

Author name: C. Uhrig

Date of submission: Wednesday, 3 May 2023

Please provide any other comments on the council's application that you would like to make here.

Allowing this council which is NOT a local government but a corporation to raise the rates is rewarding failure. It would be confirming that if one wastes money you get approval to take more from others to waste. Instead IPART should reject the application and by that force the council to operate within the means the community can afford and is willing to give the council business. Council have spent a lot of the communities money to put together an application that on the surface looks as if it ticks all the boxes. Look closer It does not Capacity to pay is flawed - the report is false. Consultation happened but no action to follow the desire and direction clearly requested by the community was taken. The Council Administration and Councillors act in direct opposition to the wishes of the majority of the community. The consultation clearly shows that more action and push back from people than support of the council. Past rate rises / SRVs were granted and the council failed to fulfill its promises. Ongoing charge raises are inappropriate and unlawful. Why are those actions not investigated or followed up by IPART? Council have promised in the past and failed to deliver. Past actions and performance are a reliable indicator for future. Giving TSC the right to take away from the community which has nearly no opportunity or the capacity to increase their income is wrong. Given the failure to manage the council business successfully and sustainably - the SRV will NOT be enough money and more SRVs will have to follow. For a business / company / corporate entity that is unable to operate within its means and limits - no amount is enough if the same spending and wasting continues. DO NOT award the SRV to tenterfield shire council.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

as of previous submission

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

as of previous submission

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

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Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

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Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

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Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

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as of previous submission

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

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4 May 2023

Submission to IPART – ipart@ipart.nsw.gov.au

Re: Tenterfield Shire Council (TSC) Special Rate Variation Application - Updated

Further to IPART's notification providing opportunity for further submissions to the Tenterfield Shire Council's Special Rate Variation application for 2023-2024 and beyond the following is noted regarding the document titled "Additional commentary clarifying the materials provided above and responding to questions put forward by IPART regarding its SV application".

1. Financial Sustainability - Commentary by the TSC confirming that it is not financially sustainable if the full amount of the requested SRV is not approved – "the tank is empty".. Blame apportioned to IPART for not approving previously requested huge SRV applications. See my previous submission regarding point about much smaller SRV applications as applied for and approved, by a number of other NSW councils over the years. Blame apportioned to TSC residents and ratepayers for wanting the same level of services for reduced cost. No responsibility taken for TSC management actions over the years by various despite numerous NSW government reports since 2008 warning of TSC's financial unsustainability (see my previous submission). Who is to believe the statement that if successful with this SRV, the TSC will not need to apply for any future SRVs unless for special projects such as a new swimming pool (priorities!).
2. Emotive and defensive statements from the TSC throughout the document.
3. No vision about the future, the SRV is "designed to allow Council to continue delivering existing service levels" (no mention of services that were minimal in the first place to TSC villages such as Urbenville, having already been cut eg library services to Urbenville). "No shiny new things or services". Where is the vision for growing villages like Urbenville in these times of for example, the housing crisis, housing unaffordability, rental accommodation availability ? Houses lay empty in Urbenville such as the former NSW Police cottage – why does TSC not lobby the NSW Police to hand over the house or make it available for sale? Thus bringing in additional ratepayer income and social benefit. Just one small example.
4. In this document for the first time mention is made of "the local economy being at risk as it relies on Agribusiness and the ability of primary producers to get their products to market. It should be noted that even something as seemingly innocuous as a load limit on a wooden bridge would be problematic". This may be so for some parts of the Shire but not all. Primary producers in the Urbenville area (primarily beef cattle) transport their "product" to Casino saleyards, with 99.99% of the road utilised being in the Kyogle Shire.
5. TSC's covering email states "public comments" so have there been other comments the public is not privy to ?

Further commentary:

Receipt in May 2023 by ratepayers of latest land valuations from the Valuer General. These have been available for some time on the Valuer General website however many ratepayers have only just become aware through receipt of paper letters, of the large increases in land values since the last valuations. Many ratepayers are now very concerned about the impact of these large land valuation increases on their rates over and above any impact of an approved SRV.

Why does IPART not ask the TSC to develop a "Scenario 3" based on a more modest SRV such as 8 or 10 percent, thereby fulfilling its duty to the public of "Helping you get local government services at a fair price."

C [REDACTED] COPPOCK

Author name: I. Garnham

Date of submission: Friday, 14 April 2023

Please provide any other comments on the council's application that you would like to make here.

The community does not really have the ability to pay. Council has doubled its administration costs in two years. The office of Local Government needs to thoroughly scrutinize council expenditure and efficiency. Ideally an administrator should be appointed

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No they just keep parroting the same old line, our costs have gone up we need more money. In fact they have increased spending on administration by over 100% in two years, they need to cut back

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No, I am in ratepayers Association, and have met with the CEO Mr Buckingham, but he did not indicate any other revenue stream, just kept saying we need to up the rates

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No, the cumulative effect of this is 104%. The mayor, on local radio lied about the increase and stated it was much less

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

The council called a snap meeting, with about 48 hours to get in questions, then did not really answer any of them. Just a box ticking exercise to say they consulted

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

None, totally arrogant and taking no notice of the community

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

It is highly unreasonable to more than double the rates over two years, especially as we are paying very high rates now

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

It is a fact that paying rates is necessary for council to function and provide services. But given the Tenterfield Community has a very low per capita income, and is already paying higher rates than equivalent councils, doubling the rates, will have a significant impact, and many in the community will not be able to pay

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

No, again nothing, complete and utter indifference by council. [REDACTED] publicly stated that if the old people cannot pay then they need to move out and let younger ones in. Demonstrates the arrogance of Council

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I am not sure, it happened very close together

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

There was no response, and no significant productivity improvements

- TSC claims the SRV is “catch up due to previous SRVs being eroded or denied”. TSC sees itself as the victim – of IPART refusing SRV in the past, of NSW Government not taking back Mt Lindesay Rd and the Bruxner Hwy, of natural disasters, of high costs for labour and materials. Nowhere does TSC provide convincing evidence of serious efforts to manage its own house.
- The SRV application is not catch up. It is totally future oriented, boosting future income and cash reserves. Nothing that has not been done will be done. There are no “shiny new things”.
- The revised spreadsheet demonstrates that after the first 2 years of the SRV, the ongoing rate hike will substantially just add to TSC reserves. There is absolutely no justification for the SRV to be ongoing.
- An SRV “less than recent borrowings” will not “reduce Councils overall revenue base”. It will leave the revenue base exactly where it is now.
- TSC is an agricultural region. Agriculture employs 23% of the workforce, generates gross revenue in excess of \$200m each year and relies on roads. Farmland is 73% of the total land value, 29% of the number of rate assessments and provides 49% of TSC rate income. The other 51% of rate revenue is from residential property – 71% of the number of assessments and 27% of the land value. This is a disproportionate transfer of income from the poorer section of the population, workforce, and ratepayers to TSC so that TSC can build financial balances.
- The SRV will not impact farmland “proportionally more in real dollar terms”. It is exactly the same percentage (“proportion”) as being applied to residential rates. Only a rebalancing of the rating structure would create that impact.
- Under the SRV, average farmland rates will increase more in nominal dollars – the average farmland assessment is based on a land value of \$476,900 compared to average residential assessment land value of \$72,000. Average rates under the SRV will increase by over 100% (i.e., double) in just 2 years – average farmland from \$1616 to \$3300 and average residential from \$631 to \$1285.
- TSC knew when it submitted the SRV what the VG cycle would yield – increases of the order of 80 to 90% across all categories of land. Farmland did not increase at a higher rate. The next VG cycle is more than 2 years away – and there is no reason to rely on a TSC assertion that “VG numbers (for) farmland is likely to rise at a higher proportional rate than residential”.

- There is a theme in the TSC Supplementary Submission that the SRV is primarily necessary to provide roads for farming, that farming cannot sustain higher rates and that refusal of this SRV would threaten the viability of agriculture (the first cut would be \$600,000 from roads). Based on Morrison Low Appendix 1, average farmland rates are 1.1% of the average farm output (\$148,000) per farmland assessment, lower than in Glenn Innes, Gwydir and Uralla. Further, rates for farming are a tax deductible expense. Average residential rates are 1.4% of median weekly household income for the LGA, perhaps the lowest income region in the State, and this is for the most part not tax deductible.
- TSC says that inflation, wages, and costs are higher in Tenterfield than elsewhere and this disproportionately affects Council. What is the evidence for this? If true, what impact does this have on lower income households in a region acknowledged as one of the lowest income areas in the State?
- Whether TSC is overstaffed is not clear. However, to say that “redundancy costs would severely impact Councils cash position” is not sustainable. Entitlements are covered by funded accruals, and severance payments would be offset by wage savings in that year or the year following.
- Over the past 10 years over \$20m of grant money has been spent on Mt Lindesay Rd, inflating the level of TSC expenditure, inflating the level of grant source funding, and reducing the ratio of own source funding. Unsurprisingly, some \$1.2m of depreciation, or more than 25% of what TSC claims as its financial shortfall, is attributable to Mt Lindesay Rd and Bruxner Hwy.
- TSC “is in discussion with the State government to hand these assets (Mt Lindesay and Bruxner) back but is not confident.” I could not find in TSC submissions evidence of these discussions – such as letters, meetings, proposals, submissions, or rejections. Nor am I aware that TSC has sought to discuss this with the community, or even raise such an important matter. The major party candidates in my electorate in the recent State election were not aware of this significant matter.
- TSC says it has sold, intends to sell, has considered selling or is negotiating to sell some real estate. These claims hardly amount to substantial evidence of any actions since 2015.
- On Wednesday 3rd May 2023, TSC commenced to rip up nearly 1 km of concrete footpath in Beaury St Urbenville, which it will then replace. While there are some sections in poor repair, the footpath is for the most part serviceable and fit for purpose, especially given that it is not heavily trafficked. But TSC has secured a \$160,000 grant – so it will boost expenditure by \$160,000, destroy a serviceable asset, waste several weeks of Council labour, utilize several trucks and excavators and add even further to depreciation expense in the future. This is a Council that complains of excessive reliance on grants, says it needs more funds, wants the community to pay higher and higher rates and then just wastes money, time, and resources on unnecessary work.

Author name: R. Bell

Date of submission: Friday, 28 April 2023

Please provide any other comments on the council's application that you would like to make here.

Historically, the Council received a substantial SRV in 2013/14. As a result of that the people saw no improvement in services indeed there was a decline. What we did see was a huge increase in council administration costs. We now have any amount of people working there with fancy names which undoubtedly attract an impressive salary but have we seen any benefit? No. none at all. Reading the fresh submission from Council, it has come to my attention that we now have a Shire Engineer who only works a couple of days per week yet we have two highly paid full time executives running Economic Development (non existent) and Arts and events. Something is out of whack somewhere and we the people are expected to pay for their mismanagement. Tenterfield town and Shire is a tourist destination yet the Tourist officer at Council has been made redundant. Council have run the very historical School of Arts into the ground and now wish to hand it back to the National Trust. The dedicated visitors centre is being handed over to a not for profit organisation who have no interest in tourism. In other words the cut backs this council have made has been to the detriment of the Shire.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

At the time of public consultation, no mention was made of Council's financial position, therefore the public gave them a "wish list" which is far different once financial constraints have been taken into account. Hence all of Council's Long Term Financial Plans and other fancy documents are based on the public having insufficient information.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Council say they have cut their wages expenditure but that is yet to be proven. So far there is no evidence of this in their financials to date in fact their expenditure for consultants has risen by an eye watering amount.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Council have communicated the full increase of the special rate variation. However they have omitted to explain to the rate payers exactly what effect the new land values will have on rates. For example: Our UCV was \$106,000. It has now risen to \$181,000 from 1/7/2022. I am unaware of the calculations involved but blind Freddy can see that this will result in a substantial rise in our rate component. Never was this alluded to in communications with the community or if it was it was just brushed over. So the SRV now becomes far greater than the \$5 per week rising to \$8 per week the following year. As I am heading for 78 years old I'm sure you can do the sums quicker than me.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Being aware does not indicate acceptance.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Council have taken no action regarding the response from the community. The community is overwhelmingly saying that they cannot afford such a rise.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

As per the the ABS census of 2021 Single households in this Shire number 1024 or 35.5% most of these single households would be aged pensioners or people aged over 65 with limited income and possibly poor health. The aged pension for a single person was very recently raised by \$14.73 per week. The rates will rise with the UCV by say at least \$5.00 per week then on top of that if the SRV is approved there will be an extra \$5.00 per week plus the rise in UCV so that is a minimum of \$10.00 per week for rates only. On top of that, and yes I know you only deal with the rate component, but fee and charges for services have also risen by \$4.00 per week with a further rise of 10% commencing 1/7/23. Suddenly an aged pensioner is paying their increase in pension plus some to one entity, Tenterfield Shire Council. Nothing left over for the rise in cost of food, fuel or any other commodity. How can this be fair?

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Council have given no consideration for the community's capacity to pay. They say the right words but then demonstrate that they have not the slightest idea of how the community, being a country community who not just like to live within their means but consider it their duty to do so operate. If a community is taxed beyond their capacity then there will be a lot more suicides and mental health problems as the burden becomes too great for people to bear. Yes my age group are a proud group who do not easily accept charity and it will hit them hard if they are forced to default on payments in order to survive.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed

special variation. Please comment on the council's plan.
See above

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?
I expect this is so.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.
Basically what we have been told is that if the SRV does not go ahead then the people will suffer from reduced services.

Word Attachment

2023.0504 CJJ submission on TSC 2023/24-2024/5 SRV of 104.49% (% only over 1st 2 years)

To: Ipart

RE: Tenterfield Shire Council

IPART Submission Form - Special Variations and Minimum Rates 2023-24

Review: Special Variations & Minimum Rates 2023-2024

Application Type: Special Variation (includes Rate Peg)

"particularly the application form part B which contains the council's responses to the assessment criteria". Note: TSC has submitted 2 versions of Part B. Content of both is very concerning.

