



[REDACTED]
[REDACTED]
[REDACTED]
8th March 2017

To

Local Government Team

Independent Pricing and Regulatory Tribunal of NSW

PO Box K35

Haymarket Post Shop NSW 1240

Dear Sir\Madam

The following is a submission to you regarding the Inverell Shire Council (ISC) application for a Special Rate Variation.

NB. Any sections of this submission highlighted in YELLOW are confidential (for your eyes only) and are to be blacked out if this submission is uploaded. The same applies for the documents, Support Submissions and individual's names attached to this submission.

The reason for the following submission is to:

1. draw your attention to apparent serious errors and contradictions ISC has made in its original figures submitted to IPART in its Fit for the Future (FFF) application in 2015, regarding the calculations of its backlog. The errors amount to such a degree of professional negligence that it is evident that the ISC has failed to follow clear OLG guidelines, TCORP's Final Report and the clear advice from its auditors, which was generic advice given to all local councils and designed to assist them in formulating the FFF submissions.
2. draw your attention to the fact that the ISC has now seemingly reversed its initial arguments regarding the backlog; the inference appearing, that it seeks to justify its application for a Special Rate Variation of 14.25 % % (22.2% compounded) over 3 years.
3. draw your attention to the fact that while the ISC is ostensibly seeking a 14.25% SRV; that in reality, its rate-rise will amount to 28.4% over 5 years from 2016-17 to 2020-21. Such a figure of 28.4% doesn't even factor in the Valuer General's land valuation increase or the annual charges increase of 8.24% over the same 5 year period.
4. demonstrate that the ISC has instead of trying to clarify its financial situation to its ratepayers; has obfuscated, manipulated and deliberately made complicated its statistical data. The ISC appears to have made a concerted effort to stymie questioning from ratepayers and experts who may wish to delve into the ISC's financial records. Such obfuscation is evident in the fact

that on at least one occasion, GIPA (Freedom of Information) legislation had to be resorted to so as to compel ISC to release the data that it used to formulate its FFF and SRV submissions to IPART. It would appear that the ISC has mounted a deliberate campaign to confuse individuals or groups of people, who may wish to consider in further detail, the ISC data and subsequent calculations. Such manipulation of processes further appears to have been applied in the ISC's media\social media comments and to its obligatory community consultation.

5. emphasise, that whatever conclusion IPART comes to regarding the ISC's SRV submission, IPART's report clearly highlights the **ISC's questionable processes, errors and contradictions in formulating its FFF and SRV submission figures, its community consultation, its media and social media comments/campaign and its responses to oversight authorities.**

OLG – Submission/reply

The following submission is also part of a detailed letter sent to the Office of Local Government. The information present is detailed and is the product of extensive research and analysis. Appendices have been supplied which will support issues presented below. Any information referred to can be accessed via internet addresses or supplied, regards data obtained from the ISC via FOI.

In reference to the OLG, thank you for the response to my letter of June 20, 2016 (**Ref.No A496573**) regarding my concerns about the information supplied about the ISC in its Fit for the Future submission.

In the OLG response of 11th August 2016, a reply was given, informing me that an officer of the OLG had contacted the Inverell Shire Council so as to discuss my concerns, Accordingly, the ISC clarified that:

Council advised it has significantly reviewed its asset management policies, especially in the last 18 months, under the Local Government Reform Program. This includes two publications currently provided on Council's website titled "Calculating the Road Backlog" and "Fit for the Future and the Infrastructure Backlog".

I am advised that Council gathered technical assessments on the standard of its assets and as part of the process engaged an independent auditor to review reported outcomes.

In light of such a response, it is clear the Inverell Shire Council has applied the same dissembling tactics in response to the OLG request, as it used when it was asked for an explanation as to how it arrived at its figures that were submitted to IPART; especially the way it reduced its initial \$28 million road backlog to \$5.1 million. The ISC has continually used deliberately complicated and confusing explanations, omissions and contradictory statements depending on questions asked, whether they derive from the media, interested citizens or the civic group, the Concerned Inverell Ratepayer's Association (CIRA).

GIPA Request

Moreover, in order to gain access to information concerning formulas ISC derived its calculations from, regarding its submission to IPART: [REDACTED] had to resort to the GIPA legislation to receive what should have been freely provided by Council. Such a lack of co-operation is a further evidence of an overly secretive culture which has developed at the ISC and affirms the perception that it is resistant to independent reviews and public transparency.

Auditor

I note the ISC informed OLG that it had engaged an independent auditor to review report outcomes.

Firstly, regarding the ISC Road Backlog figure, these came under the Special Schedule 7, which as you may be aware was not subjected to auditing.

Moreover, [REDACTED] which has for several years served as the Inverell Shire Council's auditor, [REDACTED] that the company's task as auditor was to ensure and gauge the way in which figures submitted by the ISC added up. [REDACTED]

[REDACTED] Thus from 2017, Special Section 7 will be audited by NSW Government appointed auditors.

ISC submitted a 7th of March 2013 **TCORP Financial Assessment and Benchmarking Report** as part of its SRV support evidence to IPART which can be seen on the IPART website as of the 18/2/2017. On page 2 of the report TCORP, places a disclaimer, part of which states:

"The report has been prepared based on information provided to TCorp as set out in Section 2.2 of this report. TCorp has relied on this information and has not verified or audited the accuracy, reliability or currency of the information provided to it for the purpose of preparation of the report. TCorp and its directors, officers and employees make no representation as to the accuracy, reliability or completeness of the information contained in the report."

In other words, [REDACTED]

[REDACTED] one can deduce that such figures would include those for the Road Backlog, which tabulated, would enable the ISC to be deemed Fit for the Future. So long as the figures add up, an auditing company would meet its legal and professional obligations, in the same way an accountant does when working on a citizen's tax return. In the latter circumstance citizens are made cognisant of their responsibilities by being asked to sign a form stating that the accuracy of figures submitted, is their responsibility alone.

Therefore, it is a logical assumption for a reasonable and informed person to make, that the only way for an accurate assessment to be made about the true extent of ISC's figures submitted to IPART and further disseminated in public documents, which an OLG investigator cited to me in paragraph 3 of your 11/8/16 letter, would be for there to be an external audit.

Special Rare Variation (SRV)

That there are anomalies to ISC's figures which have been recently sanctioned, with albeit qualifications, can be seen in the ISC's urgent push to secure a SRV of 14.25 % (**Attachment A - ISC SRV Newsletter**). This rate rise is essential the Inverell Shire community has been informed, because it is an integral part of the process that enables the ISC being deemed Fit for the Future. It is interesting to examine the ISC documents supporting its SRV application on the IPART website as of the 18/2/2017; that the actual rate rise, which is the ISC's preferred scenario, as presented on **pg 10 section 3 of the 2017 -2027 Long Term Financial Plan** over 4 years; would amount to a 23.27 % increase; which when compounded as it would be, would result in a 25.27% increase and 28.4% over 5 years. ISC states in the ISC SRV Newsletter, that water and sewerage charges will not increase until 2019-20 but no mention is made of the 4.8% average rate increase which includes sewerage and water increases in the 2016-17 period. **In other words, the value of the rateable pie and the Annual Charges pie (although the two pies are separate) appear to be increasing.** Under the heading Revenue Assumptions pg 28 of the 2017-2027 of its Long Term Financial Plan the ISC makes a point of not having water and sewerage increases in 2017-2018 but listing increases of 1.5% for 2018-19 and 2019-20 and 2.5% 2020-21 from then on, which means that not only the rates will rise but the annual charges bill will rise by 8.4% over the 5 year period. The increased cost of both charges, rates and annual charges, will have to be paid by the ratepayer irrespective as to whether charges are made separate.

Yet, when the ISC figure for the road backlog of \$5.1m is taken in to consideration, along with the ISC's 2015 -2016 General Purpose Financial statement on P 41 showing a \$51m cash, equivalent and investments, of which \$10m is untied and approximately a further \$18m earmarked internally by ISC staff, we can see an example of an anomaly. This is especially evident given that simultaneously, ISC allocated approximately \$10m in its 2016-2017 budget for roads! Thus considering the ISC is supposed to have only a \$5.1m road backlog, the question remains; where has the other \$5 million disappeared to?

An explanation for this anomaly is that ISC figures to IPART did not in fact accurately state the actual size of the road backlog because it did not correctly apply the OLG's own rule book for determining the backlog.

Calculating the Road Backlog

In response to OLG alerting us in its letter of the 11/8/16 to the documents on the ISC's website, especially "**Calculating the Road Backlog**," we have since gone back through this document, along with the OLG's own document, "**Integrated Planning and Reporting Manual for Local Government in NSW, March 2013**". After comparing the two documents, it is apparent that the ISC has made a mistake by not including **Level 3 Average Condition Ratings** with **Level 4 Poor** and **Level 5 Very poor** as is clearly stated as a requirement on P 135 of the OLG Integrated Planning and Reporting Manual;

Reporting on satisfactory standard of assets

In order to achieve consistency across the NSW local government sector it is necessary to define what is meant by 'satisfactory standard'.

Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate"¹². With this in mind, DLG has established that the level of satisfactory standard for public works should be good (level 2).

Councils should ensure that when they are considering the amount to bring assets to a satisfactory standard that it is the amount of money required to bring those assets up to a standard whereby they would have a condition rating of good (level 2). This should not include any planned enhancements or renewals.

In some asset management literature this is referred to as 'rehabilitation'. The IIMM defines rehabilitation as "Works to rebuild or replace parts or components of an asset, to restore it to a required functional condition and extend its life, which may incorporate some modification. Generally involves repairing the asset to deliver its original level of service without resorting to significant upgrading or renewal, using available techniques and standards" (note: sentence has been made bold for emphasis)

Yet when one considers the ISC document, "Calculating the Road Backlog" especially the diagram entitled IP&R Condition Ratings – Office of Local Government on P9, it clearly shows that the ISC has not followed the OLG rule book.

Calculating the Road/Bridge Backlog

IP&R Condition Ratings – Office of Local Government:

The NSW Office of Local Governments Integrated Planning and Reporting Guidelines, 2013 provide the following Condition Assessment Table for Council Roads:

Satisfactory	Level	Condition	Description
	1	Excellent	Normal maintenance
	2	Good	Some surface/pavement structure deterioration - patching only needed for repair
	3	Average	Serious surface/pavement structure deterioration - requires resurfacing or recycling of pavement structure
	4	Poor	Deterioration materially affecting entire surface/pavement structure - requires renovation within 1 year
	5	Very poor	Deterioration is of sufficient extent to render the surface/pavement structure unserviceable.

The FFF program requires that 98% of a Council's assets are assessed as being satisfactory (ie in Condition Ratings 1, 2 or 3) by 30 June, 2020 or that funding is available for this to occur, by this date.

9

It is thus clear that the ISC officer overseeing the compilation of this document has inappropriately applied the rules.

In referencing the OLG Integrated Planning and Reporting Manual so as to attain confirmation that the DLG had established that a level of Satisfactory Standard for public works was in fact **Good (Level 2)**, we referred to other documents including the IPART “Review of criteria for fit for the future, Local Government – Final report September 2014”, which states;

4.4.2 Infrastructure Backlog Ratio

The infrastructure backlog ratio measures the estimated cost to bring assets to a **satisfactory condition** divided by total infrastructure, building, other structure and depreciable land improvement assets. (Again **bold** my emphasis)

This as you can see from IPART’s own document, refers the OLG directive that satisfactory should be regarded as Good (level 2)

Moreover, to affirm in more detail the actual circumstances regarding the Road Backlog ratio, we went to **TCorps Report, “Financial Sustainability of the NSW Local Government Sector”, Final Report 3 Oct 2014 by John Comie** and on P9 found that again, it referred to the infrastructure being brought up to a Satisfactory level;

vii). Infrastructure Backlog Ratio

This ratio identified a council’s reported asset renewal backlog relative to the total reported value of its depreciable buildings and infrastructure. A council’s score for this indicator was given a weighting of 10% in calculating its overall assessment.

In calculating a council’s score, TCorp based the council’s asset renewal backlog on its reported Special Schedule 7 forecast of the estimated cost to bring assets it was responsible for, up to a **satisfactory condition**. The basis of information reported in that document is quite variable between councils. Special Schedule 7 is unaudited and interpretations as to what is needed and what constitutes a satisfactory condition are necessarily subjective. Answers to this question will depend on the willingness of service recipients to pay (and also whether there is a perception of the possibility of grants from others to fund such expenditure) and consideration by a council of its community’s other needs and priorities. (**Note: bold has been included here for emphasis**)

We then researched if there was any way a Local Council could change the ruling from the OLG definition of Satisfactory being **Level 2** and found that:

“The measure of acceptable level of service is default at “2” unless community consultation has a measure that is accepted as less for example “3”.”

What needs to be made clear here is that the ISC did not engage in any community consultation regarding changing the OLG default setting of **Level 2** being the definition of **satisfactory**. At no time has the ISC implemented the necessary processes needed to change the default setting for **Satisfactory Level 2**, such as conducting workshops with the community, conducting community surveys, putting asset management plans on long term display or setting up committees compiled of independent experts and community members, for the specific purpose of seeking permission to downgrade **Satisfactory** to a lesser level such as **Average Level 3**.

Further, it is concerning that the ISC has constantly used its auditor as a justification for the veracity of its figures it submitted to IPART, yet failed to follow the standard advice given by Forsyths; that Satisfactory for the Backlog must be Level 2 and above, unless significant

community consultation has been seen to take place. Such community consultation did not occur and it is interesting to compare its absence with ISC's recent attempts at obligatory community consultation regarding its current SRV application, which will be examined further in this paper.

Upon enquiry, it would appear other neighbouring Local Councils [REDACTED] [REDACTED] correctly followed the OLG definition of level 2 being satisfactory. It appears that they followed the OLG, **Integrated and Reporting Manual** directions of including **Level 3** Average with **Level 4** Poor and **Level 5** Very Poor. It has been made clear that Satisfactory, regarding the backlog, was made up of **Level 2** good and **Level 1** Excellent.

It would be understandable, if Local Councils became concerned, at the prospect that other Local Councils may not have followed OLG rules regarding the backlog calculations; especially considering the implications faced by those councils not found Fit for the Future in the time allocated and with a lack of resources needed to develop rectification plans. Being found fit has benefits such as paying lesser interest rates on money borrowed via a new TCorp scheme.

Such a benefit ISC was quick to make use of, which is evident when it informed The Inverell Times, 24 August, 2016 ("Inverell Council lands \$2 million for sewerage expansion) that it had borrowed money, via a TCorp loan scheme at a reduced interest rate because of its FFF status.

"The banks offered council interest rates that averaged about 4.11 per cent, but TCorp provided the funds at just 3.02 per cent. It means council will save \$147,000 over the 10-year life of the loan.

"Inverell Shire Council emerged as a FFF council during the recent statewide analysis, and as a result, it is one of only a few councils that TCorp has to date supported with a major loan," [REDACTED]

FOI Request

After receiving feedback about its application and after provided FOI access to the data that the ISC used to develop its road backlog report which it eventually submitted to IPART, it became clear that by counting Level 3 in with level 1 and level 2, approximately 43% of the roads had been left out.

This figure of 43% was arrived at from the ISC figures [REDACTED] was provided with by ISC after submitting an FOI request. Instead of being provided with summaries which might reveal calculations and tabulations of the data, [REDACTED] instead was provided with a large box of raw data that external researchers had collected regarding the extent and condition of the ISC road and asset network. Such raw data had been presented to [REDACTED] without any semblance of order. The intent of such disarray appeared to be designed to confuse and distract. However, [REDACTED] prior employment as [REDACTED] enabled him to utilise the raw data to arrive at the figure of 43%. Yet even ISC's sanitised figures to IPART reveals clearly

that presenting Level 3 as being counted as Satisfactory, has resulted in 7.3% being removed from the road backlog as shown in the ISC's Special Schedule 7 which as you would be aware has not been audited.

Thus the confusion of conflicting figures arises from data from the ISC's own figures and nowhere else. This in itself is cause for concern, as it prohibits ratepayers from trusting let alone make sense of the information. If [REDACTED] figures are correct the actual road backlog would be around at least \$30 to \$35million. This aligns more to the \$28m ISC Road Backlog figure presented by the ISC two years ago. Such a figure more realistically explains the pressing need for a rate rise, which the ISC is currently in the process of applying for.

An examination of the ISC's own figures used to defend its position reveals an inconsistency of accounting logic. One thing is certain - the ISC has left out Level 3 from its Road Backlog figures to IPART and in doing so, went against the advice of its own auditors. This is a serious error.

ISC's apparent deliberate omission of level 3 assets is further demonstrated in its 2015-2106 Annual Financial Statements, as published on its website.

Inverell Shire Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'000												
Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2015/16 Required maintenance	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings – non-specialised	–	–	342	458	20,347	22,174	62%	38%	0%	0%	0%
	Buildings – specialised	–	–	97	90	9,925	11,218	0%	100%	0%	0%	0%
	Sub-total	–	–	439	548	30,272	33,392	41.2%	58.8%	0.0%	0.0%	0.0%
Other structures	Other structures	–	–	141	146	12,255	13,532	5%	94%	0%	0%	0%
	Sub-total	–	–	141	146	12,255	13,532	6.0%	94.0%	0.0%	0.0%	0.0%
Roads	Sealed roads	5,097	–	2,609	2,763	129,097	167,122	17%	72%	9%	2%	0%
	Unsealed roads	–	–	1,502	1,507	40,868	45,334	43%	52%	5%	0%	0%
	Bridges/Culverts/Causeways	–	–	321	174	95,642	124,233	18%	72%	10%	0%	0%
	Footpaths	–	–	106	99	5,026	6,374	21%	78%	1%	0%	0%
	Bulk earthworks	–	–	–	–	105,803	105,803	100%	0%	0%	0%	0%
	Sub-total	5,097	–	4,538	4,543	376,436	448,866	39.5%	53.1%	6.6%	0.7%	0.0%

While the categories Unsealed Roads, Bridges/Culverts/Causeways and Footpaths all have a percentage of assets in condition 3, the reported estimated cost to bring to satisfactory standard is zero. Further doubt is cast over the validity of ISC's figures when using its own published methodology for calculating backlog (i.e. using only condition 4 and 5 assets). ISC reports that 2% of its Sealed Road category assets are condition 4, and have an estimated cost to bring to satisfactory of \$5.097million. The gross replacement cost of these condition 4 assets is \$3.342million. **In other words, what is being suggested is that to bring its condition 4 assets up to scratch would result in costing 5.097 million, but to build them again from scratch would only cost 3.342. This makes no sense and raises serious concerns as to the standard of accounting practices being applied.**

At the June Ordinary Council Meeting, following a presentation to the meeting by [REDACTED] regarding the Road Backlog, a senior ISC financial officer (not an engineer) purported to know all there was to know about roads and presented his view on the ISC's calculations of the Road Backlog. [REDACTED]

The [REDACTED] [REDACTED] [REDACTED] [REDACTED]. Given the procedures of the council meeting, [REDACTED] was not permitted to respond to the evident errors asserted at the ISC, regarding the gross sum figures of the backlog. For example, [REDACTED] had established that two large timber bridges in the network costed at \$4.0 million remained to be overhauled, but these had been left out of the ISC calculations. Similarly, the gravel roads component, kerb and gutter repairs, footpaths and other such infrastructure had not been given a value. The roughness charts clearly revealed that with the very poor, poor and average roads contributing 79% of urban and 59% of rural roads, the road network would need considerable work. See ISC's Consultant Ausroads' Roughness and Rutting Pie Graph obtained via GIPA 9 FOI) (**ATTACHMENT J**).

