

From: Simon Kelleher [REDACTED]
Sent: Monday, 4 March 2019 12:47 PM
To: Local Government Mailbox <localgovernment@ipart.nsw.gov.au>
Subject: Objections to Tamworth Regional Councils application for a SRV

Dear Sir/Madam

Please find attached my list of objections dated 4-3-19 to Tamworth Regional Councils application for an SRV together with copy of motion by Hillam and Kelleher dated 5-12-18.

Please do not publish my phone number.

Yours Sincerely

Simon Kelleher

Objection to Tamworth Regional Council's (TRC) request for a "Special Rate Variation"

2019/2020

Date of objections 4-3-19

- 1 TRC did not consult with affected ratepayers. In some cases, landlords who receive more than thirty rate notices and had their main place of business within a few feet of TRC chambers were not notified.
- 2 The local papers where TRC claims it advertised have lost most of their circulation and very few read them. The remaining methods of alleged notification of meetings are obscure and few people know anything about them.
- 3 Most local and absentee landlords had no idea that meetings were to be held.
- 4 IPART should have the power to ensure that Councils must directly notify all affected ratepayers of their intention to have meetings and provide evidence that they have done so. This can easily be done by including with quarterly rate notices a single page setting out dates and times of meetings together with a short summary of what the meeting is about. TRC always avoids this simple but effective method of contact.

A reading of some of the objections relating to the Lismore application and others it appears that many Councils are gaming the system and TRC is a past master at it.

Traditional news media is no longer relevant or capable of reaching affected people, particularly absentee landlords. Few if any look at TRC's web site.

Regional Australia suffers from inadequate phone and internet availability, most older residents do not engage in social media.

Tamworth Mayor Col Murray falsely claimed in the local press that the recent Lismore approval by IPART was for the same thing. The Lismore approval was not for an event Levy. Since IPART approved the Lismore SRV based on a statement of a near balanced budget. It has been revealed that Lismore Council has a black hole of \$6 million dollars. IPART was deceived and did not carry out its own due diligence.

On several occasions in the past TRC has imposed special rate variations relating to the beautification of Peel and Fitzroy Streets Tamworth and the first anyone, including myself, heard them about them was when a rate notice appeared with a special variation added to it.

Fitzroy St is a complete fiasco and recent press statements by a council officer said that a further \$1 million needed to be spent on it.

IPART must tighten up the requirement to notify.

- 5 TRC records show that there are 1828 affected properties within the Tamworth local government area which, since amalgamation, includes the towns of Nundle, Manilla and Barraba.
- 6 A breakfast meeting was held at the IBIS hotel at Tamworth and 10 ratepayers attended. The premises are only capable of holding about 100 people, certainly not large enough to accommodate the owner's of 1828 properties. No invitations were distributed to ratepayers.
- 7 A meeting at Barraba, 92K north, was attended by about four ratepayers.
- 8 A meeting at Manilla 48K north was attended by six ratepayers.
- 9 A meeting at Nundle 60K east was attended by 10 ratepayers
- 10 There were three meetings at Tamworth on 5th December 2018. The 7am meeting had one ratepayer in attendance. The meeting at 12 noon had 20 ratepayers in attendance. The meeting at 5.30 pm had 4 ratepayers in attendance.
- 11 At the 12-noon meeting held at Tamworth on 5th December 2018 a motion was put and seconded. The motion called for TRC to provide all affected ratepayers with proper financial information and give affected ratepayers one months' notice to consider the information before calling further meetings. The General Manager of TRC, Paul Bennet, refused to accept the motion even though there were no objections to it.
Motion dated 5-12-18 attached.
- 12 At the meetings of 5th December 2018 Bennet showed a series of blurred unreadable slides, no written financial material was provided, people walked out confused and without being properly informed. If Bennet was making a presentation to potential investors in a company in the manner described above, he would have been prosecuted. The presentation was gibberish.
- 13 Mr Bennet did not say that TRC was seeking approval to have a permanent stream of money, it was stated that the application was for three years. On page 4 of application to IPART it states. ***"This application is seeking approval for a new special rate variation to be implemented over Four (4) years and to then remain permanently. The SRV is being sought to deliver economic stimulus to the region via the attraction and hosting of new events."***
- 14 On page 8 of application it states.
Council commenced the discussion with the community regarding this concept in early in 2018 when establishing the current Delivery Program and annual operational plan (reference P1101). In discussing the concept behind this application with the community Council ran an extensive consultation process that involved over 20 sessions and focused on the business community given they would be the most directly impacted group. The consultation included online, and community sessions open to any and all interested parties. Prior to running these sessions It was clear through this engagement, and especially given the current drought in progress and the impact of the drought on the economy, that whilst the business community would not like to see any additional expenses at this time any economic stimulus would be beneficial for the region and several submissions were made regarding the proposal. Council has taken these submissions into account when considering this SRV. Previous community surveys and community engagement undertaken Council has committed Council to maintaining infrastructure and community services at existing service levels and to date this has been achieved through significant internal efficiency gains without having to ask the community for additional revenue through rate increases. Given Council currently runs a balanced budget this also