CJJ: TSC response is that the TSC documents are very concerning, not only in the initial Part B submission but also the responses in the Updated re-submission Part B - Q&A
(approved by the executive NOT by Council resolution as was required for the initial Submission).

CJJ: I don't recall seeing an alternative showing reduced 'services' & maintained 'roads' (not footpaths, bikeways, etc) without the 104.49% SRV or even a reasonable SRV option (eg 10% plus Rate Peg).

IPART Part B only required 'baseline' with No SRV & SRV scenario. Why?

Real **Alternatives** are apparently NOT mandatory – Why Not?

"the relevant IP&R documents should canvass alternatives to the rate rise."

CJJ Q: Why does IPART use 'should' when it needs to be 'must' for councils providing 'evidence'?

CJJ Q: Why doesn't IPART require 'alternatives to the rate rise' which are 'reasonable' eg 10% + Rate Peg pa?

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

NO. The re-submission of Part B & the worksheet 8 changes causes more concern about the 'evidence' provided & the potential for yet more significant SRV applications in the very near future (other than the administration's apparent plan for the 'next' SRV to be for a new pool – where is that in the priority list for all TSC Ratepayers when the majority of Ratepayers & Residents would NEVER use it?).

I have yet to check the recently provided updated Draft IP&R documents for the coming year to see IF documents provided to IPART for this SRV are mirrored in the documents now out for public consultation. (26 April 2023 TSC public meeting & recording on www.tenterfield.nsw.gov.au)

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

NO. Council seems determined to 'stick with' its original plan to seek approval for a HUGE SRV. This has continued over the past year + with the overall changes in the SRV permanent, compounding % presented in public documents looking like an improvement, but in reality being:-

- (i) Changes in the period of time over which the compounding permanent Rate Increases (including Rate Peg) are applied. Eg 3 years, 2 years, & hard to find 10 years long term financial plan
- (ii) The Re-submission appears to include a 5% reduction in future year's Rate Pegs. It has included the IPART required use of 2.5% Rate peg for years 3-10(?) rather than the 7.5% initially used by TSC. A 5% compounding reduction resulted in approx. \$123.94% Increased Rates & Charges over 10 year long term financial plan cf to the initial 200.41% increased Rates & Charges over the 10 year long term financial plan.

As IPART & TSC documents keep reminding us the mandatory charges are not part of the 104.49% SRV, & the LTFP line numbers do include the mandatory charges, presumably this means the actual 10 year change in Rates is higher than 123.94%?

Updated Long Term Financial Plan worksheet 8 – use 2.5% Rate Peg for future years? 123.94% 10 year increase in Rates & charges. Presumably Rates would be higher than this if charges were excluded from this excel line as they are excluded from the SRV 104.49% increase?

SCENARIO 1: Proposed additional SV income and expenditure													
	Year 0 2022-23	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27	Year 5 2027-28	Year 6 2028-29	Year 7 2029-30	Year 8 2030-31	Year 9 2031-32	Year 10 2032-33	Sum of 10 years	Change over 10 years \$ %
Income from continuing operations	\$ nominal per year												
Revenue:	7,488,919	9,802,288	12,999,375	13,479,856	13,916,694	14,370,403	14,841,584	15,329,190	15,836,625	16,361,392	16,770,426	143,706,036	9,261,509 123.94%
Rates & Annual Charges	1,109,106	1,144,788	1,183,633	1,220,189	1,255,736	1,288,284	1,326,421	1,361,582	1,402,531	1,440,538	1,479,575	13,103,276	370,467 33.40%
User Charges & Fees	6,379,813	8,657,500	11,815,742	12,259,667	12,660,958	13,082,122	13,515,163	13,967,608	14,434,094	14,920,854	15,290,851	130,602,760	8,891,042 133.54%

Original Long Term Financial Plan worksheet 8 – using 7.5% Rate Peg for future years? – 200.41% Rates & Charges increase over the 10 year LTFP using 7.5% Rate Peg. Presumably the RATES % increase would be higher than 200.41% increase over the 10 years if the mandatory charges were excluded from this line?

SCENARIO 1: Proposed additional SV income and expenditure													
	Year 0 2022-23	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27	Year 5 2027-28	Year 6 2028-29	Year 7 2029-30	Year 8 2030-31	Year 9 2031-32	Year 10 2032-33	Sum of 10 years	Change over 10 years \$ %
Income from continuing operations	\$ nominal per year												
Revenue:	7,488,919	9,802,288	12,999,375	13,974,743	14,955,982	16,007,543	17,134,446	18,340,277	19,633,660	21,016,904	22,497,601	166,362,788	15,008,682 200.41%
Rates & Annual Charges	1,109,106	1,144,788	1,183,633	1,220,189	1,255,736	1,288,284	1,326,421	1,361,582	1,402,531	1,440,538	1,479,575	13,103,276	370,467 33.40%
User Charges & Fees	6,379,813	8,657,500	11,815,742	12,754,554	13,699,246	14,719,259	15,808,025	16,978,695	18,231,129	19,576,366	21,018,026	153,259,512	14,638,215 230.85%

CJJ Q: Why doesn't IPART require applicant councils to separate the Rates from the Rates & charges line in the required LTFP spreadsheet/s so the real 10 year LTFP RATE increase in % is visible?

This is especially important as both IPART & TSC keep reminding the Ratepayers, whose financial stability will be 'compromised' should IPART approve anything over 10% + Rate Peg increase, that the mandatory charges are NOT part of the proposed 104.49% proposed SRV (this % being ONLY over the 1st 2 years result – compared to the original application 10 year result of 200.41% from the proposed SRV Rate & charges increase and the updated 123.94% 10 year result of the proposed SRV rate & charges increase.

Ratepayers being directly financially affected are unable to see the REAL rate increase over the 10 year long term financial plan/s as the excel worksheet line combines RATES & CHARGES. WHY?

Criterion 2 in the SV Guidelines is:

"Evidence that the community is aware of the need for and extent of a rate rise"

YES. Some of the 'community' members would be AWARE of TSC statements on Need & Extent of a Rate Rise.

NO if by the community IPART actually means all Ratepayers (who have all provided an explicit contact address to TSC, so can be easily informed & given the opportunity to provide feedback on the NEED & Extent of the proposed TSC SRV.) It is RATEPAYERS bearing the \$ consequences. These responses DO NOT mean the majority of Ratepayers or even those 'consulted' agree. The majority of respondents to date DO NOT support a Rate Increase, but YES to service reduction.

"councils need to communicate the full cumulative increase of the proposed special variation in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category"

NO - if IPART means the 10 year Long Term Financial Plan cumulative permanent % increase in Rates Income.

Even in the part A worksheet 8 information where the original submission showed a 200.41% Increase, this figure is for RATES & (mandatory) CHARGES Not just Rates. Rates would be even higher over the 10 years as (as IPART & TSC keep saying – Charges are not part of the 104.49% proposed SRV. A similar issue relates to the part A worksheet 8, 10 year reduced result of 123.94% increase.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

NO. The 'consultations' were very TSC entity centric with the % cumulative rate increase showing as different amounts and reducing periods of time. The 10 year LTFP % increase showed as a heading on the original set of documents & I doubt anyone would have found it had I not raised the increase with the Mayor.

TSC public comments rejected Ratepayer comments that the increase was approx 200% over the 10 years.

The 10 year Long term financial plan in the TSC still does not show the Rates increase separate from the mandatory Charges increases, despite TSC & IPART continually reminding Ratepayers that mandatory charges are NOT part of the TSC proposed 104.49% SRV.

YES to showing % & \$ increase in the than Rating Tables

I have yet to check if the IPART Rating Tables in the original & amended TSC submissions are the same as the Rating Table/s now included in the IP&R documents approved for public consultation at the 26 April TSC public meeting.

Showing the % & \$ increase in the Rating Tables and telling the apparently financially responsible Ratepayers that they only have to give up one? Coffee per week doesn't change the 10 year long term financial consequences of the apparent lack of financial responsibility by TSC to date Including TSC 'executive' comments in the re-submission Q&A responses that there is already another SRV being planned and somehow the TSC Executive consider THE #1 priority requiring another SRV is a NEW POOL? How many Ratepayers have provided evidenced support for this proposal? I doubt any outside Tenterfield Town would have any practical access to this 'largesse'. Approx 5,000 Ratepayers can't continue to pick up responsibility which is NOT an evidenced majority Ratepayer NEED.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

I **DO NOT** consider that the TSC 'community engagement strategy' is suitable. I also have concerns about the number of evidenced Ratepayer responses exist other than summaries prepared by the administration. The process wasn't helpful – high reverberation halls & lots of small tables, lots of open ended questions about what did people want, very little reference to the likely Rate increase.

NO, the re-submission did not include any community engagement, nor even councillor or community advice of the updated documents.

A news item linking to the IPART website was put onto TSC's PRIORITY SOCIAL MEDIA site (www.tenterfield.nsw.gov.au) after I asked the TSC Mayor if the re-submission (approved by the executive not by council resolution as was required for the submission) if the updated documents and a covering report would be on the April 2023 agenda & whether the councillors had been given a copy of the re-submission & 'materially' changed documents.

There was no April agenda item on the IPART re-submission & it appeared the Mayor & councillors had not been previously informed, or possibly provided with a copy of the changed documents once the 'executive' had submitted them to IPART?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

So far, it appears that TSC administration & Councillors have taken little action in response to feedback from the community (especially Ratepayers) on the proposed SRV.

In fact the only action seems to have been changing the period of time included in the calculation of the effect of the 104.49% SRV & now post the IPART request has reduced the estimated rate peg by approx. 5% over 'future' years in the 10 year long term financial plan.

The evidenced direct written responses from the community (whoever that is) which did include Ratepayers indicating NO to increased rates & YES to reduced services and priority is Roads (not footpaths, bike tracks, skate parks etc) is apparently irrelevant presumably because the respondents don't know what they are talking about.

The last 2 quarterly Budget Review reports (@ 30 September 2022 & @31 December 2022) included increases in the reported operating deficit by well over \$1 million on both occasions. This doesn't appear to demonstrate appropriate action by TSC to 'not approve any expenditure unless there is a real source of funding first identified? The @ 31 March Quarterly Budget Review has yet to be provided in a public agenda. Open & accountable????

In addition, it appears that TSC 'authorised officers' (whoever they might be as the delegations register is still not on the TSC website as required and I have not yet found any report or Council resolution reflecting such a review of all delegations, despite it being required within the first year of EACH term of Council?) have been committing TSC to further expenditure relating to grant contracts, without first providing a report to Council & identifying the 10 year long term financial plan consequences. I seem to recall a reason for the very excessive TSC SRV was related to

additional expenses related to new or renewed assets and no doubt new (cost shifting from the State) 'services'.

Criterion 3 in the SV Guidelines is:

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.

When TSC was provided with links to ABS data showing the characteristics of the TSC & internal segments reflected a MAJORITY of Older aged, Lower Income, longer term residents to support this group's personal feedback on many occasions, TSC's most concerning action was to pay yet more money TSC doesn't have to a legal firm (apparently used by other NSW councils submitting a SRV application) who 'surprise' produced a "Capacity to Pay" report indicating that apparently Yes, TSC Ratepayers could afford to pay the increased proposed 149.49% SRV BECAUSE, the TSC area had low mortgages, high levels of property ownership, paid their rates on time etc.

Property can't easily be split into small components to pay rates and mandatory charges. TSC's debt management policy is totally useless, I suggest, for such a huge permanent SRV as it is apparently designed for one-off, short-term problems. It also requires the responsible Ratepayers to loose all their privacy as they have to provide evidence they can't pay.

Allowing councils to apply for and Receive approval for an excessive SRV (such as anything over 10% + Rate Peg for TSC) and then appear to be magnanimous and not apply the whole approved amount, is just 'smoke and mirrors' as the council can then apparently choose to apply the 'unused' approved SRV at any time over the next 10 years. Presumably without any further 'consultation' or possibly even any advance notice – unless all Ratepayers actually receive and read every line and page of the thousands of pages.

NOTE: TSC administration is currently proposing an \$80 charge for copies of the Business Papers to take away or receive via mail (TSC has a huge physical area & some Ratepayers would have to drive over 2 hours to attend the TSC office (not on a Friday when they are closed) to collect or read the papers. Open & accountable??? I though the legislation said copies of Business papers to take away are free of charge? Did I miss something?

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Still TOTALLY UNREASONABLE, despite the apparent IPART requirement to reduce the future years Rate Peg from 7.5% (as per TSC original estimates submission apparently) to 2.5% resulting in a change to the % change in Rates & Charges over the 10 year long term financial plan reducing from 200.41% in the original TSC SRV submission to the current 123.94% in the re-submission as per IPART 'request'?

Who can possibly say that a Rates & Charges increase of between 124% and 200% (over 10 years) is reasonable?

NOTE: those reviewing the 10 year long term financial plan may not realise that line shows Rates & CHARGES, which ultimately presumably means the actual Rates % increase is higher as Mandatory charges are NOT part of the SRV application?

NOTE: the TSC responses in the Q&A submission #1 include:

*"...None of this is captured in the Cost of Doing Business projections **so any numbers documented are probably well below reality.**" REALLY.*

So why are Ratepayers being expected to not only read all these complicated documents and to link them together numerically, but it is all **"WELL BELOW REALITY"**.

Q: What is reality and ultimately what is TSC administration (considering these Q&A responses were approved by the executive NOT the Council via a resolution) really intending with a Rates & Charges increases over the next set of IP&R documents – now out for public consultation without any real summary report identifying changes and significant increases etc.

