

**From:** Ron van Setten [redacted]  
**Sent:** Thursday, 9 March 2017 11:33 AM  
**To:** [redacted] Local Government Mailbox  
**Cc:** [redacted]



**Subject:** RE: Ballina Council's Proposed Special Rate Variation - Further objections

Please see commentary in red below. Note: the bulk address to councillors does not work.

Regards,  
*Ron van Setten*

[redacted]

**From:** Ron van Setten [<mailto:ron@orion64.com.au>]  
**Sent:** Thursday, 9 March 2017 10:54 AM  
**To:** [redacted]  
'localgovernment@ipart.nsw.gov.au'  
**Cc:** 'councillors@ballina.nsw.gov.au'  
**Subject:** Ballina Council's Proposed Special Rate Variation - Further objections

Regards,  
*Ron van Setten*

[redacted]

**From:** srvproposal [<mailto:srvproposal@ballina.nsw.gov.au>]  
**Sent:** Wednesday, 8 March 2017 2:58 PM  
**To:** [redacted]  
**Subject:** Thankyou for your feedback on Council's Proposed Special Rate Variatio  
*enquiries refer*  
**Cr David Wright**  
*in reply please quote*  
**1869**

8 March 2017

Dear Mr & Mrs van Setten

**Re: Proposed Special Rate Variation**

I refer to your submission to Council's consultation process in respect to the proposed special rate variation to finance the Healthy Waterways Program and increased expenditure on Asset Renewal.

A report on the feedback received during the consultation process was submitted to an Extraordinary Council meeting held on Friday 10 February 2017. As a result of that report the Councillors resolved, by majority vote (seven votes to three) to support an application to the NSW Independent Pricing and Regulatory Tribunal (IPART) for approval to increase our annual rate income by 4.9% in 2017/18, 5.9% in 2018/19 and 5.9% in 2019/20.

Councillors are elected by the ratepayers and are meant to represent their constituents. Their job is not to vote on matters according to their own personal interests or whatever self-serving endgame is involved. You do NOT have the mandate to submit your application.

A copy of the report and the minutes of that meeting are available on our website (refer to the Minutes and Agenda tab under the heading of Your Council) or by clicking on the following link [http://www.ballina.nsw.gov.au/cp\\_themes/default/agm.asp](http://www.ballina.nsw.gov.au/cp_themes/default/agm.asp) (navigate to 10 February Extraordinary meeting).

As a result of this resolution Council has now made a formal application to IPART and they will advise Council by late May 2017 whether the application is approved or not. The application includes copies of all the submissions received by Council, along with any other relevant documentation.

In respect to the feedback received by Council, there were 118 written submissions, of which approximately 90% opposed the entire proposal. There is a clear message in there, or didn't councillors see it?

There were also 501 responses to the on-line survey, with approximately 70% of those responses opposed to the entire proposal. What part of "No, we don't want a rate rise" do councillors not understand?

I know many people who provided a submission objecting are critical of the majority of Councillors who subsequently voted to proceed with an application, and people have been saying to me that we do not listen to people when they make a submission. Mr. Mayor, you yourself assured us that you do listen to your constituents. We have yet to see ANY proof of this. As a result, you have lost all credibility.

As Councillors we have to balance all the information we have available to make what we would consider an informed decision. Apparently, once you have been informed, you then disregard it all, and just make up your own mind.

I cannot speak for every Councillor on this issue however some of the key items of information that were available to all Councillors, and which were particularly relevant to me, included the following:

- The overall health of the Richmond River is very poor and there are works we can undertake in the Ballina Shire to significantly improve the water quality, which in turn will benefit our entire community. I agree with comments in many of the submissions which stated that the State Government should be undertaking this work, however as a Councillor for many years I have not seen any works of substance occurring and the river has continued to degrade. Why is this only a Ballina problem? Why is it only now that it is given such an apparent high priority? Would have anything to do with political gain would it?

- If the overall health of our waterways is so poor, why is Council promoting the following in regards to the pool upgrades: *While works are underway, take advantage of Ballina Shire's beautiful swimming spots, including the Richmond River, North Creek, Shaw's Bay, Lake Ainsworth or our patrolled beaches along the coast.*

This cannot continue and by Council having its own funding stream we should be in a position to substantially leverage our monies with grant funds to undertake essential works. **Council already has its own funding stream – it's called a budget.** Tweed Shire Council has been successful in doing this for the Tweed River and I am confident Ballina Shire Council can also deliver on this promise. **None of us are particularly interested in other councils' activities.**

