

Independent Pricing and Regulatory Tribunal

8th March 2017

PO Box K35

Haymarket Post Shop, NSW, 1240



Dear Sirs

SUBMISSION AGAINST BYRON SHIRE PROPOSED RATE VARIATION

I wish to object to the proposed rate rise by Byron Shire on the basis that their so called community survey was dishonest and misleading.

The Reply Paid card sent to ratepayers did not include a No Rate Rise Option and the document headed Community Survey did not call NO SPECIAL RATE VARIATION an option in Item 8 of that survey.

When objections were sent to the Minister over this subterfuge, the Council in reply to the Minister (attached), stated that the reply paid cards were only “prompters” for residents to include that No Rate Rise in a comments section of the card.

Because of this subterfuge, hundreds of ratepayers filled in coupons objecting to any rate rise above 2.5% and forwarded them to the Minister for Local Government.

Please obtain from the Minister the actual count against the rate rise as all of the local Newspapers and current Councillors are aware that the community has overwhelmingly objected to any rate rise at all.

Please do not increase the rates above the minimum allowed as this Shire has a large proportion of pensioners and renters who cannot afford such an impost on their rates or rents.

Respectfully

[Redacted signature block]

[Redacted line]

[Redacted line]

Please withhold my name and address



16 November 2016

Minister for Local Government
The Hon Paul Toole MP
PO Box 5341
Sydney NSW 2001

By email: office@toole.minister.nsw.gov.au

Dear Minister

Byron Shire Council (**Council**) is writing to you in reference to a letter sent to you dated 10 November 2016 from a member of the Byron Shire community, Mr Jim Mangleson, concerning Council's community survey on a proposed Special Rate Variation.

Council would like to take this opportunity to provide you with further information to clarify the contents of the concerned letter.

Council is currently running a community consultation and engagement program to create awareness and receive feedback on a proposed Special Rate Variation (**SRV**). In implementing this program, Council has tried to be as inclusive as it can in regard to the avenues for the community to provide feedback.

Council is receiving community feedback via the following options:

Reply Paid Card (opt in)

Distribution – included in rates notice and sent to about 13,000 properties and web link sent to remainder via electronic services. This option is also available at Community Information Stands for those who do want to complete the online survey. The supporting community information booklet also included the different ways people can provide feedback.

The Reply Paid Card in the rates notice acted as a prompter to complete the online survey and a way for people to hand in a survey response if they did not have access to a computer. The Reply Paid Card asks the participant to order their SRV preference from 1 to 3 and includes a 'Comments' section to allow the participant to record a preference for NO special rate variation.

Paper Survey (opt in)

Distribution – residents can request a copy to be posted. This option is also available at Community Information Stands and is promoted by the staff attending the Community Information Stands as the preferred option for participants who do want to complete the online survey. The paper survey includes a question that asks the participant to order their preference from 1 to 4 and includes the option of NO special rate variation. The survey also includes a question of why was that preference order chosen to allow Council to collect some qualitative feedback information.

Online Survey (opt in)

Distribution – web link featured within the Community booklet, on Council website, within newspaper advertising and on Facebook advertising.

The online survey includes a question that asks the participant to order their preference from 1 to 4 and includes the option of NO special rate variation. The survey also includes a question of why was that preference order chosen to allow us to collect some qualitative feedback information.

Phone Survey (random sample)

Distribution – conducted over the phone by a research company. This is a random sample survey of 400 residents. Questions will be as per the online survey. This survey is random and reflective of shire demographics in regard to locations, age and gender and was commenced during the week beginning 14 November.

Submissions via email or post (opt in)

About a dozen received to date. All will need to be read and collated for 15 December. Residents and ratepayers can choose to send in a submission.

Supportive advertising also encourages residents and ratepayers to complete the survey online, or phone for a copy to be posted out. The online survey web link is included within the community information booklet.

All feedback received will be collated and presented to Council for decision as to whether to make an application to IPART for an SRV on 15 December 2016. Should a decision be made to pursue an application to IPART, Council's Delivery Program and financial information will be updated and placed on public exhibition for community feedback. After assessing community feedback on the amended Delivery Program, Council will, at its February 2017 meeting, determine whether to submit a SRV application to IPART.

