

**IPART Submission on the “Fit For Future Proposal” submitted by the Clarence Valley Council**

9<sup>th</sup> July 2015

Dear Sirs,

It is clear from personal correspondence I have had with Clarence valley Councillors (CVC) and from reading their submission to IPART that the council wishes to increase Council Rates in the CVC area by 8% for a period of 5 years. As the majority of ratepayers have no ability to recoup these increases, this represents a significant reduction in their standard of living and ultimately negatively impacts on the competitiveness of Australia in general.

IPART has been delegated by the State Minister to regulate Council Rates. The rate peg for Clarence Valley Council set by IPART for 2015/16 was 2.4% which is near the current official inflation rate, and is in my view sustainable and reasonable. Why then does it appear that IPART is now a “rubber stamping” special rate variations by Councils in NSW ? As I understand it only one council in 15 has had such an increase refused and that was only temporarily while they complied with further ratepayer consultation. It is clear that IPART and hence the NSW State Government is happy to approve these “Special Rate Increases”, which makes a mockery of IPART’s so called Independence. Increases in Council Rates takes pressure off State Government coffers and heat off State Politicians in not needing to raise taxes; transferring this burden onto Local Councils. Who protects the ratepayers of NSW, certainly it does not appear to be IPART. Councils need to stop overspending and improve efficiency to meet their “Fit For Future” obligations (as does all Australian industry and business if we are to survive in the competitive World we now live in). The Rate increases approved by IPART should protect the public, and not only consider inefficient Councils desires, otherwise there is no need for a non independent IPART.

Yours sincerely,

Neville Robert J. Finch