means that by maintaining infrastructure and community services at current levels, for Council to advance this concept new funding is required.

Whilst grant opportunities are sought where available and higher charges, loans and partnerships were considered, they were not considered appropriate in this situation due to the impact on existing services and the competitive nature of the events market. It was also clearly noted that whilst Council will drive the strategy behind these events the major revenue recipients from these events is the business community and it was on this basis that the SRV was focused towards to the business community.

If Council were to attempt to proceed with this concept without a SRV there would be a negative impact on the general fund and other services would be impacted.

Should the SRV application not be successful the more likely scenario is that this concept will not be advanced and Council will continue to run the remainder of its operations as per the current program.

The above statement is disputed, TRC did not consult the community. If there were 20 consultations none of the objectors/ratepayers are aware of them. None of the submissions referred to above have been made public and are not attached to TRC's application. *(a number of submissions were made regarding the proposal.)* See above.

- 15 Page 12 states: ***Given the diversity of potential events that could be delivered under this SRV, Council took a diverse approach to consultation and commenced the discussion with the community regarding this concept late in 2017 with a Mayoral minute lodged at the Ordinary Council meeting held 12 December 2017 (Item 5.1) recommending.***

No such consultations took place with ratepayers or the community.

The media campaign referred to on pages 13, 14 and 15 on the application either did not happen or was so low key and obscure that no ratepayer was aware of it. The whole matter could have been resolved by enclosing a simple notification with quarterly rate notices.

On page 14 of the application the author incorrectly states the circulation of the newspapers. Investigations reveal that the correct circulation figures are as follows: Northern Daily Leader 3000 not 47000, Barraba Gazette 700 not 1000 and Manilla Express 900 not 1000.

Few, if any ratepayers are likely to read some obscure notice in the back of a newspaper relating to a proposed breakfast with TRC.

TRC has not provided any evidence of the numbers who attended alleged meetings and any statements claiming that there were meetings must be treated with caution, at best, and untrue at worst.

- 16 Page 16 of the application states: ***Why is the Chamber of Commerce president (hotel proprietor) already appointed on the assessment panel? No one has been appointed to the assessment panel, and any appointments to the panel will be conducted through an Expression of Interest process. The panel will consist of one Council representative and members of the community that are from different business sectors or industry that have the expertise to make a thorough assessment.***

Contrast this statement with the published document entitled ***“Proposed Special Rate Variation.”*** (Available on TRC Web site) Which states among other things.

“The Tamworth Business Chamber will be an automatic appointment to the panel”

- 17 Bennet relied upon the low Tamworth rates as opposed to rates in other NSW cities. Bennet did not provide the many valid reason for the difference and there are many, particularly topography and damage done by high rainfall such as in places like Lismore and other coastal regions.

- 18 At every meeting the proposal for a special events levy was unanimously rejected except for Mr Segboer who voted each time he attended a meeting. The meetings were also loaded with TRC staff.

- 18 The rural industries, crops and livestock, which the entire commercial business centre in Barraba relies upon have been devastated by the current drought. Since the town's amalgamation with TRC Barraba has lost essential services. The population is in serious decline and young people are forced to move to capital cities for tertiary education and to gain employment, an events levy/tax will only increase the difficulties.