[REDACTED] [REDACTED] [REDACTED] [REDACTED]. ROUGHNESS AND RUTTING WERE IN FACT THE SCIENTIFICALLY BASED DATA COLLECTED IN THE FIELD. Other data was referred to [REDACTED] regarding AADT- annual average daily traffic cracking, the percentage of heavy vehicles, school bus routes, width of lanes, shoulder width, traffic accident history, horizontal and vertical alignment. The data from these areas, that was [REDACTED] [REDACTED] as playing a major impact, [REDACTED], actually has a minimal impact when determining the road backlog figures, when compared to roughness and rutting.

It is interesting to note that at the May 2016 Ordinary Council meeting, when [REDACTED] [REDACTED] presented a pie chart revealing percentages of poor/average roads etc which in fact, constituted the summary sheet provided by the Ausroads consultants employed by the ISC; [REDACTED], which in fact had been obtained from the ISC's own data via a FOI request (**ATTACHMENT J**). [REDACTED]

[REDACTED]

PowerPoint – ISC Response

As a result of this, the ISC spent time between the May Ordinary Council Meeting and the July Ordinary council meeting compiling a 53 page PowerPoint presentation entitled “Calculating the Road Backlog.” [REDACTED] [REDACTED]’s calculations of ISC’s data which he accessed by an FOI application. This PowerPoint is the basis of the detail presented above, and is the same document that the ISC currently has on its website and which is used to justify the road backlog in regards to OLG inquiries.

As far as a Governance point of view is concerned, the major error it contained on page 9 of the PowerPoint notwithstanding, the entire document contained only 2 pages of measureable data and with the rest contradictory and impossible to be available to interpretation by any ISC

[REDACTED]

[REDACTED]

One of ISC’s declared essential needs for a special rate variation regards its infrastructure backlog ratio. If ISC’s quoted backlog of 1.09% is to be believed, it presently has an infrastructure backlog of approximately 50% of the OLG’s “Fit” benchmark of 2%. If ISC’s reported backlog could literally almost double before it would exceed this benchmark, can it then be used as a justification for an SRV?

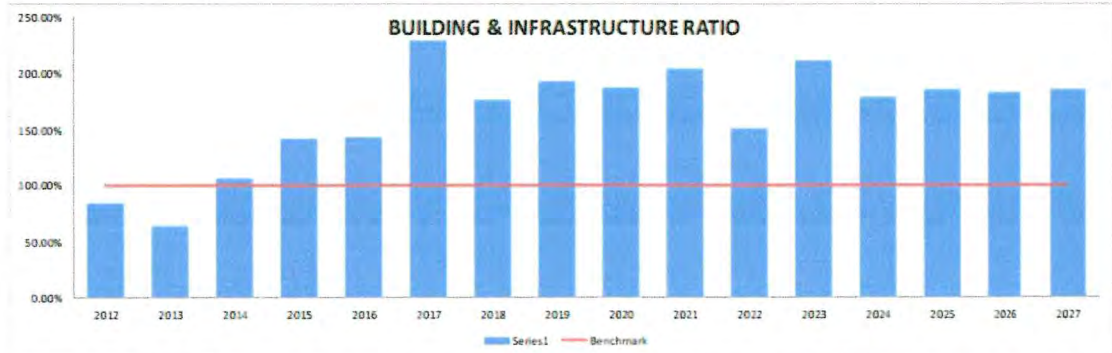
Page 33 of ISC’s 2017-2027 Long Term Financial Plan illustrates ISC’s Building and Infrastructure Renewal Ratio is well in excess of 100% for the 10 year period (as high as 229.29% in 2017 and 176.35 in 2018). In other words, this ratio is “how much are we spending on renewing our roads divided by the rate they are falling apart at (depreciation). The fact presented here, is that the depreciation figure comes from **Note 9a – a document which IS audited**). Note the commentary below the graph *As shown, Council meets this FFF Benchmark under the Base Case ‘do nothing’ Scenario.*

Inverell Shire Council
BUILDING & INFRASTRUCTURE ASSET RENEWAL RATIO
 General Fund
 Excluding F4F SRV

BENCHMARK AND RESULT

Benchmark:- Greater than 100% average over 3 years

Summary of Results	ACTUALS					CURRENT BUDGET	PROPOSED BUDGET										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
Benchmark	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
Result	83.80%	63.80%	106.10%	142.00%	143.06%	229.29%	176.35%	193.38%	187.58%	204.03%	150.86%	211.76%	178.70%	185.70%	183.25%	185.60%	
Meets Benchmark	X	X															
Rolling 3 year average			84.57%	103.97%	130.39%	171.45%	182.90%	199.67%	185.77%	194.99%	180.82%	188.88%	180.44%	192.05%	182.55%	184.85%	
Meets Benchmark		X															



As shown, Council meets this FFF Benchmark under the Base Case 'do nothing' Scenario. This results from Council's strong push to renew its aging assets.

Note 9a from ISC's 2015/2016 Annual Financial Statements itemises annual depreciation expenses. Buildings and Infrastructure have a total annual depreciation of \$6.043million. With the "do nothing scenario" showing a renewal ratio of 176.35% for the 2017-2018 year, capital expenditure would be approximately \$10.65million. By removing the annual depreciation expense of \$6.043million, ISC will spend \$4.61million in excess of its infrastructure renewal requirements in one year. This additional expenditure would all but eliminate the reported \$5.097million backlog in one year **under a do nothing scenario using ISC's own FFTF figures in in Long Term Financial Plan**

Council has earmarked \$5.1m from its SRV to address its infrastructure backlog. The SRV will provide ongoing funding, whilst the elimination of a backlog is a "one off" event. Once this is done, provided the ISC allocates an average of \$6.043million per year (its **audited** depreciation expense) to capital renewal of infrastructure, the backlog supposedly ceases to be an issue. Published Building and Infrastructure ratios in excess of 100% demonstrate ISC has the capacity to do this, particularly when its graph is accompanied with the commentary, *As shown, Council meets this FFF Benchmark under the Base Case 'do nothing' Scenario.*

As you can see we have scrutinised the ISC's figures assiduously and meticulously, despite incurring sustained opposition from the ISC and in particular opposition meted out by the

When we raised the anomalies and discrepancies several times throughout 2016, [REDACTED] I [REDACTED]. Arising from our concerns (**ATTACHMENT F**) The Inverell Times published an article on Friday 1 April 2016, “**Forecast out by 77.5 million.**” Shortly after this ISC responded by producing a PowerPoint and report entitled “**Calculating the Road Backlog**” which your letter referenced and which is discussed above. The ISC made no attempt to discuss the issues posed by [REDACTED] the [REDACTED]. In fact, when he attended the Ordinary Council meeting, [REDACTED] [REDACTED] [REDACTED], [REDACTED], [REDACTED] [REDACTED] [REDACTED] which he was unable to reply to because of council meeting protocols.

Further, when the apparent ISC calculation was pointed out in a letter to the Inverell Times outlining the steps needed for people to check the ISC Docs, **Calculating the Road Backlog** on their Website against the **OLG Integrated and Reporting Manual** [REDACTED]
[REDACTED] [REDACTED] [REDACTED] [REDACTED] b
[REDACTED]. In an Inverell Times Article Sept 7 2016 "Inverell Shire Council road's backlog a non-issue" (ATTACHMENT G) [REDACTED]

██████████ said he realised it was difficult people to follow all of council's procedures.

'It is a process that involves technical assessment and the application of accounting standards. So it does involve people who understand the various processes.'

It's certainly not hard to understand that it would be a difficult subject for anyone who is not involved in understanding the accounting codes, the integrated planning and reporting manuals and the asset management manuals," he said.

[REDACTED]. The subtext of what he was saying appears to be that ratepayers are not in a position to question council processes.

[REDACTED] it did not answer why the ISC failed to follow OLG rules when other councils calculated their FFF calculations by following OLG's rules. [REDACTED] is to be accepted as logical and not simply as sophistry, it begs the question whether experts employed by surrounding councils, who did follow OLG's rules, were in contrast professionally lacking and not up to the level of accounting standards of the ISC.

What is clear is that the ISC, in the preparation of its submission to IPART, downplayed its road backlog by not counting Level 3 Average with Level 4 Poor and Level 5 Very Poor contrary OLG rules for determining road backlog. The percentage therefore left out ranges from 7.5 to 43% both figures derived from ISC data. In reality, the figures claimed by the ISC as audited are effectively not, as many come from Special Schedule 7 that is not audited and by way of the standard disclaimer that auditors attach to their audits. Even TCORP refuses to guarantee the accuracy of the information given to them by councils. Over the last 4 months the ISC has been

working towards a Special Rate Variation (SRV). It claims that if it is not granted by IPART a rate rise above the benchmarks over the next 3 years its backlog will soar and its service standards will be effected.

Promotion and Consultation

And so it has embarked on a campaign to justify the need for the SRV using well-rehearsed techniques of misinformation, inadequate public consultation and misleading and confusing dissemination of information, without nary a twinge of acknowledgement of the hypocrisy of the whole procedure.

I draw your attention to the **“Survey - Yes Minister” Series 1 Ep. 2” YouTube**, as regards to how to conduct a survey. It is worth looking at this before moving on to the next part of this submission which will discuss the ISC’s community consultation process as part of the requirements set by IPART that must be met by the ISC to be granted an SRV. Please refer to Caroline WILSON’s detailed report on the ISC’s community consultation process and an analysis of the survey process conducted. **Caroline Wilson’s Report should be regarded by IPART as a submission in its own right as well as a support document for this submission. (CONTENTS 3)**

Please also refer to **(ATTACHMENTS A)** ISC Newsletter – Special Rate Variation Dec 2016, **(ATTACHMENT B)** ISC – Fit For the Future Fact Sheet SRV, Dec 2016 (it has been annotated to highlight a number of contradictions about ISC claims) and **(ATTACHMENT E)** ISC – Frequently Asked Questions – SRV.

Caroline WILSON’s report on the ISC’s Community Consultation raises concerns as to whether the ISC made a genuine attempt at informing the Inverell Shire Community about the need for an SRV and getting community feedback or whether the whole process was simply a cynical act of “lip service” needed to meet one of IPART’s requirements to obtain an SRV. See also **(ATTACHMENT H)** the Inverell Times Article 1/3/2017 - **“Inverell Shire reveal survey results...”** and compare the way the ISC selectively moulds the actual statistics to claim that the majority support an SRV. Refer to the detailed comments in Caroline Wilson’s report.

Promotion - ISC SRV Newsletter

(ATTACHMENT A) the ISC’s SRV Newsletter, posted to all ratepayers, is a glossy 4 page presentation the ISC submitted as evidence to IPART. On page 3 of the newsletter is a diagram of a magnifying glass, under the heading, **Where will the \$13.66 million SRV be spent over the period to 2025-26?** The figure of \$5.1 is cited for the Roads Infrastructure Backlog. Yet that amount is to be paid for in one year if the ISC’s figures in its **Infrastructure Renewal Ratio shown in its FFF submission** is to be believed. Moreover, after 2026, if one considers the terms of the ISC’s 2017-2027 Long Term Financial Plan, a question remains as to when the \$5.1 Million going to be spent on as the Backlog will have long been eliminated?

Furthermore, if one looks at the **ISC’s Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (ATTACHMENT D)** it is clear that the ISC has adequate funds already as it has spent more money than the required maintenance 2015/2016 on sealed and unsealed roads. So the

pg 3 diagram that suggests ISC will spend \$2.33 Million on additional maintenance of the rural road network and the \$.99 Million for grading Shire roads is by the ISC's own figures not needed as the ISC has more than adequate funds. This points to the fact that ISC's accuracy of its information to the community is seriously questionable and it is clear that the average ratepayer would not be able to form an accurate picture, so as to make an informed judgement as to whether the SRV is needed or not.

NOTE: When you examine the ISC claims in **(ATTACHMENT B)**, Fit for the Future Fact Sheet (SRV) you will see it has been annotated in red ink, highlighting factual and interpretational inconsistencies by the ISC, which brings into doubt the worth of the document as a viable information source for the community.

Fact Sheet 2 - Frequently Asked Questions (FAQs)

On page 6 of **(ATTACHMENT E)** of the SRV –Frequently Asked Questions (FAQs), under the question, “If the value of my land increases does that mean Council’s total rate income will also increase?”, the answer presented is NO. Yet further reading makes it clear that the land value increases will affect the total of a ratepayers’ rates. This is because as the value of the land is increased, so a rate rise will be calculated of a figure of greater value. For example, 1% of 100 is greater than 1% of 90. The ISC’s answer is a classic example of “No meaning Yes”, which only ends to needless confusion and is either an example of bad writing or an attempt to obscure the actual situation on the ISC’s part.

As a corollary to the above it is interesting to look at the wording the ISC used in their SRV Application Notification Letter to IPART on pg2 Dot Point 4 claims:

\$5.10M to the Infrastructure Backlog, being for Heavy Patching, Pavement Stabilisation and Rehabilitation on the Regional Road Network (Council has the largest Regional Road Network in New South Wales);

(ATTACHMENT C) Is a Roads and Maritime Services list showing that Central Darling has the largest Regional Road Network in NSW with 790kms and that the ISC is 6th with 391kms. Also the Regional Road Network is funded by the NSW State Government Program Funding Scheme which is made up of two types, Block Grants and the Repair Program both of which are administered by the RMS. The ISC may add their money to that if they choose but the ISC has made no mention that it is topping up the NSW State block grants in their financial figures. In other words, one can only conclude that the ISC doesn’t understand correct terminology or where funds come from, is somewhat sloppy with the facts or decided to take a short cut in their application for an SRV in the hope that it won’t be noticed.

Specific details concerning implementation of the SRV

Now the ISC has changed its arguments to suit its request to IPART for an SRV rate rise of 14.25%, the fact is the actual rate rise will amount to 22.2% over 3 years or 25.27% over 4 years and 28.4% over 5 years. Additional to that will be the Annual Charges on water, sewerage and storm water for 2018-19 and 2019-20 of 1.5% then 2.5% from 2020-21 as a projected increase,

then the Annual Charges over 5 years will increase 8.24%. Note: Annual Charges are calculated separately to rates and cannot be compounded with the Rate increase of 28.4% over 5 years but will be a compounded increase on the Annual Charges a ratepayer is charged, in addition to their rates. In other-words the ratepayer will have to pay both. **All these figures were derived from the ISC's own data from its 2017-27 Long Term Financial Plan submitted to IPART.**

And as all these percentage increases are compounding from year to year, they can be very confusing to the ratepayer and councillor alike. Needless to say, the end result will be very large rate rises. [REDACTED]

What chances then do the ratepayers have of making sense of the SRV issue? Now the ISC is saying that it needs a rate rise or its backlog will blow out. The ISC cannot have it both ways.

Conclusion

To conclude it is evident that ISC downplayed its road backlog in order to meet FFF requirements. It is evident that ISC has manipulated financial figures in such a way that what has been presented is not accurate. In presenting a SRV submission to IPART, ISC may well wish to address the true extent of its Road Backlog. Then again without accurate assessments of the ISC's financial figures, it could be that ISC is making an unnecessary claim for a SRV. **Whatever the true state of the ISC's financial state, the ISC has blurred and changed figures and arguments so persistently and frequently that that it is evident that an external audit is required to ascertain the reality of ISC's financial position.**

Yours sincerely,

[REDACTED]
Martin Bower

[REDACTED]
Caroline Wilson

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
7/03/17

To

Local Government Team
Independent Pricing and Regulatory Tribunal of NSW
PO Box K35
Haymarket Post Shop NSW 1240

Dear Sir\Madam

The following is a submission to you regarding the Inverell Shire Council (ISC) application for a Special Rate Variation.

As an addendum to Martin Bower's letter addressing concerns regarding the reporting of Inverell Shire's road backlog et al, I would like to raise questions regarding the efficacy of the consultative process that the Inverell Shire Council (ISC) was required to carry out as part of its submission to IPART for an SRV.

In measuring ISC efforts to comply with "*Community Awareness and Engagement for Special Variations in 2017-18*" as stipulated in IPART's fact sheet, it is clear that of the 10 processes recommended, a mere 5 were in fact implemented. They included:

- Fact sheets
- Media releases
- Online survey
- A random survey of 400 ratepayers stratified to capture the population characteristics of the LGA
- Resident workshops

It is my assertion that in implementing these processes, the ISC did not effectively or accurately, inform ratepayers in a way that would constitute "*community awareness and engagement*." In presenting my case I shall consider ISC's handling of 4 of its 5 community engagement strategies.

1. Fact Sheets

In December 2016, ISC disseminated to all local households a SRV Newsletter. It is my assertion that much of the information and statistics presented, were erroneous and misleading.

For instance, in arguing the reasonableness of the request for a SRV, a table was presented comparing Inverell's current rate income over 2014-15 with other neighbouring councils. At

first glance a ratepayer may well accept the data, were it for the fact that on the same page was also included this detail - that since 2011, 128 councils in NSW have received increased rates courtesy of a SRV, including the councils of Tamworth, Glen Innes, Gwydir, Tenterfield, Armidale and Moree.

Thus in attempting to make the case that Inverell's rates are statistically down in comparison to comparable neighbouring councils, it can be seen that the table is misleading because it doesn't present Inverell's rates AFTER a SRV as is the case with the statistics of the other councils listed in the table and if it had been done so, it would have revealed that increased rates generated by a SRV would in fact result in Inverell commanding some of the highest general rate incomes in the Northern part of NSW.

A second area that is erroneous and misleading arises from the section entitled "*Phase in period for the SRV*" on page three of the newsletter. It stipulates in point 3 that, "*the 14.25% SRV will be phased in at 4.74% p.a. over three years, commencing from 1st July 2017 and will be in addition to the IPART approved Rate Peg of 1.5% in 2017-18 and 2.5% for the following two years ending 30 June 2020.*" Also to consider is that point 4 outlines that, "*the 14.25% SRV will generate \$13.66m over a 9 year period from 2017-18 to 2026-26...*"

Given that it is stipulated that the increased revenue will result in \$13.66m over a 9 year period up to 2026, the question remains as to whether rates after 2019 will return to the 2016 level or will stay at the third instalment level where the final 4.75% of the total 14.25% kicks in as of 2019. If rates were to continue at the 2019 level (not taking into consideration additional rate pegs) up to 2026, then substantially more than the stipulated \$13.77m would be generated.

