

24 May 2022

Independent Pricing and Regulatory Tribunal NSW
PO Box K35
HAUMARKET POST SHOP NSW 1240

Dear IPART NSW

SUBJECT: I OPOSE AND STRONGLY OBJECT TO WAGGA WAGGA CITY COUNCIL'S APPLICATION TO THEIR ADDITIONAL SPECIAL VARIATION (ASV) 2022-23

I oppose and strongly object to Wagga Wagga City Council's (WWCC) application to their Additional Special Variation (ASV) as WWCC has not considered all the impacts on the ratepayers and the Wagga Wagga Ratepayers, Residents and Community in 2022/23 and future years.

The ratepayers and residents of Wagga Wagga are facing increasing pressures on their budgets with rising interest rates, rising petrol prices, rising inflation, increased insurance premiums, lack of and increasing costs of affordable and appropriate house and other increasing costs of living.

The Reserve Bank of Australia (RBA) <https://www.rba.gov.au/> recently increased interest rates to 0.35% and to curb inflation which is at 5.1% and has indicated that there will be further increases in interest rates which will put more pressure on the budgets of the residents, ratepayers and the Wagga Wagga Community.

Cash rate target	Inflation	Exchange rates
0.35%	5.1%	AUD/USD 0.7112
4 May 2022		TWI 62.8



The Daily Advertiser @DailyAdvertiser · 21h
Riverina's salary struggles worsen impact of housing crisis: report



[dailyadvertiser.com.au](https://www.dailyadvertiser.com.au)
Riverina's salary struggles worsen impact of housing crisis: report
The region's average income is significantly lower than the national average.





The Daily Advertiser @DailyAdvertiser · May 2

...

Vegetable price rises from floods and inflation leads to health concerns



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Vegetable price rises from floods and inflation leads to health concerns
Vegetables had the biggest proportional price rise among foods in the 12 months to March 2022.



The Daily Advertiser @DailyAdvertiser · May 2

...

'Frightening': Wagga families feel inflation pressure



dailyadvertiser.com.au

'Frightening': Wagga families feel inflation pressure

The ABS announced last week that the Consumer Price Index rose 2.1 per cent in the March 2022 quarter to an annual rate of 5.1 per cent, ...



The Daily Advertiser  @DailyAdvertiser · Apr 26

...



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Families turn to charity stores as the cost of living rises

Budget-conscious people are turning to second-hand stores in search for essential items.



The Daily Advertiser  @DailyAdvertiser · Apr 28

...

Housing crisis could dampen Wagga's economic boom: experts



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Housing crisis could dampen Wagga's economic boom: experts

"Fundamentally we've got to be able to provide [people] with the housing to support that growing population," one expert said.



The Daily Advertiser  @DailyAdvertiser · 7h

...

'No man's land': Housing crisis forcing older men, women onto the street



[dailyadvertiser.com.au](https://www.dailyadvertiser.com.au)

'No man's land': Housing crisis forcing older men, women onto the str...

Wagga resident [REDACTED] is part of a growing group of Australians aged over 55 who have recently...

WWCC has failed to properly consult with the Wagga Wagga ratepayers and community as not everyone has a computer, smartphone or is on social media or cannot afford to purchase newspapers on a daily basis to access the information on the ASV.

https://www.ipart.nsw.gov.au/sites/default/files/documents/olg-guidelines-special-variation-2021-22_0.pdf

2. **Evidence that the community is aware of the need for and extent of a rate rise.** The Delivery Program and Long Term Financial Plan should clearly set out the extent of the General Fund rate rise under the special variation. In particular, councils need to communicate the **full cumulative increase** of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category. Council should include an overview of its ongoing efficiency measures and briefly discuss its progress against these measures, in its explanation of the need for the proposed SV. Council's community engagement strategy for the special variation must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur. The IPART fact sheet includes guidance to councils on the community awareness and engagement criterion for special variations.⁵

Internal / External Consultation

Internal consultation was conducted with Councillor's as part of the Budget Workshop on the 4 April 2022.

IPART will not require Councils to demonstrate external community consultation outside of the 2022/23 Integrated Planning & Reporting (IP&R) standard public exhibition period requirements as detailed below.