The Finance Manager (as the Responsible Accounting Officer) has been very clear over the past months of meetings that the financial position is not satisfactory and that he does not consider increased loans to cover the apparent \$6.5 million (??) deficit reported at the 26 April 23 public meeting. Apparently the Finance Manager (RAO) also has no financial delegations!!!

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

I would suggest very little consideration has been given to the community's capacity and willingness to pay, especially for many 'services' & 'infrastructure' which has been implemented over the past year +.

There has been no attempt that I have seen or received where TSC has used the specific contract addresses provided by EVERY Ratepayer – also 'community' members but the 'community' members being forced to pay mandatory rates and charges imposed by TSC, whether they are reasonable, affordable, practical or accessible to actually use. (TSC has a widely dispersed population and many 'services' etc are in Tenterfield Town as the Southern end of the huge area but low Ratepayer and low population council area. Approx. 5,000 older aged, lower income, longer term residents are being expected to pay this unreasonable rate increase and it appears this is only the start of further unreasonable rate increases for 'aspirations' & 'wish lists' not real EVIDENCED Ratepayer NEEDS.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Has anyone actually read the TSC & NSW model guidelines for 'hardship' and 'debt management' etc? They appear to relate to one off, short term incidents not to a permanent, compounding 104.49% SRV. This % is only for the first 2 years not as per the long term financial plan change % increase for Rates & Charges which shows 200% + in the original submission and 124% in the re-submission AND as the category is Rates AND CHARGES & the charges are not included in the 104.49% proposed SRV, presumably the actual RATES only % increase over the 10 years is higher than either 200+% or 124% !!!!

Are the IPART or OLG public servants willing to pay a 124% minimum increase in Rates & charges?
Do any of the older aged, lower income relatives of the IPART, Treasury or OLG public servants consider their relatives would be able or willing to pay a 124% minimum Rates increase, particularly if they are on low fixed incomes?

I understand the NSW 'government' considered a debt management option for older aged Ratepayers such as allowing the debt to stay with the property until it was sold but this was rejected. I didn't read the details but possibly it had an unreasonable interest charge and the older aged, lower income, fixed income Ratepayers who have been apparently making responsible financial decisions such that the TSC consultant has determined that they do have the Capacity to Pay, would be embarrassed at having to apply for relief. Very stressful for many of them. PTSD is likely to be a consequence for some.

Criterion 4 in the SV Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general income.

YES lots of TSC documents get exhibited. Usually with very limited summary explanations, even at the TSC Public Meeting which approved them going onto TSC website for public exhibition.

Criterion 4 in the SV Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general income.

NO the updated IP&R documents and supporting IPART required Q&A explanations etc HAVE NOT been exhibited, approved and adopted by TSC Council resolution. The re-submitted documents were apparently not even provided to or made available to TSC Councillors prior to IPART providing the re-submitted documents on its website.

I do note the other NSW Council which provided a re-submission did include this in its public meeting and had comprehensive discussion etc about the intentions. Nothing like this at TSC – to date. Open & Accountable????

Criterion 5 in the SV Guidelines is:

The IP&R documents or the council's application must explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

No improvement since my submission to the original TSC submission.

In fact Ratepayers have recently seen several staff advertisements (we are grateful that we now get to see all the positions advertised by TSC – on the TSC primary social media site being www.tenterfield.nsw.gov.au) including one for a Ranger on a Salary of \$95,000 plus, plus benefits. I am very concerned that any engagement of a Ranger will not only mean ongoing increased financial liability, but in the event the Minister REQUIRES real cost containment strategies, any appointee may be in a precarious position if the position is later abolished.

With the significant number of grants apparently electronically ‘accepted’ by ‘authorised officers’ without a real understanding of the long term financial plan consequences of each grant on top of previous grant liabilities, TSC’s deficits and cash flow have apparently been unsustainable for a while.

While grants can be very useful, like for every other grant applicant, it is irresponsible to risk the stability of the entity in order to increase gross revenue, particularly when very few grants pay 100% of the cost of the grant activity and even fewer pay the 100% in advance.

See the TSC Q&A responses clearly indicating the only reason for the 30/6/22 financial result was that 75% of the FAG grant for 22/23 was paid to TSC prior to 30/6/22. Another grant was also paid in advance of the grant conditions.

I suggest that many ratepayers, possibly even some Councillors may not appreciate the significant issue related to receiving all but 25% of the untied Financial Assistance Grant before the start of the year for which it is provided.

Does this sound like ‘cost containment’ strategies or productivity improvements to the IPART, OLG, Treasury public servants? I do hope not.

TSC also has an approved \$5 million loan (undrawn as far as I know) to provide an ‘overdraft’ facility so TSC isn’t in the position of misuse of Externally Restricted Funds for the foreseeable future? TSC has also emptied all its Internally Restricted funds for leave etc provisions to increase its Unrestricted Funds for operational cash flow.

TSC administration has not provided data via the public Business Papers demonstrating how the total remuneration budget is calculated, especially when there is no Internally Restricted leave provision account.

Based on recent business papers showing approx. \$300,000 for officer leave payments (which I’m guessing relates to leave owed to resigned, retired or terminated staff, it would appear the current Organisational Structure (now provided monthly by the CE, but without indicating the total remuneration \$ required to fund the structure AND which now excludes casuals and contractors) I am very concerned that part of the “..any numbers documented are probably well below reality” yet TSC still has 3 executives in the \$200,000 - \$300,000 remuneration range, at least 10 officers titled manager and several others titled senior advisor, or expert etc which may remain within a Manager remuneration category?

This behaviour doesn’t seem to have demonstrably changed since this significant financial issue was made public in January 2022 post the recent election.

Other Comments and Attachments

I have preciously provided feedback to IPART for the initial TSC submission, further comments on related matters and feedback on the rate peg review.

NOTE: splitting how increased rates are 'shared' between a Rate Peg review and a SRV review etc does NOT help protect Ratepayers from unreasonable Rate Increases, especially when debt management & hardship options anticipate a short term problem not a compounding, possibly increasing permanent unreasonable rate increase BEFORE further increases in mandatory charges.

Email Attachments

From: C Jaques

Sent: Sunday, 7 May 2023 3:47 PM

To:

Subject: Copy of IPART SRV TSC submission form. OK to publish. OK to put C Jaques (NO c in surname). Use for both recent re-submissions.

1. As requested attached is a copy of the required IPART submission form for Tenterfield Council Unreasonable SRV of 104.49% permanent & compounding result over years 1&2 ONLY!

10 year LTFP result with 7.5% rate peg was 200+%. Approx?

10 year LTFP result with IPART required 2.5% future rate peg is now 125% approx?

How can anything near these numbers be considered reasonable by any measure?

2. I'm happy for my submissions on TSC re-submissions to be published

I'm happy for my name to be published as C Jaques. (NO c in surname)

3. There are some typos in yesterdays 2nd submission in the format of the template. Most shouldn't cause a problem. But I did notice an incorrect use of 149.49% for the TSC proposed SRV (2 years % result only) when the number should be 104.49% I recall.

4. Further highlights - at least for IPART analysts who hopefully focus on the primary reason their unit apparently exists for councils and their ratepayers (despite apparent very unstable financial positions of some councils - after their multiple deliberate officer &/or councillor decisions) being:-
“.. the impact on ratepayers MUST be reasonable”.

le impact on RATEPAYERS, not the community, the public, passers-by, the children, the staff or other special interest, sporting, social etc groups.

How can any TSC proposed SRV over 10% pa plus Rate Peg be seen as meeting the IPART/NSW government mandatory requirement that the “impact on affected Ratepayers MUST be reasonable”.
(Capitals added)

How can the multiple, documents provided by TSC to IPART to support their proposed unreasonable, 2 year % result of 104.49% permanent, compounding SRV meet the IPART/State mandatory requirement that

“..council's application MUST explain & quantify the PRODUCTIVITY improvements & COST CONTAINMENT strategies that council HAS realised in the past years and PLANS to realise over the proposed SV period”.

NOTE the proposed SRV period is showing as 2 years only, although the proposal is that the increase will be permanent & compounding.

How can the 2 most recent TSC quarterly budget reviews, being @30 September 2022 & @ 31 December 2022 which reported increased deficits of well over \$1 million each possibly demonstrate “cost containment strategies” or “productivity improvements” especially when my understanding was that any expenditure resolution must identify a source of funding or be referred back to the GM/CE?

Depreciation is a standard expenditure budget item, not something to exclude as a paper entry. Ultimately the depreciation process allows the spreading of the expenditure over the life of the asset rather than requiring the total acquisition, construction expenditure to be expensed in the first year of 'in service'.

The 10 year LTFP result with the original 7.5% for future years rate peg has a 200%+ increase in rates & charges, so presumably the rates increase would be higher again if charges were excluded? (capitals added)

The re-submission 10 year LTFP result with the reduced Rate Peg of 2.5% pa (required by IPART?) has an approx 125% increase in rates & charges & again the rates % increase would presumably be higher again.

How can anything over a 10%+rate peg pa be seen as meeting the "must be reasonable" primary test?

Thanks
C Jaques.

From: C Jaques

Sent: Friday, 5 May 2023 4:18 PM

To:

Cc:

Subject: Further CJJ Submission: RE: IPART 2023-2024 SRV Re-submission for TSC - Due by 5 pm Friday 5 May 2023? Attached is CJJ submission on TSC re-submission. & cover page for both the earlier submission & this one. Thanks.

Attached is another submission on the TSC re-submission. I still have not read all the documents.

Also attached is a cover page to use for my recent emails, including the word document attached.

I haven't had time to double check the content & its possible I have some typos etc in the content.

I'm happy for C Jaques and the submissions to be included in the public documents, but if there is any contact which you consider may be offensive, I'm happy for you to redact from the public document.

Presumably IPART staff will be able to read the issues I have tried to raise.

I suggest it is time for the Minister to provide some firm directions to all NSW councils re their financial decisions.

I do acknowledge that the NSW & Federal governments and private entities do engage in cost shifting to councils, some of which is mandatory and unplanned but others include a component of willingness to accept the financial consequences (or perhaps oblivion as to what the short & long

term consequences actually are before financial commitments are entered into by 'authorised' officers of the council.

I do hope IPART doesn't get diverted by the unsustainable financial performance of TSC and allows this to override what I see as the primary purpose of the whole purpose of the Rate Peg and the SRV etc processes – namely protecting the Ratepayer from unreasonable Rate increases.

I emailed the cover sheet to [REDACTED] earlier. I'm not sure why it won't let me save the updatetemplate. I can do screen shots or find the sent email if you need it.

Thanks

C Jaques

From: C Jaques

Sent: Thursday, 4 May 2023 3:51 PM

To:

Cc:

Subject: Re: IPART 2023-2024 SRV Re-submission for TSC - Due by 5 pm Friday 5 May 2023?
Submission cover sheet. I don't have a scanner & document wouldn't allow me access to all fields

I don't have a scanner, so some form content is below.

Yes I have read IPART's Submission policy.

I am happy for the submission & C Jaques (TSC Ratepayer) to be published.

In my opinion it is not confidential. I only have access to public material

This is part 1 of 2 submissions on Tenterfield Shire Council's

Re-submission for a permanent, compounding SRV with a 10 year long term financial plan result of approx 150% increase in Rates & Charges - so it appears that the rates component would be higher than approx 150% Rates increase), to be implemented over the next 2 years on approx 5,000 older aged, lower income, physical assets not cash longer term Ratepayers!

The initial submission result (as per the re-submission worksheet 8) 10 year result was approx 200% increased rates.

Q: What caused this apparent significant improvement?

Apparently IPART required 'future' years to use a 2.5% Rate Peg not the 7.5% TSC apparently used? Ie a 5% reduction in the compounded rates increase for years following tge implementation? Q: Why?

Q: why didn't IPART require TSC to provide an agenda report to Council and seek a confirming resolution (as did the other NSW council doing a re- submission?)

NOTE: increasing the Rate Peg or excluding more components from the Rate Peg etc processes, doesn't help protect the ratepayers from unreasonable rate increases.

I will finalise part 2 of my submission on the re-submission before Friday 5/5/2023 by 5 pm.

Thanks

C Jaques

From: C Jaques

Sent: Thursday, 4 May 2023 10:11 AM

To:

Subject: IPART 2023-2024 SRV Re-submission for TSC - Due by 5 pm Friday 5 May 2023?

Q: Can you confirm I have until 5pm on Friday 5 May (tomorrow) to provide any further submissions re TSC re-submission of their unreasonable 104.49% SRV application?

Please include the feedback below also.

I will be providing another submission on the TSC 104.49% SRV Re-submission, including the apparent' but not real 'reduction' in the 10 year LTFP compounding consequence from approx. 200% increase in Rates & charges (which would suggest a much higher increase just for rates as '*charges aren't included*' as we keep getting reminded) 'miraculously' down to approx. 150% increase in rates and charges (as a minimum).

*This is very misleading for the few Ratepayers who took the time to consider at least some of the 'updated' documents.

*This is apparently also very understated considering the current CPI & wages increases escalating daily AND the TSC 'executive approved' Q&A responses indicating the expenditure estimates are significantly understated.

*what increase in mandatory rates & charges are Ratepayers really looking at & how much relates to EVIDENCED Ratepayer needs & active informed Ratepayer support.

I suggest significant change in the local government model is needed to avoid destroying small communities.

*I gather the NSW government has just announced yet another significant cost-shifting charge for Emergency Services. The mayor has indicated this is over \$200,000 for TSC, being approx. 12% of

the rates TSC raise!!!

*How do approx. 5,000 older aged, lower income, rural 'village' service levels (from council, State, Business, Federal agencies), longer term resident Ratepayers continue to pay increased rates to cover these constant State standard, policy & direct \$ charges by the State?

