



20th February 2014

Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Sir/Madam,

Re: Armidale Dumaresq Council - Special Rate Variation

I refer to Armidale Dumaresq Council submission in which they stated that after careful consideration of feedback received during council's community engagement (over the "holiday period" when most people are otherwise focused) that Council has submitted a request for a 10% increase over and above rate peg for 2014/15 for seven years.

I strongly object to any Special Rate Variation increase by council in as much that Council has failed to clearly demonstrate to the community the actual need for this **ambient** increase. The Council continue to state that this increase is to address a 2.1 million shortfall for assets renewal (mainly roads, drainage and amenities), but have not shown how the funding shortfall exists (they keep referring to an outdated report). Particularly when things like free Wi-Fi and other "non essential" projects are to be funded by existing rates and apparent essential works are to be funded by the new funding. Nor have they clearly demonstrated to the community that all other funding options have been exhausted (including cost saving within Council and by Councillors and not yet again more studies – we are not an endless money bucket). Is this an attempt by Council to shift the funding of essential works onto this new variation and continue to fund from existing rates an array of non essential activities? Council needs to work out what it has a statutory responsibility for (eg legal requirement to do that) and fund that, and non essential services (free Wi-Fi) dropped rather than making these **ambient** claims.

The community during the consultation period also received differing views on how this addition funding will be spent. But at no stage did the Council comment on how this can not be funded from the current rate income.

One important question that needs to be addressed is how Armidale compares with other Councils in terms of the rates paid by its rate payers. Many consider Armidale already pay high rates compared to other towns. Yet an additional 10% overall increase may make Armidale unacceptable for prospective people looking to move to the country or to a regional centre. I know that I will be carefully considering my long-term commitment to Armidale if the rates become excessive. Poor "promotion" for Armidale.

Council has also failed to clearly demonstrate to the community that it has done everything possible to reduce expenditure when it continue to fund activities that are costing the community dearly: Mayor sacking the General Manager (expected to be \$100,000 plus), Free Wi-Fi (\$80,000 plus ongoing fees), Legal fees for resolving disputes between Councillors, endless delays to works (Landfill, Dumaresq Dam safety upgrade). A full investigation of these “additional expenses” needs to be considered before any consideration of a Special Rate Variation.

Council stated that in their feedback from the community there was shown to be a majority support for an increase. But yet again Council have not clearly demonstrated to the community the results of this feedback. The online survey was so twisted towards an “increase in rates” that it was in my opinion biased and open to multiple entry by individuals. I would not consider the results of any value other than a “bias to favour a certain option” example of a survey. This survey was subsequently dismissed by Council as it was not showing the context that Council wanted.

Holding a proposed public meeting (not advertised) in January during the school holiday period, and council meeting with the community in the December in the lead up to Christmas shows a clear lack of understanding of real consultation. Nothing has been shown of the apparent phone survey of 300 residents, or the written submissions to Council. Again - failure to clearly demonstrate to the community real consultation and listening to their concerns. There has not been consultation but seek community support for an already agreed decision.

Council has not advised how much this **ambient** claim has costed the ratepayers – given the additional letters, postage, media costs, etc? (Use of Consultants to get community input was \$30,000 between Armidale and Tamworth Council). I was quite astonished to receive two separate letters from Council on the 4th Feburary – one for the rates and the other to propose the Special Rates Variation – what a complete waste of rates payers funding when they could have gone in the same envelope. Again spending ratepayers’ money to ask for more money to what – waste more!

Council also did not advise when submissions to the Independent Pricing and Regulatory Tribunal were opened, so that the community can provide direct comments to yourselves as it is felt that the real views of the community is being somewhat “slanted” towards Council’s preferred option of an **ambient** rate increase to continue with it “unsustainable funding of non essential services”. Nor did they even acknowledge receipt of my submission to Council on this matter. This Council has a history of not wanting to discuss any issues with its community unless it is about getting more money. I’m still awaiting response to a number of issues raise with Council, including a request to discuss a number of specific issues with the General Manager.

If you wish to discuss any of these issues with me please contact me.

Yours sincerely
Ken Harris

