

Submission
to the
Independent Pricing and Regulatory Tribunal
In Opposition
to the Application by
Hawkesbury Council for an SRV

By [REDACTED]
[REDACTED]

PLEASE KEEP MY NAME AND ADDRESS CONFIDENTIAL

Summary

I oppose Hawkesbury's application for an SRV which will result in a cumulative increase of over 30% by 2020-21 for 4 main reasons:

1. Most ratepayers responding to a Council survey preferred the "no SRV option or the option of an SRV much smaller than 30%.
2. An increase of more than 30% above normal rate pegging increases will unfairly impact on a section of the community whose rates were significantly increased in 2017 as a result of decisions by a majority of (but not all) Councillors to remove a "rural residential" category and to reduce the proportion of residential rates collected by a flat rate and increase the proportion collected on the basis of land values. This impact was exacerbated by the recent revaluation of some properties by the Valuer-General.
3. The Council wastes money, for example on issues unrelated to its core business.
4. The Council should be doing more to encourage business and residential development and thereby increase the rate base, thereby reducing the required size of any rate rise.

The Opinion of Ratepayers

In 2017, Council sought the opinion of ratepayers about various rate options for the future. Only about 34% of respondents supported Option 3, which proposed the 30% SRV. In other words, about two thirds of ratepayers supported a lower rate increase or no SRV at all. The Council very condescendingly justified its vote for “Option 3” by asserting that those ratepayers who supported the other options were “less well informed” than those who supported Option 3.

Adverse Impact on Ratepayers Who have recently had significant rate increases

In June 2017, by a majority (but not unanimous) vote, the Council restructured the rate system. Previously, 50% of residential rates was raised by way of a flat rate, and 50% was raised by a rate on land value. This ratio was changed from 50:50 to 30:70, with the result that property owners with relatively high land values experienced a disproportionately high increase in the 2017-18 year.

In addition, the concessional “rural residential” category was abandoned, with the result that properties in that category were hit with a further increase.

Council took these decisions in the full knowledge that the Valuer General had recently significantly re-valued properties in certain suburbs, particularly in the east of the Council area. The councillors who voted for these changes would have been well-aware that their decisions on rates would have a significant adverse economic impact on some ratepayers.

I am not one of those adversely impacted in this way to any large extent, if at all, but I have sympathy for those who were hurt. I will be adversely affected by a 30% SRV and therefore I recognise that there will be others hurt even more.

The Council's questionable expenditure

I am aware of a number of items of expenditure which I believe are questionable. Some only involve a few thousand dollars, but I have been told that there are others of a similar nature.

For example, Hawkesbury Council is proposing to take down perfectly good “unisex toilet” signs, the meaning of which is well-understood and replace them with signs saying “toilet all gender” apparently because “unisex” is, for the moment, deemed by a few people to be offensive. There will be no real benefit to ratepayers for this expenditure.

The council has also spent over \$5,000 to join an organisation that promotes LGBTQI health. Again, this expenditure will have little benefit to the Hawkesbury community.

Last year, the Council spent money on a sign promoting a “Yes” vote in the same sex marriage plebiscite, even though this was an issue for the Federal Government, not local councils.

Council recently commissioned a Conservation Management Plan for Thompson Square, Windsor together with a heritage impact statement of the Windsor Bridge replacement

project. This was clearly undertaken in an attempt to embarrass the State Government over the decision taken several years ago to replace the Windsor Bridge. That the expenditure is wasteful is indicated by the fact that, firstly, the Bridge replacement project is currently under way and due for completion in 2019 and, secondly, a comprehensive archeological and heritage study is being carried out by the RMS as part of the Bridge replacement project.

If Council were to stick to its core business and not engage in political grandstanding, they could survive with a lower level of rates than the one they seek.

Increase the rate base

I am not a businessman, but I have heard many local business people complaining about how the Council seems to be anti-business, harassing them with pettifogging restrictions. I have also heard that they are anti-development. If Council did more to encourage business growth and residential growth, the rate base would increase, and there would be less need for increased rates in the dollar.