

Special Variation Application

In reponse to application for special rate variation the following is submitted for consideration.

A portion of this funding shortfall even existed prior to amalgamation. The Councillors have a "I want" attitude which is pacified by giving what is demanded. The amalgamation process has been faulty since inception with no accurate reconciliation of cash position as opposed to cash flow management. With no financial experience among the Councillors, understanding does not exist as to funding capability nor it seems with executive management. There should be considerations for a scoping review of all large Councils prior to budget acceptance. This is evident by the massive cost to the community over the years from Parramatta Liverpool and now central coast to name a few. While a overriding body is necessary. It has to be realised that councillors will blame that body for anything they can't do but at least the community will not be paying for their incompetence when experienced. Legislation should be in place that where Councillors are dismissed, then a no representation should exist for at two terms. Bankrupts have inhibiting factors applied but Councillors have no inhibition and incompetence is ignored.

A further assessment has to be undertaken for service delivery standards to further rationalise services there are far too many staff with an inept post amalgamation process and structure in place. This was largely a result of lack of effectively planning the amalgamation process and establishing milestones for completion. Background experience includes amalgamating four Councils into a \$245 million Council which was achieved after 24 months with new structure, new systems, local laws corporate and strategic plans including merging of rating capability. There was some angst but with continual public consultation it could be considered a success as the Mayor and Councillors were re-elected which is a good community approval process. I only mention this due to understanding the amalgamation process as a precursor to my comments.

Council has far too many middle management and the functions have not been analysed as to appropriate structure. Excess staff can be transferred to project teams to undertake certain activities and provided with exit assistance to for a period of months while processing the amalgamation. It is a difficult process but one needed.

The present proposed increase is

Typical residential ratepayer	Base line rate peg only	Option 1: Temporary fix – 10 %	Option 2: Securing your future – 15%
Year 1 (2021-22): Increase from 2020-21 financial year	\$3,459,336	\$17,296,680	\$25,945,020
Year 2 (2022-23): Increase from 2021-22 financial year	\$4,410,653	\$4,756,587	\$4,972,795

Which equates to a special rate increase of \$22,585,674 in first year and increasing inline with rate pegging for 7 years. So aside from rate pegging increase on the base amount this equates to the community from pensioners to cash strapped businesses being asked for an extra approx. \$159 million as well as indexation of rate pegging on that amount. There has to be a restriction on the council activities to further rationalise service levels. A council steams ahead to usual activities. This should not be allowed as the present service levels cannot be afforded. Depreciation on the Capital Works will also bite into funds for a balanced scenario over three years. **The Council should directed to develop a process to bring back into balance situation over ten years. It means that the restricted**

funds cannot be used until they are collected over the period from asset sales and internal re-evaluation of functions and activities. If these savings are accumulated then the higher priority demands from restricted funds can be used. A restructure of the forward Capital works program also needs to be significantly reduced. There has to be restriction placed on Council. This special rate variation imposes no restriction on Council continuing to operate inefficiently.

While there has been a measure of research undertaken into this matter the actual activities and functions have not been analysed nor service levels reduced. Council will indicate that all the customer end and social community activities (e.g. libraries, child care etc) will be effected. Why are they even in child care. There are non-profit Australia wide organisations that will run them more effectively while the Community at large does not benefit only the parents of the children. Transfer them to non-profit.

The information and computer systems have still not been merged. This clearly indicates that the amalgamation process has not been appropriately planned. Significant large companies can do in 6 to twelve months but Council cannot because the more difficult decisions will not be made and if made will be negated by Council don't ruffle feathers attitude.

Large Councils in many cases cannot be trusted to be financial responsible in a political environment. Just a factor of circumstance.