This funding, if approved, will also help to improve other waterbodies such as Lake Ainsworth and Shaw's Bay. **If they are indeed in a poor state, why were they allowed to get into that state in the first place?**

- In respect to the asset renewal funding I am proud that the condition of our infrastructure assets, such as roads, is generally in better condition than many other councils in this region. At the same time I am also aware that our engineering staff can demonstrate that we are now continually underfunding the regular renewal of our infrastructure by at least \$4million per annum. Our Shire is continuing to grow and expand and it is essential that we adequately maintain our existing assets. **The Angels Beach Road upgrade and the Skennar's Head roundabout are both funded by RMS, not Council. So you have now said that you have at least \$4million per annum to spend on other activities. Why do you need a rate rise?**

The additional asset renewal funding, if approved, will not fully fund the current shortfall, and we will need to save monies elsewhere to eliminate that funding deficit. **you have just said that you have at least \$4million per annum, so there should not be a current shortfall. In addition this council is reputed to be amongst the wealthiest, with millions tied up in non-core assets.**

- I know affordability is an issue for many people. That is why Council has resolved to cease charging our waste operations charge, which is \$73 for 2016/17, from 2017/18 onwards. This means that every single residential and farmland property will have a \$73 saving from 2017/18 onwards, prior to the application of any increases in our other rates and charges. **This so-called saving is an insult, especially when you charge very high fees for using the waste facility, and do a poor job with general waste collection for your ratepayers. Although we note you can afford to send out council workers on public holidays and Sundays, presumably at 2-300% penalty rates.**
- The special rate variation refers only to the ordinary rate component of your total rates and charges bill. Council has specifically resolved that for the other standard charges such as water, wastewater (sewer), stormwater and domestic waste collection, we will minimise any increases in these charges for the next three years. What this means is that based on our current modelling, we anticipate that the average total residential rates and charges bill will only increase 0.65% in 2017/18, 3.70% in 2018/19 and 3.60% in 2019/20. **It doesn't matter; ratepayers do not want the rate rises!**

- Last year council imposed a further rate rise allegedly to raise funds for the swimming pool upgrades at Alstonville and Ballina. One wonders why there has been such a massive cost blowout on this project. In any case, we note that council is not removing that rate rise, and this current rate rise proposal sits on top of last year's rate rise. This is compounding the rate rise.
- Even if the proposed special rate variation is approved, the total rates and charges paid by Ballina Shire residents will remain substantially lower than similar councils such as Tweed Shire, Lismore City and Byron Shire. Only Richmond Valley and Kyogle Councils will have similar total bills in this region. You will need to prove such a bold statement. It seems like political rhetoric. Even if it was true, the ratepayers are very poorly served by this council, and certainly do not get value for money.
- A large number of submissions stated that Council should spend within its means. I feel that as a Council we have always done that in that we don't undertake a number of social and community based programs that other councils do (then it's time to change and start supporting YOUR community and the hard working volunteers who happen to also pay rates) and our primary focus has always been on infrastructure. Unfortunately our current revenue base is comparably low and at times we do need to raise additional revenue to ensure that adequate funding is available. I put it to you that your revenue base is adequate. Your management of those funds is the issue.
- Many people criticise Council for having too many staff or they state we are inefficient. An interesting statistic I regularly check is one provided by the NSW Office of Local Government (OLG) in respect to the number of staff a council has, as compared to the number of people in the local government area. May I suggest you go out to work sites. The attached document contains photos of 'hard' working council employees on the job behind our home. Why did it take six men to do what was a two-man job? Why was it that most of the time, four of those employees were standing around idly? Why did it take three vehicles to go there. This sort of work practice is NOT a rare occurrence. It is a regular event that only one or two men are working and the rest are 'supervising'. You are overstaffed and poorly organised. As a result, council is wasting huge amounts of money on wages that it could well use a lot more wisely.

The latest comparative data report available on the OLG website ([olg.nsw.gov.au](http://olg.nsw.gov.au)) is for 2014/15 and that identifies that in Ballina Shire we have one equivalent full time staff person to every 152 residents. The same report confirms that the figures for our surrounding councils are (Byron – one per 130 residents, Lismore – one per 107, Tweed – one per 135 residents and Richmond Valley – one per 94 residents). This is just one indicator that tends to confirm that we are operating with very lean staff levels. See above. From our perspective, there seems to be a lot of jobs for the boys, noting how council stretches out jobs, employs inefficient methods, and seems to have little regard for the cost of wages, especially on public holidays and after hours. This includes the significant number of council employees who take home council vehicles, who go to the newsagent during work hours to check their lotto results, and who go home at about lunch time...