The IP&R suite of documents will be placed on public exhibition for a 28-day period commencing from 3 May 2022 and concluding on 4 June 2022. As part of this exhibition period a variety of communication methods will be used, to not only promote the public exhibition period but also promote the purpose of the documents.

	Mail			Media				Community Engagement						Digital			
	Rates notices insert	Direct mail	Letterbox drop	Council news	Media releases	Print advertising	TV/radio advertising	One-on-one meetings	Your Say website	Community meetings	Stakeholder workshops	Drop-in sessions	Surveys and feedback forms	Social media	Email newsletters	Website	Digital advertising
TIER																	
Consult				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

With the information provided, WWCC has not clearly shown the impact of any rate rise on the community and ratepayers as per the following IPART NSW extract:

3. The impact on affected ratepayers must be reasonable, having regard to both the current rate levels, existing ratepayer base and the proposed purpose of the variation. The council's Delivery Program and Long Term Financial Plan should:

- clearly show the impact of any rate rises upon the community,
- demonstrate the council's consideration of the community's capacity and willingness to pay rates, and
- establish that the proposed rate increases are affordable having regard to the community's capacity to pay.

I will also mention that the discussions regarding the ASV at the WWCC meeting on Monday 11 April 2022 was held in the confidential closed session of their livestreamed meeting <https://wagga.nsw.gov.au/the-council/council-meetings/council-meeting-livestream> and the minutes

https://meetings.wagga.nsw.gov.au/Open/2022/04/OC_11042022_MIN_4870.PDF of the meeting did not include the discussions around the ASV motion.



The Wagga Wagga residents and ratepayers have no idea of what was discussed during the confidential closed session of the meeting.

Instead of applying for an ASV WWCC should cut the fat from their budget and operations and reduce the number of Code of Conduct complaints etc. The following information shows that WWCC was granted a Special Variation (SP) in 2016-2017 of 5.63% to remain in their rate base for five years to 2020-21 to upgrade the levee bank around Wagga Wagga.

https://www.ipart.nsw.gov.au/sites/default/files/documents/lg_determination_-_wagga_wagga_city_councils_application_for_a_special_variation_for_2016-17_-_may_2016.pdf

Wagga Wagga City Council (Wagga Council) applied for a temporary special variation for 2016-17 of 5.63%, to remain in the rate base for five years to 2020-21.² We have assessed the council's application, and decided to approve the variation as requested. We made this decision under section 508(2) of the Act.

Table 1.1 IPART's decision on Wagga Wagga City Council's application for a special variation in 2016-17

Component	%
Upgrade the flood levee system	3.83
Rate peg	1.80
Total increase	5.63

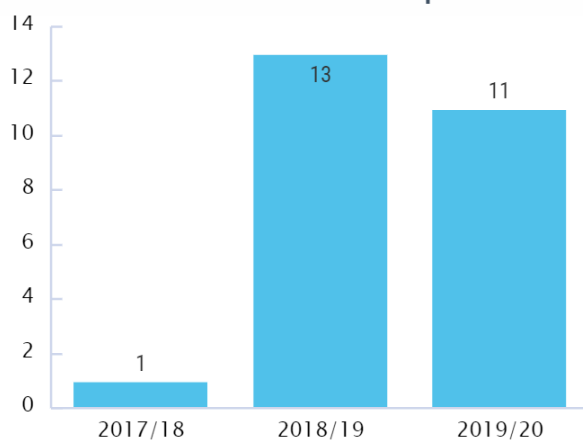
The Wagga Wagga residents and ratepayers are still recovering from this SP and there were issues with the project management and engagement of contractors with the upgrading levee project which lead to delays and I am lead to believe substantial cost overruns.

