



The Tribunal,

Independent Pricing and Regulatory Tribunal of New South Wales,

P.O. Box K35, Haymarket Post Shop NSW 1240.

9th March 2017

Re: Objection to a Special Rate Variation requested by Byron Shire Council.

To the Tribunal,

The Ocean Shores Community Association Inc. (OSCA) objects to the actions of Byron Shire Council in its submission to increase property rates by 7.5% compounding for four years. This is especially objectionable because compounding over four years amounts to an increase by 2020/1 of \$33.55% over the present rate, and includes an increase of 24.24% above the rate peg.

As you are aware, from 2021/2 rates will be charged in the future on the increased total, with the very certain prospect of future substantial increases in basic charges eg water, sewer, stormwater, garbage and the fire charges which are apparently imminent.

The shire is one of the most economically disadvantaged in the nation. Combined increases in property rates and charges will bring the total council property rates bill to about a month's income each year for many of our local homeowners.

Home ownership is a huge issue in our shire with property values similar to that of Sydney or Melbourne. It is becoming the prerogative of the superrich prepared to outbid locals to own dwellings they hardly ever use, thus pushing up property prices. Council has usually opposed proposed affordable housing developments. Tenant residents are already paying premium rents, leaving them with no opportunity to save for a deposit to purchase a home, or even, to buy food. Higher rates will mean increased rents.

People born in this shire are forced to leave, as unemployment rates are high, and council encouragement and support for business is very low. The shire has blocked even a moderate amount of development over the past two decades, leaving the shire with less than 16,000 rateable properties, of which 13,360 are residential, 540 farmland, Byron Bay 348 and rest of shire 1090 business properties.

This has artificially pushed up demand, especially for residential dwellings, and has blocked population increase, remaining at less than 30,000 for many years. In comparison both neighbouring coastal shires Ballina and Tweed have increased their population but not property values at the same rate as the Byron shire.

If the rates increase is granted, as a community association we have no confidence in the ability of the shire to efficiently deliver infrastructure as outlined, especially to our local area in the coastal north of the shire.

Inappropriate decisions about the expenditure of council funds, usually ignoring community consultation results, and many delays in carrying out proposed work, plus planning consents taking many months and years to resolve, have led to inertia and frustration for many residents who wish to contribute to the prosperity of the shire.

Most residents want to preserve the environmental amenity which makes the shire very special. Most also have come to realise there needs to be a balance, and that blocking any development even those complying with environmental requirements – which most do, leads to inaffordability and homelessness. There is a growing mistrust in the ability of the council to manage growth and change for the good of the community, or the environment.

Again, as a community association we were very concerned at the way the council used confusing, misleading methods to carry out the consultation process for the current rates rise proposals. Despite this, it was very clear that the huge majority of residents opposed any increase in the rates base. OSCA did its own community consultation at the Ocean Shores shopping centre over several days. Most people stated “they did not trust” the council especially when it proposed infrastructure for the coastal north.

Rather than increase rates, the council needs to demonstrate it can work efficiently, with strategic planning to achieve maintenance and infrastructure goals already set and supposedly already budgeted for. The video produced by Byron council for IPART is simply an indictment of many years of serious neglect of the infrastructure of the shire. A further demonstration of council’s neglect is the growing mountain of useless and disregarded reports paid by the general and sewer/water funds to extremely expensive consultants. Add to this the cost of litigation against applicants who have dared to attempt even moderate developments in this shire.

Finally, the recommendation of the State Government’s [NSW Treasury in their report on Byron Council’s finances](#): where they stated ***“Council has significant cash and investment reserves. The expenditure of part of these reserves would better enable asset renewal and maintenance.”*** This has been ignored by the council.

The tribunal may already know that the majority of residents including those of the Ocean Shores area of the Byron Shire are firmly against rates rises above the pegged rate. We believe granting the council extra funding will not address the issues of incompetence. Many residents believe the only way to deal with this is to call in an administrator.

Yours faithfully

Jan Mangleson, Robyn Bolden, John Youdan

Executive Ocean Shores Community Association Inc.