

[REDACTED]
Sent: Monday, 4 March 2019 4:45 PM

To: Local Government Mailbox <localgovernment@ipart.nsw.gov.au>

Subject: Submission on SRV for Port Stephens Council

Dear Sir,

Please find attached my submission against the Special Rate Variation requested by Port Stephens Council. I did not include some of the statistics related to community disagreement or agreement. Numbers have been very much against the proposal however Council's interpretation appears to differ.

Regards

Kevin Tomlinson

The Chairman,

IPART NSW

Submission regarding Special Rate Variation Application, Port Stephens Council.

Dear Sir,

I wish to make this submission regarding the Special Rate Variation Application (SRV) from Port Stephens Council.

I am against the variation for a number of reasons, which are detailed below. I hope the Tribunal considers these reasons and agrees with them, and does not agree to Port Stephens Application

1. In 2015 Port Stephens Council made a submission to IPART, outlining the good financial situation in Port Stephens LAC. IPART, as a result of the submission, rated Port Stephens Council fit for the future. While it is appreciated that costs have risen in the past 4 years, they have not risen too much above the CPI, on which the Minister "pegs" the increase in rates. It would appear there seems to be a wish list of items that the current Council has determined that they believe the residents of Port Stephen want, or perhaps it is their grandiose ideas of the future for Port Stephens.
The general consensus from people I have spoken to is that they are against the SRV, for a number of reasons. Many of the projects listed are considered general works which would be carried out under the normal rates, such as maintaining and resealing roads where necessary, parks and recreational reserve maintenance and general Council works maintaining existing Council buildings.
2. Port Stephens Council do regularly, and successfully, apply for Government Grants to carry out a considerable number of works within the LAC.
3. The proposed SRV of 7.5% for each of the next 7 years compounds to 66% over that period. The amount is over and above the General Rates levied. While the demographics of the Port Stephens LAC are unknown to me, I am aware that a number of areas do have a higher

percentage of low income families. I do know that Medowie for example has approximately 10% residents over 65 years of age. The impact on these low income families over the next 7 years will be devastating.

4. The proposed works shown in papers presented by Council to residents has all figures as estimates. Port Stephens Council had an estimate for the Medowie Sports and Community Club, approximately 12 months ago, at \$3.5M, however the contract let recently for the facility was approximately \$6.5M. The original expenditure was from Section 94 funds, which meant that expenditure in the Medowie area for footpaths, parks and reserves, a public toilet facility in the parks would not be financed. The shortfall in the budget would more than likely be funded by loan funds, those loan funds would need to be repaid with interest. The repayment would probably be from General Funds, leaving another shortfall, would this be provided from the SRV?

The increase in the contract figure for the Medowie Sports and Community Club from the estimate 12 months ago raises the questions regarding all the future estimates Port Stephens Council has prepared to justify the SRV.

I hope these objections I have raised for the SRV will be considered when you are making your final decision.