Instead of applying for an ASV WWCC should cut the fat from their budget and operations and not take on grandiose projects that do not benefit all the Wagga Wagga residents and ratepayers. The following information has been extracted from Your Council

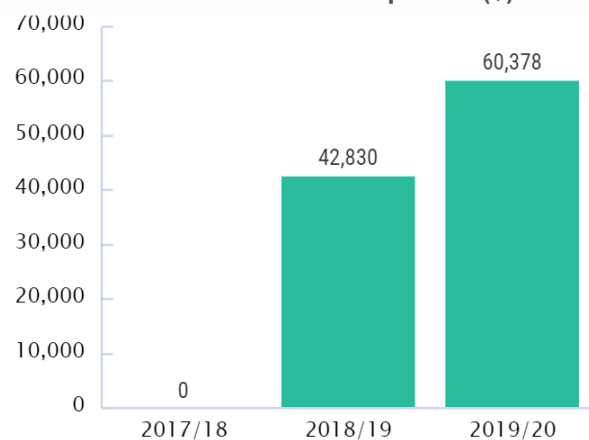
<https://www.yourcouncil.nsw.gov.au/council-data/wagga-wagga/2019/community-leadership/>

Your Council's Community Leadership	Result	Group Avg.
Number of Councillors	9	10
Population per councillor	7,251	4,038
Development Applications determined by councillors (%)	1.20	3
Audited Financial Reports submitted by due date (Y/N)	Y	Y
Code of Conduct Complaints (No.)	11	7
Complaints Investigated requiring action (No.)	4	1
Cost of dealing with Code of Conduct Complaints (\$)	60,378	22,956
Population per EFT Staff (No.)	135	108
Councillor expenses (\$)	261,000	61,536
Total mayoral and councillor fees (\$)	227,000	237,923
Mayoral and councillor Overseas travel (\$)	5,000	269
Mayoral and councillor conference expenses (\$)	16,000	10,369
Mayoral and councillor interstate travel (\$)	0	3,782
General manager remuneration (\$)	389,161	327,978

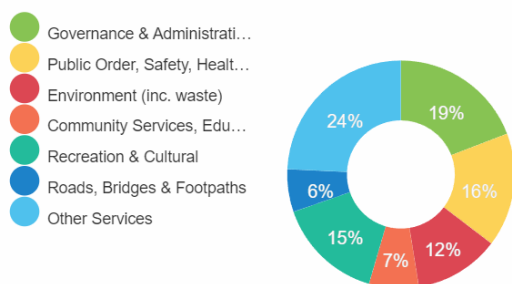
Number of Code of Conduct Complaints



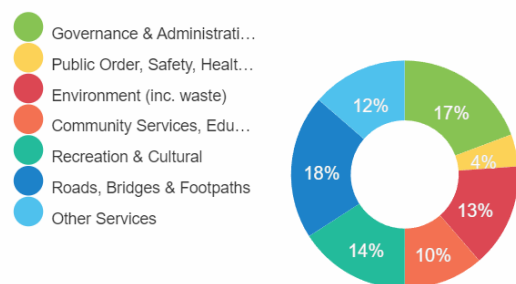
Cost of Code of Conduct Complaints (\$)



Council Expenditure on Services (%)



State Average Expenditure on Services (%)



Instead of applying for an ASV WWCC should cut the fat from their budget and operations and not take on grandiose projects that do not benefit all the Wagga Wagga residents and ratepayers.

Major projects

Included in Council's 2021/22 Long Term Financial Plan Capital Works Program are the following significant projects with a budget of over \$5M:

Project	Estimated year(s) of construction	Estimated total cost
Levee Bank System Upgrades	2017/18 – 2023/24	\$23.3M
Airport Redevelop Terminal	2021/22	\$8.6M
Active Travel Plan (Stage 1 + 2)	2019/20 – 2021/22	\$17.1M
Riverside – Wagga Beach Landscape Upgrade Stage 2	2020/21 + 2021/22	\$9.9M
Botanic Gardens Museum Site Redevelopment	2020/21 + 2021/22	\$5.2M
Pominalarna Multisport Cycling Complex	2020/21 + 2021/22	\$9.2M
Dunns Road Upgrade	2020/21 + 2021/22	\$8.3M
RIFL (Road Surfaces & Guttering)	2021/22	\$2.0M
RIFL Stage 2A (Rail Siding)	2020/21 + 2021/22	\$14.4M
RIFL Stage 2B (Terminal Works)	2021/22	\$8.1M
RIFL Stage 2C (Industrial Subdivision Civil Works)	2020/21 + 2021/22	\$24.4M
RIFL Stage 3D (Relocate Power)	2021/22	\$1.4M
Northern Sporting Precinct	2020/21 – 2022/23	\$6.6M
Pine Gully Road Corridor Works	2020/21 – 2022/23 + 2025/26 – 2026/27	\$7.0M
Glenfield Road Corridor Works	2022/23 – 2028/29	\$19.2M
Bolton Park Upgrade	2022/23 – 2026/27	\$40.0M
Jubilee Park – Athletics Park Upgrade	2022/23	\$5.5M
GWMC – Domestic Precinct	2022/23 – 2024/25	\$7.1M
GWMC – Construction of a new Waste Cell + Monocell	2021/22	\$10.0M

