

# LG Submission Form 2020-2021

Submission date: 3 March 2020, 3:17PM

Receipt number: 178

Related form version: 10

Question	Response
IPART Special Variation Submission Form	
Industry	Local Government
Review	(LG) Special Variations & Minimum Rates 2020-2021
Document Reference	
Select Council	Lismore City Council
If you have any general feedback regarding your council's proposed SV, please leave your comments in the comment box below.	<p>In general, I would question the tendency of this Council to rely upon SRV's to make up for a lack of fiscal management on their part. Perhaps it is time that an independent audit is conducted with forensic accounting of Council's budgets covering the time frames that match SRV applications. From a rate payer's perspective the current business model employed by Lismore City Council seems more about misdirection in terms of responsibility for the costs associated with services provided to the local community (shifting fiscal responsibility) &amp; the selling off of Council assets to provide an 'off-set' to budgetary holes as a result of economic mismanagement by Council staff. Examples of decision making that appear at odds with Council's call for an increase in rates are:</p> <ol style="list-style-type: none"><li>1. The decision by Councilors to increase rent at the Lismore Transit Centre, which resulted in the previous tenant (the Country Women's Association) having to vacate the premises and the subsequent approval of the tenancy of the Nimbin Neighbourhood Centre at a reduced rental rate.</li><li>2. The decision to lease Lismore Town Hall to NORPA. There was no information made public by Council regarding the projected financial benefit for Lismore City Council, and the decision appeared to lack any transparency leading many in the community to question if</li></ol>

	<p>there was a conflict of interest that may have influenced the decision making process involving the [REDACTED] and the [REDACTED]. I believe under the current arrangement, Lismore City Council have to 'rent' the building from NORPA to hold community functions.</p> <p>3. The installation of solar panels at the Lismore City Treatment Works should at least have yielded some financial benefit to Council, but any gains of this type would have to be offset against Council hauling waste from the local garbage depot across the border to Toowoomba.</p> <p>Instead of IPART's review of another SRV application, perhaps it is time to recommend referral to a regulatory body to investigate some of the financial decisions made by the Lismore City Council post-previous SRV processes.</p>
<p>Your comments on Criterion 1:</p>	<p>Local Council applications have traditionally relied on the generic description of the local community's calls for services to be maintained and resourced. Yet, this Council's rates are double to triple (in some cases) to that of neighbouring LGA's, with a demonstrably lower socio-economic residential base and higher than average unemployment rate than other parts of the State. The Council seems intent to rely upon the community's needs for services as a justification for their SRV applications, while continually mismanaging the budget they do have - if there is a limited alternative for financial resources, it appears the issue is being compounded by poor decision making regarding finances, as per the examples cited above. I believe Local Council has recently received a substantial grant from the Government in respect to the floods of several years ago. Other local Councils have been transparent about their funding allocation, yet Lismore City Council has not seen fit to enlighten local rate payers where and how they intend to allocate the tax dollars they have received.</p>

Your comments on Criterion 2:	<p>Perhaps it would be more appropriate if the compound amount of Council's previously successful SRV applications were to be made available to local rate payers in order to properly assess the real impact in dollar terms. In strict value-for-money terms, I would suggest that while the rate payers in the Lismore LGA are aware of the extent of previous rate rises, they have yet to see any benefit to local services in real terms. In regards to the criteria referred to, exactly what level of awareness is proposed as being appropriate and how exactly does that translate to acceptance? What percentage of all rate payers within the LGA who will be impacted by the proposed rate increase have actually been made aware of the need and extent of a rate rise? Is 10% considered reasonable? Or does Council rely on the more malleable "90% of the people we spoke to" approach favoured by advertisers, that doesn't disclose only 100 people were contacted? It would be reasonable to assume that not everybody is aware, may have knowledge of the SRV proposal or, even the means to respond meaningfully to this issue.</p>
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Your comments on Criterion 3:	<p>When a Council already has the highest rates on the Far North Coast and there is considerable community alarm about their ability to manage further sums of money, is that reasonable? The SRV increase proposal is akin to providing an individual with a gambling addiction more money on the basis they will behave with restraint and responsibility. Simply put, Lismore City Council have been unable to show local rate payers they have either the experience or ethics to handle millions of rate payer's money. And yet, we are expected to believe on this occasion and moving forward into the future, these same people who are responsible for a debt somewhere in the vicinity of 90 million dollars, have now developed an ability they clearly lacked prior to making a request for an SRV? I believe Council has indicated publicly that there was a 9 million dollar hole in their budget, but there is a suggestion that the true amount may be ten times higher. At the very least, this should be worthy of some level of investigation rather than continuing to give this Council a license to print money. At what point is it deemed appropriate to at least conduct an independent audit of Council's books to gain some transparency on the issue of economic management?</p>
Your comments on Criterion 4:	<p>I believe that of the elected Councilors able to vote on this, several (3-4) chose to absent themselves from the meeting called to discuss the SRV. It would appear that Council is incapable of providing a united front on what is an important issue for the local community, much less represent them appropriately. The [REDACTED] when asked about the need for another SRV has apparently responded with a comment along the lines of "What are we meant to do?"</p>

Your comments on Criterion 5:	<p>Again, rather than simply accept the Council's application at face value, it might pay to apply a basic investigation into Council's accounting practices. An unrelated but relevant example of the fiscal mismanagement this Council indulges in involves a water tanker used by Council that recently required repairs which totalled \$8,000.00. Rather than expend that amount of money, a decision was made to hire a tanker from a local business which ended up costing local rate payers \$32,000.00. The other vehicle still requires repairs. I would query the rationale that sees a Council employee make a decision to save money that results in an overall expenditure of \$40,000.00 as being beneficial to local rate payers. A further example involves the Lismore Art Gallery as a means of drawing tourists to the Lismore area. Perhaps it would pay to examine how much this particular project has contributed to the local economy in terms of "productivity improvement", having replaced another building and landscaped an 'Arts Quadrangle' in order to build the Gallery. The costs/benefits analysis that could be applied to this project in retrospective terms against the projected costings would go a long way to demonstrating a real world example of Lismore City Council's cost containment strategies ("the business practice of maintaining expense levels to prevent unnecessary spending or thoughtfully reducing expenses to improve profitability without long-term damage to the [organisation]"). To borrow a quote from Margaret Thatcher, "The problem with [this Council] is that eventually they'll run out of other people's money."</p>
If you have attachments you would like to include with your feedback, please attach them below.	
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	
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Position	

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