*Where are the NSW government actions re Statewide directions on the Rural Fire Services assets missing from many Council financial statements (& still no doubt still increasing expenses & staff time in 'arguments' & consultants reports); the return of major roads which should never have been changed from Highways to Roads; the State to either manage NSW agency (& council) wages or providing increased untied paid in advance grants; NSW wide directions re reasonable organisational structures related to Ratepayer numbers & Ratepayer financial capacity (eg TSC has 3 executives in \$200,000-\$300,000 remuneration range & still 10 Managers & no doubt other senior positions paid at 'manager' \$?) etc etc etc. Much of this is unnecessary as per NSW 'cost shifting' 'paperwork'.

*Why is the unnecessary local government administrative layer for Joint Organisations still growing & existing & making decisions not subject to Electoral Input?

*Why is this apparent 'structural' financial 'failure' apparently being ignored or deferred by OLG, Treasury, Premier's office, Auditor-General?

(Note: I do realise the Auditor-General has only recently been given the role for Local Government – thank goodness, as things are now starting to hit the fan).

Approx. 5,000 ratepayers cannot support this model.)

I still do NOT support the outrageous 104.49% SRV request by TSC. Since January 2022 there has been no significant change in the entity behaviour, including 'authorised' officer acceptance of grant conditions without first providing the full 10 year LTFP consequences of each additional grant to Council prior to 'approving' the electronic submission; failing to also provide at least the 10 year LTFP consequences of the 'new', 'additional' 'cost shifted from NSW government' 'service' to Council prior to 'approving' the grant application (& known in advance conditions re Council contribution, cash flow consequences, overspend consequences, future years consequences')

*In my opinion, TSC must not continue to decide (without evidenced majority Ratepayer support) to pick up the 'slack' whenever the State or Federal Government or Private Sector entities don't provide what TSC officers & councillors think 'should' be available in our remote, small Ratepayer base, widely distributed small population, area.

In addition, there is too much TSC activity in areas which are NOT EVIDENCED NEED for Ratepayers, especially many TSC Ratepayers living outside Tenterfield Town.

NOTE: If one group of ratepayers are to have 'user pays' mandatory rates or charges then there should be EVIDENCE of active support that the majority of those RATEPAYERS, not just of the 'internally selected' 'in house' 'consultation' groups or individuals who think there will be manna from heaven.

Mind you this is not an unreasonable 'public' or 'community' expectation as I have rarely seen a clear indication of the financial consequences of the Ratepayer \$ consequences of TSC invited 'aspirations' and 'wish lists', being treated as 'consultations'.

Responsible majority older aged, lower income, longer term resident Ratepayers who are managing their financial arrangements so well that the TSC well paid consultants 'evidence' on Capacity to Pay the unreasonable 104.49% permanent, compounding SRV – before further mandatory charges, is

that mortgages are low, ownership is high (but not easily sold off in segments to pay increased mandatory rates & charges, often for unnecessary, often costly 'aspirational' or impractical TSC 'services' or costly 'aspirational' 'infrastructure') are potentially going to be 'forced' into financial instability due to DELIBERATE decisions by TSC 'authorised' officers (whoever they might be) or by Council resolution – in my opinion based on often 'incomplete' reports and draft recommendations by officers.

IS this reasonable, fair or equitable? I don't think so. Agendas & recordings are available at www.Tenterfield.nsw.gov.au

This forced Ratepayer potential financial instability is before the apparent officer plans for yet another SRV for a new pool once the current 104.49% application is approved. Who decided this – the children? VERY VERY few Ratepayers or Residents outside of Tenterfield Town would ever use a Town based swimming pool OR fishing platform, or skateboard park or memorial hall etc etc. Apparently there is already a private business providing heated pool swimming lessons etc, so why is TSC still spending excessive \$ on the old pool & apparently planning a New Pool – with a recently approved extended management contract?

Where is the evidence a new or upgraded Town based pool is a whole of Shire Ratepayer \$ priority leading to yet higher rates or mandatory charges?

Please remember the Ratepayers (& possibly the Councillors) have not been presented with an officer prepared priority list of all services & infrastructure LTFP content in the current IP&R documents (see TSC 26 April agenda) so it is clear what will need to be removed when the TSC application is substantially refused. To date the 'removal' decisions seem to be based on what will annoy the Town based residents & volunteers the most.

Thanks

C Jaques

Subject:
Email 1 - IPART Additional
Submission - Public

Date: Friday,

Comments

The "Public comments" are obviously not public comments, they are written in the first person by council staff.

5b The author appears to have no understanding of the effect of VG numbers on rate distribution, they do not alter average rates in a category or distribution of rates between categories.

24 March 2023 10:54:40 AM

Dear IPART Team,

please see public comments:

Public comments

1. This SV is designed as a catch-up SV. The intent is to have one difficult process and then put the Shire in a position where such a large increase is never required for operational matters,
2. Due to how Councils revenue has been raised in recent years, and noting Council has exhausted its reserves and is reaching its reasonable borrowing limits, any SV increase less than the recent annual borrowings will lead to a reduction in Councils overall revenue base which will result in direct service and expenditure cuts,
3. Council wants to be able to maintain its assets in a manner that is safe and does not stop economic growth in the region. For example, a significant reduction in revenue will impact Councils ability to maintain its roads. As an agricultural heavy region, this will impact the ability for farmers to get their product to market,
4. Any reduction in the Shires' economy will have a multiplier effect and impact broader employment in the region,
5. TSC considered altering our rating categories and structure to apply the SV differently across the different categories. It was determined not to do this as part of the SV process due to:
 - a. The Farmland category already makes up approximately 50% of Councils total rates revenue so the increase is expected to impact this category proportionally more in real dollar terms than other categories,
 - b. With the updated valuer general (VG) numbers also occurring leading into the new rating cycle, it is expected that Farmland is likely to increase at a higher proportional rate than residential which will have another impact how the rates revenue is distribution.

It was determined, that to have a consistent conversation with the community, the increase would be applied evenly by category noting there will already be an impact from the VG numbers. Once these values are known a further conversation can be had with the community in future years re any redistribution of revenue by category.

6. With these conversations commencing with the community in February 2022, not wanting to change the core of the conversation (to avoid confusion), we do now have more current information than we did when the application was prepared, and
7. Council does not want to remove the social aspects of its services that improve the quality of life for the residents and visitors.

Subject:

1	<p>Could you please re-complete parts of WK8 – LTFP?</p> <ul style="list-style-type: none"> - Please re-do Scenario 1: Proposed additional SV income and expenditure – Income from continuing operations. The forecasts from Year 3 2025-26 onwards should assume a 2.5% rate peg and not 7.5%. - Please reconsider whether the Expenses from continuing operations line items should be different between Scenario 1: Proposed additional SV income and expenditure – Income from continuing operations versus Scenario 2: Base case – no SV income or expenditure. <p>This 50% becomes 7-9% later in this document.</p>	<p>Completed in the attached version.</p> <p>Please note, and as previously mentioned, this approach was raised with IPART in earlier discussions. Had the recent discussions been had at that time we would have provided this as part of the original submission.</p> <p>The logic behind this approach has been that this SV is essentially a catch-up SV and Council does not want to ever have to put forward a large SV again for standard operational matters. Ideally, any future SVs would be for a special project (e.g., new swimming pool).</p> <p>Council has amended the expenditure items in both scenarios to reflect current inflation and increase in cost of conducting business. This inflation is true to Tenterfield due to aspects of regional inflation being much higher than the national annualised average and in some cases as much as 50% higher for contractor services the wages market is even more problematic, and Tenterfield is struggling to compete for experienced or qualified staff.</p> <p>None of this is captured in the cost of doing business projections so any numbers documented are probably well below reality.</p> <p>As evident from both scenarios - The operating result is significantly different under the different scenarios.</p>
	<p>Could you please re-complete parts of WK9 – Ratios?</p> <ul style="list-style-type: none"> - Please reconsider whether the forecast ratios (columns L to V) for the Infrastructure Renewals Ratio, Infrastructure Backlog Ratio and Asset Maintenance Ratio should be different for Scenario 1: Proposed (with SV) versus Scenario 2: Base case (no SV). 	<p>Completed in the attached version.</p> <p>Please note, and as previously mentioned, this approach was raised with IPART and approved in earlier discussions. Had the recent discussions been had at that time we would have provided this as part of the original submission.</p>

	<p>The infrastructure renewals ratio is significantly different under the different scenarios and a similar trend can be evident in the Asset Maintenance Ratio and other ratios such as Own Source revenue ratio.</p> <p>There is no large change in the Infrastructure Backlog Ratio which is consistent with this SV as it does not address any of the backlog.</p>
<p>Please provide more context as to why TSC's forecasted OPR continues to increase to 23% in 2031-32</p> <ul style="list-style-type: none"> - Perhaps it would be helpful framing an answer to the hypothetical stakeholder who may ask 'why does council need to accumulate all these funds over time'? - For instance, is it because the majority of the SV monies will be spent on asset replacement? If my understanding is correct, the impact of writing-off and replacing assets is not something that materially impacts income statement line items, which is why it may not be reflected in the OPR, which is a ratio ultimately driven by income statement items. If so, it would be especially helpful to action point 2 above. <p>Your understanding is correct. Council has claimed their deficit is due to their increased depreciation costs but they are not a cash item just a balance sheet entry. If you add back the depreciation the councils financial position is not as bad as they claim therefore they do not need the full SV they have applied for. If on the other hand councils position is as bad as they claim and they have allowed the hole to get this deep, it would be irresponsible to award any SV as without a radical change in policy and strategy the hole will just get deeper. If you through money at an inefficient business you just feed the inefficiency, you don't get increased productivity, They must correct the inefficiency first.</p> <p>it is normal business practice to fund capital projects from borrowings. In councils case capital works are funded with a combination of government grants and borrowings. There is no need for a large \$5M per year "sinking fund".If council had their own source of funds to renew capital it may not attract government grants. Also, a large sinking fund would make the council an attractive target for an amalgamation or a government raid on funds.</p>	<p>With the revised rates increase values having changed from 7.5% to 2.5%, and incorporating inflation at true cost of conducting business the 23.2% value is now 4.6%. This 4.6% is based on forecast expense increases, If expenses continue to rise as they have the past two years the forecast expenses will be much higher and the 4.6% will effectively get much lower. Also important to note is the employee benefit has been increased by 2.5% to be consistent with Local Government State Award however Council is aware of a possibility to increase Wage % increase to 4.5-5.5% and this if accepted with result in a higher employee cost as well.</p> <p>Council had used a 2.5% CPI increase in forecasting expenditure at time of adopting the LTFP. However, it can be suggested that 2.5% is a fantasy and does not reflect the true inflationary affect , which is higher that the current annualised inflation rate due to regional pressures such as floods. The true cost of inflation has eroded councils' operational revenue at a much faster rate and high inflation has resulted in materials cost to increase by 7-9% per annum. This is also consistent with higher consultant and contract costs increasing by 7-9% across the shire.</p> <p>n response to the hypothetical stakeholder example, this would look along the lines of:</p> <p>Many assets Council look after have maintenance costs through their life and when they come towards their end-of-life Council will spend larger sums of money to renew and/or replace the asset depending on its condition. For Council to have the funds to do this at the appropriate time, it needs to set aside money, (a sinking fund) to be dedicated for that purpose.</p>

maintenance/ service levels). For example, the first thing that would happen is we would reduce our rural roads maintenance by \$600,000 per annum this would have serious flow on effects such as the loss of the ability to secure grants.

A significant reduction in income would also lead to the requirement of an even leaner organisational structure and reduced service levels. When compared to other group 10 Councils, Councils rating revenue is one of the lowest and the FTE count versus residents is also one of the lowest, as noted in the independent report from the OLG.

Initial works undertaken in this area, if no SV is approved, have also demonstrated significant redundancy costs that would severely impact Councils cash position whilst the change is implemented.

<p>The state government Regional Roads Block Grant to the council is currently above \$1.5M per year. The council will lose this funding if the state takes back these roads. The \$1.2M depreciation is not a cash item.</p>	<p>As noted above, Council has been using loans for the past two years to avoid service level reductions and that is not financially sustainable into the future.</p> <p>Regarding where Council intends to spend the funds, it is shown in Council's asset management plans and roads maintenance program.</p> <p>An example of the costs impacts includes that Council had two roads foisted on them by the state government (Mt Lindsay Rd and Bruxner Way). These two roads added approximately \$1.2m in annual depreciation on Councils books. This automatically negatively impacted Councils OPR. Council is in discussions with the state government to hand these assets back but is not confident of this happening anytime soon.</p>
<p>We would also appreciate some commentary on why council should be granted a permanent SV if the main purpose of the SV is asset renewals. Is there anything else that needs to be funded?</p>	<p>The main purpose of this SRV in the short term is renewals. The key for TSC is not to end up in this position again in 7 to 10 years' time. The management of core assets such as roads, bridges and swimming pools take place over many years and has multiple lifecycle components.</p> <p>With Councils assets being in their current condition the focus in the short term is to renew and maintain current assets. As the assets are renewed Council will be looking to improve the maintenance of them and the funds over time will move to a different balance of renewals v maintenance. This will happen over a period of 10,20 and in some cases 50 years. With the IPART documents only looking at the next ten years, it is difficult to represent this Clearly or show the strategic importance of the actions we take today.</p> <p>Councils focus has been on addressing the OPR result to move back to a balanced operating position.</p> <p>If a temporary SV was approved, it wouldn't solve any of the fundamental issues at best it would stave off another SRV for a short period. Like most band aid solutions, it's akin to moving the deck chairs on the Titanic and we all know how that ended. This is noted by the 2015 IPART report referenced</p>

