

Author name: J. McCormack

Date of submission: Friday, 1 March 2019

Submission: Good morning,

Please find attached an objection to Richmond Valley Council's application for a 5.5 % rate increase over the next 4 years .

Yours sincerely Jim McCormack

Objection to Special Rate Increase Application By Richmond Valley Council Feb
2019

I wish to strongly object to our council's unjustified application for a special rate increase of 5.5% over the next 4 Years.

RVC has just completed a cycle where they were granted a special rate increase for the past 5 years, with the initial year of that period being a 12.5% increase and each year after that an increase of around 5.5%. The total increase over the past 5 years being around 37.5%

And now RVC request approval for a 5.5% increase each year for the next 4 years. CPI over the past 5 years equates to something like 7.5% and yet our rates over the same period have increased 37.5%. Bank interest on savings has hovered around 2% over the same period. Does this say something about Council's management practices over the past years and heading into the future? Have they bitten off more than they can chew in Projects they are planning or have started? Surely utilizing good, sound business practices, if a business can't afford all things it wants to do or achieve that business must prioritize these projects and some projects wait or are shelved depending on priorities and real need. Council should follow sound business practices and in tough times focus only on the bare community essentials such as roads, waste, water and sewerage.

Council had 2 community meetings to put their case for a SRV. In Casino 6 people attended. On their website Council tells us that 2 people were in favour of a SRV at the Casino meeting. At Evans Head 27 people, including myself attended and there was not one person in favour of a special rate Variation. As you are aware council conducted a phone and online survey which encompassed 404 people by phone survey, and 55 completed an online survey. These figures are only a significantly miniscule view of the Council's overall population of around 22000 people, in fact less than 2% of Council's overall population gave an indication to Council how they felt about a SRV, and Yet In the minutes of the Extraordinary meeting Council had to decide to pursue the SRV the Motion Read

1. That Council consider the concerns raised by community members about the Financial impact pensioners, farmers and residents with higher unimproved capital land values:

2. Note and consider the feedback received and the results of the extensive community consultation that has been conducted and from this process the majority of residents are accepting of the need for an increase above the rate peg.

3. Approve that the General Manager submit an application to the independent Pricing and Regulatory Tribunal for a permanent Special Rate Variation under Section 508A of the Local Government Act 1993 of 5.5% for four successive Years from 2019/2020 to 2022/2023.

The Following Table Shows the results of the phone and online survey of 404 (of which only 342 were ratepayers)

Option	Very Supportive or Supportive	Somewhat Supportive	Not at all Supportive/Not Very supportive
1. A 2.75 % increase	35%	18%	47%
2. A 5.5% increase	40%	26%	34%
3 A 7 % increase	31%	21%	48%

These Figures are directly from Council's website.. My Question is How do you determine the real opinions of those somewhat supportive ? How subjective Is "Somewhat Supportive"? Council on their website have collated them with Very Supportive and Supportive ,eg Option 3 ,Council's Conclusion Statement "Just over half (52%) of residents were at least somewhat supportive of option 3" Is this a truly accurate measurement of those supportive? I think not.This is a great misuse of Statistical Information to suit your Needs and a classical example of how you can use Statistics to suit. I could argue that Those residents who responded in the Not Very or Not at All Supportive brackets shows a truer picture of Community Wishes. However it is unbelievable for council to say that extensive Community Consultation has been conducted and that the majority of residents are accepting of an increase in rates above the rate peg when the sample surveyed was less than 2% of the population .I also ask how did council note and consider concerns raised by the community about the financial impact on the community. ?What were they going to do about these concerns particularly those of elderly residents on a single fixed pension . It is very easy to make Bland statements but what or How is Council addressing community Concerns,it appears by applying for a 5.5% SRV. Also interesting that Council's motion to apply a 5.5% increase was passed 7 for ,Nil against.

It is interesting to note that the State minister for primary industries Mr Niall Blair has written to all rural landholders in NSW and the State Government has decided NOT to charge any Land Services Rates for 2019 in lieu of the current drought and the many hardships faced by farmers as a result of the drought. Note No rates at all let alone a SRV of 5.5%. At least one level of Government shows some real understanding and Compassion for current circumstances. Not RVC, they press on regardless even after a 37.5% increase over the past 5 years.

As I stated publically at the community meeting at Evans Head if one has a good year in business, such as a farm then you can put some money aside for replacement equipment or expensive projects such as laser levelling. If things are tight financially then you can't do these things. It appears that the current RVC has a different business philosophy , Let' s just press on regardless and get more money from our ratepayers.

Another strategy Council could employ is to look carefully at current council staffing levels . Many respondents to the council's survey made comments such as improvements are needed with councils financial management ,reduce council staff wages and staff numbers. Many rural respondents felt they were not getting

value for money and that rural places do not benefit at all. Is Council top heavy in staff?

In summary, in lieu of current very dry weather conditions and the current economic climate it is not feasible at all for RVC to be even contemplating any increase above the rate pegging allowable. Council has made little attempt to truly understand the current economic climate in it's area. Council appears to have no real understanding of RVC ratepayers capacity to pay the requested increase.

Yours Sincerely Jim McCormack Ratepayer RVC

 Swan Bay, 2471