Table 3: Major capital works projects

The potential uncertainties around some of Council's planned major projects have the ability to have a significant impact on the Long Term Financial Plan, both in regards to timing and costing and the utilisation of funding sources.

Levee Bank Upgrades - Upgrades of Main City Levee and North Wagga Levees

Wagga Wagga City Council have recently completed Stage 1 and 2 of the Main City Levee Upgrade which has upgraded the Main City Levee to a 1 in 100-year level of protection.

The Floodplain Risk Management Advisory Committee has commissioned an independent peer review of the North Wagga component of the overall Floodplain Risk Management Study and Plan. The review will look at the process surrounding the risk assessment strategy and consultation processes for all flood mitigation options proposed for North Wagga.

The original estimated cost of upgrading the Main City Levee to a 1 in 100-year level of protection and upgrading the North Wagga Levee to a 1 in 20 year level of protection is \$23.3M.

The total capital cost indexed over the five year period is as follows:

Project	Indexed estimated cost	Grant funding (proposed)	Council's one-third share
Upgrade of Main City Levee System	\$14.9M	\$9.7M	\$5.2M
Upgrade of North Wagga Levee System	\$8.4M	\$5.8M	\$2.6M
Total	\$23.3M	\$15.5M	\$7.8M

Table 4: Levee bank project

With the commitment of Federal and State funding for the project, Council is funding its one-third share of the cost from a Special Rate Variation (SRV) which commenced in 2016/17 and concluded in 2020/21.

The modelling assumed a construction period of five years, but this is conditional of the timing and conditions of funding from NSW Office of Environment and Heritage.

LONG TERM FINANCIAL PLAN 2021-2022

The Riverside – Wagga Beach Landscape Project mentioned in the above table is constructed on a known flood prone area:





As mentioned previously the grandiose projects do not benefit all the Wagga Wagga residents and ratepayers such as the Pomingalarna Multisport Cycling Complex Active Travel Plan:



The airport is costing the Wagga Wagga residents and ratepayers an arm and leg every year and not all the residents and ratepayers use the airport and as the Coalition lost the election the Federal Government funding is not on the table so WWCC will need to secure additional funding to complete this project:



The Daily Advertiser @DailyAdvertiser · May 11

Coalition promises major overhaul of Wagga Airport terminal, runway



dailyadvertiser.com.au

Coalition promises major overhaul of Wagga Airport terminal, runway
Riverina MP [REDACTED] has promised to splash the cash on
Wagga's outdated airport.

The projects listed in the previous table were over \$5 million and WWCC should list all the projects less than \$5 million.

WWCC recently purchased the old Ambulance Station building located at 56 Johnston Street Wagga Wagga for an amount of what I am lead to believe was in the range of \$600,000. The following sentence was extracted from <https://aboutregional.com.au/old-wagga-ambulance-station-to-be-returned-to-its-rightful-owners/> and states, 'The council initially hoped for the return of the building to the local community for a "peppercorn fee", according to director of Regional Activation [REDACTED]. While the NSW Government indicated it was valued at \$1.2 million it is not yet clear what price the two parties eventually settled on.' Other links to WWCC EOI regarding the old Ambulance Stations are:

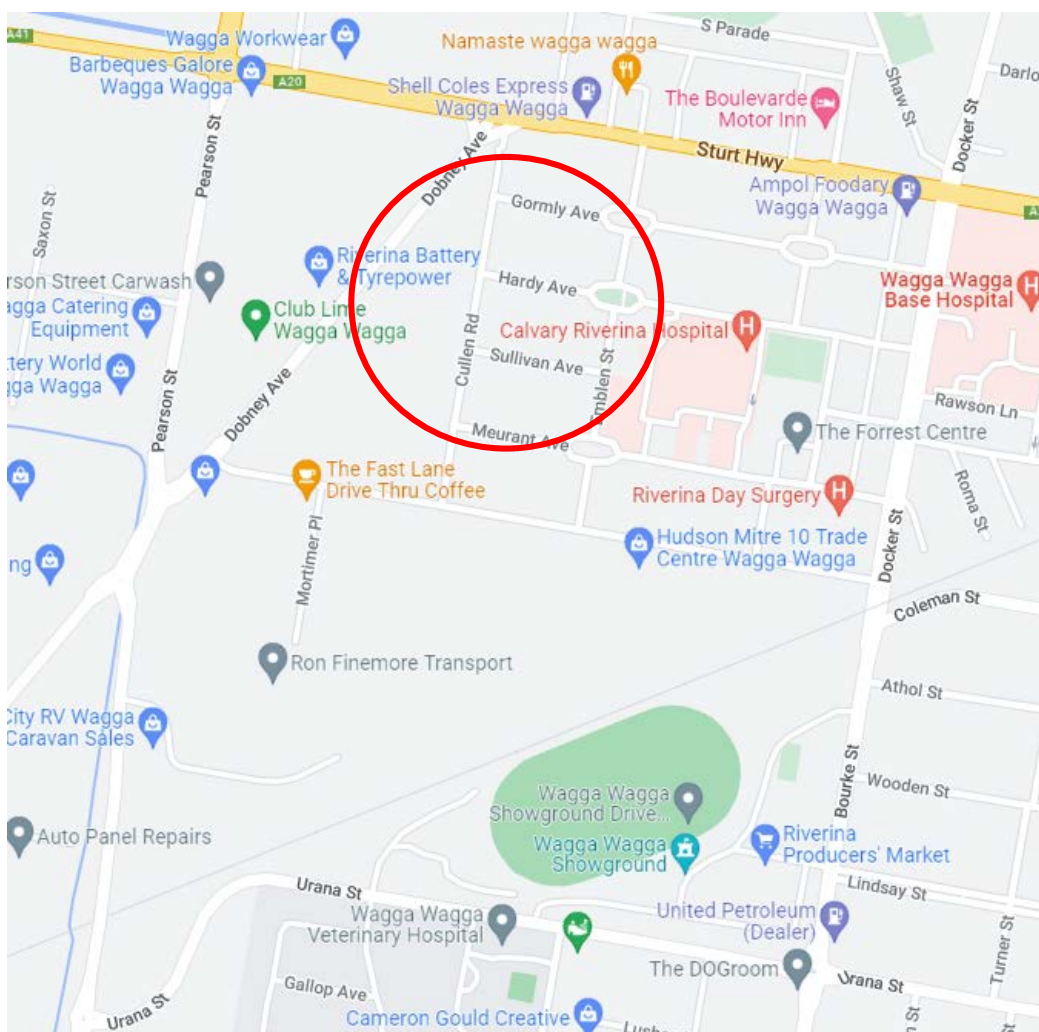
- <https://wagga.nsw.gov.au/the-council/news-and-updates/news-articles/march-2022/acquisition-of-former-ambulance-station-moves-a-step-closer>
- [Ambulance Station - Licensing EOI | Connect Wagga \(nsw.gov.au\)](#)



Other issues that WWCC are not getting on top of is the condition of the roads as can be seen by the potholes in the following photos:



There are areas in Wagga Wagga that flood and WWCC is not getting top of this and one of the flooding areas is around the Cullen Road and Hardy Avenue corner and this may get worse with the planned Inland Rail works:



Instead of applying for an ASV WWCC should cut the fat from their budget and operations and not take on grandiose projects that do not benefit all the Wagga Wagga residents and ratepayers.

Kind regards

[Redacted signature block]