

From: Stan Golding [mailto: [REDACTED]]
Sent: Wednesday, 8 March 2017 5:18 PM
To: Local Government Mailbox
Cc: Jeff Johnson
Subject: Fw: Proposed Rate Variation

To Whom it may Concern. Attached is a letter sent to all Ballina Shire Councillors and Council administration. The main relevancy of the letter was to do with Council's general staffing levels and inefficient administration, plus the true situation of their finances. Council has many millions of dollars in income producing investments. Are they efficient and practical? They have several million dollars worth of zoned and easy development industrial land. Council has a total monopoly for such land in the shire. Right now, because of apparent absolute inefficiency, there is not a new block for sale, in Ballina or Alstonville and will not be for many months, or possibly up to two years. Why?. The land has been held in stock for over 30 years. Why is that Council do not appear to specifically mention this potentially huge income producing activity in any of their reports or submissions to the Minister or I Part? Regards Stan and Merelie Golding.

From: [Councillor Jeff Johnson](#)
Sent: Tuesday, January 17, 2017 8:48 AM
To: [REDACTED]
Subject: Re: Proposed Rate Variation

Hi Stan,

Thanks for the email. I can assure you that I will be opposing the rate rise.

Kind regards

Jeff

Sent from my iPad

On 11 Jan. 2017, at 3:22 pm, Stan Golding < [REDACTED] > wrote:

We are in receipt of your letter dated 6th January, 2017. In a few words we oppose the proposed rate increases over and above that proposed by I Part. We would comment as follows. In para. three of your letter you mention "efficiency measures". What are they? Other than a couple of minor items mentioned in page three, there appears to be little detail or intent. For instance, what concessions are you prepared to grant industrial properties that are currently used as "milking cows" to supplement rural and residential areas. Also, as a true effort to increase efficiencies and reduce costs, what are your intentions regarding a time and motion survey to be conducted on council's overall operation. Such a survey has been highly successful at Coffs Harbour City Council, plus other councils in NSW. We trust you would not even suggest you have a perfect sheet on this matter. Your comments regarding water, sewerage and waste collection costs etc. we treat with a large amount of doubt. Another matter worth mentioning is the management, construction and marketing of your industrial land, both in Alstonville and particularly Ballina. Having had years of experience in developing and marketing of vacant land and general property I find council's efforts quite feeble. The original main purpose for council's entry into the real estate market was to supplement rates. Your certainly not doing that with your industrial estates. Your comments regarding clean water issues are certainly drawing a long bow. Other than town

storm water and a few minor operations, it is difficult to understand why council would wish to commit ratepayers to operations outside its control. the fishers would agree to anything they thought would help their cause. Does it matter who pays? YES! It would also be interesting to view a fully audited report on the net benefit to the ratepayers from income producing properties controlled/owned by council. It may well be some properties should be sold to finance long term council works. Finally councils organisation and agreement with the Education Department regarding the proposed sporting complex will end up a fiasco. Council have had two previous attempts to conduct a similar arrangement with the Education Department. Both failed miserably. The other matter we would mention is the proposed alterations to the Lake Ainsworth area. The whole proposal, in our opinion, is based on hysteria and misinformation. Why not improve what is already there? If its not broken why fix it? Thankyou. Stan and Merelie Golding.

From: Stan Golding [REDACTED]
Sent: Wednesday, 8 March 2017 4:31 PM
To: srvproposal
Cc: Local Government Mailbox
Subject: Re: Thankyou for your feedback on Council's Proposed Special Rate Variatio

I have never heard of Micromex. Why weren't we specifically told about their involvement prior to the general request for submissions. The result is the greatest load of misinformation and reeks of a flawed decision. Plain common sense must reveal the Councils final resolution could not be logically accurate. Stan Golding.

From: [srvproposal](#)
Sent: Wednesday, March 8, 2017 2:57 PM
To: [REDACTED]
Subject: Thankyou for your feedback on Council's Proposed Special Rate Variatio

enquiries refer

in reply please quote

Cr David Wright

1869

8 March 2017

Dear Mr & Mrs Golding

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.

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 (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 were also 501 responses to the on-line survey, with approximately 70% of those responses opposed to the entire proposal.



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.

As Councillors we have to balance all the information we have available to make what we would consider an informed decision.

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.

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. 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.

This funding, if approved, will also help to improve other waterbodies such as Lake Ainsworth and Shaws Bay.

- 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 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.

- 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.
- 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.
- 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.

- 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 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.
- 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.

The latest comparative data report available on the OLG website (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.

- 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.

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. 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

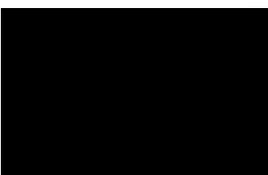
You may or may not agree with the survey results but nevertheless the advice from Mircomex is that there is community support for the proposed special rate variation.

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.

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.

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

Yours faithfully



Cr David Wright

Mayor