A third area where the newsletter is erroneous and misleading is the pie-graph on page 3 that stipulates that of the supposed \$13.77m generated, \$5.1m would go towards a road backlog. The ratepayer is asked to accept on faith, a differentiation between a road backlog of a mere \$5.1m as opposed to a \$2.33m in "*additional maintenance of rural road work,*" \$1.47m for "*additional bitumen resealing and gravel re-sheeting,*" a further \$990,000 for grading shire roads, \$250,000 for culverts, causeways, etc and \$300,000 for roadwork and renewal of existing streets – all of which results in total of \$10.44m which incidentally conflicts with the ISC total of \$10.33m

Furthermore, while there is a problem with asking ratepayers to differentiate the different percentages which in any event all go to constitute road maintenance per se, the actual officially demarcated road backlog of \$5.1m can be called into question as its formulation demonstrably did not include acknowledgement of level 3 assets as was made evident in ISC's 2015-2016 Annual Financial statements (which is explained in more detail in Martin Bower's letter). Also these figures do not take into consideration tied State and National government grants.

A fourth area of contention is evident on page four of the newsletter which presents a table outlining statistics that purport to show how "*the rate peg + 14.25% SRV will impact on MY Rates?*" What it doesn't take into account is the recent substantial hikes in land evaluations, which were referenced in the 20 January, 2017 edition of the Inverell Times in a front page article entitled "*Gold in the Ground.*" The article written by [REDACTED] cited the NSW

Land Valuer's report which has revealed that there had been a rise of 15.4 % in overall land evaluations in the Inverell Shire, with residential land averaging an 8% increase and rural lands returning 20.3%. One of the local drivers of such evaluations has been identified as being the development to expand the Yarrandoo Open Cut Sapphire Mine, although interestingly the section on revenue from mining rates as presented in the SRV newsletter was presented as being nil. It can therefore be seen that the estimations presented are not only misleading but erroneous.

This situation while not addressed in the Newsletter SRV, is reluctantly confirmed in ISC's Fact Sheet 2 which poses and answers Frequently Asked Questions (FAQs). One of these is, *"If the value of my land increases does that mean Council's total rate income will also increase?"* Astoundingly, ISC's immediate response to this was *"No it will not."*

Yet such an emphatic response contradicts ISC's own acknowledgment presented further along, that the *"land values of properties throughout the Shire determine the level of rate of each property owner should pay."* The FAQ sheet concedes that the valuations are indeed determined by the NSW Valuer General and that *"the process is something Council cannot influence."* More significantly it agrees that *"any significant fluctuation in your land valuation will impact on the amounts of rates you pay."* Thus even in its own words, ISC appears to concede that rate valuations can rise beyond the estimated figures.

A final point concerns monies allocated to infrastructure renewal. A reading of the pie-graph on page 3 gives no impression that money has been allocated to it other than \$300,000 for roadwork and renewal of urban streets and \$250,000 for culverts, causeways drainage and footpath renewal over a 9 year period. This is odd, especially considering that ISC in 2014, announced a plan to overhaul the CBD and implement a multi-million dollar town renewal plan. In March of 2015, ISC undertook a costing to implement one stage of the project and discovered that it would cost \$3.83m alone. In the Operational plan of 2016, page 11, it was stated that the Town Centre Renewal Plan (TCRP) would *"be postponed to 2020/2021 or beyond."* Given that ISC has made no reference to the possibility of the TCRP being aborted, it is fair to ask since the project still sits on the council books (indeed the urban planner's TCRP was accepted as a concept plan in June 2014) what plans if any, exist for it beyond 2020/2021, in light of the fact that so little monies has been earmarked for urban renewal towards 2026?

In light of such developments it is my contention that the ISC in disseminating its SRV newsletter failed to engage effective and clear *"community awareness and engagement."*

2. Online survey

"Community awareness and engagement" also has not occurred with ISC's online survey. In the 8 February business paper for the special ISC meeting, [REDACTED] *"a total of 200 residents completed the survey."* He then adds the caveat, that *"Councillors will note that not all questions were completed by the respondents."* In fact a perusal of the survey shows that 200 did indeed answer the first question, *"Would you like to continue with this survey?"* Yet only 146 actually answered questions 11, 12, 13, 14 that were pertinent to the need for a SRV.

More specifically in responding to Question 11 which entailed, *"thinking about the role of local government in providing services to the community, please indicate whether you agree or disagree with the following,"* 146 answered in total and of the options provided, 85 agreed as opposed to 50 who disagreed, with 9 indicating they did not know (total 144) regarding the statement: *"My rates should only pay for basic services."*

Moreover, regarding the statement that, *"I am prepared to pay more to get a broader range of services,"* out of a total of 146, 95 disagreed, 40 agreed and 11 purported not to know.

Regarding question 13: *"which of the following best describes your views on local government spending on services in your area,"* 146 responded, with 39.04% affirming that *"local government is spending just the right amount,"* with another 8.22% affirming that local government should spend *"a lot less on services."* This is opposed to 10.27% who responded favourably to the statement, *"local government should spend more on local services"* and another 22.60% who affirmed that *"local government should spend a little more on local services."*

Regarding question 14: *"if local government should spend more on services how do you think this money should be spent,"* 146 answered in total with 51.37% responding in the affirmative to *"cutting spending"* and another 10.96% responding yes to *"borrowing money."* Only 9.59% agreed to *"increasing water and sewer rates"* with a further 36.30% agreeing to, *"charging users more for services."*

Thus to conclude, 80 out of 146 ratepayers clearly agreed that rates should only go to basic services, 95 out of 146 opposed the idea of paying more to get a broader range of services, a predominant minority of 47.26% either affirmed the notion that local government spending is just about right or less should be spent, along with a clearly majority of 55.37% affirming the notion that Council should cut spending in order to deal with expenditure for services. Clearly such responses do not provide the General Manager with enough evidence for him to conclude that the majority of the 146 online responders had ever agreed to the notion that the Inverell Shire should have a SRV.

3. Random survey of 400 ratepayers (phone survey)

A consultative group [REDACTED] oversaw a phone survey (carried out by Galaxy Research) of 400 ratepayers. While the report now constitutes a public document, it was not made available to the public by the ISC, until after an ISC Special meeting was held.

In any event the report poses some problems. Firstly, is the admission that due to time constraints, those conducting the survey felt obliged to divide the 400 into two separate groups of 200, with each group being asked 10 of the overall 20 questions regarding particular categories of services. It is therefore questionable as to whether the statistics generated from this can be accurately assessed as being derived from 400 ratepayers as opposed to 200. Given that the UTS report has made a point of observing that out of

Inverell's 16,000 residents 400 provides a "confidence interval of 4.75 at the 95% confidence level," it is therefore arguable as to what confidence level is derived from 200.

Moreover, while the UTS report covered a number of issues, the salient one regarding "views on funding local government expenditure," as presented in a graph in section 2.5 under the heading "Paying for Investment in Services," reveals that 43% supported "cutting spending or services in some areas," with another 8% advocating "borrowing more money." Conversely only 3% surveyed, supported increasing water and sewer rates, with another 9% supporting increasing land rates and 17% advocating charging users for the services they use.

Such findings did lead the UTS group to conclude that, "a majority of Inverell Shire residents think local government should raise funds by cutting spending or services in some areas." Conversely they observed that only a substantial minority or small minority supported other means of revenue raising.

While [REDACTED] emphasised in his 8 February business report to Council a finding made by the UTS group that most ratepayers "are not prepared to accept a decrease in services," which he cited so as to justify a community call for a SRV, I do not believe that the UTS findings as presented above supports a request for a SRV. As such I believe that [REDACTED]

4. Resident workshops

IPART recommended that resident workshops should be conducted. However, it left it open to interpretation as to how such workshops should be formulated. In any event, it was decided that from the 400 ratepayers who took part in the phone survey, 25 would be selected (and paid) to participate in a one and half day workshop. Nineteen turned up on the day, with one person pulling out at its close. By the end of the first day the majority were opposed to having a SRV. By the end of the second day, 13 of the remaining 18 allegedly supported a SRV with 5 opposed. Of the efficacy of the process involved, it is worth noting that [REDACTED] who was one of the participants on the panel had this to say in [REDACTED] comment posted to my anti rate-rise change.org petition:

"I was on the paid panel and we did not agree to this (which is what they are saying we did). Most of us recognised the need for the rise. HOWEVER we did not agree that it should be to the extent for that period of time. We suggested less over the same period, or the same but over a longer period. I doubt either of these options have been looked into. I feel the data has very much been misused to push the council agenda."

Another issue to consider is the problematic makeup of the Panel. The UTS report noted of its "deliberative panel" there was an "over-representation" of ratepayers from the Inverell Township. It noted that there were some participants residing in small villages, but deduced overall there was an under- representation of rural areas. While farmers constitute a minority of ratepayers in the shire, the fact is that the farmland they own, contributes 32% to the overall rate burden as is made evident in a pie graph placed in the ISC's SRV newsletter. Also to consider as indicated previously is that farmers have also had to cop the

Shire's lion share of an increase in land evaluations, with farm lands seeing an increase of a whopping 20.3% for the 2015 – 2016 period. For these reasons I would argue that such an under-representation of the rural community appears problematic and is further evidence that IPART's stipulation that *"community awareness and engagement for special variations"* has not been complied with.

5. A Second Post-Phone Survey

In the November Business paper of 2016, (D9) [REDACTED] included a reference to an additional "community survey" which he asserted would be carried out to "test the panel outcomes and to strengthen the IPART submission..." He noted that the *"post panel survey timeframe may not allow Council to include the survey findings and outcomes in the IPART submission but that our report will be provided as an addendum to Council's IPART application."* As planned the survey was carried out between 2 February and 7 February of 2017 and consequently, its results were not tabled at the Special ISC meeting held on the 8 February concerning voting on the SRV.

A question that arises here is how a post community survey can have any efficacy if prior to its implementation [REDACTED] has already asserted that its findings *"will STRENGTHEN the IPART submission."* Another question to its efficacy concerns the fact that its findings were not tabled to Council until after councillors voted for the SRV. What this suggests is that the Post Community Survey in fact as an aid to deliberation has no efficacy at all, except as an aside in an addendum.

Interesting to note that in his November business paper of 2016, the GM asserted that the Council intended liaising *"with media outlets to promote the outcomes from the panel workshops and derive awareness and dissemination of knowledge from the panel workshops,"* evidently assuming that the findings would be in the ISC's favour. In actual fact there was no local dissemination of the deliberative panel's findings and in the UTS:CLG's post Deliberative Panel Workshop phone survey, a statement is included regarding the deliberative panel with the clear assumption being, that those surveyed would not be aware of it or its findings. Thus stated is this informative statement:

"A group of about 20 randomly selected Inverell Shire residents recently examined this issue in detail over 1.5 days. As part of this they considered detailed evidence about Council's income and costs and were able to interrogate Council Staff on Council's finance issues. At the end of the 1.5 days the group advised Council: they want roads, bridges and other services maintained at current standards and are not prepared to accept a decrease in spending on these. Therefore Council should raise more income by increasing rates."

In any event the reporting of the Deliberative Panel is [REDACTED] the number as demonstrated above, was 18 not 20 and only 13 of the 18 allegedly supported the rate-rise. The question posed suggests that the outcome of the Deliberative Panel was unanimous.

Furthermore, responders to the post Deliberative Panel Phone Survey, were asked to make decisions based on data that is questionable. For instance asserted as a statement presaging Q2 is this assertion: *"While Council has been assessed as running well by the State*

Government, if Council continues with the current income and costs it will have an annual budget deficit of more than \$1.6m by 2019."

Such a statistic doesn't precisely correlate with the statistics presented on the ISC's SRV Newsletter which suggests that from 2017-2026, \$13.66m will be raised if the SRV were to be implemented. \$13.66m divided by 9 years would result in \$1.5m per year being raised, which if implemented would be more than sufficient in dealing with an alleged deficit of \$1.6m generated over a 2 year period from 2017 to 2019.

From such imprecise figures, selected ratepayers are being asked to assess whether they are, *"...worried about Inverell Shire Council's finances"* or *"...not worried about Inverell Shire Council's finances."*

Moreover, in presaging Q3 as to whether rates should be increased, responders are given estimates of predicted rate-hikes based on property values that have no bearing on recent hikes to property valuations as established above. In other words the responders to this survey were as stated in Q5, asked to formulate an opinion, *"...based on the information you have been provided..."*

As a result of such a survey that has as its basis leading questions and questionable statistics, UTS:CLG deduced that regarding a willingness to accept an increase, 59% of homeowners *"...accept[ed] paying this amount [ie the estimated SRV that the ISC stipulated tentatively could increase by] to maintain current service and infrastructure levels..."* (E22).

Interesting to note that Inverell ratepayer [REDACTED] in a post submitted to my anti rate-rise change.org petition made this observation about what he saw as a lack of efficacy concerning the phone survey:

"I completed the telephone questioning and was only given 2 options – increase rates or lose services. There was no other option given and no opportunity to state your thoughts or comment further."

Another Inverell ratepayer [REDACTED] also raised a point about the survey's questionable efficacy with: *"The data presented was high in gloss and low in information. The survey was loaded with 'gimme questions seeking approval of outcomes generally accepted with no tangible relation to cost/benefit considerations..."*

Irrespective of such communal disquiet, UTS:CLG further concluded that 68% of responders *"agree[d] with the advice provided to the Council by the Deliberative Panel,"* after having been *"presented with the advice provided to Council by the Deliberative Panel..."* (E21).

Given that the UTS:CLG suggested in its report that staff members were on hand at the workshop to advise, given the initial level of ignorance of the 18 ratepayers who were on the Deliberative Panel, it is surely disingenuous to frame the outcome as panel members now knowledgeable enough to enable *"advice provided to Council."*

A final point to make about this Post Deliberative Panel Phone Survey is the fact that the 300 people spoken to, some of them had been contacted earlier in the phone survey of 400.

Given that this can be verified, it surely makes the statistical outcome questionable – especially if different outcomes have overall been deduced from the same people. This situation I argue also pertains to the findings of the 400 people contacted in the initial phone survey. Given that whatever responses were provided, 18 of these people then went onto participate in the Deliberative Panel and may well have then presented a contrary viewpoint. In other words statistical outcomes ultimately do not compute, given repetition and negations.

Petition and Survey

In the 3 March edition of The Inverell Times in an article [REDACTED] headlined, *“Rate Rise Ready,”* [REDACTED] cited the results of the post Deliberative Panel Survey of 300 ratepayers as vindicating ISC’s submission to IPART for an SRV. He is quoted as saying, *“People realise that if we want to continue and improve current services ...then they are prepared to pay more to maintain those services...I think it’s reflected in the survey results that people believe that Council is doing a good job about controlling finances and being wise with spending.”*

Such assertions suggest that despite the 400 people surveyed in the first phone survey, along with 146 responding to the online survey, as well as the 17 letters and 2 submissions, that at the end of the day, the only part of community engagement that is to count for the ISC, is the Deliberative Panel of 18 and the 300 responders subsequently contacted in the Post-Panel Survey. Deducing that there is community support just from these engagements alone, skews the overall results and belies the fact that the majority of people overall, who made responses were in fact against the rate-hike.

To demonstrate that out of a population of 16,000, other ratepayers could alternatively be included to show in contrast, a resistance to a SRV as opposed to one of support, I initiated a change.org petition (as referred to above) just over 3 weeks ago, which by 7 March, had resulted in 292 signatures. (**Attachment I - comments**) As of 3 March 2016, The Inverell Times placed a survey monkey onto its website and as of the 7 March the result revealed that of 105 responders, 93% were opposed to a SRV. All three processes can be seen to be a result of “community engagement,” but which group of ratepayers’ viewpoints should be given more credence is the ultimate question to give thought to.

Conclusion

Thus to conclude, the majority of participants who participated with the online survey appear to have been against the SRV; also the majority of participants in the phone survey of 400 also appear to have been against the SRV and a significant proportion of the 17 letters submitted were also against the SRV. In [REDACTED] estimation “six of the correspondent’s express[ed] opposition to the SRV and four corresponders, express[ed] support for the SRV application.” A perusal of the letters that were placed in the appendices to [REDACTED] 8 February Business Report though, would suggest more accurately that, 7 were opposed, 5 were supportive, 3 responders presented questions of concern, with only 2 letters failing to indicate a view of any persuasion.

Despite such evident results [REDACTED] suggested in his 8 February report which was based on such findings, prior to the UTS:CLG report of the Post-Deliberative Panel survey, that *"after considering the background evidence and information on Council's financial sustainability and service levels, the need for and extent of Council's SRV application is generally accepted by the community."*

Given the erroneous weighting of such *community engagement* which informed the ISC's decision to support a SRV submission to IPART, I believe it is unreasonable for the ISC to now vindicate its decisions by merely referencing the outcomes of the Deliberative Panel and the Post-Deliberative Panel phone calls of 300.

Therefore in regards to this and given the anomalies in the SRV newsletter, the lack of proportional representation on the Deliberative Panel and the demonstrable evidence showing that collectively the majority of the community consulted had not approved of the prospect of having a SRV, I would argue that the ISC's request to IPART for an SRV cannot be substantiated.

Finally given IPART chairman Peter Boxall's assertion as quoted in The Inverell Times (3 March 2017) that, *"...councils must engage with the community when assessing the options for a special variation..."* and as such *"...we expect councils will have sought and considered the community's views on the special variation..."* I think it is true to say that such a process has been compromised.

Yours sincerely,

[REDACTED]

Caroline Wilson

[REDACTED]

[REDACTED]

Refer to Attachment I – comments from change.org

EXECUTIVE SUMMARY - Submission Regarding the Inverell Shire Councils Special Rate Variation

8th March 2017

Local Government Team

Independent Pricing and Regulatory Tribunal of NSW

PO Box K35

Haymarket Post Shop NSW 1240



The following is a submission to you regarding the Inverell Shire Council (ISC) application for a Special Rate Variation.

NB. Any sections of this submission highlighted in **YELLOW** are confidential (for your eyes only) and are to be blacked out if this submission is uploaded. The same applies for the documents, Support Submissions and individual's names attached to this submission.