- Council also engaged a firm (Micromex Pty. Ltd) to undertake an independent survey based on a minimum sample of 400 residents to seek their feedback on this proposal.

The reason for this approach is that this type of survey is designed to provide results that reflect the views of the entire community, remembering that we have over 41,000 residents in the Shire. **I suggest that this survey was designed to provide results that the council wanted. The questions were heavily skewed, and if you wish to listen to my responses, assuming each was recorded, you will note my objection to the questions and the way they were framed.**

A sample size of 400 residents provides a sampling error of plus or minus 4.9%. This means that, statistically, if the survey was replicated, we would get the same result 19 out of 20 times (i.e. only 5% of the survey results would vary).

The Micromex survey asked residents to rate four options; which were as follows:

- a) Option One – No special rate variation – based on the confirmed rate peg increase of 1.5% in 2017/18 and an estimated rate peg increase of 2.5% in 2018/19 and 2019/20
- b) Option Two – Healthy Waterways variation only - 1.5% extra increase in 2017/18 for a total increase of 3% in 2017/18 and then 2.5% in 2018/19 and 2019/20
- c) Option Three – Asset Renewal variation only - 2.9% extra for the three years – represents increases of 4.4% in 2017/18 and 5.4% in 2018/19 and 2019/20
- d) Option Four – Both the Healthy Waterways and Asset Renewal special variations - 3.4% extra for the three years – represents increases of 4.9% in 2017/18 and 5.9% in 2018/19 and 2019/20.

The survey results, as prepared by Micromex, confirmed that option four (being the complete proposed special rate variation) had the highest level of support at 74% (71% support for ratepayers only).

A copy of that survey is included with the Council report as outlined on page one of this letter.

- I have heard many people criticise these types of surveys as being misleading or just plain wrong. **See above – how can so many people be so wrong? More evidence that council is not listening.** In response to concerns we asked Micromex to provide further information on their experience and the results for our survey. The following are extracts from the response we received from the Micromex Managing Director in respect to these concerns.

*Micromex Research was established in NSW in 1986 and is 100% Australian owned. We are a mid-sized full service vertically integrated market research company – we have our own call centre, field interviewers, and online survey capabilities, plus extensive qualitative research experience. We have 10 FT employees and circa 100 casual employees.*

*In 2011 Micromex Research gained contractor accreditation to the Local Government Procurement Community Services Panel LGP 12.08. We are also on the 2014 NSW Performance and Management Supplier Panel and the current NSW Transport Surveys & Fieldwork Services Supplier Panel. And we were accepted onto the NSW Office of Local Government's Fit for Future Technical Advisory Panel to provide community engagement/research advice to government.*

#### **Our Special Rate Variation experience**

*Since 2010 we have provided technical survey services for over 30+ SRV consultations – and in all our submissions IPART has never expressed concern with our survey approach or scale. **The community support and preference for Option 4 has the strongest support score and preference score we have seen for the highest option in an SRV.***

**Capturing community feedback**

*There are a number of options for capturing community feedback. Generally the best way of capturing representative and quantifiable community feedback is by undertaking a statistically significant, random survey. IPART anticipates that councils applying for a special variation will need to conduct such a survey.*

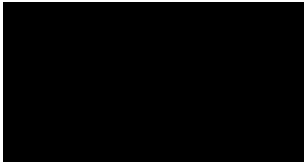
Stuart Reeve  
Managing Director



[www.micromex.com.au](http://www.micromex.com.au)

You may or may not agree with the survey results but nevertheless the advice from Mircomex is that there is community support for the proposed special rate variation. **Mircomex only has its survey to work from. I have already indicated that their questions were biased. There are two other surveys which show overwhelming opposition to the rate rise.**

In conclusion it can be a thankless task being a Councillor in that we often have to make decisions where there is not unanimous community support. Therefore we individually must weigh up in our own minds what we believe to be the “right” decision for the entire



**community. No, we strongly disagree. You job is to represent the voice of the people. If any councillor disagrees with that, they should immediately resign their position.**

In respect to the proposed special rate variation the majority of Councillors have decided to support an application to IPART and IPART will now review that application to determine whether it is justified.

**Perhaps the key is that ratepayers do not trust the council to do as they ‘promise’. If these rate rises go ahead, how will ratepayers know that the funds will be spent on those things currently talked about? What will council provide in the way of proof? What is there in place to prevent council from changing its mind and applying those funds elsewhere?**

**These are some of the penalties you face when council says it listens to the people, when clearly it does not.**

In closing thank you again for making a submission to Council and hope this response is of interest.

Yours faithfully  
Cr David Wright  
**Mayor**

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