Barraba is too far away from Tamworth, 92K north, to receive any of the dubious benefits an events levy may provide.

19 The situation described for Barraba is the same for Manilla the only difference being is that Manilla is 48K north.

20 Nundle, 60K east, does have its own couple of attractions, a small boutique woollen mill, a motel style accommodation which is called the "Dag sheep station" and an Hotel where lunch is provided. Being so far away it is most unlikely that few if any visitors would travel there.

21 Tamworth City itself relies upon rural industries which support Machinery dealers, manufactures of equipment for use on farming enterprises, Stock agents, Trucking companies, Vets, rural supply companies such as Elders, Landmark etc. engineering companies and a whole range of associated spin off industries which, in normal non-drought times, thrive. None of these enterprises will receive the dubious benefit from events but will be forced to pay the levy.

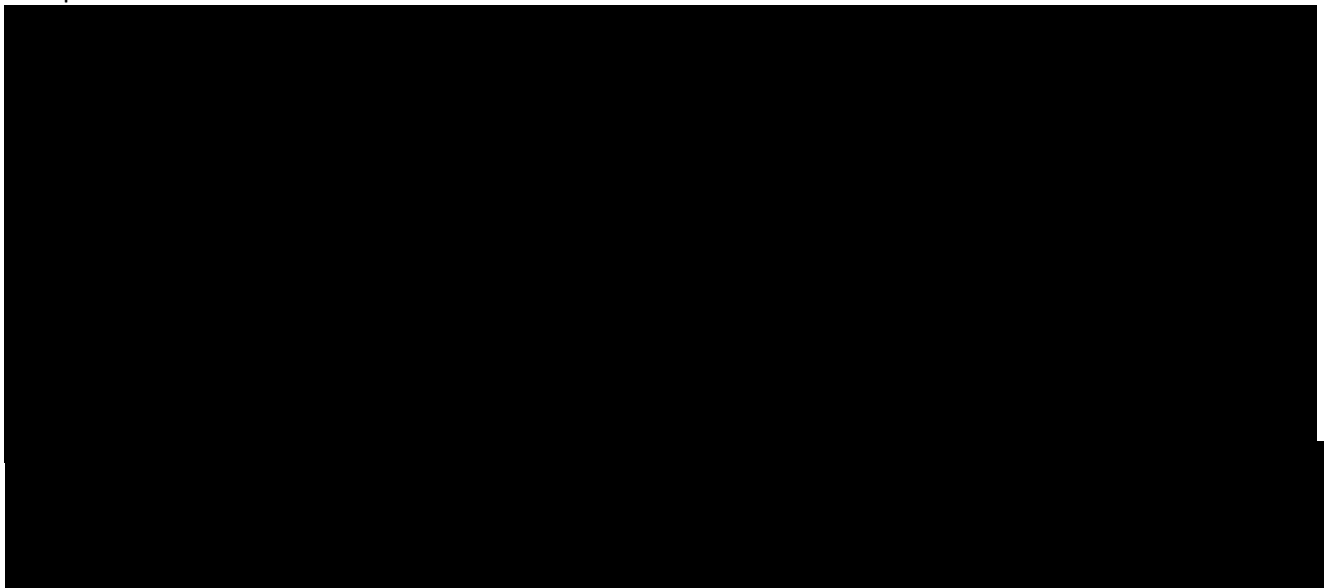
Several shops and other businesses are closing at the time of writing. Landlords are not currently applying CPI increases when they are due because tenants are having great difficulty paying their way and retaining valued staff it is in everyone's best interest to keep costs down.

The severity of the current drought is such that it will take many years for farms and towns to recover.

22 The rate levy as outlined on pages 17 and 18 of the application is discriminatory in that it seeks to raise a tax on one part of the community, create a slush fund, and hand it to another, (hospitality industry, hotels, motels etc) for a dubious benefit to the recipients only. The SRV proposal is tainted with illegality. (See. Halsbury's Law of Australia 10-13285 Application of general test.)

23 It is of some concern that TRC has refused to make available to the public the attachments referred to in its application, even though the authors of the documents may not have placed a prohibition of publication request on the document.