	<p>in our submission where a 99% SV has been applied for previously, however it was denied by IPART and suggested a 99% was not reasonable for the community. Fast forward several years and evidence clearly shows that this was a false economy and that in fact if that increase was granted we would not be where we are today in financial terms.</p> <p>As Council is an asset/ Infrastructure centric shire rather than a service delivery council, it is vital that assets are maintained at a service level of satisfactory and above. The permanent SRV assists Council to deliver those services to the community. The flow on effect of not be able to afford to maintain critical infrastructure, would mean that the local economy would be at risk as it relies on Agribusiness and the ability of primary producers to get their products to market. It should be noted that v even something as seemingly innocuous as a load limit on a wooden bridge would be problematic.</p> <p>History has already proven that because previous SRV applications were eroded, and the recommended rates increases being denied at the time, we are now dealing with the consequences approximately 10 years later. In fact it can be posited that the current financial situation is a result of a poor decision caused by the previous SRV applications being eroded, at the very least it is certainly complicit.</p> <p>The fact is that council is not building new shiny things, its not introducing a new service, it simply wants to maintain its current position, and its very basic services provision and importantly its transport assets.</p> <p>This point is supported even further by Councils current cash position, noting Council had a negative unrestricted cash position as at 30 June 2021 and has very limited general fund reserves.</p> <p>At risk of sounding repetitive, the requested SV will simply ensure that Council is able to maintain its assets in current condition and ensure that no</p>
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		<p>further deterioration takes place. A number of grant funding is dependent on Council's asset being maintained at a certain level. Without maintenance funds Council is at a higher risk of not receiving those grants and this will further impact condition of the assets.</p> <p>This also possess a high risk to community to use unsatisfactory condition- based asset and risk injury or accident and may lead to loss of life. Further, our economy relies on growers getting produce to market and this will put this at risk if not impossible.</p> <p>It should also be noted that funding associated with Natural Disasters is becoming more technical and governance required is increasing meaning we must hire technical skilled staff to manage the increasingly complex grants application and acquittals.</p>
	<p>Please provide some evidence of the steps council has taken to address its financial problems</p> <ul style="list-style-type: none"> - The relevant QBR that shows parcels of land have been sold and/or council resolution that shows council intends to put certain properties for sale - Council documents (e.g. resolutions or internal minutes) that show council has considered reframing its organisational structure to save money e.g. consideration of handing back School of Arts and moratorium on filling the 20FTE vacancy 	<p>Council has very limited opportunities for ongoing increases to annual revenue.</p> <p>In relation to one-off revenue opportunities Council has:</p> <ol style="list-style-type: none"> 1. Commenced the sale of commercial land to raise revenue (currently in negotiations) <ul style="list-style-type: none"> – Eg December Quarterly budget Review Page 127 – available online at Link: <p>https://www.tenterfield.nsw.gov.au/content/uploads/2023/02/Agenda-Ordinary-Council-Meeting-Wednesday-22-February-2023-Attachments.pdf</p>

	<p>Council is the road authority responsible for these roads and roads are core business. This is an ideal threat infact they could not remove C and D class roads from the registrar</p>	<p>2. Council also conducted an Auction for sale of another parcel of land and is currently in negotiations with real estate to finalize a deal. If successful, Council can provide relevant documents to IPART.</p> <p>Otherwise, for Council, it is more about reducing costs. In this area, Council has looked at:</p> <p>A village model with lower levels of services and a leaner organisational structure, (It should noted that this would be disastrous in the medium term as D class and many C class roads would need to be removed from</p>
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		<p>the RMP and it is highly unlikely council could ever come back from that as the transport assets would quickly fall into disrepair and even negate council from applying for grants to repair any future flood damage.</p> <p>2. Reducing commercial building costs.</p> <p>Unfortunately, the reality of Councils situation is that most of its expenditure is made on (Transport) assets and large a reduction in expenses would have a significant impact on the management and maintenance of its assets. Even items like putting a moratorium on filling the 20FTE vacancy is only a short-term solution whilst long term income and service levels are resolved.</p> <p>All resolutions of Council related to efficiency gains were included in section five of Part B of the application. It should be noted that council has reached the</p> <div data-bbox="1256 804 2175 954" style="background-color: black; width: 100%; height: 40px;"></div>
	<p>Any other relevant information that would help Tribunal contextualise Tenterfield Shire Council's application e.g. the fact that Tenterfield only has 1 engineer who works 2 days per week etc.</p>	<p>To provide some insight into this:</p> <ol style="list-style-type: none"> 1. When Councils LTFP was originally drafted Council had one management accountant who was the Acting Finance Manager as well. The shortfall in council resources was managed by several staff members contributing to the best of their ability to manage the statutory obligations. 2. TSC considered altering our rating categories and structure to apply the SV differently across the different categories. It was determined not do this as part of the SV process due to: <ol style="list-style-type: none"> a. The Farmland category already makes up approximately 50% of Councils total rates revenue so the increases is expected to

3 There is room for huge efficiencies in the tenterfield road maintenance program. The current problem may be due to only having an engineer only 2 days a week, worker moral is very low, they lack supervision, The plant utilisation rate is very low. This is the area where massive savings could be made.

As an example during the very wet months last year crews patched holes in the ashfelt using a water based emulsion, the next shower washed out the emulsion, many of these holes were repeatedly repaired more than 6 times (getting bigger each time) without changing product or procedure, This should not have happened with proper supervision,

impact this category proportionally more in real dollar terms than other categories,

- b. With the updated valuer general (VG) numbers also occurring leading into the new rating cycle, it is expected that Farmland is likely to increase at a higher proportional rate than residential which will have another impact how the rates revenue is distribution.
- c. It was determined, that to have a consistent conversation with the community, the increase would be applied evenly by category noting there will already be an impact from the VG numbers. Once these values are known a further conversation can be had with the community in future years re any redistribution of revenue by category.

3. Council only has one qualified engineer who works two days per week,

- 4. The significant operational impacts of droughts, bushfires, floods and special purpose grants severely limited the time operational staff could spend on asset management related works,
- 5. Local government struggles to match the rates of pay staff can get in jobs with the state government and the private sector,
- 6. Being a border region, Queensland is not impacted by the limitations of rate pegging and Council struggles to match the rates of pay staff can get in like-for-like Council jobs in Queensland.
- 7. Similar to point above Council cannot compete with Queensland councils ability to pay a higher contractor rate.

		<p>8. Council does not want to remove the social aspects of its services that improve the quality of life for the residents and visitors.</p> <p>9. Council is currently borrowing from external banks to fund gap in funding capital projects from general fund and this increase in debt borrowing will consume operating revenue into the future and add additional pressure on the future of Shire ratepayers. The SV requested as a result of yearly by year basis will ensure that Council does not borrow or minimize its borrowing for general fund capital works.</p>
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From: C [REDACTED] Jaques [REDACTED]
Sent: Monday, 8 May 2023 3:33 PM
To: [REDACTED]
Cc: [REDACTED]
[REDACTED]
TSC [REDACTED]
[REDACTED]
Subject: CM: Fw: ##9 % new rate arrears interest charge - Council Circular 23-02 Information about Ratings 2023-24

[REDACTED] re Rate Peg Methodology review

[REDACTED] re IPART SRV 2023/2024 applications

[REDACTED]

[REDACTED]

Others

Please include the attached 2023/2024 'Unreasonable' ##### 9% interest rate on overdue rates (& presumably also on mandatory charges) in the IPART comments & recommendations for the final decisions, future NSW directions & guidelines especially relating to the imminent decisions & recommendations on the NSW Rate Peg Methodology & 2023/2024 multiple Council special rate variations IPART applications.

How on earth can IPART, OLG, Treasury, the Premier or any NSW Minister or any senior public servant think the current NSW & Council debt management & hardship 'policies' & directions are 'reasonable options for Ratepayers looking at a totally UNreasonable 104.49% Special Variation' (% ONLY over 2 years - 10 yr % is 125%- 200%+ for rates AND charges, so presumably if the lower increasing charges are removed then rates % increase over the 10 years will be even higher?) when this 2023/2024 ##9% interest rate on rates arrears is SO FAR ABOVE reality, it is hard to believe.

I also understand from the documents I have seen, there is also NO option for the arrears or outstanding Ratepayer debts for council rates & mandatory charges to remain on the property till the next sale?

What are the TSC approx 5,000 Ratepayers, the majority being - older aged, lower income, longer term residents, meant to do should anything over 10% plus the Rate Peg be approved by IPART? Pay yet more \$ to Tenterfield Shire Council to subdivide off a small portion & hopefully sell it to cover future Rates & Charges debts?

The TSC paid consultants view appears to be that because TSC Ratepayers have lower mortgages,

higher property ownership & pay their rates on time, this means that the deliberate responsible financial decisions by TSC Ratepayers means they apparently do have the Capacity to Pay 104.49% rate increase over the next TWO years, but permanent & compounding (before mandatory charges increases) to restore the apparent unacceptable deficits & cash flow instability.

TSC officers are apparently already considering yet another SRV - for a swimming pool IN TENTERFIELD TOWN. Who decided this was the next Shire wide priorities. NOT the ratepayers who live 1 - 2 hours away with no cheap or ANY public transport. Not even the majority of Ratepayers who live in town.

Many of the so called 'services' & infrastructure related expenditure resulting in the proposed 104.49% increase in rates over the next 2 year, are not NEED and for many TSC Ratepayers out of Tenterfield town, they are impractical, too far away or irrelevant. How many informed ratepayers actually provided evidence of active, fully informed support? Not the majority I'm sure, probably less than 10% of TSC approx 5,000 ratepayers.

It's disappointing that this document was issued on the 1st working day after the IPART SRV submissions & re-submissions closed. Accidental, lack of statewide alignment or deliberate management of public information? Was the new Minister informed about the important, in-progress activities for the Rate Peg Methodology review & the 2023/2024 proposed special rate variations for multiple NSW councils?

Please remember IPART's apparent primary role is to prevent unreasonable rate increases being imposed on ratepayers. See the prompt questions on the IPART site for public submissions on the multiple council applications for rate Increases in excess of the approved Rate Peg ESPECIALLY the Mandatory evidence councils were required to provide.

What would your responses be?

What would your elderly, low income relatives think?

FYI and hopefully timely relevant action,.

[REDACTED]

C [REDACTED] Jaques

Tenterfield Shire Council Ratepayer (TSC)

[REDACTED]

[REDACTED]

----- Forwarded message -----

From: "Office of Local Government" <newsletter@info.olg.nsw.gov.au>

To: [REDACTED]

Cc:

Sent: Mon, 8 May 2023 at 11:56 am

Subject: Council Circular 23-02 Information about Ratings 2023-24



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Council Circular

06 April 2023

23-02 Information about Ratings 2023-24

Circular Details	23-02 / 8 May 2023 / A849639
Previous circular	22-06 Information about Ratings 2022-23
Who should read this	Councillors / General Managers / Council staff
Contact	Performance Team / 02 4428 4100 / olg@olg.nsw.gov.au
Action Required	Information / Council to Implement
PDF Version of Circular	23-02 Information about Ratings 2023-24

What's new or changing

- The maximum boarding house tariffs for 2023-24 have been determined.
- The maximum interest rate payable on overdue rates and charges for 2023/24 has been determined.
- The Section 603 Certificate fee for 2023/24 has been determined.
- The statutory limit on the maximum amount of minimum rates for 2023/24 has been determined for commencement on 1 July 2023.

What this will mean for your council

- Councils should incorporate these determinations into their 2023/24 rating structures and Operational Plan Statement of Revenue Policies.

Key Points

Boarding House Tariffs

- In accordance with section 516 of the *Local Government Act 1993* (the Act), it has been determined that for the purpose of the definition of 'boarding house' and 'lodging house', the maximum tariffs, excluding GST, that a boarding house or lodging house may charge tariff-paying occupants are:

a) Where **full board and lodging** is provided:

\$432 per week for single accommodation; or

\$713 per week for a family or shared accommodation

b) Where **less than full board or lodging** is provided:

\$291 per week for single accommodation; or

\$479 per week for family or shared accommodation

Maximum Interest Rate on Overdue Rates and Charges

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2023 to 30 June 2024 (inclusive) will be **9.0% per annum**.
- The methodology used to calculate the interest rate applicable for the period 1 June 2023 to 30 June 2024 is the Supreme Court methodology (the Reserve Bank cash rate plus 6%), rounded to the nearest half per cent. The cash rate used for the purposes of the maximum interest rate for local government is based on the cash rate set by the Reserve Bank of Australia on 6 December 2022.
- Notice giving effect to these decisions has been published in the NSW Government Gazette (Government Gazette No 146 – 31 March 2023).

Section 603 Certificate

- Under section 603 of the Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc. due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2023-24 is determined to be **\$95**. This is an increase of \$5 from the 2022-23 fee.
- This determination applies to the issuing of a certificate for the matters specified in section 603(2) of the Act. Where a council offers to provide other information as an optional service, the council is not prevented from separately determining an approved fee for that additional service. Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a Section 603 Certificate.

Statutory limit on the maximum amount of minimum rates

Following a recommendation by IPART, clause 126 of the Local Government (General) Regulation 2021 will be amended on 1 July 2023 by the Local Government (General) Amendment (Minimum Amounts of Rate) Regulation 2023 so that under section 548(3)(a) of the Act, the maximum amount of the minimum ordinary rate will be **\$590** for 2023-24.

- The maximum amount of a minimum special rate (not being a water supply special rate or a sewerage special rate) prescribed by section 548(3)(b) of the Act will remain unchanged at **\$2**.

Where to go for further information

- The NSW legislation website at www.legislation.nsw.gov.au.



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-----Original Message-----

From: J [REDACTED] Taylor
Sent: Monday, 1 May 2023 7:25 AM
To: [REDACTED]
Subject: Tenterfield shire council

Tenterfield shire council has cleaned drain on the corner of Stephen Street and Urban street, and left drain corner of Lindsay Street with grass still as it always is water floods everywhere as it cannot get away. I will enclose photo again.

