

The Local Government Team,
Independent Pricing and Regulatory Tribunal of NSW (IPART)
PO Box K35
Haymarket Post Shop, NSW 1240
email: localgovernment@ipart.nsw.gov.au

13th March 2019

Dear Sirs,

I strongly object to Port Stephens Council (PSC) Application to IPART for a Special Rate Variation (SRV) of 7.5% per annum over the next 7 years on the basis that PSC has not established justification for the Application and given poor and inaccurate information to the General Public

- proper projects need to be identified including foreshore works, not developer enhancements that should be paid for by section 94 contributions, not rates
- proper costing of those applicable projects
- rates to be set commensurate with the costs/projects

I first make the point that not until 6 March 2019 did Port Stephens Council (PSC) inform those persons who had made a previous submission to Council, that **IPART** had been receiving submissions from 11 February 2019.

With reference to the PSC notification in the Port Stephens Examiner, regarding our right to submit an objection against PSC Application to IPART, the full page notice in the local paper, 28 February 2019, (estimated to have cost ratepayers and residents in excess of \$1,000.00) **did not contain the correct email address for submissions to IPART.**

The PSC notification 7 February 2019 is primarily a self-promotion exercise for the Port Stephens Council. The Special Rate Variation projects are focused on Roads (\$35 million), Town Centre (\$43 million) and Sports Facilities (\$16 million). With very little allocated to Preservation of the Coastline (\$3 million), and Improved Drainage to Reduce flooding (\$5 million).

The second notification in the 7 March 2019, PSC altered the wording to say *'We're proposing a SRV increase of 7.5% each year (including rate peg) for the next seven years (cumulative 65.9%) to remain permanently in place'*.

Why was this not been mentioned in the earlier notification?

Importantly, the second notification in the local paper, 7 March 2019, **PSC failed to correct their earlier error and again gave an incorrect email address for submission to IPART.** Neither did it contain any information regarding on-line submissions. This has led to much consternation.

Please see **attached scanned document** verifying this.

PSC currently declares itself to be "**Fit for the Future**" so how can it justify a 65% increase in rates to remain permanently in place? Why is such a blatant 'money grab' for capital works and infrastructure to be funded at great expense to the ratepayers?

Were PSC better at management and less wasteful of revenue received from ratepayers, many government grants, investments etc there would be no need for an increase above the regulated pegged increase of 2.7% for the year 2019. Future elected Councils may be better organised and have no need for a permanent 65% increase.

A prime example of the waste of ratepayers and residents money is PSC lack of competence when advertising developments. Many development applications have had to be readvertised, sometimes three times before being correct. (These errors have been pointed out to Council on many occasions)

Many of the projects listed in PSC forward estimates seem to be overinflated. Where are the details of the estimates/ audits for these projects? Who is checking this? Can these estimates be verified?

In the interests of transparency, based on a yearly increases of 7.5% per annum, why hasn't PSC given an example of a figure a person could expect to pay in the year 2026 if, for example, a person was currently paying \$2,000.00 per year?

Most people have no idea how to work the cost out. Many think the rate increase is for just one year! (and that wouldn't be so bad - it would make the meagre Hardship Policy Council boasts about, less of a joke!)

An SRV for one year only, would allow Council to complete the projects listed as "**on-off costs**" and attend to long standing projects that have been neglected over the years.

One such example - although Council states that it is aware of climate change, rising sea levels and the need for ecologically sustainable development, the projects Council have chosen to fund in no way reflect this statement.

PSC is not prepared to fix erosion with the Port Stephens Great Lakes Marine Parks unless IPART ratifies the 7.5% and then only in three years' time. I consider this a form of blackmail.

This is not good enough. It does not reflect the concerns of the ratepayers and residents.

The landscape and seascape that defines Port Stephens are the reason people come. Not to see high rise buildings destroying the natural amphitheatre of Nelson Bay resulting in Town Centre improvements to the tune of \$43 million. Neither do people come to see our eroding foreshores left unattended through PSC neglect.

Council is proposing a \$3 million to '*Preserve our coastline for the future*'. How far will this meagre allocation go toward restoration of our foreshores? Where is evidence of proper costing for these innumerable sites?

In my opinion, the Council proposed Special Rate Variation of 7.5% over 7 years and beyond is a simplistic plan for the Council to acquire a huge amount of money in a very short time. This should not fall upon ratepayers, residents and local businesses. The flow on from such an increase affects all residents and visitors to Port Stephens. People who have indicated that they cannot afford it.

The need for rates to increase has already been addressed by the regulatory 2.7% CPI increase for 2019. However, the Pensioner rate hasn't gone up by 2.5%, wages have stagnated, rents have increased. People are struggling.

The Application to **IPART** for a SRV of 7.5% needs to be justifiable, reasonable, and of benefit to the people of Port Stephens.

The increase over 7 years and beyond will be way more than the projects Council are using to justify this Application to **IPART** (though this can't be determined from the information provided) and as such isn't justified.

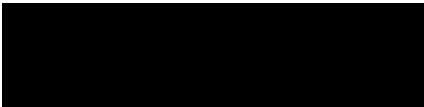
Port Stephens Council needs to identify proper projects, including foreshore works, and proper costing of those applicable projects in order for rates to be commensurate with the cost/projects.

This Council has failed to do.

I therefore respectfully request that IPART reject Council's Application to **IPART** for a 7.5% SRV per annum for the next 7 years (remain permanently in place) on the basis that the PSC Application lacks credibility.

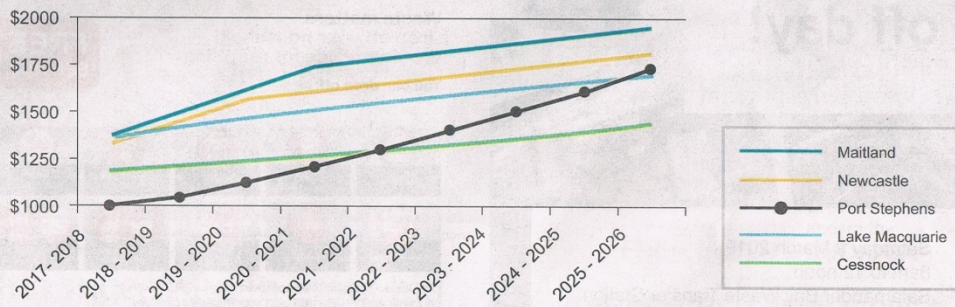
Yours sincerely,

Elspeth Jean Armstrong



(See Attachment: pg 4: Bottom half of full page advertisement in Port Stephens Examiner dated 7 February 2019)

we're proposing a SRV increase of 7.5% each year (including rate peg) for the next seven years (cumulative 65.9%) to remain permanently in place. If approved, this puts our rates on par with Lake Macquarie and below both Maitland and Newcastle local government areas. The graph below shows the average residential rates based on the proposed SRV in comparison to other Hunter councils (some of which have approved SRVs).



HAVE YOUR SAY | FOR MORE INFORMATION VISIT: PORTSTEPHENS.NSW.GOV.AU

IPART is accepting submissions from 11 February to 11 March 2019
 Electronic submissions may be lodged at ipart.nsw.gov.au, or by post to:

Local Government Team
 Independent Pricing and Regulatory Tribunal of NSW
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 Haymarket Post Shop, NSW 1240



For more information call (02) 4988 0255 or visit our website
PORTSTEPHENS.NSW.GOV.AU