by the Division of Local Government, Department of Premier and Cabinet, Council has failed to:

1. consider higher levels of service, and not examined realistic alternatives to a rate rise or properly project its financial sustainability;
2. undertake a balanced consultation process, but used a stage managed procedure and carefully omitted critical submissions from their deliberations;
3. offer a no rate rise alternative and not taken into account the massive rises in waste collection rates;
4. base long term financial plan assumptions on realistic cost estimates; and
5. consider major adjustments to the management structure or measures of staff productivity.

Moreover, Council has:

1. embarked on costly, unnecessary grandiose projects;
2. failed to contain costs on projects which have blown out;

Council did consider some of the implications of a no rate rise option but failed to offer this to the community. It omitted to consider significant measures that might have rendered a rate rise unnecessary.

Council has considered its current and projected financial sustainability but this is based on little change to its current unacceptable performance.

Rather than engage directly with residents and ratepayers Council chose to use a "citizen's panel" of handpicked ratepayers to advise on priorities. The Panel was

intensively and selectively provided with information designed to achieve the outcome being sought by Council officers. Even then, Council did not accept a number of recommendations of the Panel, but cherry-picked those that suited the outcome sought.

It has proved very difficult to get permission to address Council at its meetings, for example on 17 February 2014 a concerned ratepayer asked to speak and was refused permission to address council, when councillors adopted the proposed rate rise and application to IPART.

Wollongong average rates as a percentage of taxable income are at the average for Category 5 Councils, as are outstanding rates and annual charges, indicating the current rate level is appropriate without a supplementary rate rise.

Only half the categorised small areas in Wollongong are at or above the Socio-Economic Index (SEIFA) for Australia and 20% are well below and should not be further discriminated against. Capacity to pay is a significant issue for a substantial part of the city.

It should be noted that a significant number of ratepayers are pensioners or self funded retirees on fixed incomes who are not able to absorb such high rate increases.

We note that Council's application for a special rate variation excludes the City Centre even though that is a principal beneficiary of the major projects Council is currently spending money on.

### **Council continues to perform badly on financial management and accountability.**

The unreliability of cost estimates for projects (eg the Mall, Information Centre and Grand Pacific Walk) cast doubt on the viability of future projects.

Moreover project costs seem to be consistently higher than industry norms. For example it would appear that:

- a. the IPAC cafe kitchen replacement and up-grade cost \$788,000 for 97 m<sup>2</sup>, or about \$8,000 per m<sup>2</sup> roughly double what could be expected;
- b. the enclosed section of the new Corrimal Tourist Park Kiosk cost over \$4,000 per m<sup>2</sup> roughly a third more than could be expected;
- c. Kembla Street footpath cost \$670,000 for paving 580 m<sup>2</sup> or \$800 per m<sup>2</sup> again about double what might be expected;
- d. Project Unit Rates advised by Council for Brick Paving \$486/sqm - this is 3 times the recent draft IPART Local Infrastructure Benchmark Costs rate of \$162/sqm, which also seems in accordance with Rawlinsons; and
- e. Project Unit Rates advised by Council for Polished Concrete Paving for Blue Mile of \$616/sqm – again 3 times what might be expected.

In 2009 the Wollongong Mall was authorised to proceed to the next stage on the basis of a flawed estimate of \$10.7 million (excluding Globe Lane). This was then escalated to \$15 million. The community suggested the final cost would be nearer \$20 million and presented an alternative design for refurbishment rather than rebuilding for around \$2 million which also offered a much better result in design, marketing and attractiveness terms. The current latest estimate is \$20.5 million and rising. The disturbance caused by rebuilding rather than refurbishment has forced the closure of an increasing number of Mall businesses and is still less than half complete.

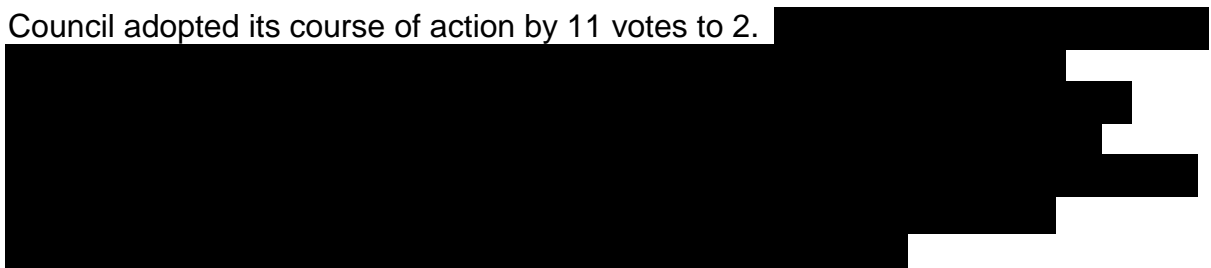
Council resolved to construct a Tourist Information Centre at the top of the escarpment despite all advice that the location was totally inappropriate not least because of contorted access. The QS estimate was \$3.3 million in 2004 and the final cost was reported as \$11 million in 2009 and it has been a dismal failure in terms of its anticipated function. Security costs alone are \$70,000 a year.