Any improvements ever done in Urbenville has been by Grants of monies from NSWmgovernment. Yet every Newsletter they are spending more money in Tenterfield. The latest tenders for cleaners of services, previously tenders for Street sweeping. We wonder what their staff do. Every penny is spent in Tenterfield they seem to have renewed the whole of it. I guess we will be able to do nothing but walk away. Sent from my iPhone

-----Original Message-----

From:
Sent: Tuesday, 25 April 2023 11:20 AM
To: [REDACTED]
Subject:

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-----Original Message-----

From: J [REDACTED] Taylor
Sent: Tuesday, 18 April 2023 3:13 PM
To: [REDACTED]
Subject: Tenterfield council

Thank you for your call yesterday.

The problem is Urbenville is an aged population of approx. 250 people there is not any work here we have much travel for most shopping. Our citizens cannot afford such a variation rise on Centrelink benefits.

Council did not advise dollar value of this variation, they did advise in their Newsletter services would be cut if variation was not forthcoming.

I am enclosing photos of open drain at the end of Urban Street which is never attended to the owner of the corner block where the drain is has advised me the footpath has been eroded away. One cannot see this as grass is always six or more foot high in the drain preventing water flowing away as it should.





Sincerely, J. [REDACTED] Taylor
Sent from my iPhone

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FYI and hopefully timely relevant action,.

[REDACTED]

[REDACTED]

----- Forwarded message -----

From: "Office of Local Government" <newsletter@info.olg.nsw.gov.au>

To: [REDACTED]

Cc:

Sent: Mon, 8 May 2023 at 11:56 am

Subject: Council Circular 23-02 Information about Ratings 2023-24


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Council Circular

06 April 2023

23-02 Information about Ratings 2023-24

Circular Details	23-02 / 8 May 2023 / A849639
Previous circular	22-06 Information about Ratings 2022-23
Who should read this	Councillors / General Managers / Council staff
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- The maximum interest rate payable on overdue rates and charges for 2023/24 has been determined.
- The Section 603 Certificate fee for 2023/24 has been determined.
- The statutory limit on the maximum amount of minimum rates for 2023/24 has been determined for commencement on 1 July 2023.

What this will mean for your council

- Councils should incorporate these determinations into their 2023/24 rating structures and Operational Plan Statement of Revenue Policies.

Key Points

Boarding House Tariffs

- In accordance with section 516 of the *Local Government Act 1993* (the Act), it has been determined that for the purpose of the definition of 'boarding house' and 'lodging house' the maximum tariffs, excluding GST, that a boarding house or lodging house may charge tariff-paying occupants are:

a) Where **full board and lodging** is provided:

\$432 per week for single accommodation; or

\$713 per week for a family or shared accommodation

b) Where **less than full board or lodging** is provided:

\$291 per week for single accommodation; or
\$479 per week for family or shared accommodation

Maximum Interest Rate on Overdue Rates and Charges

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2023 to 30 June 2024 (inclusive) will be **9.0% per annum**.
- The methodology used to calculate the interest rate applicable for the period 1 June 2023 to 30 June 2024 is the Supreme Court methodology (the Reserve Bank cash rate plus 6%), rounded to the nearest half per cent. The cash rate used for the purposes of the maximum interest rate for local government is based on the cash rate set by the Reserve Bank of Australia on 6 December 2022.
- Notice giving effect to these decisions has been published in the NSW Government Gazette (Government Gazette No 146 – 31 March 2023).

Section 603 Certificate

- Under section 603 of the Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc. due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2023-24 is determined to be **\$95**. This is an increase of \$5 from the 2022-23 fee.
- This determination applies to the issuing of a certificate for the matters specified in section 603(2) of the Act. Where a council offers to provide other information as an optional service, the council is not prevented from separately determining an approved fee for that additional service. Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a Section 603 Certificate.

Statutory limit on the maximum amount of minimum rates

- Following a recommendation by IPART, clause 126 of the Local Government (General) Regulation 2021 will be amended on 1 July 2023 by the Local Government (General) Amendment (Minimum Amounts of Rate) Regulation 2023 so that under section 548(3)(a) of the Act, the maximum amount of the minimum ordinary rate will be **\$590** for 2023-24.
- The maximum amount of a minimum special rate (not being a water supply special rate or a sewerage special rate) prescribed by section 548(3)(b) of the Act will remain unchanged at **\$2**.

Where to go for further information

██████████ made a verbal submission to IPART on 4 May 2023, as outlined below.

Ability to pay

- I live in Liston with my wife and 2 children. Both my children have complex needs and we also care for my wife's niece who also has health problems. We support them financially also.
- We are currently on a fixed income (Aged Pension), so we are already budgeting with limited resources for ourselves and others.
- Buying groceries and paying bills have become difficult.
 - o Paying for gas is one particular example. For instance, we used to go through 8 cylinders in 12 months, but last year we had to cut down to 4 cylinders.
- To cut costs, our house is also under-insured.
- We limit visits to doctors to save money, as there are limited bulk bill options.
- We do not overspend. We have not been on holiday for 20 years, use cheap phone and internet plans and do not drink or smoke.
- There are also services we do not access because of our far location from central Tenterfield such as:
 - o No wheelie bin collection (we can access this, but it is extremely expensive i.e. \$480 per annum, because of our location)
 - o No sewerage and waste
 - o Difficult to access many council services such as libraries

Impact of the proposed rates

- If the rates are approved as proposed by council, I will need to draw down from my industry superannuation to pay for council rates, as such:
 - o In 2023-24 - withdraw 50% of the rates from my superannuation
 - o For 2024-25 and beyond - withdraw 100% of the rates from my superannuation
- If the rates are approved, this would negate the support we receive from other government agencies such as the State government, including:
 - o Free car registration
 - o 1 free bottle of gas
 - o 2 petrol or travel vouchers
 - o Rate rebate
 - o Electricity concession

Community consultation

- The council told us that the SRV won't even provide new services but will only cover the shortfall.
- I attended a community consultation night at Liston Hall. I did not feel that this was a true community consultation where I could hear others' views.
 - o We were divided into 7 groups with one council staff per group. Within the group, council staff gave a presentation and we were not given an opportunity to ask questions. We were just told how the SRV was going to happen.
- There were one-on-one meetings available with council staff. However, this was not easily accessible as it would involve travelling over 50 km to Tenterfield.
- I have also sent numerous emails to council about the SRV, but none of these have been answered.

I oppose the proposed SRV from Tenterfield Shire Council

Author name: Name suppressed

Date of submission: Thursday, 4 May 2023

Please provide any other comments on the council's application that you would like to make here.

I have attached below my rates transaction record from 2009 to 2022. In this account you will be able to see that rates on my property (un-serviced completely for water sewerage and garbage, and rural farmland). You will be able to see that my rates have increased from \$425 per year, to \$1123 base rate in 2021. Note: total rates payable for 2021 \$1390.92) On top of this, I am also required to pay \$267 for the waste management facility which I am also required to pay to use on top. I must also add here that over the years the council has received fines for breaches of EPA regulations, which each and every ratepayer has to contribute \$100 to BOTH times. This proves that although Council say our rates have not increased substantially over the last 14 year, they actually have, in reality, gone up over 300%. During this entire time, I have NEVER had drains attended to, and the council have NEVER slashed the grass verges to ensure visibility leaving my driveway onto the dirt road.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No, in my opinion, they are incompetent, mislead, misappropriate and hide finds (refer to Katarina Schott's submission again) and are completely biased in the distribution of both funds and services to this village in favour of the main town of Tenterfield (please refer to the distance, again, from Urbenville to Tenterfield and the closer proximity of at least 4 other regional centres for shopping and services, compared to travelling both further and over narrow, windy roads). Please refer also to the answer below in question 2

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Council have been aware of the Valuer General rate increases since September last year. I got my letter from the valuer general last week in the mail, and my basic land value has increased 90% in three years. In fact, it is only marginally less than the BANK valuation, including all my buildings, farms shed etc. This is astounding in itself, yet council have STILL gone ahead and applied to you for an increase, KNOWING full well that values have almost doubles, right across the region, and they will be able to almost double their income from this alone. The fact that they have been approved to have 4.2% increase already this year, on top of this fact, one must question the competence of this council. I stand by my questioning of their competency to manage the shire business right across the board. Recently all council workers gave themselves a pay rise as well.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Council come to meetings and parrot the same figures and statistics, which are proven to be inaccurate at the very least, and have refused to really hear how upset and frightened rates payers are by their looming inability to pay these exorbitant proposed increases. Recent cost of living hikes, especially fuel and electricity, have severely impacted the majority of residents in the rural areas of the shire, and council need to acknowledge the true and real reality of capacity to pay. We simply can't stretch any more. We already sacrifice many things others take for granted, and now we have to travel JUST to get books to read as council have taken the library away as well.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Covered above - and at a meeting this week, the residents are exasperated by not being heard by council, they are engaging in a media campaign to bring awareness across the country, to the plight of hundreds and hundreds of families across this country. Like the rest of us, council need to learn to better manage their funds and income, as each and every person in this country does. These are tough times, made even tougher by a council so far removed from true representation of their constituents, they need to find a way to budget better to survive the exorbitant price increases of fuel, food and power, just like EVERY OTHER PERSON IN THIS COUNTRY.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

As previously outlined, the ABS statistical data shows the median income for Tenterfield Shire as \$803 per week. This is one of the lowest in the entire state. One must also, again, point out that opportunity for employment in this region is far less than in any other part of the state as well, as we are isolated by at least 88km from the nearest small regional town. I must also point out, that to travel to Tenterfield from Urbenville is much much further than 4 other regional centres for services and shopping, over very narrow and steep roads in some places) so rate payers as a vast majority, DO NOT benefit from ANY facilities that they pay for.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. I feel that the council do nothing less than rape and pillage this village of Urbenville. We are on the very fringe of the shire and

as such, do not benefit from facilities in Tenterfield as pointed out above. NOT only this, the council has reduced our services and road maintenance severely over the the last few years, and taken away our library as well. It was only provided for 3 hours per week and it has been taken away. It makes one gasp to hear they may want to build a new swimming pool when we can not even have a basic library service. Not one person is willing to pay more to a council who blatantly take services and yet still continue to bleat how little money they have. It must also be reminded here that they have been proven to mismanage and secrete funding, as proven by [REDACTED] submission to IPART. Ass this the the two fines of \$100,000 EACH which we as rates payers are NOT directly responsible for, and yet have had to pay for. I can assure you, the rates ratepayers have no willingness to pay more for less, and this is not even taking into account the financial stress on each and every ratepayer. As you will be aware, costs of living have increased dramatically over the last few years, whilst government benefits have not. I am personally in receipt of a government payment as my work was shut off due to covid and I have been unable to return to work. There are many people in the villages of the shire in the same position. Council argue that we are a vast majority of home owners instead of mortgage holders - this is purely and simply because a few years ago, prices for homes here were quite small compared to cities, and many people downsized and were able to buy outright, have had farms or houses passed on through inheritances, or have lived here for years and finally paid off smaller mortgages. It may look good on paper and in council's argument, but the truth is quite different.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Council have not addressed hardship for ratepayers in my opinion - their interest for arrears itself is so high, it prevents the lower income ratepayers to ever catch up. I personally know of several who have been petitioning council to reduce interest while they have been making additional payments, and council have NOT been willing to discuss ANY solution with any of these petitioners.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

A54817 - Rates Transaction Listing

Date	Type	Ref	Amount	Balance
28/02/2022	RC	BPAY	-699.05	349.61
27/02/2022	SU	CASHREC	1.88	1048.66
25/01/2022	SU	INTEREST	0.22	1046.78
21/01/2022	SU	INTEREST	2.97	1046.56
28/09/2021	RC	BPAY	-348.87	1043.59
27/09/2021	SU	CASHREC	0.40	1392.46
20/09/2021	SU	INTEREST	1.14	1392.06
16/07/2021	RB	BILLING	1123.92	1390.92
16/07/2021	SB	BILLING	267.00	267.00
02/06/2021	RC	BPAY	-343.89	0.00
22/03/2021	RC	BPAY	-679.94	343.89
21/03/2021	SU	CASHREC	0.78	1023.83
15/03/2021	SU	INTEREST	4.02	1023.05
27/01/2021	SU	INTEREST	1.76	1019.03
05/11/2020	RC	BPAY	-583.15	1017.27
23/10/2020	AA	OFFSET	0.00	1600.42
27/07/2020	RB	BILLING	1102.37	1600.42
27/07/2020	SB	BILLING	154.00	498.05
30/06/2020	SU	Interest	2.10	344.05
27/03/2020	RC	BPAY	-345.37	341.95
26/03/2020	SU	CASHREC	0.49	687.32
19/03/2020	SU	INTEREST	1.44	686.83
14/01/2020	SU	INTEREST	0.01	685.39
16/12/2019	SU	INTEREST	0.01	685.38
26/11/2019	RC	BPAY	-686.52	685.37
25/11/2019	SU	CASHREC	2.45	1371.89
21/10/2019	SU	INTEREST	3.57	1369.44
26/07/2019	RB	BILLING	1123.87	1365.87
26/07/2019	SB	BILLING	242.00	242.00
03/06/2019	RC	BPAY	-334.36	0.00
10/04/2019	RC	BPAY	-335.00	334.36
09/04/2019	SU	CASHREC	1.78	669.36
14/03/2019	SU	INTEREST	0.96	667.58
27/12/2018	RC	BPAY	-335.16	666.62
26/12/2018	SU	CASHREC	0.82	1001.78
14/12/2018	SU	INTEREST	0.96	1000.96
18/10/2018	RC	BPAY	-334.83	1000.00
17/10/2018	SU	CASHREC	1.30	1334.83
28/09/2018	SU	INTEREST	1.91	1333.53
27/07/2018	RB	BILLING	1101.62	1331.62
27/07/2018	SB	BILLING	230.00	230.00
04/06/2018	RC	BPAY	-320.87	0.00
03/03/2018	RC	BPAY	-320.87	320.87