The reason for the following submission is to:

1. draw your attention to apparent serious errors and contradictions ISC has made in its original figures submitted to IPART in its Fit for the Future (FFF) application in 2015, regarding the calculations of its backlog. The errors amount to such a degree of professional negligence that it is evident that the ISC has failed to follow clear OLG guidelines, TCORP's Final Report and the clear advice from its auditors, which was generic advice given to all local councils and designed to assist them in formulating the FFF submissions.
2. draw your attention to the fact that the ISC has now seemingly reversed its initial arguments regarding the backlog; the inference appearing, that it seeks to justify its application for a Special Rate Variation of 14.25 % % (22.2% compounded) over 3 years.
3. draw your attention to the fact that while the ISC is ostensibly seeking a 14.25% SRV; that in reality, its rate-rise will amount to 28.4% over 5 years from 2016-17 to 2020-21. Such a figure of 28.4% doesn't even factor in the Valuer General's land valuation increase or the annual charges increase of 8.24% over the same 5 year period.
4. demonstrate that the ISC has instead of trying to clarify its financial situation to its ratepayers; [REDACTED] complicated its statistical data. The ISC [REDACTED] from ratepayers and experts who may wish to delve into the ISC's financial records. Such obfuscation is evident in the fact that on at least one occasion, GIPA (Freedom of Information) legislation had to be resorted to so as to compel ISC to release the data that it used to formulate its FFF and SRV submissions to IPART. It would appear that the ISC has [REDACTED] confuse individuals or groups of people who may wish to consider in further detail, the ISC data and subsequent calculations. Such [REDACTED] of processes further appears to have been applied in the ISC's media/social media comments and to its obligatory community consultation.

5. emphasise, that whatever conclusion IPART comes to regarding the ISC's SRV submission, IPART's report clearly highlights the **ISC's questionable processes,** [REDACTED] **its community consultation, its media and social media comments/campaign and its responses to oversight authorities.**

IPART – Submission

The following submission is also part of a detailed letter sent to the Office of Local Government. The information is detailed and is the product of extensive research and analysis. Appendices have been supplied which will support issues presented below. Any information referred to can be accessed via internet addresses or supplied, regards data obtained from the ISC via FOI. If you require further explanation of how the data was analysed and interpreted that can be arranged.

CONTENTS

1. Submission to IPART
2. Letter from OLG Ref. No. A496573
3. Support Submission - Report On Inverell Shire Council's Community Consultation Process - Author Caroline WILSON
4. ATTACHMENT A – ISC's SRV Newsletter posted to ratepayers
5. ATTACHMENT B – Annotated ISC Fit for the Future Fact Sheet – SRV and pgs 1,3&4 of ISC's Financial Information – SRV sheet.
6. ATTACHMENT C – Comparison of NSW Local Govt Road Mileages see – <http://www.rms.nsw.gov.au/documents/business-industry/partners-and-suppliers/lgr/2014-2015-block-grant-allocations.pdf>
7. ATTACHMENT D – Page from ISC's Special Schedule 7 Infrastructure Assets as of 30/6/2016
8. ATTACHMENT E - ISC's SRV Frequently Asked Questions Information Sheets
9. ATTACHMENT F – Inverell Times – 1/4/2016 **Forecast out by \$77.5 M**
10. ATTACHMENT G – Inverell Times - 7/8/16 **Inverell Shire Council roads backlog a non-issue**
11. ATTACHMENT H – Inverell Times – 1/3/2017 **Inverell Shire Council reveal survey results....**
12. ATTACHMENT I – Petitioners comments from Change.Org
13. ATTACHMENT J – ISC Consultants Ausroads Pie Graph - Roughness and Rutting

5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541

Our Reference: A496573
Your Reference:
Contact: Stephen Walker
Phone: 02 4428 4100

Ms Caroline Wilson
Chairperson
CIRA
1098 Arrawatta Road
INVERELL NSW 2360

Dear Ms Wilson

Thank you for your letter of 20 June 2016 about information supplied by Inverell Shire Council in its Fit for the Future submission. I apologise for the delay in responding.

An officer from the Office of Local Government (OLG) has contacted Inverell Shire Council to discuss your concerns.

Council advised it has significantly reviewed its asset management policies, especially in the last 18 months, under the Local Government Reform Program. This includes two publications currently provided on Council's website titled "Calculating the Road Backlog" and "Fit for the Future and the Infrastructure Backlog".

I am advised that Council gathered technical assessments on the standard of its assets and as part of the process engaged an independent auditor to review reported outcomes.

The Fit for the Future submissions by NSW councils were submitted to the Independent Pricing and Regulatory Tribunal (IPART). This was a very detailed assessment process which was done independently of OLG. For more information on Inverell Shire Council's assessment, please refer to IPART's website www.ipart.nsw.gov.au.

Thank you for raising your concerns with us. It provides OLG with information about council processes that can assist with setting future policies and guidelines in its ongoing monitoring of local councils in New South Wales.

Yours sincerely


Mark Hely
Acting Director, Investigations and Sector Performance

11.8.16



Newsletter

Special Rate Variation

December 2016



INVERELL
SHIRE COUNCIL

Message from the Mayor

We need your help to make some important decisions. Like many other NSW councils, our roads, footpaths, drainage and other community assets require ongoing maintenance and upgrades to ensure they meet the needs of the community.

As things currently stand, Council's revenue is regulated under 'rate pegging'. The Independent Pricing and Regulatory Tribunal (IPART) sets a rate peg which limits the amount by which councils can increase their rate revenue from one year to the next. For many years, the rate peg has not kept pace with the cost to provide services to the community.

We are seeking your feedback on a proposal to apply to IPART for a Special Rate Variation (SRV). Council has identified a 14.25% SRV is required. Without this, Council will not be able to meet the community service delivery and infrastructure needs and will not be Fit for the Future.

While we understand a rate rise is never welcome, we believe a SRV is necessary to meet the needs of the community.

In November 2016, Council engaged the University of Technology Sydney (UTS) to conduct independent community consultation regarding a SRV. We will also be seeking community feedback through a range of media, including online and hardcopy formats, with details on page 4.

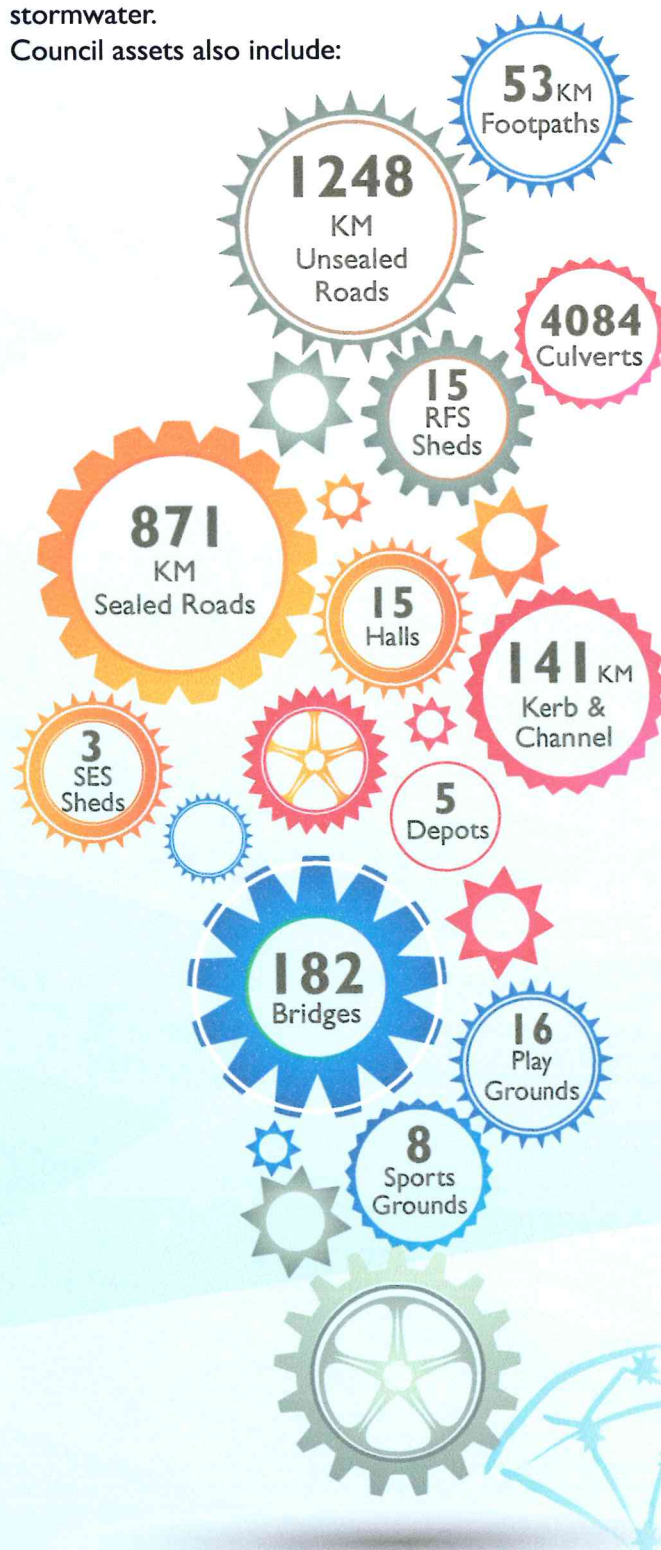
Our priority is to ensure a vibrant future for our community, so I encourage you to take the time to read this newsletter. More in-depth information is also available at our website www.inverell.nsw.gov.au and at the locations listed on page 4.

- Mayor Paul Harmon.

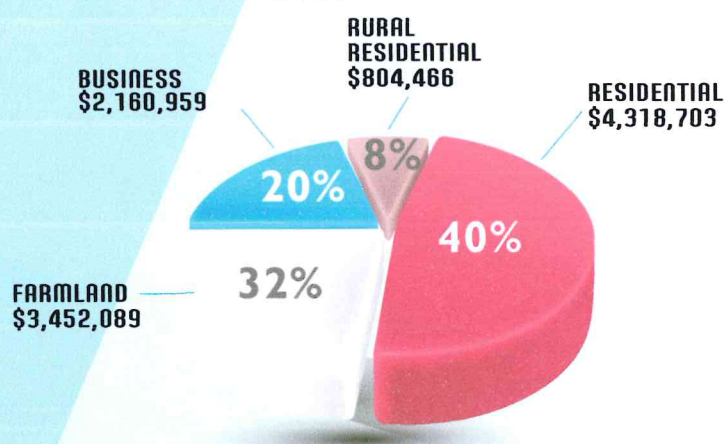
Did you know?

The main types of assets paid by your general rates include roads, bridges, parks and recreation, building and stormwater.

Council assets also include:



Current Distribution of Rate Burden



Since 2011, 128 councils in NSW have received a Special Rate Variation (SRV).

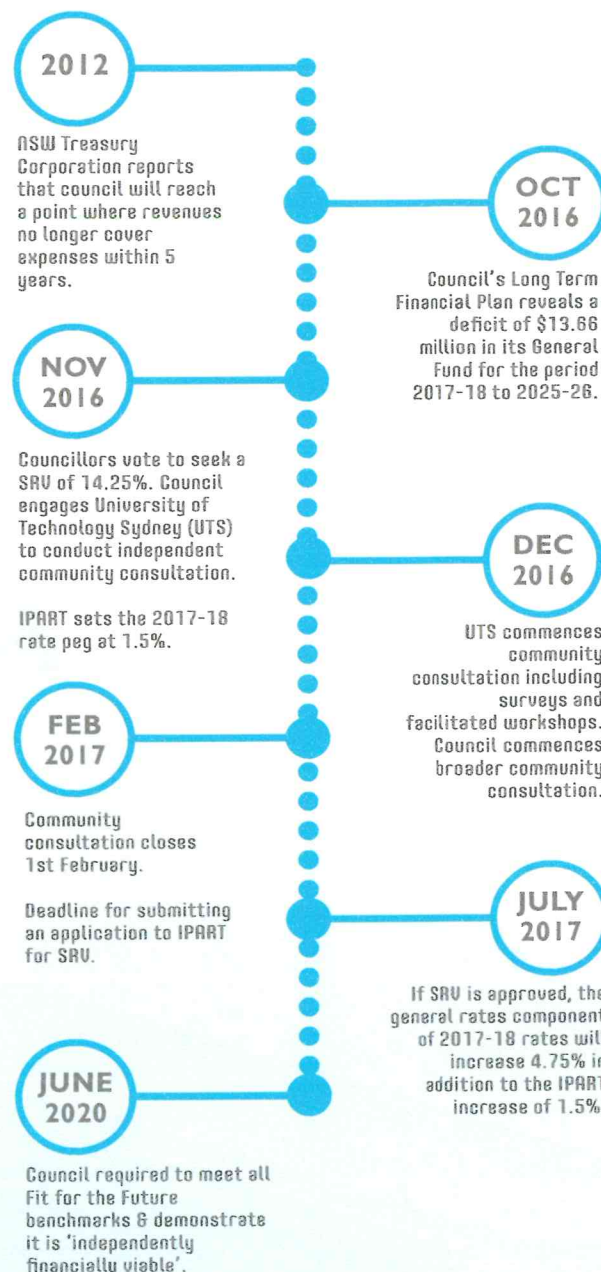
The average SRV during this time is over 20%.

In the New England-North West, SRV levels include:

- > Tamworth 20.6%
- > Glen Innes 26.8%
- > Gwydir 30.0%
- > Tenterfield 45.0%
- > Armidale 12.36%
- > Moree 27.75%

Local government costs have increased 7.3% p.a. 'year on year' for the last 20 years (McKell Institute 2016).

Timeline for the SRV



How do our current rates compare with others?

LOCAL GOVERNMENT	FARMLAND RATES	RESIDENTIAL RATES	MINING RATES	BUSINESS RATES	TOTAL GENERAL RATE INCOME
Tamworth Regional	5,325,636	20,663,321	16,458	5,656,776	31,662,191
Moree Plains	14,056,808	4,200,878	-	2,423,784	20,681,470
Armidale Dumaresq	2,570,910	9,190,362	23,798	2,250,900	14,035,970
Narrabri	5,898,596	4,041,235	690,337	1,281,941	11,912,109
Inverell	3,290,612	4,889,543	-	2,077,008	10,257,163
Gwydir	4,818,253	755,808	-	130,010	5,704,071
Glen Innes Severn	2,361,290	2,640,433	290	47,421	5,549,434
Uralla	1,938,781	1,475,831	-	98,989	3,513,601
Guyra	874,328	705,611	2,949	98,778	2,681,666

NOTE: The above 2014-15 figures are the most recent available audited figures available for all councils. All of the councils listed have increased their rates by at least the rate peg amount since 2014-15.

Phase in period for the SRV

1

The SRV applies to your General Rates only and does not apply to the Waste Management, Water and Sewerage charges on your Rates Notice.



2

The 14.25% SRV will be phased in at 4.75% p.a. over 3 years, commencing from 1st July 2017 and will be in addition to the IPART approved Rate Peg of 1.5% in 2017-18 and 2.5% for the following two years ending 30 June 2020.

3

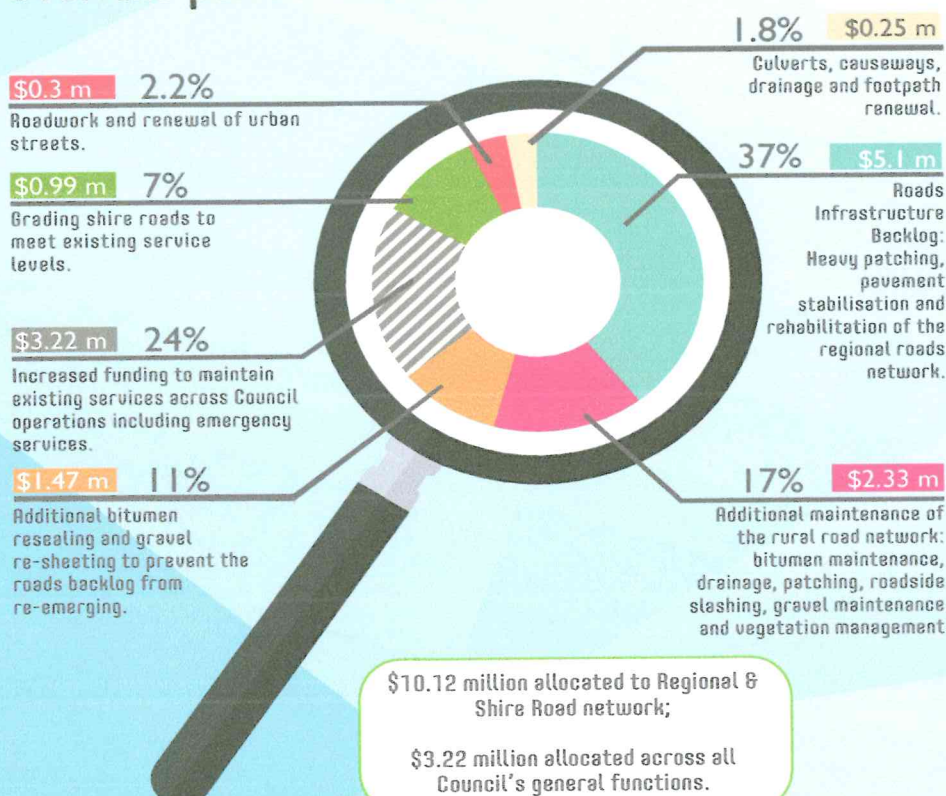
During this 3 year period, Waste, Water and Sewerage charges will increase less than 1% per annum.

4

The 14.25% SRV will generate \$13.66 million over a 9 year period from 2017-18 to 2025-26. See below for where this will be spent.



Where will the \$13.66 million SRV be spent over the period to 2025-26?



Improving our Operational Efficiency

In recent years, Council has focused on making significant savings and efficiencies, including:

- ✓ Annual electricity cost savings of \$445,000 per annum due to installation of solar energy and LED street lighting;
- ✓ Achieving Workers Compensation premiums of \$1.67 per \$100 of wages paid against an industry average of \$3.61 per \$100 of wages paid.
- ✓ Governance and administration costs of \$165.85 per capita, which is 55% below similar sized NSW councils.
- ✓ Council has achieved a 21% (3% per annum) organisational wide efficiency gain in the last 7 years.
- ✓ Gravel road re-sheeting costs 49% less than NSW regional road average rates.
- ✓ Bitumen reseal rates of \$3.70 per square metre; 25% below industry cost benchmarks.
- ✓ NSW Treasury's assessment of service and infrastructure delivery benchmarks found Council to be well managed (2013).



To see how the Special Rate Variation impacts on your rates, a sample Rate Comparison Table is provided on page 4.

How will the Rate Peg + 14.25% SRV Impact on My Rates?