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(Ref. Tamworth Chamber of Commerce web site)

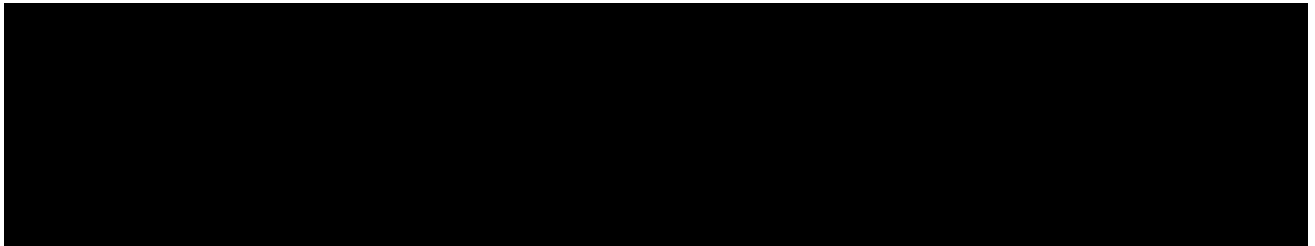
The Chambers involvement in many matters of concern to the community is becoming very disturbing.

The Chamber is hosting a conference at The Tamworth Town Hall on Monday night (presumably 4-3-19) Admission is free and anyone wishing to attend must register on the Chambers web site. The conference is about matters concerning the growth of Tamworth and in particular the problems with water security.

The problems with this conference are: TRC is making the hall available free to the Chamber. Questions must be submitted prior to the conference. Many in the region do not have access to reasonable internet facilities and will not be able to take part, particularly with little or no notice.

The issues are matters which should be dealt with by TRC not Mr Segboer and his Chamber, they are of course entitled to comment like anyone else. The fact that Segboer's Chamber can obtain such concessions leads one to ask. When will Segboer and his chamber be officially named as the organisation running Tamworth Regional Council?

25



26 On page 25 of the application TRC claims that it has undertaken a service review. The review, if it was undertaken, is seriously flawed.

TRC needs to implement an urgent review of its development approval processes. The department is staffed by a part time Town Planner and it takes an inordinate amount of time to obtain approvals. TRC is missing out on rates when subdivision approvals are delayed for no real reason.

27 The environmental department is managed by the town planners' husband and it too causes lengthy delays. Several staff in that department are causing friction between TRC and ratepayers. Entering properties without proper authority as required under the 1993 Local Government Act, demanding fees which TRC is not entitled to, *"Overbearing behaviour"*, and much more.

More than any other departments the environmental and planning divisions are driving investors away, resulting in a loss of income.

TRC Councillors and senior management seem to be oblivious to the unhealthy situation that exists when husband and wife teams are employed as heads of departments, particularly closely aligned departments. There are several directors and their departments that could be removed starting with the Business and Community department which was created and appears to have no purpose.

TRC can also save money by abandoning its annual junket to China where they have been going for over twenty years, on the pretext that Tamworth needs Chinese investment. In all that time nothing has been achieved that could not have been achieved by seeking Australian money.

28 Councillors need to be made aware that a silo mentality has developed within TRC and Tamworth will become a no-go investment area if excessive obstacles are placed in the path of investors. Property values will be diminished if too many costs are imposed. Valuers have already confirmed that the increased cost /tax will result in diminished values ranging from moderate to severe depending on the UCV of each property. TRC is showing the signs of poor management over several years since it amalgamated with Manilla, Barraba and Nundle. There is little or no trust between the community and TRC.

29 Regional Australia has been declining for many years and it would be in everyone's best interests for councils to devote their energies to encouraging State and Federal Governments to improve internet facilities which will enable young families to move to the bush where they can work for Government departments and major corporation from home offices. In some cases, this is already happening, but more effort is needed and the last thing the bush needs is discriminatory taxes.

30 The events levy if approved will become a slush fund which will increase dramatically due to the compounding effect of the proposal. The failure of TRC to provide a proper business paper and formal structure leaves the gate open for misuse of the money. The potential for corruption cannot be overstated.