Council purchased a large site near the City Centre ostensibly to ensure a rational master plan for the whole block was implemented and for it to be used as a car park in the interim even though it was not part of the City Centre Access Strategy. It was quite unnecessary to acquire the site in order to introduce a master plan to control development on the site. Council is now under contract to sell the site on the basis of a master plan that requires massive and unwarranted changes to the zoning for their site, but not others in the block. However, it is believed that the contract gives all windfall gain from the re-zoning (should it proceed) to the proponent and Council's clean-up of the site is rumoured to have cost them \$1.5 million against a \$0.5 million budget allocation.

Council's application is predicated on an "efficiency target" of \$4.5 million, "service level adjustments" of \$1.5 million, increased fees and charges of \$0.5 million and a rate rise yielding \$14.5 million. Council details the rate rise sought, but does not detail what efficiencies, service level adjustments or increases in fees and charges it intends to achieve.

Council use of vague descriptions but no real detail of their planned cuts in services shows a disregard to properly inform its constituents. If Council are bad managers now then the extra revenue from the proposed increases will go the same unmanaged and misdirected way.

Council adopted its course of action by 11 votes to 2.





## Recommendation

We support the alternative course of action that Councillors Petty and Curran proposed, that:

- a. the application to IPART for a rate increase be suspended;
- b. a moratorium be placed on all new expenditures proposed, both capital and operational;
- c. Council engage external consultants to prepare a full review of all Council services and operations; and
- d. upon receipt of the consultants report, a new application to IPART be considered.

We urge the Tribunal to make any rate rise above the cap dependent upon Council commissioning an independent fully audited and benchmarked unit cost assessment of services and infrastructure expenditure.

**Patrick Goodchild**  
**President**  
**Coalcliff Community Association**  
**24 March 2014**

On 14 November 2013 over 60 concerned citizens met in Coalcliff Community hall for a special purpose meeting called by the Coalcliff Community Association. People attending the meeting were not just Coalcliff residents but also came from the 2508 post code area including Stanwell Park and Helensburgh such was the level of concern.

The purpose of the meeting was to raise community awareness about Council's Financial Sustainability Citizen's Panel Review Recommendations and to alert individuals to the call for submissions by council on this matter. Most who attended had no prior knowledge about what was occurring.

At the meeting there was overwhelming dismay about the proposed cost saving measures to reduce services and facilities while at the same time proposing significant rate increases.

Concerns were also expressed about the approach council has taken with the citizen review panel and the lack of adequate information and publicity to draw this to the attention of ratepayers and the short timeframe to provide a considered response to council. In particular those attending felt that no changes to the level of services, rates or facilities should be made in such a rushed manner without thorough financial review, full consultation with affected communities and comprehensive consideration of the physical, social, economic, cultural and health impacts on the community.

Coalcliff is a unique community which features extensively in destination marketing by Wollongong Tourism featuring escarpment, Coalcliff pool, Seacliff Bridge and coastline.

A number of its man made features such as the ocean rock pool, Leeder Park and Coalcliff Community Hall have a strong historical, cultural and social significance for the community. They are the legacy of the hard work of previous communities and the local mining industry to enhance community life. They cannot be solely valued in monetary terms as they have a symbolic value forging a sense of community and building social capital.

The efforts of the past Coalcliff Progress Association in conjunction with the miners resulted in the opening of the Coalcliff Community Hall in 1957. This structure is still sound and functional. It is therefore distressing to read the panel's recommendation to demolish Coalcliff Community Hall.

The legacy of past communities is given to us the present community in stewardship to preserve the level of amenity and facilities for future communities. This point was poignantly demonstrated in the mini protest on 19 November by children who love Coalcliff Pool in their March up Paterson Road to the Coalcliff Community Hall.

