

To. IPART 28.02.21.

Ref. APPLICATION FOR RATE INCREASE CENTRAL COAST COUNCIL

I wish to lodge my objection to the proposals to be submitted by the Central Coast Council for a proposed rate increase outside of the rate pegging framework for the 2020/2021 rate year.

Putting aside the questionable information regarding the costs associated with the amalgamation, the [REDACTED] conduct of Senior Officers and the Councilors, the immediate issue put before the ratepayers for comment, is three alternative proposals for a rate increase.

My submission is that there should be no rate increase outside of the normal rate pegging process.

I make these comments in support of my submission.

1. Basically, the current approach is threatening the rate payer rather than informing. The proposal appears to be rushed in its preparation and distribution for public comment and does not indicate any relationship to past planning which involved the community. To be cynical it appears that the proposed is framed to be politically "safe" at the state level.
2. At this time for restraint on spending, services should not be targeted. The objective should be to maintain existing service levels and to review discretionary expenditure such as capital works. Capital works are not mentioned in the information issued to the community.
3. To sell any rate increase outside of the rate pegging structure the Council has issued to the public a calculation of the two upper increase proposal identified as weekly rate increase. This calculation includes allowance for harmonizing of the rate base as a result of the amalgamation. These figures given are calculated by dividing the total rates proposed to be collected by the number of rate payers. This is a false method of calculation and communication of any increases but an effective method to assist the Council's objectives. Rates are levied at each property against the Unimproved Capital Value (UCV) of the land and any information issued for public comment should reflect this process. If this was done it goes without saying that many properties will experience a greater rate increase than that promoted by the Council, especially those in the former Gosford Council area where harmonization will be implemented in this rate year.
4. A Council has a monopoly on the provision of the identified services and is undertaking a process of self-regulation by a state government administrator. Not an independent examination. The Council has a legislated captive income base but is required to ensure that the

community is aware of service level and costs adopted through an organization planning process. It is the Councils' responsibility to ensure that appropriate resources are available to meet organization planning but also that the community has the capacity to pay. Surely any previously adopted planning with community input will be impacted upon by the recent proposals put forward by of the administrator.

5. It seems unclear if the Council can raise a special rate to address the recovery of illegal expenditure or to recover debt incurred by such an unlawful action. Special variations of the type proposed are surely linked to specific undertakings contained within the community planning process. The recovery of the unlawful/illegal use of restricted funds, which may have occurred some years before the current rate year seems questionable at best. In this case the community was not given the choice and no explanation is given if the service levels or capital works were included in past community planning processes.

One example of this is the loss of 250 or 10% of the staff (an action which has led to additional borrowings).

Other than a financial cost there has been no advice given how and where current service levels are affected by the shedding of this staff, or what productivity has been lost or if this additional staff increased the cost of the services within the current or past budgets or if the threatened service cuts will build of the base before the shedding of staff.

6. The proposed 15% rate increase is not for a limited period but is planned to become a fixed base for all future rating assessments at infinity. If this base is implemented this will be an automatic rate increase from this base and not from one which should be subject to community input.

It is clear that the Council had been operating beyond its means since the amalgamation was completed. This situation is set out in the administrator's report. A culture of [REDACTED] practices and poor management of the budget within the Council senior staff and the failure of duty of care by the Councilors all identified in that report has had serious financial ramifications.

The outcomes of these failures should not be passed onto ratepayers just because the structure of fund raising is in place.

If there is to be a rate increase outside of the normal pegging considerations it should not be a decision based upon a rushed government instituted assessment but on the recommendations from an independent arm's length examination of the past and future structure and operations of the Council.

This form of examination would be of a better assistance to the incoming CEO (the third since the amalgamation). Fresh eyes are needed.

Yours Sincerely

[REDACTED]