

SUBMISSION TO IPART RE THE APPLICATION BY WYONG SHIRE COUNCIL FOR AN INCREASE OF 6.9% IN THE GENERAL RATE FOR A PERIOD OF 7 YEARS.

The need for this proposed increase appears to be the result of a report by NSW Treasury which identified future financial problems unless certain measures were taken. The NSW Treasury report did not recommend a rate increase .

In preparing the submission Council engaged in consultation with the community. This consultation will be commented on later in this submission.

Council also had to contend with the ability of ratepayers to cope with an increase.

The comparison with the rate levels imposed by similar Councils suggests that some increase was not unreasonable.

1. COMMUNITY CONSULTATION;

The information provided to the community reflected the difficulties in connecting with the community in today's world. The use of a newspaper circulating in the Shire may not have been very effective as it is a free home delivered paper and my observation is that a large number of these papers are not opened and go straight into the bin. Other means of communication also have problems which leads to the suggestion that using Australia Post to deliver an addressed document to each ratepayer would have been preferable.

I believe the content of the information distributed was less than optimal.

In the first place there was no explanation of why the Shire had been operating at a deficit for some years. I believe ratepayers are entitled to this information as we all have to make our own assessment of the efficiency of Council's operations. Without this information ratepayers can not decide if the remedy proposed (raising the rates) will do anything to improve the level of service.

I have read Council's submission to IPART and also Treasury's report to Council and conclude that there may have been some valid reasons for the decline in Council's finances but ratepayers were not told of them in the literature supplied. Cost shifting appears to have been a large contributor to Council's woes and Treasury deemed it important to mention tip remediation costs.

By omitting reasons for the decline in finances (and the noticeable reduction in services) ratepayers were not able to work out if the proposed rate increase would solve any underlying problems in Council .

The information supplied by Council regarding the proposed rate increase was deficient in some respects. Some of the facts were misleading.

The proposed increases related solely to the General Rate but no effort was made to give a definition of the General Rate and how it related to the Rate notice. In addition to the General Rate , the rate notice includes other charges such as Domestic Waste Management, Stormwater Management Charge, Water Service Charge, Sewer Service Charge and Drainage Service Charge.

Each ratepayer should have received clear information about their rate notice with the General Rate charge clearly identified as being the amount that would be subject to the increase. In these days of computers it should not be too difficult to advise each ratepayer of their current charge for General Rates and what the increase would be (in Dollars and cents – not a percentage), and whether any of the other charges might be increased. In this way, Council would have got a more definite opinion about how many respondents were prepared to pay an increase. There is also a statement in one of the pieces of literature “ *Annual charge for services like waste collection are set by IPART and cannot be increased* “

This at a time when Council had already submitted an application to IPART to change these charges and was awaiting IPART’s response.

There does not appear to have been any effort to include non-resident owners in the consultation, in spite of the fact that 20% of ratepayers are not resident in the Shire.

CAPACITY TO PAY ;

Some respondents drew attention to their inability to pay the increase. This is not surprising as the Census listed 41.3% of the population as “Low Income” and 37% of workers had to travel outside the Shire for employment. Travel costs for these people would be quite high as the poor public transport means that many have to travel by private vehicle. The proposed 6.9% increase would mean a 59% increase in the General Rate in the seventh year if the rate peg remained at 3%.

Council spent a lot of time and money preparing and implementing the Community Consultation process and yet only got a response by a little over 1% of residents. One group which met over 3 nights only attracted 21 attendees and one public meeting had an attendance of 3 ratepayers. All of the many tables supporting Council’s submission must be regarded in this light as hardly representative of the community’s views.

In spite of my doubts about Council’s ability to get better value for the ratepayers’ dollars it seems that ratepayers will have to agree to some increase if Council is to get back into a position to adequately meet the community’s needs, but I feel an increase for 7 years is not warranted. I suggest that Council be put to the test by allowing a smaller increase for 12 months and then having to prove to ratepayers and IPART that they have been responsible and that the extra rates have improved services to the community, and that Council provide meaningful information to ratepayers about efficiency improvements regularly.

In applying for this increase Council has put itself under the spotlight and is obliged to act in the interests of ratepayers and residents.

John Maine