

LG Submission Form 2021-2022 - Applications

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IPART Special Variation Submission Form - Applications

Industry	Local Government
Review	(LG) Special Variations & Minimum Rates 2021-2022
Document Reference	
Council	Central Coast Council, Special Variation Application
If you have any general feedback regarding your council's proposed SV, please leave your comments in the comment box below.	<p>Never Let a Good Crisis Go To Waste</p> <p>Winston Churchill's famous observation, made during the bleakest days of World War 2, seems to have been taken up by the current management of Central Coast Council in their enthusiasm for a permanent 15% average rate rise to be put on the Council's ratepayers.</p> <p>Moving from independent Councils covering their costs, to a single amalgamated Council with accumulated debt of \$565m is quite an achievement. Amalgamation was supposed to (and should) result in savings through economies of scale, but instead of making savings, costs massively increased. Instead of requiring fewer employees through the removal of duplicated roles, Central Coast Council managed to increase their employee count by 25%. It beggars belief that so-called professional employees could oversee such an increase without any thought as to where the money was coming from to pay these new</p>

employees. Increased capital expenditure? Why not? I am sure there is enough of other people's money to pay for it!

What disturbs me with the Council's IPART submission is that the great 'sin' was taking money from restricted funds. While the Council's CEO and CFO were removed (being sacked is not the correct term as they were paid out, as apparently it was too hard to sack them with minimal entitlements), and all the Councillors were removed, it appears that the current Council's leadership believes that the spending was really necessary after all. It was really just a 'mistake' in how it was accounted for. Notwithstanding that the level of spending was not required in pre-amalgamation years; suddenly the spending can't be reduced anymore. What is the answer? Why, increase revenue of course. It will be just like the old days before rate fixing was introduced. If you run out of money, just get some more.

In order to do this, much effort must go into justifying the increase. For a start, it can't be a temporary levy in order to overcome the losses of the last 3 years. It must be a permanent increase so that we don't run out of money again (or for a few years at least). And reasons for the increase must be found. The Covid Pandemic, even though the State and Federal governments have the burden, with Councils big Covid cost being organising for their staff to work from home (like every other business). The bush fires of January 2020, even though the RFS is funded separately. The Mardi to Warnervale pipeline even, but shouldn't this be financed through Central Coast resident's water rates?

The Council's IPART submission claims that ratepayer's rates are low compared to other councils.

So apparently it is not about rates being levied to pay for required services. It is all about getting the right ratio of funds to spend. It is not unlike calls to increase the GST because other countries have higher rates and therefore we should have a harsh rate ourselves.

As a former Gosford Council resident, I will be hit with an apparent 25% rate increase if Central Coast Council gets their way with the average 15% increase, and former Wyong residents will actually have their rates reduced, due to 'rate harmonisation' happening at the same time as the proposed rate increase. This is seen as fair?

The Council's IPART submission reports that their ratio of staff to population is low, again resorting to one particular formula, without any thought to relative land area and population density. There is no thought to just having enough staff to provide the services, as was the case pre-council amalgamation. Apparently it is beyond the capabilities of the current leadership to find economies of scale. Yes, they have removed a few senior positions, but managed to keep enough new staff to offset this cosmetic reduction. Surely they can do better than that, and I think they can. They just don't want to. (I notice that there is now a resolution to reduce the number of councillors from 15 to 9 for Central Coast Council. I haven't seen any comparison with other councils as to councillor to population ratios. Funny that. I guess the management only use such figures when it suits their own agenda).

The capital work program is apparently untouchable, with little detail on what is in it. If capital works can be greatly increased in the past three years, why can't capital works be greatly reduced for the next three years, keeping maintenance funding intact, but removing funding for new vanity projects?

Don't be fooled by the Council's IPART submission, using this crisis to get around rate fixing.

Don't reward the council with permanently increased funding.

Force council to make further employee savings.

Force council to reduce the capital work program for the next three years.

Your comments on Criterion 1:

The proposed increase is being justified in order to pay back debt accumulated through incompetent leadership. In reality they just want to increase spending. As a resident of Mooney Mooney I see very little of any spending apart from having my garbage collected.

Your comments on Criterion 2:

The community is against any rate rise and hopes that IPART can see through the Council's agenda to lock in new permanently increased revenue for their own spending priorities.

Your comments on Criterion 3:

As a former Gosford Council ratepayer it appears the proposal will mean my rates will increase by approximately 25% due to 'rate harmonisation' occurring at the same time. How is that reasonable?

Your comments on Criterion 4:

Your comments on Criterion 5:

The current productivity improvements are half-hearted and show no real commitment to reduce costs in the long term. How can an amalgamated council justify having the same number of employees as the combined former Gosford and Wyong Councils? Why hasn't the capital works program been substantially reduced from its greatly increased levels of the past three years?

If you have attachments you would like to include with your feedback, please attach them below.

[Never Let a Good Crisis Go To Waste.docx](#)

Your Details

Are you an individual or organisation?

Individual

If you would like your submission or your name to remain confidential please indicate below.

Anonymous - my submission can be published but my name should remain anonymous

First Name

Last Name

Organisation Name

Position

Email

[REDACTED]

IPART's Submission Policy

I have read & accept IPART's Submission Policy

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