To Independent Pricing and Regulatory Tribunal (IPART)

Greater Taree City Council (GTCC) Special Rate Variation (SRV) Application 2016

Electronic submission from Kathryn Bell of [redacted]

13 March 2016

I am a serving Councillor on GTCC and resident / rate payer. I am unsure as to whether the SRV can be considered as Council is now the subject of a merger proposal however if it is to be considered, I wish to object to GTCC's SRV for the following reasons:

1. **It will have a negative financial impact on our community**

GTCC LGA is considered a low socio-economic community, the fixed low income earners will be negatively affected and with less to spend after rates etc, there will be flow-on financial impact on business locally as well. Please see final page of this submission for relevant Australian Bureau of Statistics (ABS) 2011 Census data, the NSW comparable statistics for ages, wages, health, volunteering, people with disabilities and carers is a particularly appropriate consideration as much of our community can least afford the SRV. Further, the communities ability to pay has not been considered in any depth.

2. **Consultation was confusing and inconsistent – leading to flawed results**

There was significant misinformation during the consultation period including but not limited to newspaper; The Manning River Times (MRT), Prime Television news, local radio, Council's Media Releases and Council Business Papers as follows:

The community commented on an incorrect proposal over the November 2015 exhibition period. The following are some examples:

- MRT 23/10/15, page 2 quotes Mayor Hogan "…decline in our road network can be arrested with a 6% rate rise for 6 years". (Actual proposal was 8.4%)
- MRT 12/11/15 quotes the General Manager, "…the SRV adds $60 in year one, up to $78.26 per year of $1.50 per week over the proposed six year period" and "At $1.50 per week on average.."
- MRT 18/12/15 Front page, quoting the General Manager "…(SRV) of 6% per year over six years" and "At $1.50 per week…" This incorrect information was during Council's consultation period and it's pop-up shop where it is claimed in business papers that about 500 people attended.
- MRT 20/11/15, page 6 correction, "The quoted figure of $1.50 per week….is incorrect. "The average weekly increase for someone currently paying $1000 is $4.83. This starts at $1.15 per week in year 1, and increases each year, up to $9.03 in year 6." This correction appeared in the paper the day the consultation pop up shop closed. Further the example based on $1000 while easier to calculate is not an average or reasonable rate paid.

- [redacted] reporter Prime News announced GTCC SRV will cost $60 per year increase in rates.

The above errors and one small correction were all pre and during the exhibition period. The community were effectively commenting on wrong information as the accumulative increase is 49% not as Council claimed and people commented on. I believe public comment on incorrect information renders the statistics skewed and baseless.

- MRT, page 4, Mayors column 9/12/15 (after consultation had closed) states "… by reducing the SRV to 6.9%....reduces the overall impact on rates to 42% (or 27% for eligible pensioners who will receive a 35% discount on the increase)". There was no mention during consultation of the + .9% nor of the after the fact, revealed 62%.

Then Council's December business paper states "… previously proposed 62% to a 42% total increase" which is not the % increase the community had commented on in November. The new figure introduced not previously see before, an admission of omission. The 62% made the previous increase stated at the consultation time, now look well improved. A distorted perspective results as it is now thought this amended proposal is much better than the previous proposal. The January business papers also reflect the same reporting of 42% increase that should have identified the correct 49% increase.

3. Independent Jetty Research Survey and Results

Random and Statistically Representative?

The survey should have been based on 400 random respondents. There were two surveys. The first was random and statistically representative with 400 respondents however it omitted critical information such as the total % increase. Given the result for the first survey that omitted essential information was differentiated by only 2% with 40% for and 38% against; it is too close to call. The then purported 6% for 6 years, which unknowingly to respondents was 8.4%,.

The second survey was neither random as it surveyed the same respondents as the first, therefore not indiscriminate or random and not statistical representation as it appraised 327 respondents; 73 or 18.25% short of the numerical standard. A further flaw in the second survey was the information commented on was also incorrect stating a 4.5% increase for 6 years. It did at least include a total increase but wrongly quoted 42% instead of the 49% increase identified by IPART and others in our community.

Question 4 of the second survey introduces a 62% increase for the previous proposal, not mentioned at that time. It further compared it with the now amended 27% for pensioners making a greater comparison to even the incorrect 42%. This is a 'play" with information that preferences results.

The incorrect information being commented on has produced invalid responses, the 2% difference of the for and against is not a political mandate, the survey was not random nor statistically representative.

4. **Too close to call**

Council meeting December 2015 Council vote to advance the SRV proposal was 3:3 with the Mayor using a casing vote.

5. GTCC residents otherwise disadvantaged

GTCC residents will received less proportionally spent on everything else (other than roads) than other Council areas. The communities other needs have not been factored into the SRV equation.

6. **Rejection of proposal not reported**

There were many letters to the editor, social media comment, emails, phone calls and conversations directly against the SRV. Some of the comments in writing, taken from letters to the editor are as follows: misleading, total opposition, vastly understated what the amount rate payers will be paying, misled, deceived, more rates wasted, poor dissemination of information, not informative or transparent, where does the extra money come, can't afford it and consultation or con? I have not seen any record of the above formally reported to Council or IPART.

7. **Timing**

In addition, the consultation period was unfortunately leading up to the busy Christmas period that would not capture as many respondents as would otherwise be available. The information provided during the consultation period was confusing and inconsistent.

8. F**ait accompli**

The proposal was reported in the MRT and social media as a "done deal". Many members of the community didn't take the opportunity to comment believing they would be wasting their time and that they powerless to affect the outcome by comment.

Thank you for the opportunity to provide this submission. If there is a public hearing, I would be like the opportunity to present my submission in person. I am happy to be contacted to provide additional information and / or resource documentation that form the basis of this submission.

I remain unconvinced the community want or can afford the SRV, I trust IPART will consider these matters.

Yours faithfully,
(Signed copy available on request)
Cr Kathryn Bell JP

Relevant to quantify GTCC low socio-economic demographic.

Australian Bureau of Statistics (ABS) 2011 Census data

- GTCC's largest industry is Health Care and Social Assistance
- In GTCC LGA there were 5,305 carers providing unpaid assistance to a person with a disability, long term illness or old age in 2011. (14% in GTCC compared with 11% NSW)
- In GTCC LGA there were 19.7% volunteering compared with 16.9% NSW

2011 Census Data – Australian Bureau of Statistics			
Individual Income	GTCC No. of people	GTCC %	NSW benchmark %
$0-$599	5,491	39.3	27.7
$600 -$1249	6,041	43.2	39.8
$1250 or more	2,277	16.3	31.1

2011 Census Data – Australian Bureau of Statistics			
Age structure	GTCC No. of people	GTCC %	NSW benchmark %
15 - 24 years	1,905	13.6	14.4
25 - 54 years	8,644	61.8	67.8
55 - 64 years	2,766	19.8	14.5
65 years and over	671	4.8	3.4

2011 Census Data – Australian Bureau of Statistics			
Low income households (less than $600 per week)			
	No. of households	Total households	% low income
GTCC LGA	6,054	18,941	32.0
Regional NSW	252,474	997,644	25.3
New South Wales	508,979	2,599,174	19.6

2011 Census Data – Australian Bureau of Statistics			
Service age group (years)	Number	%	Regional NSW %
Older workers and pre-retirees (50 to 59)	7,038	15.1	13.9
Empty nesters and retirees (60 to 69)	6,908	14.8	11.9
Seniors (70 to 84)	5,959	12.8	10.3
Elderly aged (85 and over)	1,246	2.7	2.3