RATING CATEGORY	2016-17 Average Rate \$	2017-18 Avg Rate with 4.75% SRV + 1.5% Rate Peg (6.25%)	2018-19 Avg Rate with 4.75% SRV + 2.5% Rate Peg (7.25%)	2019-20 Avg Rate with 4.75% SRV + 2.5% Rate (7.25%)	Cumulative impact over 3 years (annual) \$	Cumulative impact after 3 years (weekly) \$
Residential Inverell	935.94	994.41	1,066.50	1,143.82	207.87	4.00
Residential General	603.59	641.32	687.82	737.66	134.07	2.58
Residential Ashford	449.38	477.47	512.09	549.23	99.84	1.92
Residential Delungra	472.72	502.27	538.68	577.74	105.03	2.02
Residential Gilgai	532.94	566.24	607.30	651.34	118.40	2.28
Residential Yetman	464.67	493.72	529.51	567.95	103.28	1.99
Rural Residential	870.85	925.35	992.51	1,064.52	193.68	3.72
Farmland	2,586.49	2,747.82	2,946.93	3,160.59	574.11	11.04
Business Inverell	4,712.61	5,007.10	5,370.10	5,759.38	1,046.76	20.13
Business other	1,348.71	1,433.01	1,536.90	1,648.35	299.64	5.76

The cumulative increase in rates (SRV + Rate Peg) is 22.2%.

Further information & how to provide Feedback:

We are providing a number of ways for the community to obtain further information about the SRV and provide feedback. For more information, call 02 6728 8288 or visit www.myinverellmysay.com.au.

Printed Fact Sheets on the SRV are also available at:

- > Council Administration Centre;
- > Inverell Shire Library;
- > Ashford Rural Transaction Centre;
- > Gilgai Store;
- > Delungra Post Office; and
- > Yetman General Store.

Consultation closes 1st February 2017

Galaxy Research will also be conducting an independent survey of residents during December.

Online Survey

Complete the survey developed by Galaxy Research at www.myinverellmysay.com.au

Free Internet Kiosk

Complete the survey developed by Galaxy Research at our free internet kiosk at Inverell Shire Library.

Public Display

Information displays are in place at Inverell Shire Library and Council's Administration Centre.

Printed materials are also available at locations listed above.

Post

Send your feedback to Inverell Shire Council, PO Box 138 Inverell 2360 or yoursay@inverell.nsw.gov.au

Please note, while we endeavour to avoid posting more than one newsletter to each household, some residents who own multiple properties or hold land under different titles may receive more than one newsletter. If you receive more than one newsletter to your address, please advise council by email - council@inverell.nsw.gov.au or phone 67288288.



CONTACT US:
Inverell Shire Council
144 Otho Street, Inverell NSW 2360
www.inverell.nsw.gov.au
yoursay@inverell.nsw.gov.au
02 67288288

Financial Information | Special Rate Variation (SRV)

What is Rate Pegging?

Council's rating revenue is regulated under the NSW Government's "rate pegging". The Independent Pricing and Regulatory Tribunal (IPART) sets a rate peg which limits the amount by which councils can increase their total rate revenue from one year to the next. For many years, the rate peg limit has not kept pace with the increases in costs for councils to deliver services.

What is a Special Rate Variation?

After IPART announces the rate peg for the upcoming year, councils can then have a conversation with the community as to whether the increase is sufficient to continue to deliver the existing range and standard of services available, whilst also ensuring there is sufficient funds to maintain and renew infrastructure. If they feel the increase is insufficient, Council can request an increase above the rate peg limit. These increases are known as a Special Rate Variation (SRV).

Applications for increases above the rate peg limit are assessed by IPART. IPART has stringent criteria which a Council must meet before approving any application.

Why do we need a special rate variation?

As with all NSW Councils, our community assets, particularly roads require maintenance and upgrades. Inverell Shire has the longest rural roads network in NSW and we need to spend more money on maintaining and renewing this network to ensure it meets the needs of our community.

The proposed SRV is an important step to help maintain and manage our current assets to ensure we deliver services in line with community expectations and remain financially sustainable into the future.

What is Fit for the Future?

In 2014, the NSW Government initiated its Fit for the Future local government reform program and required all councils to demonstrate their plan for achieving long term financial sustainability and meet seven asset and financial benchmarks.

Council does not meet all the benchmarks and must generate more rate revenue to fund expenditure on roads to ensure all roads are in a satisfactory condition.



what happens when the backlog is cleared.

- \$5.1 million on roads infrastructure backlog including heavy patching, pavement stabilisation and rehabilitation of the regional road network;
- \$3.22 million allocated to keeping the General Fund in balance to ensure existing service levels (as outlined in Fact Sheet 2: FAQs) across all Council's functions are maintained;
- \$2.33 million to additional maintenance of the rural road network to ensure existing service levels are met and the useful lives of the assets are maximised (drainage, bitumen maintenance, patching, roadside slashing, gravel maintenance);
- \$1.47 million to bitumen reseals and gravel re-sheeting;
- \$0.99 million to road grading to enable existing service levels to be met;
- \$0.30 million for urban asset renewals on urban streets;
- \$0.25 million for culverts, causeways, drainage and footpath renewals;

How will this impact on my rates?

The impact of the SRV on average rates at the end of the three-year SRV is show in the table below:

Council Rating Category	Number of assessments	Average Property Valuation (Valuer General) \$	Average Weekly increase in Rates in 2019-20 from the SRV	Average Annual increase in Rates in 2019-20 from the SRV
Residential – Inverell	4073	56,201	\$2.62	\$136.24
Residential - General	431	45,663	\$2.17	\$112.84
Residential – Ashford	254	12,295	\$1.30	\$67.60
Residential - Delungra	148	20,669	\$1.32	\$68.64
Residential – Gilgai	106	32,841	\$1.50	\$78.00
Residential – Yetman	66	15,008	\$1.28	\$66.56
Residential Rural	928	117,001	\$2.52	\$131.04
Farmland	1336	485,865	\$7.27	\$378.04
Business – Inverell	418	137,269	\$13.17	\$684.84
Business – Other	144	48,417	\$4.20	\$218.40
Mining	0	-	-	-
TOTAL	7904			

I wonder if this is [redacted] to say they can fully fund depreciation. If so, I would then make sure they stuck to it, didn't become inefficient and by resting on their laurels having the extra income.



Why can't my current rates pay for the additional maintenance and renewal works?

Today, Council's operations include so much more than roads, rates and rubbish. Our area of operations now includes:

- Parks, sportsgrounds, pools, playgrounds, community halls;
- Libraries, Art Gallery;
- Public and Environmental Health;
- Environmental sustainability projects and invasive species management (i.e. Weeds).
- Transport services including roads, cycleways, footpaths, car parks, road safety and traffic facilities;
- Stormwater and flood management;
- Emergency management, including SES facilities in villages;
- Land use planning and natural environment planning;
- Business development, events and tourism;
- Community and Council strategic planning;
- Executive, communication and support services.

RMCC
FAGS
RZIR
Block Grant
REPAIR are all
external
grants

FALSE, only part of the funding
comes from rates.

The cost of providing all these services comes from existing rate income. The restrictions placed on Council to increase its rate income above rate pegging does not allow Council to allocate additional funding to infrastructure maintenance and renewal without seeking prior approval from IPART.

State and Regional
Roads are funded by
the State Government,
if not 100%, very close to it.

What would happen if Council did not proceed with an SRV?

With no Special Rate Variation (SRV), rates would increase by the annual rate peg amount of 1.5% in 2017-18 and an estimated 2.5% in 2018-19 and 2.5% in 2019-20.

This option would provide no additional funding other than the rate peg increase. More assets would fall into the poor condition category. The focus would be on managing risk, including the possible closure and removal of unsafe assets. Broader service reductions may be required to fund emergency works.

Council would not meet the criteria set by the NSW Government to be deemed 'Fit for the Future'. Council would need to seek guidance from the NSW Government as to how they wish us to proceed.

How would an SRV be introduced?

An SRV of 4.25% per year for three years would commence in 2017-18. This does not include the rate peg of 1.5% in 2017-18 and an estimated 2.5% in the following two years. The SRV applies to the General Rates only and will not be applied to water, waste and sewerage charges on your rates notice.

How will the funds raised by an SRV be spent?

The SRV will generate \$13.66 million over a nine-year period from 2017-18 to 2025-26. A total of \$10.44 million will be allocated to our regional and shire road network, with the allocation as follows:



Fit for the Future Fact Sheet | Special Rate Variation (SRV)

December 2016

In October, 2015 Council was determined to be Fit for the Future (FFF) by the NSW Government, under their Local Government FFF Program. A major feature of the FFF Program is that Councils are now required to be "independently financially viable", that is they cannot rely on Government Grants and other outside sources of income to meet their ongoing financial needs. FFF Council's are required to meet FFF Program requirements by 30 June, 2020.

Council's State Government approved "Fit for the Future (FFF) Roadmap" identifies that for Council to be FFF, Council requires a 14.25% Special Rate Variation (SRV). Without the SRV, Council will not meet the State Governments "FFF Benchmarks" established under their Program. Council will not be sustainable in the short, medium and long term, and Council will not be able to meet the Communities Service Delivery and Infrastructure needs. This would significantly impact the continued economic and social wellbeing of the Community and its growth.

Accordingly, Council resolved at its November, 2016 Meeting to lodge a notice of intention to IPART New South Wales, that Council will be submitting a Special Rate Variation Application at the nominated time, being mid February, 2017. It further resolved to engage the University Technology Sydney - Centre of Local Government, an independent third party organisation to undertake the IPART required Community Engagement in this matter.

The following information is provided in respect of the FFF Roadmap 14.25% SRV:

Background:

- Financial Modelling conducted by Council over an extended period of time and in the preparation of its FFF Roadmap and Long Term Financial Plan (LTFP) 2016 – 2026 indicate that Council has now reached a point where its Revenues no longer cover the level of expenditure needed to meet existing service levels. This trend was reported to Council in NSW Treasury Corporations independent Financial Assessment of Council in 2012;
- Local Government Costs have increased by an average 7.3% p.a. "year on year" for the last 20 years as reported by the McKell Institute in September, 2016. *the report refers to expenditure NOT costs.*
- NSW Rate Pegging increases (the maximum amount a Council may increase its General Rates by without a SRV to IPART) have averaged only 2.94% p.a. for the last 20 years. The 2016/2017 Rate Peg was 1.8% and the 2017/2018 Rate Peg has now been set at 1.5% by IPART; *the increase in expenditure may be because of increased State and Federal Government funding.*
- 128 NSW Councils have sought and been granted SRV's since 2011 with the average SRV being over 20%; and
- Council has not previously sought a SRV since the implementation of Rate Pegging by the NSW State Government in 1978.



It is likely most of this is depreciation, I book entry!

Council's Financial Position:

- Without the SRV as shown in Council's FFF Roadmap and LTFF (as updated October, 2016), Council will record a DEFICIT of \$13.65M in its General Fund for the period 2017/2018 to 2025/2026;
- The Deficit in 2017/2018 will be \$0.51M, rising to \$1.86M p.a. in 2025/2026 without the SRV;
- This will mean that Council will not be able to maintain its existing service levels or fund the renewal of all its existing assets, including its 2,114km Road Asset Network;
- The FFF Roadmap SRV is the last step in a process commenced by Council in 2009. This process was designed to delay the introduction of a SRV as long as possible. Council has already:

- Improved its Operational Efficiencies by 24.75% over the last 7 years as measured by the FFF Program "Real Operating Cost per Capita Benchmark". Council is now at a point where any further efficiency gains will be relatively small in nature and will not impact the effective delivery of services;

Is this a true measure of efficiency? The same could be achieved with an increase in population or decrease in expenditure

- Delivered substantial efficiencies in its Road Renewal activities including Gravel Resheeting, Bitumen Reseals, Heavy Patching and major Road Rehabilitation; **PROOF!**

- Reviewed Council's Internally Restricted Assets (Cash) and "re-purposed" \$6.0M to Road Asset Renewals and to reducing the Roads Infrastructure Backlog. It is noted that substantial legislative restrictions exist over Council's Funds. Funding Granted to Council, or collected by Council, for one purpose cannot then be utilised for another purpose as defined in Section 409 of the Local Government Act, 1993. eg a Grant provided for Sporting Facilities by the Government cannot be spent on Roads. Only limited Grant Funding opportunities exist and are available for Road Asset renewal and upgrades and these generally have to compete on a State or Federal basis;

- Reviewed its other Fees and Charges income and introduced new "user based fees" where possible considering the Community's capacity to pay;

- Utilised Loan Funding to Fund Long Term Community Infrastructure. As noted by Council's Auditor at the November, 2016 Meeting of Council, **Loan Funding is not available to meet Council's ongoing operational or maintenance needs and should only be considered for long life Capital Infrastructure Assets;** and

- Gained where possible, Grant Income to deliver new Community Infrastructure.

This is misleading. When was the last time Council borrowed money for General Fund works, say a bridge.

The Special Rate Variation:

- The 14.25% SRV as identified in the FFF Roadmap will be phased in at an additional 4.75% p.a. over 2017/2018, 2018/2019, and 2019/2020 on top of annual IPART determined Rate Peg. The Rate Peg has been set at 1.5% for 2017/2018 and IPART have advised Council to use 2.5% for 2018/2019 and 2019/2020;



- The SRV applies to the General Rates only, and will not be applied to the Waste Management, Water and Sewerage Charges included on your Rate Notice;
- Council is proposing to set increases in the Waste Management, Water and Sewerage Charges over the period the SRV is being implemented to, or close to 0.0%. Financial Modelling has shown that for residential properties in Inverell, Ashford, Yetman, Delungra, Gilgai and the smaller villages with an "average valuation", that the total increase shown on your Rate Notice will be similar to previous years. A sample "Rate Comparison Table" for a sample of properties is included on Council's Website; and
- The 14.25% SRV will generate \$13.66M over the nine year period 2017/2018 to 2025/2026.

Where the Special Rate Variation funds will be spent:

The \$13.66M in additional income gained from the SRV will be allocated as follows:

- \$3.22M will be allocated to ensuring existing Service Levels across all Council's General Fund functions are maintained;
- \$2.33M to additional maintenance and asset renewal activities on the Rural Road Network to ensure Service Levels are met and the useful lives of the assets are maximised (drainage, bitumen maintenance and patching, roadside slashing, gravel maintenance and patching, vegetation management etc);
- \$0.99M to road grading to enable existing Service Levels to be met as discussed at the October, 2016 Committee Meetings;
- \$5.10M to the Infrastructure Backlog, being for Heavy Patching, Pavement Stabilisation and Rehabilitation on the Regional Road Network;
- \$1.47M for additional Bitumen Reseals and Gravel Resheeting to prevent the Infrastructure Backlog from re-emerging;
- \$0.24M for Culvert and Causeway, Drainage, and Footpath Renewals in the long term;
- \$0.30M for Urban Asset Renewals; and
- A very small \$0.01M Operating Surplus for the Ten Year Period.

The largest proportion of the additional revenue, being \$10.12M will be allocated specifically to the Regional and Shire Road Network and \$3.22M will be allocated across all Council's General Fund functions to ensure Council's Service Levels across the Organisation can be maintained. \$0.30M will be allocated over the ten year life of the LTFP to the Urban Areas for additional asset renewals.

Under the SRV, Council will meet all the State Government's FFF Program requirements and Benchmarks by the required 30 June, 2020.

*Doil they meet these already?
they keep bragging about being FFF.*



CAN THE SRV BE DELAYED TO BEYOND 2017/2018?

A question that has been extensively investigated by Council is whether the SRV can be delayed to a later time, and if it were, would Council still meet the required FFF Benchmarks by 30 June, 2020 and would Council's operational needs be able to be met in the short term. For example what would be the impact of delaying the SRV to 2018/2019 or beyond.

A review of the Long Term Financial Plan will show that the estimated 2017/2018 Budget result with existing Service Levels and Asset needs being met is a DEFICIT of \$0.51M. This Deficit increases to \$1.04M in 2018/2019, then to \$1.60M in 2019/2020. The ongoing Budget Deficits then continue at a similar level to 2025/2026 and beyond. Accordingly, given that the SRV remains as the only means of addressing Council's Revenue and Expenditure needs its implementation cannot be further delayed without seriously impacting Council's Service Delivery, Asset Maintenance, Asset Renewal and related Risk Management Programs.

Any delay in implementing the SRV would also negatively impact Council's FFF Benchmarks, leading to Council not being "Fit for the Future".

\$510,000 is all that is required to keep all assets at their current condition.

Once the backlog is cleared, would they reduce rates as the funding (apparently) required for the backlog will no longer be required.





How does Inverell Shire's General Rate Income Compare with the Region?

General Rates only represent approximately 30% of Council's General Fund income. The remainder of the General Fund Income comes largely from Annual Charges (can only be utilised for the purpose they are levied for, eg Waste Charges can only be used to Fund Waste Services), User Fees and Charges and Government Grants and Contributions.

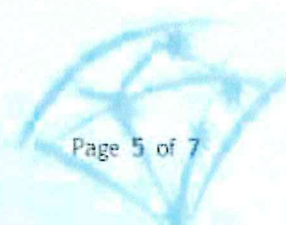
The following table shows the General Rate Income of the other Councils in the Region:

2014/2015 AUDITED RESULTS	Farmland Rates	Residential Rates	Mining Rates	Business Rate	TOTAL GENERAL RATE INCOME \$
Tamworth Regional Council	5,325,636	20,663,321	16,458	5,656,776	31,662,191
Moree Plains Shire Council	14,056,808	4,200,878	-	2,423,784	20,681,470
Armidale Dumaresq	2,570,910	9,190,362	23,798	2,250,900	14,035,970
Narrabri Shire Council	5,898,596	4,041,235	690,337	1,281,941	11,912,109
Inverell Shire Council	3,290,612	4,889,543	-	2,077,008	10,257,163
Gwydir Shire Council	4,818,253	755,808	-	130,010	5,704,071
Glen Innes Severn Council	2,361,290	2,640,433	290	47,421	5,549,434
Uralla Shire Council	1,938,781	1,475,831	-	98,989	3,513,601
Guyra Shire Council	874,328	705,611	2,949	98,778	2,681,666

NOTE: 2014/2015 Figures are the last available Audited Figures available for all the Councils. All of the Councils rates have increased by at least the IPART determined Rate Peg since 2014/2015.

The Average SRV in the Region since 2011 has been 27.09%. Glen Innes has received a 26.82% SRV implemented over three years from 2014/2015 to 2016/2017, Gwydir Shire has now received a 30% SRV implemented over 2015/2016 and 2016/2017, and Narrabri Shire will be applying for a 15% SRV for 2017/2018 to 2019/2020 plus Rate Peg under their FFF Roadmap.

Since 2011, 128 NSW Council's have received an SRV with the Average SRV being over 20%. A review of the Table above will show that Inverell would still have the lowest General Rate Income of the large Rural Council's in the Region by a significant margin after the 14.25% SRV. Council notes that it also has some of the lowest Water, Sewerage and Waste Management Charges in the Region.





What does the Special Rate Variation mean for me?