31 If TRC succeeds with its application all councils, who are no doubt watching IPART's web site, will make similar applications and they will start competing and drive up the price to get events. Already organisers are approaching councils and seeking offers to stage events in their town.

The levy will become self-defeating and will do nothing more than add another layer of costs on ratepayers.

32 Councils should be banned from paying event organisers to bring their events to a town, this will get out of control and lead to an auction where the event will go to the highest bidder. Will ratepayers then be asked to provide more money so that councils can keep bidding against one another?

If an event is not able to pay its way, then ratepayers should not be asked to subsidise the event. Event organisers must pay Councils for the use of their infrastructure not the other way around.

A motel owner would not pay event organisers to stay there, they would charge for their accommodation.

33 Councils should not be permitted to go into business and or partnering with outside organisations. TRC has no successful business people in its makeup and the fiasco relating to meetings that did not take place and a confusing presentation, which is nothing more than gibberish, demonstrates that they and their partner, the Tamworth Business Chamber, should not be permitted to run a business. Inexperienced councillors with poor senior managers will get eaten alive if they go into business.

“Council obtained the support from the board from the local Business Chamber who agreed with the concept and partnered with Council in the running of these sessions.”

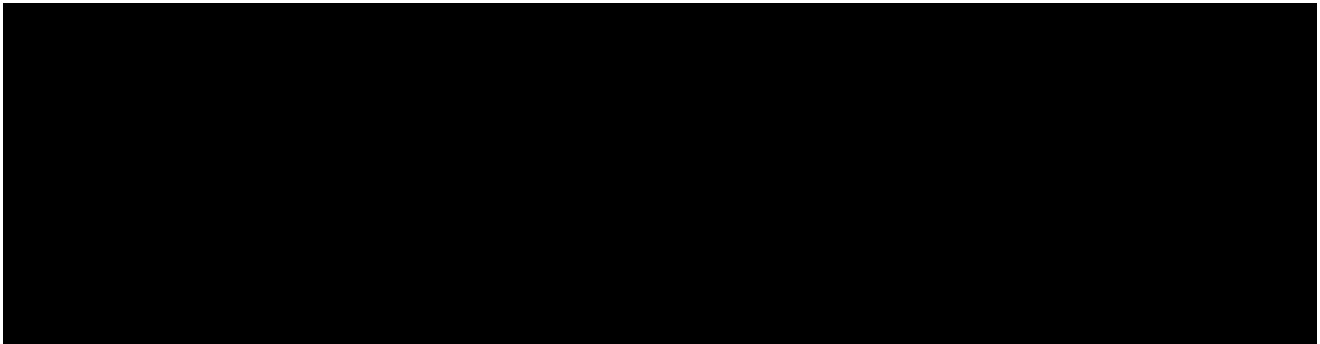
Ref. TRC application Page 8.

34 TRC has stated that the SRV should be borne by commercial ratepayers only, in the mistaken belief that the residential ratepayers will not be affected.

Increases in rates or taxes always flow through to the general community and, in the current TRC application, when leases expire and new leases are negotiated the increase will be paid by the tenant who will pass it on to the general community via increased costs for goods and services.

This statement alone demonstrates why Councils should not run businesses, they simply do not understand all the issues involved and they refuse to listen to experienced people.

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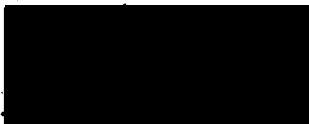
Date 5-12-18

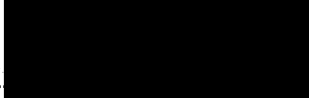
Motion relating to Tamworth Regional Councils (TRC) proposal to apply to the Independent Pricing and Regulatory Tribunal (IPART) for permission to charge Commercial and Industrial properties a special rate referred to as an Events Levee.

The motion is:

Tamworth Regional Council Desist from proceeding with any further activity to apply to IPART for permission to raise a special rate until such time as the affected rate payers have been provided with a prospectus, a business paper and proxy voting forms.

When this is done TRC must give all affected ratepayers at least thirty days' notice of a general meeting to seek approval from the affected rate payers to make a submission to IPART.

Motion put by  SIMON KIELVEHER

Seconded by  PETER HILLAM

Dated: 5-12-18