

The Chairman,

IPART NSW

Submission regarding Special Rate Variation Application, Port Stephens Council.

To whom it concerns,

I wish to make this submission rejecting the Special Rate Variation Application (SRV) from Port Stephens Council.

I am against the variation for a number of reasons, which are detailed below. I hope the Tribunal considers these reasons and agrees with them, and does not agree to Port Stephens Application

1. In 2015 Port Stephens Council made a submission to IPART, outlining the good financial situation in Port Stephens LAC. IPART, as a result of the submission, rated Port Stephens Council fit for the future. While it is appreciated that costs have risen in the past 4 years, they have not risen too much above the CPI, on which the Minister "pegs" the increase in rates. It would appear there seems to be a wish list of items that the current Council has determined that they believe the residents of Port Stephen want, or perhaps it is their grandiose ideas of the future for Port Stephens.

The general consensus from people I have spoken to is that they are against the SRV, for a number of reasons. Many of the projects listed are considered general works which would be carried out under the normal rates, such as maintaining and resealing roads where necessary, parks and recreational reserve maintenance and general Council works maintaining existing Council buildings.
2. Port Stephens Council do regularly, and successfully, apply for Government Grants to carry out a considerable number of works within the LAC.
3. Port Stephens Council has not listened to over 70% of the respondents of their survey who opposed ANY SRV increase. Further the survey was biased as it was sent to all residents in the shire rather than to just those rate payers. By sending the survey out to non rate paying residents it biased the results. Eg Of course a 'renter' will want all the new bright shiny things as they don't have to pay for them!

Port Stephens Council stating after the survey that "there was some support for the SRV" does not equate to a majority. Taken as a vote the SRV survey was overwhelmingly defeated. The council is not listening to, or more to the point, disregarding their rate payers.
4. The proposed SRV of 7.5% for each of the next 7 years compounds to 66% over that period. The amount is over and above the General Rates levied. While the demographics of the Port Stephens LAC are unknown to me, I am aware that a number of areas do have a higher percentage of low income families. I do know that Medowie for example has approximately 10% residents over 65 years of age. The impact on these low income families over the next 7 years will be devastating. I know of no working person who has ever received a 7.5% pay increase, nor that level of increase for 7 consecutive years.
5. The proposed works shown in papers presented by Council to residents has all figures as estimates. Port Stephens Council had an estimate for the Medowie Sports and Community Club, approximately 12 months ago, at \$3.5M, however the contract let recently for the facility was approximately \$6.5M. The original expenditure was from Section 94 funds, which meant that expenditure in the Medowie area for footpaths, parks and reserves, a public toilet facility in the parks would not be financed. The shortfall in the budget would more than likely be funded by loan funds, those loan funds would need to be repaid with interest. The repayment would probably be from General Funds, leaving another shortfall, would this be provided from the SRV?

The increase in the contract figure for the Medowie Sports and Community Club from the estimate 12 months ago raises the questions regarding all the future estimates Port Stephens Council has prepared to justify the SRV.

Interestingly the SRV does not appear to encompass a massive legal bill arising from a court case and subsequent Supreme Court appeal lost by the council. These court cases were instigated by council, even though their own legal team advice was that they would not win. Again this demonstrates that Port Stephens Council does not listen to their own experts and rate payers.

6. Port Stephens Council has not listened to over 70% of the respondents of their survey who opposed ANY SRV increase. Further the survey was biased as it was sent to all residents in the shire rather than to just those rate payers. By sending out to non rate paying residents biased the results.
7. Port Stephens Council has not demonstrated nor detailed any 'value for money' in their SRV request. Their 'wish list' of projects includes improvement of shopping centres. I find that offensive that rate payers money be spent on 'private properties' even if they are open to the public. If the shopping centre needs revitalisation then it is up to the owner to do so at their expense , not rate payers!

I hope these objections I have raised for the SRV will be considered when you are making your final decision.

Respectfully Yours

A large black rectangular redaction box covering the signature and name of the sender.