The 2016/2017 Budget provided for Council levying the following General Rates after applying the 1.8% IPART determined Rate Peg for 2016/2017:

% OF REVENUE FROM CATEGORIES			
RESIDENTIAL	40.23%	\$	4,318,703
RURAL RESIDENTIAL	7.49%	\$	804,466
FARMLAND	32.15%	\$	3,452,089
BUSINESS	20.13%	\$	2,160,959
MINING	0.00%	\$	-
TOTAL GENERAL RATE REVENUE		\$	10,736,217

This distribution of the Rate Burden has been relatively unchanged since Inverell Shire Council was formed in 1979.

If this existing distribution of the Rate Burden is applied to the FFF Roadmap SRV, then average rate increase from the SRV would be as shown in the following table:

INVERELL SHIRE COUNCIL RATING CATEGORY	Average Property Valuation (Valuer General)	AVERAGE WEEKLY INCREASE IN RATES IN 2019/2020 FROM THE SRV
Residential - Inverell	56,201	\$ 2.62
Residential - General	45,663	\$ 2.17
Residential - Ashford	12,295	\$ 1.30
Residential - Delungra	20,669	\$ 1.32
Residential - Gilgai	32,841	\$ 1.50
Residential - Yetman	15,008	\$ 1.28
Residential Rural	117,001	\$ 2.52
Farmland	485,865	\$ 7.27
Business - Inverell	137,269	\$ 13.17
Business - Other	48,417	\$ 4.20
Mining		\$ -



The following table provides further information in respect of the overall financial impact of the SRV:

INVERELL SHIRE COUNCIL RATE SUMMARY TABLE INCLUDING THE RATE PEG PLUS THE 14.25% SPECIAL RATE VARIATION

RATING CATEGORY	No of Assets	Baseable Value (2017/2018)	2017/2018 Average Rate	2017/2018 Average Rate with 1.5%	2017/2018 Average Rate with 2.5%	CUMULATIVE SRV IMPACT YEAR 1 above 2017/2018 Levels	2018/2019 Average Rate with 1.5%	2018/2019 Average Rate with 2.5%	CUMULATIVE SRV IMPACT YEAR 2 above 2018/2019 Levels	2019/2020 Average Rate with 1.5%	2019/2020 Average Rate with 2.5%	CUMULATIVE SRV IMPACT YEAR 3 above 2019/2020 Levels	2020/2021 Average Rate with 1.5%	2020/2021 Average Rate with 2.5%	WEEKLY INCREASE INCLUDING RATE PEG AND SRV
Residential - Inverell	473	223,362,657	\$ 895.99	\$ 925.88	\$ 994.41	\$ 58.91	\$ 962.86	\$ 992.85	\$ 1,052.50	\$ 1,007.42	\$ 1,043.02	\$ 268.34	\$ 1,032.42	\$ 1,068.47	\$ 4.01
Residential - General	431	19,582,745	\$ 531.81	\$ 555.80	\$ 614.53	\$ 62.93	\$ 579.63	\$ 593.62	\$ 656.07	\$ 594.02	\$ 608.07	\$ 155.26	\$ 593.02	\$ 607.07	\$ 2.59
Residential - Ashford	254	3,122,919	\$ 407.80	\$ 438.18	\$ 477.47	\$ 30.47	\$ 456.63	\$ 466.62	\$ 512.99	\$ 481.37	\$ 495.35	\$ 102.22	\$ 480.37	\$ 494.35	\$ 1.57
Residential - Delingra	142	3,055,070	\$ 472.72	\$ 494.54	\$ 532.27	\$ 29.56	\$ 496.66	\$ 506.65	\$ 558.08	\$ 509.07	\$ 523.04	\$ 105.03	\$ 508.07	\$ 522.04	\$ 2.62
Residential - Gilgai	103	3,481,100	\$ 532.22	\$ 545.52	\$ 582.24	\$ 34.02	\$ 558.16	\$ 568.15	\$ 627.30	\$ 573.14	\$ 583.14	\$ 119.12	\$ 572.14	\$ 582.14	\$ 2.29
Residential - Yetman	66	580,930	\$ 465.74	\$ 477.38	\$ 493.72	\$ 27.98	\$ 485.31	\$ 496.31	\$ 529.51	\$ 501.58	\$ 512.58	\$ 102.21	\$ 500.58	\$ 511.58	\$ 1.57
Residential Rural	303	178,578,680	\$ 368.89	\$ 388.95	\$ 425.36	\$ 56.47	\$ 410.77	\$ 420.77	\$ 462.91	\$ 432.54	\$ 442.54	\$ 197.64	\$ 431.54	\$ 441.54	\$ 3.50
Farmland	1396	648,115,277	\$ 2,603.80	\$ 2,648.50	\$ 2,747.02	\$ 163.92	\$ 2,714.71	\$ 2,764.71	\$ 2,948.83	\$ 2,762.58	\$ 2,812.58	\$ 576.70	\$ 2,802.58	\$ 2,852.58	\$ 11.09
Business - Inv, Industrial / Commercial	415	57,373,345	\$ 4,712.34	\$ 4,830.14	\$ 5,207.10	\$ 284.76	\$ 4,950.90	\$ 5,074.07	\$ 5,370.10	\$ 5,074.07	\$ 5,197.24	\$ 1,047.04	\$ 5,187.24	\$ 5,294.38	\$ 20.14
Business - Other	144	6,972,058	\$ 1,327.89	\$ 1,366.96	\$ 1,433.01	\$ 105.21	\$ 1,385.02	\$ 1,423.65	\$ 1,548.93	\$ 1,423.65	\$ 1,462.28	\$ 320.55	\$ 1,452.28	\$ 1,485.83	\$ 6.16
Mining	0	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	7964	1,081,383,717													

Table shows the average weekly increase in General Rates from the Special Rate Variation, both with and without the IPART Rate Peg
For example the average increase in the General Rate for an Inverell Residential Ratepayer is \$2.62 per week, or \$4.01 per week including the annual Rate Peg

RATE PEG - Annual	2017/2018	2018/2019	2019/2020
- Estimated	1.52%	2.50%	2.50%
- Estimated	1.52%	2.50%	2.50%

ATTACH C

1	Central Darling RTM 790 2263 2082 137 44	Central Darling	790
2	Lachlan RAL 637 2658 2307 231 120	Lachlan	637
3	Cobar RTL 620 1471 1287 134 50	Cobar	620
4	Bourke RAM 572 1710 1530 144 36	Bourke	572
5	Walgett RAL 563 2067 1871 145 51	Walgett	563
6	Inverell RAV 391 2250 1990 160 100	Inverell	391
7	Warrumbungle RAV 386 2307 2037 169 101	Warrumbungle	386
8	Clarence Valley URM 381 3184 2562 307 31	Clarence	381
9	Wentworth RAL 368 1327 1139 137 51	Wentworth	368
10	Warren RAM 359 1308 1174 76 58	Warren	359
11	Mid-Western Regional URS 334 2082 1763	Mid-Western	334
12	Carrathool RAM 314 1286 1078 151 57	Carrathool	314
13	Wakool RAM 290 1705 1509 138 58	Wakool	290
14	Greater Hume RAV 283 1854 1574 162 118	Greater Hume	283

ATTACH D

al Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

Class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2015/16 Required maintenance	2015/16 Actual maintenance	Carrying value	Gross replacement cost (GRC)	Assets in condition as a percentage of replacement cost			
								1	2	3	4
Buildings	Buildings – non-specialised	–	–	342	458	20,347	22,174	62%	38%	0%	0%
	Buildings – specialised	–	–	97	90	9,925	11,218	0%	100%	0%	0%
	Sub-total	–	–	439	548	30,272	33,392	41.2%	58.8%	0.0%	0.0%
Other structures	Other structures	–	–	141	146	12,255	13,532	6%	94%	0%	0%
	Sub-total	–	–	141	146	12,255	13,532	6.0%	94.0%	0.0%	0.0%
Roads	Sealed roads	5,097	–	2,609	2,763	129,097	167,122	17%	72%	9%	2%
	Unsealed roads	–	–	1,502	1,507	40,868	45,334	43%	52%	5%	0%
	Bridges/Culverts/Causeways	–	–	321	174	95,642	124,233	18%	72%	10%	0%
	Footpaths	–	–	106	99	5,026	6,374	21%	78%	1%	0%
	Bulk earthworks	–	–	–	–	105,803	105,803	100%	0%	0%	0%
	Sub-total	5,097	–	4,538	4,543	376,436	448,866	39.5%	53.1%	6.6%	0.7%

Frequently Asked Questions (FAQs) | Special Rate Variation

What is Rate Pegging?

Council's rating revenue is regulated under the NSW Government's 'rate pegging'. The Independent Pricing and Regulatory Tribunal (IPART) sets a rate peg which limits the amount by which councils can increase their total rate revenue from one year to the next. For many years, the rate peg limit has not kept pace with the increases in costs for councils to deliver services.

What is a special rate variation?

After IPART announces the rate peg for the upcoming year, councils can then have a conversation with the community as to whether the increase is sufficient to continue to deliver the existing range and standard of services available, whilst also ensuring there is sufficient funds to maintain and renew infrastructure. If they feel the increase is insufficient, Council can request an increase above the rate peg limit. These increases are known as a Special Rate Variation (SRV).

Applications for increases above the rate peg limit are assessed by IPART. IPART has stringent criteria which a council must meet before approving any application.

Why do we need a special rate variation?

Our community has consistently told us that assets like roads, footpaths and drainage are important to them, but we need to improve their condition. In addition to this, in 2014 the NSW State Government initiated its Fit for the Future local government reform program that required all NSW councils to submit a proposal demonstrating plans to achieve long term financial sustainability and meet seven asset and financial benchmarks.

The proposed Special Rate Variation is an important step to help maintain and manage our current assets and ensure we deliver services in line with community expectations and remain financially sustainable.

What will the SRV be spent on?

The impact of the SRV on the Long Term Financial Plan of Inverell Shire Council will be an increase of \$13.66 million. Funds will be allocated to our regional and shire road network, including:

- \$5.1 million on roads infrastructure backlog;
- \$3.22 million to ensuring the General Fund remains in balance and all service levels across all Council's functions are maintained;
- \$2.33 million to additional maintenance of the rural road network (drainage, patching, roadside slashing, bitumen maintenance);

- \$1.47 million to bitumen reseals and gravel re-sheeting;
- \$0.99 million to road grading;
- \$0.30 million for urban asset renewals on urban streets; and
- \$0.25 million allocated to culverts, drainage and footpath renewals.

Visit our website www.inverell.nsw.gov.au and click on the Special Rate Variation link for further details.

How much will my rates go up?

The increase in rates (in terms of dollars) will vary for residents across the shire. The reason for this is that Council uses the land value of properties throughout the shire to determine the level of rates each property owner should pay.

In other words, land value determines how Council's total rate income will be collected from each property owner. To allow residents to understand the impact of each of these scenarios, a number of tables which show the proposed rate increases based on land value ranges have been provided in the Financial Information fact sheet which provides an overview of the impact of each option based on land value ranges.

Visit our website www.inverell.nsw.gov.au and click on the Special Rate Variation link for further details.

Could some areas of Council become more efficient?

We continue to drive organisational efficiencies and are committed to a long-term service review program to ensure we deliver services and facilities that meet our community's needs in the most efficient way.

In recent years, Council has focused on making significant savings and efficiencies, including initiatives such as:

- Improved operational efficiencies by 24.75% over the last 7 years as measured by the NSW Government's 'Real Operating Cost per Capita Benchmark';
- Reviewing Council's Internally Restricted Assets (cash) and repurposing \$6.0 million to road asset renewals and reducing the road infrastructure backlog;
- Utilised loans to fund long term community infrastructure. As noted by Council's auditor at the November 2016 meeting of Council, loan funds are not available to meet ongoing operational or maintenance needs and should only be considered for long life capital infrastructure assets;
- Installation of solar energy on all major Council assets and also LED street lighting in all Inverell streets, saving \$445,000 per annum on electricity costs;
- Using technology and systems to improve productivity e.g. online mapping enquiries and electronic payment portal;
- Reviewed fees and charges income to introduce new 'user-pay' charges where possible;
- Delivered substantial efficiencies in its road renewal activities including gravel re-sheeting, bitumen reseals, heavy patching and major road rehabilitation; and
- Where possible, gained grant income to deliver new community infrastructure.
- Focusing on Work Health and Safety to reduce incidences, return staff to work sooner and reduce insurance premiums. Council's Workers' Compensation Insurance premium is now 1.67% of total



wages paid, compared to the Local Government average of 3.6%, leading to a saving of \$400,000 on insurance costs.

Despite these savings, we still do not have sufficient funds to meet the costs of providing the current service levels.

Can Council use grant funds to meet costs such as the infrastructure backlog?

There are substantial legislative restrictions over Council's funds. The Local Government Act 1993 (Section 409) states that funding granted to / collected by Council for one purpose cannot then be utilised for another purpose. In other words, a grant secured for sporting fields cannot be spent on roads. Only limited grant funding opportunities exist and are available for road asset renewal and upgrades and these generally have to compete on a State or Federal basis.

Is there an opportunity for Council to change its mind about a special rate variation?

Any council considering a rate increase must comply with the requirements set out in IPART guidelines, including a notification confirming their 'intention to apply' while they continue with consultation. Inverell Shire Council has confirmed this intention and has now notified IPART. The actual application (due in February 2017) cannot be submitted until Council makes a formal resolution to do so. Council will make this decision at a Council meeting in February 2017.

Why is Council consulting over Christmas and the January holiday period?

Council is complying with timeframes as established by IPART.

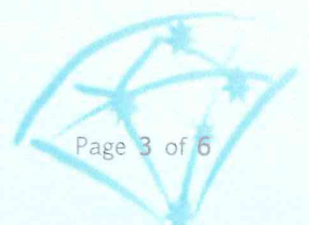
Council has consulted with the community on its Long Term Financial Plan 2016-2026 and draft Strategic Asset Management Plan 2016-2026 earlier in the year, however, we are required to consult over this period on the SRV application in order to meet IPART's February 2017 deadline. To compensate we have extended this exhibition period to over 50 days (11 December 2016 to 1 February 2017).

Why aren't the water and sewer services included in these documents?

The Local Government Act requires councils to fund water and sewer as separate functions. This is the reason why water and sewer rates and user charges are shown separately on your Council rates notice.

The proposed Special Rate Variation is for General Operations only. As this does not apply to water and sewer rates and user charges, they have been excluded from these documents.

How do our rates compare with others?



Many residents have asked us how we compare to other councils in terms of the average residential rate bill. Since 2011, the average SRV in the region has been 27.09%. Glen Innes Severn has received a 26.82% SRV for three years commencing 2014-15, while Gwydir Shire has now received a 30% SRV. Narrabri Shire will be applying for a 15% SRV commencing next financial year.

While this is not necessarily always a good measure of “value” as the range and quality of services in each local government area varies, the following table provides a regional comparison:

	Farmland Rates	Residential Rates	Mining Rates	Business Rates	Total General Rate Income
Tamworth Regional Council	5,325,636	20,663,321	16,458	5,656,776	31,662,191
Moree Plains Shire Council	14,056,808	4,200,878	-	2,423,784	20,681,470
Armidale Dumaresq	2,570,910	9,190,362	23,798	2,250,900	14,035,970
Narrabri Shire Council	5,898,596	4,041,235	690,337	1,281,941	11,912,109
Inverell Shire Council	3,290,612	4,889,543	-	2,077,008	10,257,163
Gwydir Shire Council	4,818,253	755,808	-	130,010	5,704,071
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Uralla Shire Council	1,938,781	1,475,831	-	98,989	3,513,601
Guyra Shire Council	874,328	705,611	2,949	98,778	2,681,666

Note: The above 2014-15 figures are the most recent available audited figures for all the councils. All of the councils' rates have increased by at least the IPART determined Rate Peg since 2014-15.

What happens if IPART doesn't approve a rate increase for Council?

Council is committed to implementing its Improvement Proposal, which includes the proposed Special Rate Variation, and meeting the benchmarks set by the NSW State Government under the Fit for the Future reform agenda.

If a special rate variation is not approved by IPART then Inverell Shire Council would not meet the criteria set by the NSW Government to be deemed 'fit for the future'. Council would need to seek guidance from the NSW Government as to how they wish us to proceed.

Council has plenty of money invested, why don't you use that instead of increasing rates?

Council's audited investments as at June 2016 was \$51.83 million. \$33.06 million relates to externally restricted assets such as developer contributions and unexpended grants. \$15.93 million relates to work Council has already committed to undertake, employee leave entitlements and replacement of major plant and equipment. Taking into account these restrictions, Council's unrestricted balance (working capital) was

\$2.84 million. Working Capital is required to ensure Council has sufficient liquidity to fund its operations and it also acts as a buffer for any unplanned emergency events which may need to be funded through the budget.

Why should I have to pay higher rates when I don't use many Council services?

A significant amount of Council's rate income is used to fund essential infrastructure services (maintenance and renewal) which are used by residents every day. This includes roads, footpaths, drainage and community facilities. The majority of residents use these services every day.

In addition to these infrastructure services, Council provides many community based programs and services to a wide range of users across the shire. These services are funded either through user charges, general rate income, or in some cases a combination of both user charges and general rate income. Where services are subsidised through general rate income, it is on the basis that Council plays an important role in ensuring access and participation to ALL residents for the use of these community based programs and services.

What other factors could impact on how much rates I have to pay?

Council rates are calculated based on the value of your land, as determined by the NSW Valuer General. Updated land values are provided to Council every three years. A general revaluation is due to effect land valuations to properties throughout the Shire from 1 July 2017. Any significant fluctuation in your land valuations will also have an impact on the amount of rates you pay.

Are there concessions for pensioners?

The mandatory \$250 rebate (set by the NSW State Government) is the level which Council currently offers. This rebate is not indexed in line with future rate increases.

Council has not factored in any additional increase in this rebate for pensioners within its proposed Special Rate Variation.

Is there any help for people who can't pay their rates?

Council acknowledges that any rate increase may adversely impact some community members. Council has mechanisms in place to assist ratepayers should they incur difficulty in keeping up with their rates payments. Contact Council for further information on 67288288.

What is the timeline for what happens next?

Council made a submission to the NSW State Government outlining how it will be 'Fit for the Future'. The submission can be read on [IPART's website](https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations) <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/Special-Variations>.

December 2016 – Commencement of community engagement period, which will include static displays, information kiosks, launch of My Inverell My Say website and a newsletter distributed to all residents. Council engaged University of Technology Sydney who will conduct a telephone survey of a representative sample of local residents.

January 2017 – University of Technology Sydney will independently facilitate a workshop with local residents to conduct more in-depth community engagement.

February 2017 – Deadline for community members to submit feedback (1st February) on the SRV and also the deadline for Council to formally apply to IPART for a SRV.

What if I don't agree with my new land valuation?

You can find further Information about the NSW Valuer General valuation process and how to request a review at the following website www.valuergeneral.nsw.gov.au. You will receive your notice of valuation in January / February 2017. As valuations are provided by NSW Land & Property Information on behalf of the NSW Valuer General, all enquiries should be directed to NSW Land & Property Information:

Phone: 1800 110 038

Website: www.lpi.nsw.gov.au/land_valuation

If the value of my land increases does that mean Council's total rate income will also increase?