Should you require any further information, please feel free to visit the Funding our Future webpage <http://www.byron.nsw.gov.au/funding-our-future> or contact Mark Arnold, Director Corporate and Community Services on [REDACTED]

Yours sincerely

[REDACTED]

Mark Arnold
Director Corporate and Community Services

cc. [REDACTED]

Special Rate Variation survey

Option 3 – Improve 12.5%.

A Special Rate Variation of 12.5% each year for four years, including the annual 2.5% rate peg. Over the four year period this is a cumulative increase of 60.2%. At the end of the four year period the Special Rate Variation increase would be built into the rate base and permanently retained.

Residential ratepayers who are paying around \$1,139 per year would pay, on average, around \$171 more each year over this 4 year period.

This option would generate \$22.26 million over four years.

With this extra funding, the condition of assets would stabilise and roads, town centers, buildings, public toilets, footpaths, storm water drainage, parks and open spaces (including playgrounds) would gradually improve over time. Council would also be able to undertake preventative maintenance to reduce future costs to the community and address high risk assets.

7. How supportive are you of Council proceeding with option 3? (tick one)

- ☐ Very supportive
- ☐ Supportive
- ☐ Somewhat supportive
- ☐ Not very supportive
- ☐ Not at all supportive

8. Please rank the following options in order of preference (mark from 1 to 4, with 1 being your most preferred option)

- *Option 1 – 7.5%. Council's assets would continue to deteriorate. Funding would be allocated to high risk poor condition asset renewal and maintenance. Some sealed roads in a poor condition would not be reconstructed.*
- *Option 2 – 10%. Council would stop the deterioration of community assets. The additional funding would allow Council to accelerate the works program and do more to address high risk assets.*
- *Option 3 – 12.5%. Council would be able to fund the required asset renewal and maintenance and improve the quality of community assets. The works program would be accelerated and Council would be able to fund new essential infrastructure gaps.*
- *No special rate variation. Rates would rise only by the rate peg each year which is estimated at 2.5%. Deterioration of assets would continue to accelerate and Council would not be considered Fit for the Future.*

8 b. What is your reason for choosing that option as your highest preference?

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9. Prior to completing this survey, were you aware that Council was exploring community sentiment towards a Special Rate Variation? (please circle)

Yes

No

Special Rate Variation survey

Funding raised from a Special Rate Variation would be allocated to assets such as:

- roads, road drainage, footpaths and bridges
- urban stormwater
- rural drainage, causeways and culverts
- buildings and public amenities
- parks and open spaces

Option 1 – Deteriorate 7.5%

A Special Rate Variation of 7.5% for each year for four years, including the annual 2.5% rate peg. Over the four year period this is a cumulative increase of 33.5%. At the end of the four year period the Special Rate Variation increase would be built into the rate base and permanently retained. Residential ratepayers who are currently paying around \$1,139 per year would pay, on average, around \$95 more each year.

This option would generate an additional \$10.59million over four years.

With this extra funding, some of Council's assets would continue to deteriorate. Funding would be allocated to high risk poor condition asset renewal and maintenance. Some sealed roads in a poor condition would not be reconstructed.

5. How supportive are you of Council proceeding with option 1? (tick one)

- ☐ Very supportive
- ☐ Supportive
- ☐ Somewhat supportive
- ☐ Not very supportive
- ☐ Not at all supportive

Option 2 – Maintain 10%

A Special Rate Variation of 10% for each year for four years, including the annual 2.5% rate peg. Over the four year period this is a cumulative increase of 46.4%. At the end of the four year period the Special Rate Variation increase would be built into the rate base and permanently retained. Residential ratepayers who are paying around \$1,139 per year would pay, on average, around \$132 more each year.

This option would generate an additional \$16.28million over four years.

With this extra funding, the deterioration of assets would stop. Council would be able to fund the essential maintenance and renewal of its assets. Some sealed roads in a poor condition would not be reconstructed.

6. How supportive are you of Council proceeding with option 2? (tick one)

- ☐ Very supportive
- ☐ Supportive
- ☐ Somewhat supportive
- ☐ Not very supportive
- ☐ Not at all supportive