29/11/2017 RC	BPAY	-322.52	641.74
10/10/2017 RC	BPAY	-323.40	964.26
09/10/2017 SU	CASHREC	0.73	1287.66
28/09/2017 SU	INTEREST POSTED	0.92	1286.93
14/09/2017 SU	INTEREST POSTED	0.92	1286.01
25/07/2017 RB	BILLING	1072.50	1285.09
25/07/2017 SB	BILLING	211.00	212.59
30/06/2017 RC	254299	-240.97	1.59
30/06/2017 SU	INTEREST POSTED	0.85	242.56
14/06/2017 SU	INTEREST POSTED	0.74	241.71
08/03/2017 RC	251851	-240.60	240.97
07/03/2017 SU	CASHREC	0.37	481.57
05/12/2016 RC	249324	-241.23	481.20
27/09/2016 RC	247767	-241.34	722.43
26/09/2016 SU	CASHREC	0.26	963.77
21/09/2016 SU	INTEREST POSTED	0.37	963.51
14/09/2016 SU	INTEREST POSTED	0.74	963.14
18/07/2016 RB	BILLING	770.40	962.40
18/07/2016 SB	BILLING	192.00	192.00
19/05/2016 RC	244365	-220.00	0.00
01/03/2016 RC	243002	-220.36	220.00
18/12/2015 RC	241094	-220.76	440.36
17/12/2015 SU	CASHREC	0.36	661.12
10/12/2015 SU	INTEREST POSTED	0.51	660.76
15/09/2015 RC	239068	-224.30	660.25
14/09/2015 SU	CASHREC	0.25	884.55
09/09/2015 SU	INTEREST POSTED	0.47	884.30
20/07/2015 RB	BILLING	696.16	883.83
20/07/2015 SB	BILLING	187.00	187.67
01/07/2015 RC	236685	-205.94	0.67
30/06/2015 SU	INTEREST POSTED	0.67	206.61
16/06/2015 SU	INTEREST POSTED	0.77	205.94
22/05/2015 SU	INTEREST POSTED	0.01	205.17
19/04/2015 SU	INTEREST POSTED	0.01	205.16
24/03/2015 SU	INTEREST POSTED	0.01	205.15
16/02/2015 RC	233839	-411.40	205.14
15/02/2015 SU	CASHREC	1.14	616.54
22/01/2015 SU	INT 3QTR INSTAL	1.72	615.40
17/12/2014 SU	2ND REMINDERS	0.81	613.68
21/11/2014 AA	Reallocate	0.00	612.87
30/09/2014 SU	OvdInt fr 120914	0.87	612.87
30/09/2014 RC	229835	-206.69	612.00
12/09/2014 SU	OvdInt fr 110914	0.05	818.69
11/09/2014 SU	OvdInt fr 240714	0.34	818.64
01/07/2014 RB	14/15	648.30	818.30
01/07/2014 SB	14/15	170.00	170.00
04/06/2014 RC	225132	-160.28	0.00
17/03/2014 SU	OvdInt fr 100314	0.28	160.28
17/03/2014 RC	222827	-160.56	160.00

10/03/2014 SU	OvdInt fr 040314	0.24	320.56
17/12/2013 SU	OvdInt fr 091213	0.32	320.32
17/12/2013 RC	219330	-160.60	320.00
09/12/2013 SU	OvdInt fr 191113	0.20	480.60
20/09/2013 SU	OvdInt fr 100913	0.40	480.40
20/09/2013 RC	216691	-162.57	480.00
10/09/2013 SU	OvdInt fr 290813	0.24	642.57
01/07/2013 RB	13/14	482.33	642.33
01/07/2013 SB	13/14	160.00	160.00
30/06/2013 WO	RWOF Curr:2013	-0.52	0.00
24/06/2013 SU	OvdInt fr 110613	0.52	0.52
24/06/2013 RC	212487	-146.55	0.00
11/06/2013 SU	OvdInt fr 180413	0.36	146.55
08/03/2013 SU	OvdInt fr 050213	0.19	146.19
08/03/2013 RC	209691	-145.17	146.00
18/12/2012 SU	OvdInt fr 101212	0.32	291.17
18/12/2012 RC	206426	-148.00	290.85
10/12/2012 SU	OvdInt fr 231012	0.33	438.85
02/10/2012 SU	OvdInt fr 240912	0.32	438.52
02/10/2012 RC	204045	-149.35	438.20
24/09/2012 SU	OvdInt fr 190912	0.20	587.55
19/09/2012 SU	OvdInt fr 270812	0.70	587.35
01/07/2012 RB	12/13	486.65	586.65
01/07/2012 SB	12/13	100.00	100.00
30/06/2012 WO	RWOF Curr:2012	-0.49	0.00
25/06/2012 SU	OvdInt fr 130612	0.49	0.49
25/06/2012 RC	199747	-136.29	0.00
13/06/2012 SU	OvdInt fr 170412	0.49	136.29
21/02/2012 SU	OvdInt fr 170112	2.80	135.80
21/02/2012 RC	195979	-406.30	133.00
17/01/2012 SU	OvdInt fr 231211	2.00	539.30
23/12/2011 SU	OvdInt fr 081211	1.20	537.30
08/12/2011 SU	OvdInt fr 231111	0.84	536.10
23/11/2011 SU	OvdInt fr 171011	1.48	535.26
17/10/2011 SU	OvdInt fr 051011	0.48	533.78
05/10/2011 SU	OvdInt fr 130911	0.88	533.30
13/09/2011 SU	OvdInt fr 300811	0.44	532.42
01/07/2011 RB	11/12	451.98	531.98
01/07/2011 SB	11/12	80.00	80.00
30/06/2011 WO	RWOF Curr:2011	-0.45	0.00
24/06/2011 SU	OvdInt fr 100611	0.45	0.45
24/06/2011 RC	187242	-131.51	0.00
10/06/2011 SU	OvdInt fr 090611	0.03	131.51
09/06/2011 SU	OvdInt fr 130411	0.22	131.48
23/03/2011 SU	OvdInt fr 150311	0.26	131.26
23/03/2011 RC	184772	-131.52	131.00
15/03/2011 SU	OvdInt fr 180111	0.39	262.52
14/12/2010 SU	OvdInt fr 101210	0.13	262.13
14/12/2010 RC	181159	-131.63	262.00
10/12/2010 SU	OvdInt fr 141010	0.27	393.63

21/09/2010	SU	OvdInt fr 100910	0.36	393.36
21/09/2010	RC	178668	-134.17	393.00
10/09/2010	SU	OvdInt fr 020910	0.27	527.17
15/07/2010	RC	Credit Bal: 2011	0.87	526.90
15/07/2010	RC	Credit Alloc: 20	-0.87	526.03
01/07/2010	RB	10/11	449.77	526.90
01/07/2010	SB	10/11	78.00	77.13
16/06/2010	SU	Overdue Int	0.24	-0.87
16/06/2010	RC	174306	-120.00	-1.11
08/06/2010	SU	Overdue Int	0.18	118.89
02/03/2010	RC	171451	-120.00	118.71
03/12/2009	SU	Overdue Int	0.04	238.71
03/12/2009	RC	167849	-125.00	238.67
14/09/2009	SU	Overdue Int	0.18	363.67
14/09/2009	RC	165353	-124.23	363.49
08/09/2009	SU	Overdue Int	0.16	487.72
03/09/2009	SU	Overdue Int	0.03	487.56
01/07/2009	RB	09/10	432.53	487.53
01/07/2009	SB	09/10	55.00	55.00
30/06/2009	WO	RWOF Curr:2009	-0.29	0.00
18/06/2009	SU	Overdue Int	0.29	0.29
18/06/2009	RC	161012	-119.23	0.00
09/06/2009	SU	Overdue Int	0.23	119.23
26/02/2009	RC	157573	-119.07	119.00
04/12/2008	SU	Overdue Int	0.07	238.07
04/12/2008	RC	154518	-119.00	238.00
29/08/2008	RC	151382	-121.33	357.00
01/07/2008	RB	08/09	425.33	478.33
01/07/2008	SB	08/09	53.00	53.00
01/07/1995	AA	ITVCONV	0.00	0.00

Description

Receipts
Surcharge
Surcharge
Surcharge
Receipts
Surcharge
Surcharge
Calculated amount $\$279000.00 @ 0.250152 = \697.92 , Fixed
Amount: \$426.00
Service Billing
Receipts
Receipts
Surcharge
Surcharge
Surcharge
Receipts
Allocation Adjustment
Calculated amount $\$279000.00 @ 0.247802 = \691.37 , Fixed
Amount: \$411.00
Service Billing
Surcharge
Receipts
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Surcharge
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Receipts
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Surcharge
Calculated amount $\$242000.00 @ 0.295816 = \715.87 , Fixed
Amount: \$408.00
Service Billing
Receipts
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Calculated amount $\$242000.00 @ 0.289924 = \701.62 , Fixed
Amount: \$400.00
Service Billing
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Receipts

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Surcharge
Calculated amount $\$242000.00 @ 0.286158 = \692.50 , Fixed
Amount: $\$380.00$
Service Billing
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Calculated amount $\$207000.00 @ 0.372175 = \770.40
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Calculated amount $\$207000.00 @ 0.336308 = \696.16
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Allocation Adjustment
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Rates Billing
Service Billing
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Receipts
Surcharge
Rates Billing
Service Billing
Write-off
Surcharge
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Receipts
Rates Billing
Service Billing
Allocation Adjustment

RATEPAYERS' ASSOCIATION OF TENTERFIELD SHIRE INC.

FURTHER SUBMISSION TO IPART RE TENTERFIELD SHIRE COUNCIL'S APPLICATION FOR SRV

Executive Summary

This is the further submission by the Ratepayers' Association of Tenterfield Shire Inc. in response to IPART's request to clarify the Council's SRV application.

Tenterfield Shire Council's own community satisfaction survey shows that only 1% of residents surveyed opposed the SRV and only 5% supported it. Seventy-seven percent of residents in Tenterfield Shire LGA are in the bottom two quartiles of equivalised income.

IPART Further submission comment

We refer to IPART's request to resubmit / amend and make further comments to various aspects of the original TSC's SRV revised application. We would also make special comment on the correspondence from TSC to you supposedly drafted by [REDACTED] dated 24 March 2023 which we attach as appendix 1.

With regard to the revised submission, we do not intend to undertake a detailed analysis of the complete documentation, but we will make a generalised comment based on their summary which we attach as appendix 2.

Comment Appendix 1

This letter to you is clearly poorly structured and cannot be seriously considered as any part of the TSC's SRV presentation.

It makes reference to "Public Comment" and lists 7 points. It is structured to suggest to the reader, those 7 points are comments by the public. This is not correct. The comments are those of the council.

In Point 5, the comments contained in the paragraph commencing, "It was determined, that to have a consistent conversation with the community"... indicates the council is in constant communication with the residents. This is not the case, the community and The Ratepayers Association of the Tenterfield Shire (RATS) Inc. has taken the conversation of the SRV to the TSC.

Point 6 suggests the TSC held a public meeting in February 2022. The RATS and other community organisations arranged for that meeting and invited the Council to attend. A further meeting was arranged with Council members being invited, but they wanted structured question time with prepared questions be submitted and Council prepared answers. Most of the questions by the community were not addressed.

Since that time, there has been no Council initiated community consultation.

Point 7 This point suggests the Council wants to improve the quality of life of the residents, (which is primarily aged persons, retiree's and pensioners). It is community knowledge that the TSC's [REDACTED] allegedly said "if the residents don't like the increased rates, then they can leave town". One particular resident wrote to the CEO to clarify whether he did in fact make that statement and she received a response which can only be considered as abusive and intimidating.

A further example is after the recent land valuations, a local landholder has had a land value increase of \$145,000 to \$261,000. Before any SRV increase, and based on current rates, their increase for general rates alone increases from \$666.42 to \$1,190.03, add to that figure the waste management facility charge which is set to increase, **PRIOR** to any SRV this landholder's rates is approximately \$1,500.00. If the SRV is approved, in the first financial year, it will be an increase of approximately \$571.20, a total of \$1,761.20. In the second financial year, the general land rates will increase to \$2,606.58. Currently, this landholder (and pensioner) pays \$1,109.92. If the SRV is approved, that is a percentage increase of 134.99%. Add to this any general fees and charges increase and their rates will be approximately \$3,000. This will impact residents, both financially and on their quality of life

How does this example fit in with Council's comments at point 7. "Council does not want to remove the social aspects of its services that improve the quality of life for the residents and visitors."?

Comment Appendix 2

Our comments are as follows:

IPART

Item Raise #1 - Could you please re-complete parts of WK8 – LTFP?

TSC Response:

Council states that there is an increased cost of 50% in hiring contractors.

RATeS Comments

What would the cost be had they not reduced outdoor staff (as a way of showing that they are attempting to reduce overall monetary costs?) Is this counterproductive, in that the cost of hiring outside contractors far exceeds the cost of wages in retaining necessary outdoor staff?

Can IPART clarify with Tenterfield Shire Council to either confirm or dispute that they have borrowed monies on a credit card to pay staff wages? The RATeS is not stating this to be accurate, we simply request clarification.

Can IPART clarify with Tenterfield Shire Council where previous SRV monies were spent?

In previous applications for SRVs Tenterfield Shire Council was advised by IPART that Council was unfit for the future as they were relying on their increased income solely from rate increases.

Council states that this SRV is essentially a "catch-up"

IPART

Item Raise #1 - Could you please re-complete parts of WK9 – Ratios?

RATeS

No comments

IPART

Item Raise #1 - Please provide more context as to why TSC's forecasted OPR continues to increase to 23% in 2031-32

RATeS

Council has claimed their deficit is due to their increased depreciation costs but they are not a cash item just a balance sheet entry. If you add back the depreciation, the council's financial position is not as bad as they claim therefore they do not need the SRV they have applied for. If on the other hand council's position is as bad as they claim and they have allowed the hole to get this deep, it would be irresponsible to award any SRV as without a radical change in policy and strategy the hole will just get deeper.