The Coalcliff Community Association has been most grateful to Council for the preservation of the Community Hall which was threatened with closure some years ago. Since then it has been reroofed, repainted and improved. Its utilisation could be

increased if the fees were not so high as to discourage social, cultural and artistic hiring.

In the last 12 months Council has spent \$13,000 installing modern Fire Doors and a Security System to further improve this facility. All the more reason to maintain this valuable community asset.

Concern was also expressed about maintaining the Coalcliff Ocean Pool and Coalcliff Beach Surf Patrol. In fact many present thought that Council had made a commitment to use part of the Stanwell Park Pool funds raised by the community many years ago and held in Trust by Council to refurbish and upgrade Coalcliff Ocean Pool.

The Ocean Pools are a valuable community asset and an attraction for visitors to this coast. They are worthy of being preserved and maintained, not run to fail. For example Coalcliff Ocean Pool is used all year round as a safe swimming location. It is used by the Nippers for training in the summer season and by the Winter Swimmers, who fundraise for local charity as well as being used extensively for recreation and exercise by locals and visitors to the area. It contributes to the health and well being of the community as it is safe for young and elderly and disabled to use.

The Surf Patrol is important to maintain the safety for swimmers and surfers using Coalcliff beach which has a number of rips. Many visitors are unaware of these dangers, so reducing surf patrol hours may put lives at risk. Safe ocean swimming is an iconic and integral feature of Australia, widely promoted abroad.

Contributors to the [www.savecoalcliff.com](http://www.savecoalcliff.com) website established after the meeting on 14 November, have most eloquently expressed their views about the importance of the pool and the surf patrol and I refer you to this site for more detailed responses.

Finally on the issue of rate rises. Coalcliff ratepayers pay among the highest residential rates in the Wollongong Council Area, but are most remotely located from the centralised services provided by council in the CBD and adjoining areas. An increase in rates therefore means that Coalcliff ratepayers will have a larger lump sum increase imposed. Many Coalcliff ratepayers are pensioners or fixed income retirees and long term residents of Coalcliff. Mention was made in the report of not extending the proposed rate increases to city centre and heavy industrial ratepayers already paying high rates. Could the same consideration be extended to residential ratepayers already paying excessively high rates. For example a \$10.9% rate increase on \$5000 is an additional annual charge of over \$500, compared with the same increase on \$1000 which is just over \$100 pa extra.

We would ask the councillors to consider and respond to this submission from the Coalcliff Community Association and would welcome the opportunity for discussion with all the Ward 1 Councillors and eventually on the floor of a future council meeting.

Pat Goodchild  
President  
Coalcliff Community Association  
20 November 2014

## APPENDIX:

### Post Meeting Brainstorming Session 14 November Meeting:

Discussion points

#### Demographics

Local postcode "2508" population approx. 8,500

- Part of the northern gateway to the Illawarra.
  - heavily promoted in WCC tourism promotions (including "Destinations Wollongong"), featuring escarpment, Coalcliff pool, Seacliff Bridge & coastline.\
  - backdrop for numerous advertising campaigns both locally and internationally.
  - Attracts tourists both locally and internationally
  - within 1 hours drive of Sydney and Campbelltown
- Local services and facilities already overloaded by tourists/visitors and daytrippers
- Planned Grand Pacific Walk will attract increasing numbers to the area

#### Coalcliff Pool

- Used all year round. Closest Olympic pool is Helensburgh which is closed during the winter months
- Used by Winter swimmers group who raise money for charity
- Pool is used for Surf Club training (including "Nippers").
- used for physiotherapy, the elderly, disabled as well as locals and tourists.
- includes a childrens' pool and attracts family groups.
- Pool is cleaned monthly by council but flushed daily by tidal flow
- Venue for local swimming groups within the 2508 postcode (six villages) and neighbouring villages
- one of the attractions that draw visitors from Sydney, Liverpool and Campbelltown

#### Coalcliff Community Hall

- Originally, funded and constructed by local miners then gifted to Council
- High cost of hire is a major reason for the underutilisation of the hall.
- Local interest in using the hall for yoga, music, pre-school classes but cost levied by WCC are prohibitive.
- Hall has been utilised as emergency accommodation in times of flood, storms, bushfires.

#### Surf Patrol

- Coalcliff beach has three (3) permanent rips and is heavily frequented by large numbers of tourists, visitors
- a reduction in patrol hours will not necessarily translate into less visitors.
- Mobile telephone coverage is limited within the Coalcliff area and emergency support from nearby beaches may not be contactable