No it will not. Council's rate income in total can only increase by the percentage increase (known as the rate peg) which is set by The Independent Pricing and Regulatory Tribunal (IPART).

Council uses the land value of properties throughout the shire to determine the level of rates each property owner should pay. In other words, land value determines how Council's total rate income will be collected from each property owner.

Updated land valuations are provided to Council every three years. These valuations are determined by the NSW Valuer General. The valuation process is something Council cannot influence. Any significant fluctuation in your land valuation will impact on the amount of rates you pay.

However, it's important to remember this will not result in Council receiving any additional increase in income above the percentage increase approved by IPART.

If I lodge an objection to my land valuation and it is reduced, will that mean my rates will also decrease?

Once NSW Land & Property Information have advised Council of the adjustment to your land value, then yes, Council will amend your rates to reflect the new land value.

Attachment one .I
change.org comments.



Reply



3 wks ago

REASON FOR SIGNING

Being a pensioner it is just way too much to ask considering how we have to find \$2350 per annum now

0

Delete



Reply

Share this petition

292 supporters

208 needed to reach 500

- Share on Facebook



No to Inverell Shire Council's unnecessary 14.25% Special Rate...



3 wks ago

REASON FOR SIGNING

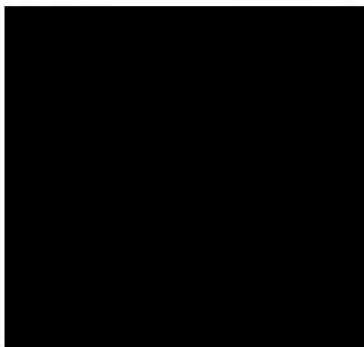
As a rent payer the owners will have no choice but to increase our rent!

1

Delete



Reply



3 wks ago

REASON FOR SIGNING

As pensioners its getting harder to afford the continual rises we have been getting let alone a huge rise. Living at [REDACTED] we dont see much benifit from rates as it is.

0

Delete

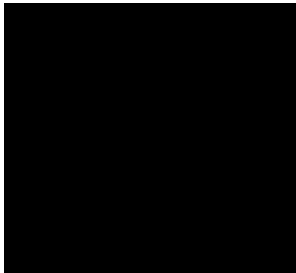
The rate increase = rent increase .

1

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Reply



3 wks ago

REASON FOR SIGNING

It's unfair to raise rates when they are already more expensive than some of the major cities

0

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Reply



Reply



3 wks ago

REASON FOR SIGNING

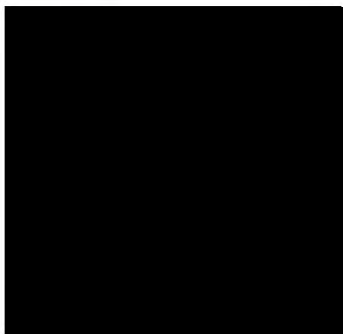
As a casual employee at [REDACTED] getting 27 hours cut back, as well as paying rent, doing uni and paying bills, I can't afford a rental increase. I'll have no choice but to depend on Centrelink, which was an option I was trying to avoid.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING



3 wks ago

REASON FOR SIGNING

As a rural ratepayer and rural business owner, I cannot simply apply for a 14.25% increase in my income and get it. Council should look at ways to operate more efficiently within its existing means, as we all have to do.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I don't think it is necessary when the council applied for a grant to do up the main street that majority ruling didn't want, I moved here from the Central Coast 3 yrs ago. Rates are quite expensive & not as many services here from council.

0

Delete

3 wks ago

REASON FOR SIGNING

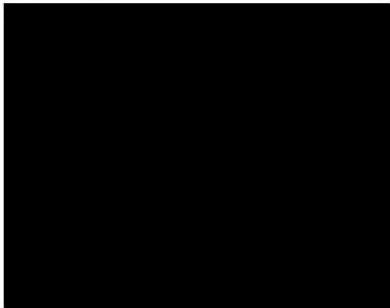
I am a rate payer and haven't seen any improvement or advancement in the community from last years profit.

0

Delete



Reply



Australia

3 wks ago

REASON FOR SIGNING

Because as a home I already pay over \$2500 rates a year...

0

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Reply

REASON FOR SIGNING

They need to stop wasting money

0

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Reply

Sue Barnes

Australia

3 wks ago

REASON FOR SIGNING

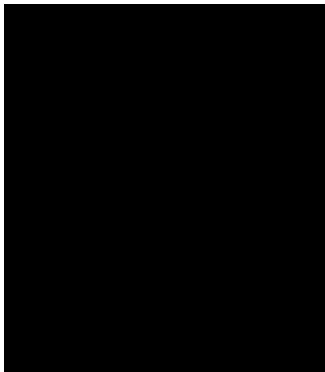
Less services more fees eg: roadside mowing and upkeep

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I think we pay enough anyway

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

absolute joke spent a fortune up at the dump concrete and weighbridges and yet when the garbage truck wrecks your bin they wont replace it because its more than 5 years old

0

Delete



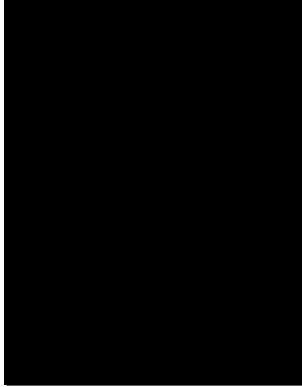
Reply



3 wks ago



Reply



3 wks ago

REASON FOR SIGNING

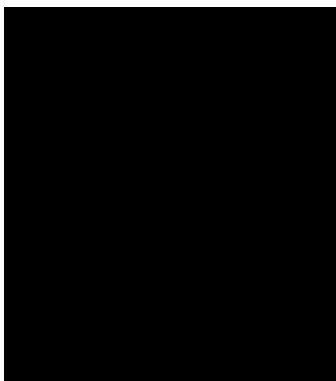
I don't think it is reasonable

0

Delete



Reply





3 wks ago

REASON FOR SIGNING

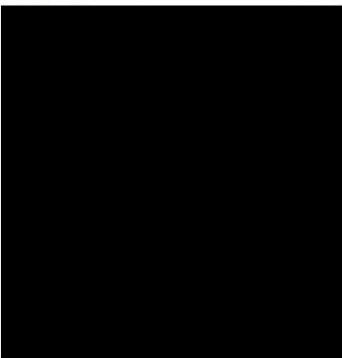
I can't afford to have my rent increased.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

We have one highest charges for rates as it is! We struggle enough without this rise!
As they say the rich get richer and poor get poorer :(

0

Delete

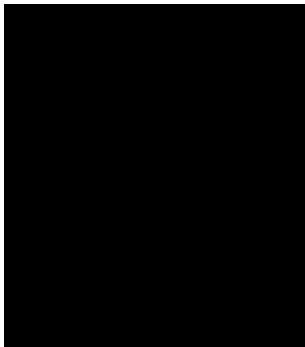
This is a ridiculous price hike.....are you trying to pay for the memorial, think twice about this, thought you wanted Inverell to grow.....this is a backward mive

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I am opposed to the wasted cost of redeveloping Inverell' business district. There seems to be a lot of flippant spending going on.

0

Delete



Reply



Reply



3 wks ago

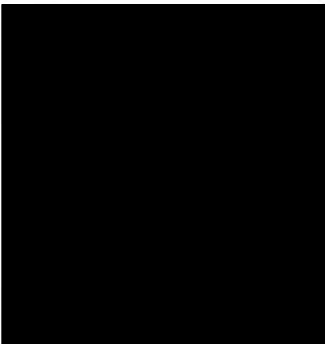
REASON FOR SIGNING

It is ridicules no one will be able to afford that

0
Delete



Reply



3 wks ago

REASON FOR SIGNING



Reply



3 wks ago

REASON FOR SIGNING

Council needs to stop wasting rate payers money an look at doing jobs more efficiently

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

PEOPLE ON THE LOWER END OF INCOME ARE STRUGLING

0

Delete

Delete



Reply

[REDACTED]
[REDACTED]

3 wks ago

REASON FOR SIGNING

Ludicrous. Just ridiculous!

0

Delete



Reply

[REDACTED]
[REDACTED]

3 wks ago

REASON FOR SIGNING

Ratepayers pay enough now, council is greedy, they should make do with what they've got like the rest of us have to

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

Council needs to be more efficient. As with any form of government, they have no money of their own. It is the money provided by the citizens.

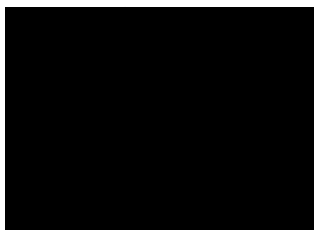
0

Delete

Show previous reply (1 total)



Reply



3 wks ago

REASON FOR SIGNING

I'm signing this petition because I can't afford to pay my rates as it is without the massive increase that is proposed. If I can't afford to pay my rates I'll be forced to sell my house in which I have lived in with my young family since 1998.

0



3 wks ago

REASON FOR SIGNING

The cost of living is high enough, can't afford anymore especially with new babies on the way.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

NO

0

Delete

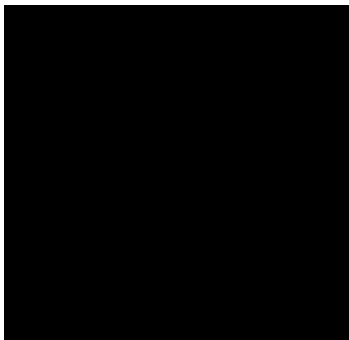
Because it's not fair

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I disagree with a rise by this much i feel it is excessive. As some one who owns a property the council has only done maintenance on our access road once in the two years since we purchased the property. We do get garbage disposal. But we are not on town water. So for these reasons i dont think an increass by this much is justified.

0

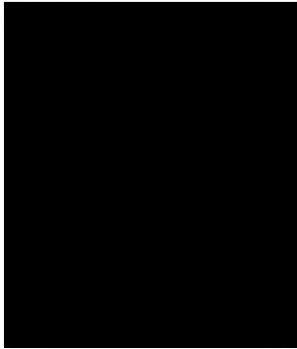
Delete



Reply



Reply



3 wks ago

REASON FOR SIGNING

We already are paying huge rates ,compared to sydney ,our land values are worth a quarter of the the land values in Sydney ,but our rates are nearly double of those in syney

1

Delete



Reply



3 wks ago

REASON FOR SIGNING

3 wks ago

REASON FOR SIGNING

We are a very low income family with 2 special needs children. A rates increase of this magnitude could cripple families like ours... and there are a LOT of them in Inverell and the surrounding district.

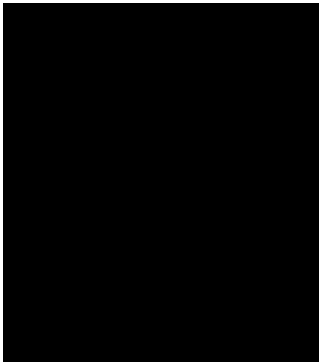
We have garbage disposal, but we must drive our bins 300m down the road to meet the truck. We have no town water. Our access road is maintained once a year if we're lucky, so the services Inverell Shire provide our HOME are few. We are proud of the work Inverell Shire does for our beautiful town, but an increase like this will hit families too hard.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I will be purchasing a home in the future. But not here if the rates keep increasing. It's a joke as it already is.

0

Delete

Too much of an increase in one year would undoubtedly create difficulties for people on low fixed incomes, pensioners, renters, etc. We are lucky to have such a beautiful town and must admit the council doe a great job but please treasure the residents and look after us all also.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

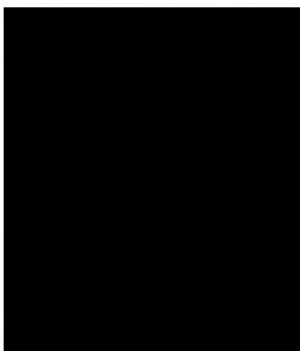
I can't afford to pay anymore.

0

Delete



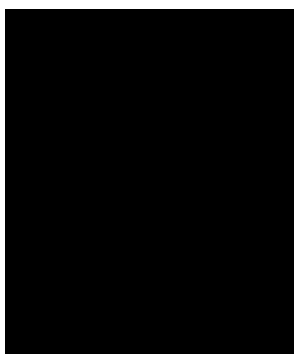
Reply



Delete



Reply



3 wks ago

REASON FOR SIGNING

No to rate rise

0

Delete

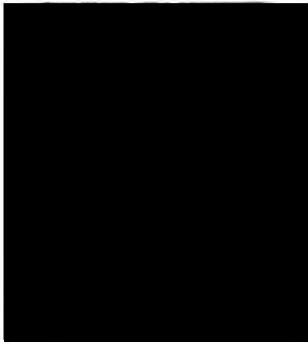


Reply



3 wks ago

REASON FOR SIGNING



3 wks ago

REASON FOR SIGNING

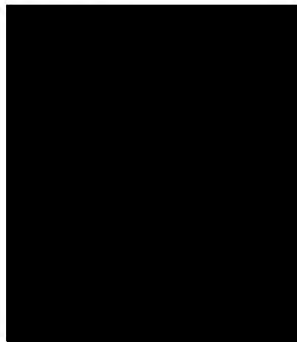
At his is a ridiculous and unnecessary price hike.
People are struggling as it is, where do you expect them to find that much extra money

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

We have to drive 300 meters for rubbish deposal as for the road it is not maintained very well and lucky if they come once a year to maintain it. Any increase would not be a good out come for me on low income pension

0

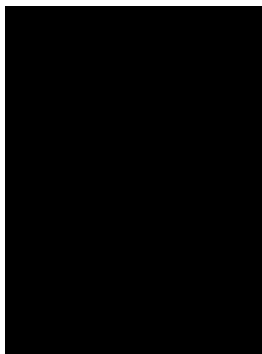
Stop planting \$1000 dollars of flowers in the roundabouts and xmas tree that is ridiculous etc and they may have more to spend on needs.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

The rates are expensive as it is, an increase will place extra unnecessary pressure on ratepayers who already struggle to pay for the rising costs for essential needs such as food, electricity, gas, fuel, healthcare and education. This rate increase will impact detrimentally on businesses and the community, the flow on effect could very well "pull the rug out from under" Inverell.

0

Delete



Reply



Reply



3 wks ago

REASON FOR SIGNING

I'm against the hefty rate rise as locals are struggling to live as it is

0

Delete



Reply



3 wks ago

REASON FOR SIGNING



Reply



3 wks ago

REASON FOR SIGNING

Ripple effect.....rates go up, rent goes up and all involved have less to spend so it affects Inverell at the end of the day....just saying!!

0

Delete



Reply



Fraser

3 wks ago

REASON FOR SIGNING

it's not reasonable at all

0

Delete

REASON FOR SIGNING

We simply cant afford this rise

Maybe if wages increased every year to help compensate for all these rises it might be a different story

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

As a recipient of an OAP, I struggle now to pay all that is necessary to keep the utilities, insurances, rates not to mention food and general living at the current rate.

Although I pay by installments this is some times not able to be paid due to falling at the same time as other DD payments.(DD)

Like my neighbours, we have garbage disposal, but we must drive our bins 300+m down the road to meet the truck. We have no town water. Our access road is maintained once a year if we're lucky, so the services Inverell Shire provides for us few.

0

Delete

3 wks ago

REASON FOR SIGNING

I own a property in Inverell. This rate increase is unnecessary money grab by the money grubs of the Council. Time to be voted out I would say.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

It's unnecessary

0

Delete



Reply



3 wks ago

Delete



Reply



3 wks ago

REASON FOR SIGNING

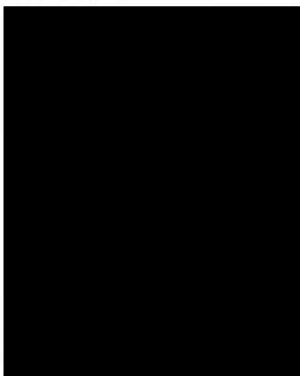
People in the community struggle enough. It's absolutely ridiculous that our council would even consider such a rise. Maybe the council should think about how they invest the money they are already getting from homeowners. We are a family of 4 and the cost of living is already high. How can we expect the younger generation to stay & buy a home in Inverell & raise their families when we are just adding to expenses.

0

Delete



Reply



0

Delete



Reply



3 wks ago

REASON FOR SIGNING

iNVERELL Council remember if this rate rise goes ahead our economic position goes down.
Increased rates less to spend ON ALL THINGS

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

Because it's not needed

0



Reply



3 wks ago

REASON FOR SIGNING

Inverell Shire council already spends too much money against the wishes of what ratepayer & business owners want.

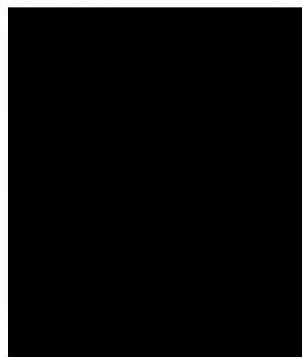
The Outrageously overpriced Christmas Tree for example.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I'm signing because I am sure we pay quiet enough rates etc in comparison to other towns , find another way to fund the things if Inverell instead of hitting the home owners that are already struggling



3 wks ago

REASON FOR SIGNING

as a young family on a 1 wage income this will put a lot of stress on us financially

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

Donr need a rate rise ...there to expensive now .and what are we going to get for the extra rates they we will be hit with

0

Delete

REASON FOR SIGNING

Hubby and myself have just a part single pension to live on.

Council should push the State government harder for more of a fair share of state revenue for their citizens. After all NSW is the only state in Australia in surplus.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I was on the paid panel and we did not agree to this (which is what they are saying we did). Most of us recognised the need for the rise. HOWEVER we did not agree that it should be to that extent for that period of time. We suggested less over the same period, or the same but over a longer period. I doubt either of these options have been looked into. I feel the data has very much been misused to push the council agenda.

0

Delete

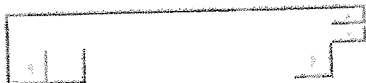


Reply

From what I've heard, Inverell council is one of the wealthiest in nsw

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

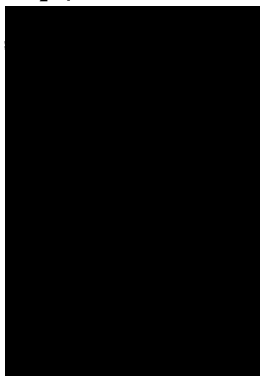
I'm opposed to the rate rise

0

Delete



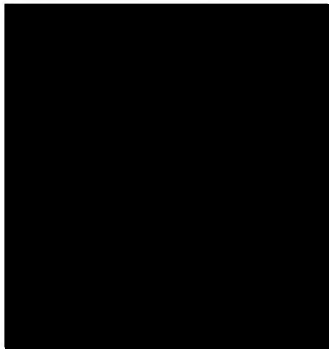
Reply



3 wks ago



Reply



3 wks ago

REASON FOR SIGNING

I agree with all the issues raised here and am also very worried about not having enough money to cover the proposed rate rise.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING



Reply



3 wks ago

REASON FOR SIGNING

I feel the rate increase is unnecessary and will make life more difficult for low income earners, particularly elderly people

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

Rates are high enough now Inverell does NOT need its main street upgraded

2

Delete



Reply



3 wks ago

REASON FOR SIGNING

I cannot keep up with the cost of living now.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

Although I live in Qld I feel our little home is bleeding our pensioner funds with these very unnecessary rate rise!

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I don't want a rate rise.

0

Delete



Reply



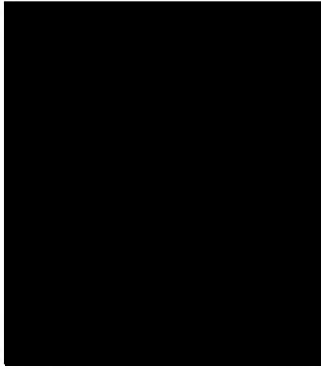
3 wks ago

REASON FOR SIGNING

Because my rates are high enough thanks

0

Delete



3 wks ago

REASON FOR SIGNING

I completed the telephone questioning and was only given 2 options - increase rates or lose services. There was no other option given and no opportunity to state your thoughts or comment further.

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I don't want any rate rise. I want more inferstruture mainly roads in rural areas.

0

Delete

REASON FOR SIGNING

Our rates are HIGH ENOUGH - you are going to run us all out of this town we love to live in. Way too high a raise in one go - please reconsider!

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

To me Inverell Shire Council has always since we've lived here, (17 years) been an example to all other shires I know of good management. It is a great disappointment to find that they can no longer manage there funds and want to increase the rates by so much. THERE IS NO EXCUSE TO INCREASE RATES TO THIS EXTENT - HOW MUCH SALARY ARE THE MAYOR AND STAFF RECEIVING? Should they continue to pursue this ridiculous increase our bragging about council's efficiency will be reversed.

0

Delete



Reply

REASON FOR SIGNING

Puts too much pressure on already struggling businesses & families

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

What will higher rates achieve?? The roads have had the same minimal upkeep for over 10 years and the cbd is already dangerous with the plants in it. Oh and why are we ripping out plants the day after they flower?? Maybe better planning not more money from rate payers that's spent on councillors trip home!!

0

Delete



Reply



3 wks ago

2 wks ago

REASON FOR SIGNING

The last rate rise has almost busted me. Im struggling to scape enough together and definitely wont make the due date

0

Delete



Reply



3 wks ago

REASON FOR SIGNING

I apose a rate rise of that much.

0

Delete



Reply



3 wks ago

2 wks ago

REASON FOR SIGNING

FARMERS ARE EXPECTED TO LIVE WITHIN THERE MEANS & SO MUST LOCAL GOVERNMENT. in another place and time I helped force a rate cut of 30% and the world did not come to an end.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

Rates are too high for us too afford now.

0

Delete



Reply



Incomes have not risen, everything else has,
I Can't Afford It, Any More is like Blood from a Stone

0
Delete



Reply



2 wks ago

REASON FOR SIGNING

As usual the elected officials are looking after themselves instead of those who elected them.

0
Delete



Reply





Reply



2 wks ago

REASON FOR SIGNING

the council already gets plenty of funds which it waste by giving it to big business. the council needs to stop trying to rip off its residences.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

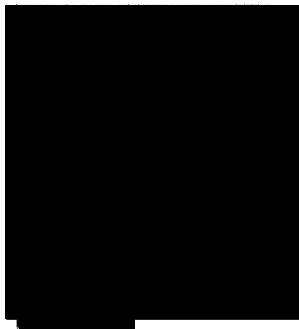
I don't want a rate rise.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

The data presented was high in gloss and low in information. The survey was loaded with 'gimme' questions seeking approval of outcomes generally expected with no tangible relation to cost/benefit considerations.

The proposition was offered for consideration in a time frame not considerate of general availability.

The meeting within which it was decided made no allowance for public submission, despite interest to do so.

The council is particularly "well off"/financial, on what grounds given positive comparative performance outcomes can rate gouging be reasonably argued?

0

Delete

management, the managers, who ever they are, should be accountable and their ability to do the job they are well payed for should be questioned.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

I want the council to be more proactive in reducing the cost of supplying infrastructure and maintenance by applying more diligence in determining the costing of those services.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

The SRV is excessive in the current climate and should at the very least be stalled and reviewed once the increase in property values has been applied.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

The increase is too large showing poor financial management and foresight. A small increase eg CPI but 14% REALLY. In the real world of business this type of increase is unacceptable and customers would be lost, very quickly. Rate payers shouldnt have to cover for poor

0

Delete



Reply

[REDACTED]
[REDACTED]

2 wks ago

REASON FOR SIGNING

I believe that this rate increase is unjustified. There seems to be money spent in areas that can wait and money not being spent where it should be.

0

Delete



Reply

[REDACTED]
[REDACTED]

2 wks ago

REASON FOR SIGNING

More efficient management of ratepayers funds would be a more adult step than punishing the people who keep the decision makers in a job. Council, as a whole need to see this decision through the majority of the people who pay for responsible governance.

REASON FOR SIGNING

Inverell is, in my view, a beautiful town, its garden streetscape frequently drawing favourable comment from many a visitor. This aspect of Council management is to be complemented and maintained but kept in perspective with overall commitments - the money spent on planning "wildly excessive" street scape redesign and promotion and obscure art creations is a step too far when core responsibilities are not being met.

To redress budgeting problems with a rate hike of the magnitude proposed is offensive, simplistic and in reality unnecessary. I oppose the proposed SRV application to IPART.

I have heard it said that Inverell has to a large degree become a "welfare town" and business have and are struggling. If this is so, the impost of a 14.5% SRV will only exacerbate the struggle for these demographics and impose a considerable impact on the town. Increased land valuations and other general increases added to this would effectively mean the real cost to ratepayers would more realistically be greater, possibly in the range of 20 to 27%

It is also known that the Shire holds a \$52 Million cash reserve, a large percentage of which is committed to various budgets such as those required for long service, severance and holiday payments etc. This is understood as is the need for a contingency reserve for the unforeseen. It is further understood that the independent, external Auditor identified in excess of \$10 million of unidentified funds. Surely a percentage of this, together with prudent management of existing resources, informed and open decision making with an emphasis on core responsibilities, diligent workers in both administration and in the field, all with their shoulder to the wheel, would meet current needs and make the proposed 14.5% SRV excessive in the extreme.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

Council could save many millions of dollars by changing work practices.

to much

0

Delete



Reply



2 wks ago

REASON FOR SIGNING

I do not believe it is not necessary and is causing concern among pensioners

0

Delete



Reply

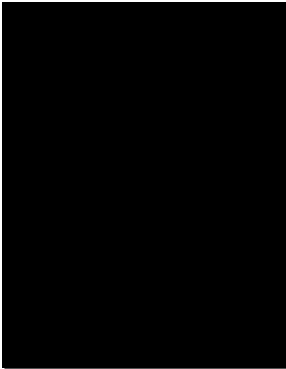


2 wks ago

Delete



Reply



2 wks ago

REASON FOR SIGNING

Council need to have a closer look at where savings may be made within council structure and council funded services before the implementation of a rate rise.

0

Delete



Reply



2 wks ago

REASON FOR SIGNING



Reply



1 wk ago

REASON FOR SIGNING

I am battling to make my property viable as it is. A large amount of Inverell shire is marginal country and we are battling to survive as it is. The only benefit we receive from paying rates to Inverell shire is the occasional grading of the northern 10km of Holdfast Road as we use this to travel to Queensland to do our shopping etc.

0

Delete



Reply



1 wk ago

REASON FOR SIGNING



0



Reply



1 wk ago

REASON FOR SIGNING

We live on a property 45 km from town on a gravel road that is at times in extremely bad repair. It costs us thousands of dollars each year in wear and tear on our vehicles. In dry times it has been hazardous to drivers because of the dust it creates, and has caused accidents because of the ruts filled with bull dust. We have no garbage collection and no water. Our rates are already very expensive and a rise in rates is totally unjustifiable.

0
Delete



Reply



1 wk ago

REASON FOR SIGNING

Rates are getting far to expensive for the person on the average wage.

0
Delete



Reply



1 wk ago

REASON FOR SIGNING

INCREASE IN RATES CAN NOT BE JUSTIFIED

0

Delete



Reply



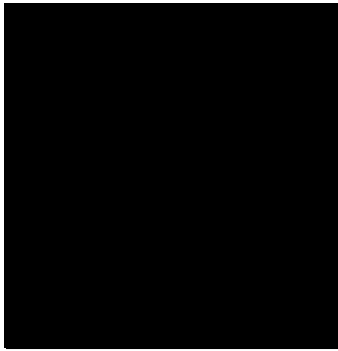
1 wk ago

REASON FOR SIGNING

I'm signing this petition because I disagree with the proposed rate increase.

0

Delete



6 days ago

REASON FOR SIGNING

Its out of reach to many families.

0

Delete



Reply



1 wk ago

REASON FOR SIGNING

We have just had a rate rise and living out of town with difficult access to services makes it hard to justify more rate increases

0

Delete

Australia

6 days ago

REASON FOR SIGNING

I'm an ISC rate payer. ISC rates are significantly higher than my capital city rates & I own a larger block & receive more services than ISC already provide.

0

Delete



Reply



6 days ago

REASON FOR SIGNING

I am a farmer and my rate bill is high enough now. I cannot justify a 14% rise

0

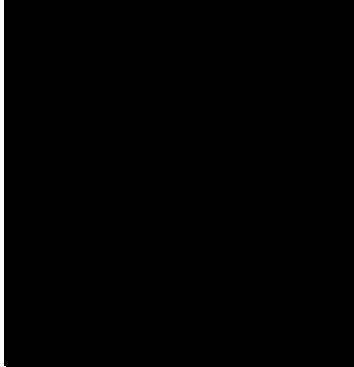
Delete



Reply



Reply



6 days ago

REASON FOR SIGNING

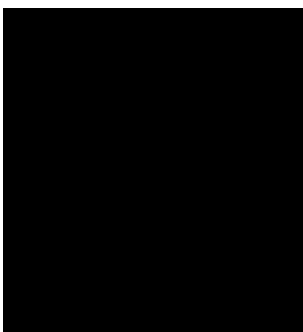
I feel we have been misled about the true size of the rate increase when the compounding effect and the CPI increase is taken into account. Also, if council's backlog is as small as they state there is no necessity

0

Delete



Reply



Inverell

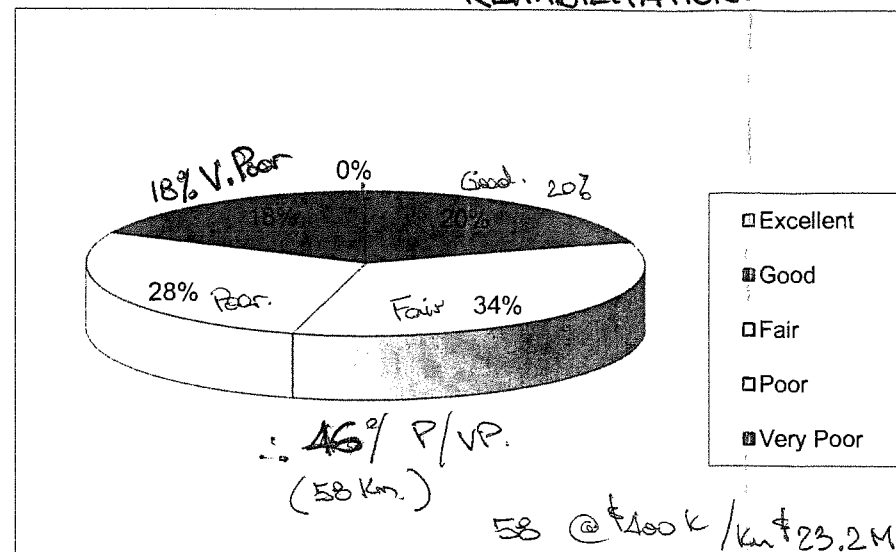
ATTACH J.

Roughness Chart (Kms)

REHABILITATION.

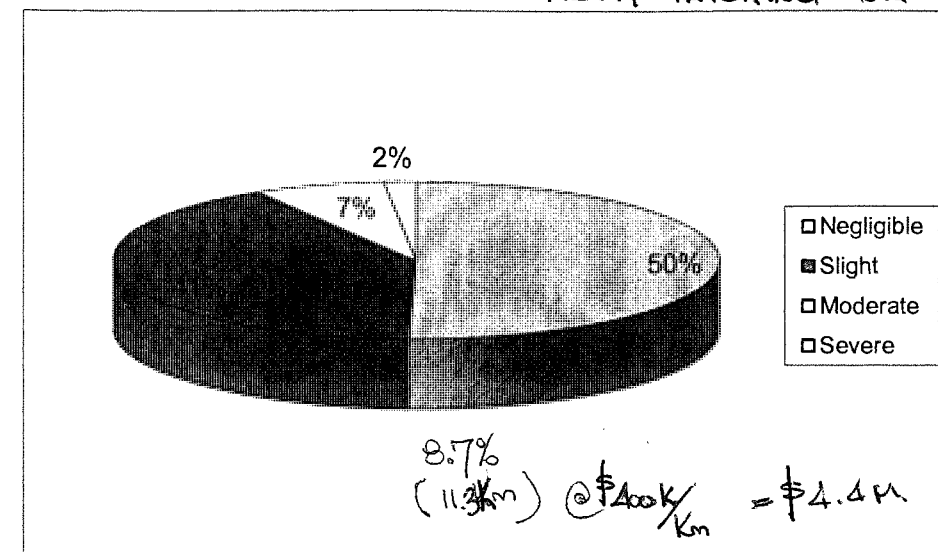
Urban		
Roughness	Kilometres	Segments
Excellent	0	0
Good	25	92
Fair	43	217
Poor	35	187
Very Poor	23	138
Total	126	634

Rutting		
Roughness	Kilometres	Segments
Negligible	64	322
Slight	51	255
Moderate	9	47
Severe	2	9
Total	126	633



Rutting Chart (Kms)

HEAVY PATCHING OR REHABILITATION.

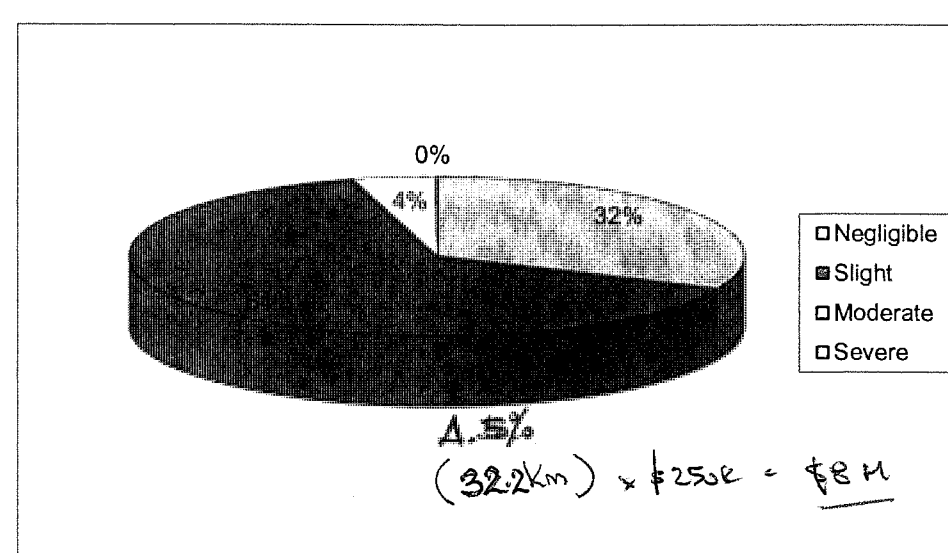
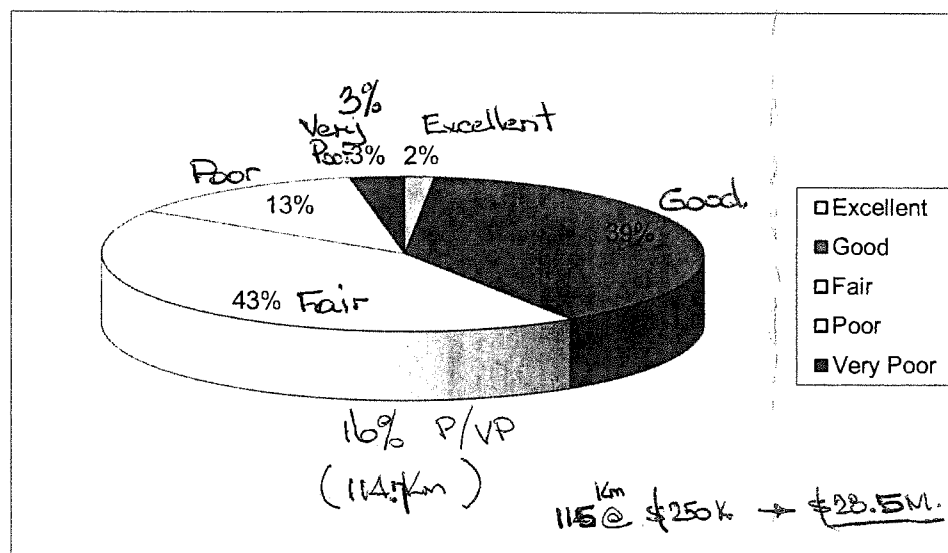


\$23.2 M
\$4.4 M
\$27.6 M

Roughness Chart (Kms)

Rural		
Roughness	Kilometres	Segments
Excellent	12	22
Good	281	321
Fair	311	330
Poor	93	122
Very Poor	21	56
Total	717	851

Rutting		
Roughness	Kilometres	Segments
Negligible	228	336
Slight	457	462
Moderate	31	48
Severe	1	5
Total	717	851



\$28.75 M
\$8.05 M
\$36.80 M

Roughness (NRM) Legend

Excellent = <40 Very smooth ride quality
Good = 40-80 Few minor bumps encountered
Fair = 80-110 Small up and down movement, Reasonably comfortable driving
Poor = 110-140 Small up and down movement, Feel rough in trucks, low comfort driving
Very Poor = >140 Uncomfortable driving, severe up and down and sideways movement.
Good control of steering must be maintained. Reduction in speed is often practised.

Rutting Legend

Negligible = 0-5mm
Slight = 5-10mm
Moderate = 11-20mm
Severe = >20mm

Total \$64.4 M.
+ Bridges 1.0
+ Gravel Rds.