IPART

Following on from the point above, it would be helpful if council could provide a spreadsheet on how it intends to allocate the SRV monies towards renewals, ideally for the same period of time as the Asset Management Plan and LTFP i.e. next 10 years. More detail is preferred, but we would be happy to see something like:

TSC.....

An example of the costs impacts includes that Council had two roads foisted on them by the state government (Mt Lindsay Rd and Bruxner Way). These two roads added approximately \$1.2m in annual depreciation on Councils books. This automatically negatively impacted Councils OPR. Council is in discussions with the state government to hand these assets back but is not confident of this happening anytime soon.

RATeS

The state government Regional Roads Block Grant to the council is currently above \$1.5M per year. The council will lose this funding if the state takes back these roads. The \$1.2M depreciation is not a cash item.

Council is the road authority responsible for these roads and roads are core business. This is a hollow threat, in fact they could not remove and D class roads from the registrar.

IPART

We would also appreciate some commentary on why council should be granted a permanent SRV if the main purpose of the SRV is asset renewals. Is there anything else that needs to be funded?

The impact on affected ratepayers must be reasonable.

IPART

Please provide some evidence of the steps council has taken to address its financial problems

- The relevant QBR that shows parcels of land have been sold and/or council resolution that shows council intends to put certain properties for sale
- Council documents (e.g. resolutions or internal minutes) that show council has considered reframing its organisational structure to save money e.g. consideration of handing back School of Arts and moratorium on filling the 20FTE vacancy

RATeS

- The parcel of land did not sell. No monies available as yet from this sale.
- Handing back of School of ARTS (SoA). Our understanding is that National Trust (NSW) do not wish to have the building handed back and in fact, as part of the lease, Council is required to upgrade a backlog of necessary maintenance at a current estimated cost of >\$866,000. If Council wishes to hand back the SoA, there will be a substantial hand back cost so from our perspective, there is no benefit in handing the SoA to Heritage NSW.

Part of Council's response

2. Reducing commercial building costs.

Unfortunately, the reality of Council's situation is that most of its expenditure is made on (Transport) assets and large a reduction in expenses would have a significant impact on the management and maintenance of its assets. Even items like putting a moratorium on filling the 20 FTE vacancy is only a short- term solution whilst long term income and service levels are resolved.

In Council's own words,... "most of its expenditure is made on (Transport) assets..." If, as Council states, this is the case then what is the point of selling the few remaining assets that Council owns, i.e. the SoA, the Visitor Information Centre, 10FM Community radio (specifically set up to operate a community radio station), Total Care and Transport Building (Meals on Wheels). Council stated that all leases have been deferred.

These building assets are very significant to the community of Tenterfield Shire.

IPART question

Any other relevant information that would help Tribunal contextualise Tenterfield Shire Council's application e.g. the fact that Tenterfield only has 1 engineer who works 2 days per week etc.

RATeS

As a result of alienation by management of the SoA, many volunteers have since left. It must be noted that in previous years, volunteers helped run the cinema screenings, ticket sales, concerts, live productions, bus tours and tours of the Sir Henry Parkes museum. This provided significant savings to TSC and allowed the SoA to run at a profit.

Due to the shortage of volunteers and mismanagement by the current TSC administration, TSC now employs casual staff to help with the above.

The Council has recently advertised and filled 5 positions with 1 still currently advertised.

Can IPART please clarify the statement made by Council that they only employ a part-time engineer, two days a week? Members of the community have concerns that this is incorrect.

There is room for huge efficiencies in the Tenterfield road maintenance programme. The current problems may be due to only having an engineer 2 days a week (if this statement is accurate), worker morale is very low, they lack supervision, the plant efficiency rate is very low. This is the area where massive savings could be made.

Council has been running on empty for approximately 15 years with no improvement.

TSC was granted an SRV starting in 2013 and running until 2018 - a cumulative increase of 53.07%.

70% of the funds was to be spent on capital improvements to roads and bridges.

The schedule of expenditure for the capital improvement program extended to 2023-2024.

The Council decided to defer spending some of the funding on bridges, resulting, by their own admission, in damage to bridges that would not have occurred had they complied with the IPART approved spending program.

The 2015 IPART Report Assessment of Council for the Future proposals noted that, *to achieve the operating performance benchmark rate, TSC proposed an additional SRV starting in 2018, on top of the 2014 SRV just approved.*

IPART noted that this *"represents combined increases over 11 years of 99% above the rate peg, which we consider unreasonable."*

However, what the TSC is now proposing would take the combined increase over 11 years (2014-2025) to well in excess of 200% above the rate peg – which surely must be considered by IPART to be even more unreasonable.

Or please commence the process of appointing an Administrator.

Subject:
Date:

CM: Email 1 - IPART Additional Submission - Public
Friday, 24 March 2023 10:54:40 AM

Appendix 1
Page 1

Dear IPART Team,

As requested please see attached Worksheet (Excel) with revised figures which have been approved by executive.

Also attached is a word documents which answers questions raised on meeting held on 15 March.

In addition to the documents please see public comments:

Public comments

1. This SV is designed as a catch-up SV. The intent is to have one difficult process and then put the Shire in a position where such a large increase is never required for operational matters,
2. Due to how Councils revenue has been raised in recent years, and noting Council has exhausted its reserves and is reaching its reasonable borrowing limits, any SV increase less than the recent annual borrowings will lead to a reduction in Councils overall revenue base which will result in direct service and expenditure cuts,
3. Council wants to be able to maintain its assets in a manner that is safe and does not stop economic growth in the region. For example, a significant reduction in revenue will impact Councils ability to maintain its roads. As an agricultural heavy region, this will impact the ability for farmers to get their product to market,
4. Any reduction in the Shires' economy will have a multiplier effect and impact broader employment in the region,
5. TSC considered altering our rating categories and structure to apply the SV differently across the different categories. It was determined not do this as part of the SV process due to:
 - a. The Farmland category already makes up approximately 50% of Councils total rates revenue so the increases is expected to impact this category proportionally more in real dollar terms than other categories,
 - b. With the updated valuer general (VG) numbers also occurring leading into the new rating cycle, it is expected that Farmland is likely to increase at a higher proportional rate than residential which will have another impact how the rates revenue is distribution.

It was determined, that to have a consistent conversation with the community, the increase would be applied evenly by category noting there will already be an impact from the VG numbers. Once these values are known a further conversation can be had with the community in future years re any redistribution of revenue by category.

6. With these conversations commencing with the community in February 2022, not wanting to change the core of the conversation (to avoid confusion), we do now have more current information than we did when the application was prepared, and
7. Council does not want to remove the social aspects of its services that improve the quality of life for the residents and visitors.

If you have any questions please let me know.

Kind Regards

Appendix 1
Page 2

[REDACTED]
[REDACTED]
Tenterfield Shire Council
PO Box 214
Tenterfield, NSW, 2372



Invites Volunteers
to work in the
School of Arts and
Visitors' Information Centre
Contact: [REDACTED]

W: www.tenterfield.nsw.gov.au

F: facebook.com/TenterfieldShireCouncil

The information contained in this email is for the named recipient only. It may contain privileged and confidential information. If you are not the intended recipient, you must not copy, distribute, take any action in reliance on it, or disclose any details of the email to any other person, firm or corporation. If you have received this email in error please notify the sender and destroy the original.

1	<p>Could you please re-complete parts of WK8 – LTTP?</p> <ul style="list-style-type: none"> - Please re-do Scenario 1: Proposed additional SV income and expenditure – Income from continuing operations. The forecasts from Year 3 2025-26 onwards should assume a 2.5% rate peg and not 7.5%. - Please reconsider whether the Expenses from continuing operations line items should be different between Scenario 1: Proposed additional SV income and expenditure – Income from continuing operations versus Scenario 2: Base case – no SV income or expenditure. 	<p>Completed in the attached version.</p> <p>Please note, and as previously mentioned, this approach was raised v IPART in earlier discussions. Had the recent discussions been had at t we would have provided this as part of the original submission.</p> <p>The logic behind this approach has been that this SV is essentially a c SV and Council does not want to ever have to put forward a large SV for standard operational matters. Ideally, any future SVs would be for special project (e.g., new swimming pool).</p> <p>Council has amended the expenditure items in both scenarios to reflect current inflation and increase in cost of conducting business. This is true to Tenterfield due to aspects of regional inflation being much higher than the national annualised average and in some cases as much as 5% higher for contractor services the wages market is even more problematic and Tenterfield is struggling to compete for experienced or qualified staff. None of this is captured in the cost of doing business projections so the numbers documented are probably well below reality.</p> <p>As evident from both scenarios - The operating result is significantly different under the different scenarios.</p>
	<p>Could you please re-complete parts of WK9 – Ratios?</p> <ul style="list-style-type: none"> - Please reconsider whether the forecast ratios (columns L to V) for the Infrastructure Renewals Ratio, Infrastructure Backlog Ratio and Asset Maintenance Ratio should be different for Scenario 1: Proposed (with SV) versus Scenario 2: Base case (no SV). 	<p>Completed in the attached version.</p> <p>Please note, and as previously mentioned, this approach was raised v IPART and approved in earlier discussions. Had the recent discussion had at that time we would have provided this as part of the original submission.</p>

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		<p>The infrastructure renewals ratio is significantly different under the d scenarios and a similar trend can be evident in the Asset Maintenance and other ratios such as Own Source revenue ratio.</p> <p>There is no large change in the Infrastructure Backlog Ratio which is consistent with this SV as it does not address any of the backlog.</p>
	<p>Please provide more context as to why TSC's forecasted OPR continues to increase to 23% in 2031-32</p> <ul style="list-style-type: none"> - Perhaps it would be helpful framing an answer to the hypothetical stakeholder who may ask 'why does council need to accumulate all these funds over time'? - For instance, is it because the majority of the SV monies will be spent on asset replacement? If my understanding is correct, the impact of writing-off and replacing assets is not something that materially impacts income statement line items, which is why it may not be reflected in the OPR, which is a ratio ultimately driven by income statement items. If so, it would be especially helpful to action point 2 above. 	<p>With the revised rates increase values having changed from 7.5% to 2 and incorporating inflation at true cost of conducting business the 23 value is now 4.6%. This 4.6% is based on forecast expense increases, expenses continue to rise as they have the past two years the forecast expenses will be much higher and the 4.6% will effectively get much lower. Also important to note is the employee benefit has been increased by 10% to be consistent with Local Government State Award however Council is not aware of a possibility to increase Wage % increase to 4.5-5.5% and this has been accepted with result in a higher employee cost as well.</p> <p>Council had used a 2.5% CPI increase in forecasting expenditure at time of adopting the LTFP. However, it can be suggested that 2.5% is a fantasy as it does not reflect the true inflationary affect, which is higher than the annualised inflation rate due to regional pressures such as floods. The true cost of inflation has eroded councils' operational revenue at a much faster rate and high inflation has resulted in materials cost to increase by 7-10% annum. This is also consistent with higher consultant and contract costs increasing by 7-9% across the shire.</p> <p>In response to the hypothetical stakeholder example, this would look like the lines of:</p> <p>Many assets Council look after have maintenance costs through their life when they come towards their end-of-life Council will spend larger sums of money to renew and/or replace the asset depending on its condition. To ensure Council to have the funds to do this at the appropriate time, it needs to set aside money, (a sinking fund) to be dedicated for that purpose.</p>

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	Based on current service levels, Council should be putting aside an ac \$5m per year to maintain its assets without requiring additional loans Council has used for the past two years and that is not financially sust into the future. Without additional income, or efficiency gains, this is possible, and the result is that service levels will go down and transpc assets will fail at some time in the not-to-distant future.								
<p>Following on from the point above, it would be helpful if council could provide a spreadsheet on how it intends to allocate the SV monies towards renewals, ideally for the same period of time as the Asset Management Plan and LTFP i.e. next 10 years. More detail is preferred, but we would be happy to see something like:</p> <table><tr><td></td><td>2023-24</td><td>2024-25</td><td>Up to 2031-32</td></tr><tr><td>Bridges</td><td>300k</td><td>400k</td><td></td></tr></table>		2023-24	2024-25	Up to 2031-32	Bridges	300k	400k		<p>This SV is slightly different to some other SVs in that it is designed to Council to continue delivering existing service levels. (There are no sh things or services its primarily based on a maintenance budget no mc less. It is also a catch-up number due to previous SRVs being eroded c denied.</p> <p>For many Councils, if they don't get an SV, they will spend the same f a service area but as costs go up, they will do less.</p> <p>If the SV is not approved for TSC, rather than a traditional application mentioned above, it will be a situation of where we will be reducing expenditure (and by default maintenance/ service levels). For exampl first thing that would happen is we would reduce our rural roads maintenance by \$600,000 per annum this would have serious flow or such as the loss of the ability to secure grants.</p> <p>A significant reduction in income would also lead to the requirement even leaner organisational structure and reduced service levels. Whe compared to other group 10 Councils, Councils rating revenue is one lowest and the FTE count versus residents is also one of the lowest, a in the independent report from the OLG.</p> <p>Initial works undertaken in this area, if no SV is approved, have also demonstrated significant redundancy costs that would severely impa Councils cash position whilst the change is implemented.</p>
	2023-24	2024-25	Up to 2031-32						
Bridges	300k	400k							

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		<p>As noted above, Council has been using loans for the past two years to service level reductions and that is not financially sustainable into the future.</p> <p>Regarding where Council intends to spend the funds, it is shown in Council's asset management plans and roads maintenance program.</p> <p>An example of the costs impacts includes that Council had two roads added on them by the state government (Mt Lindsay Rd and Bruxner Way). These two roads added approximately \$1.2m in annual depreciation on Council's books. This automatically negatively impacted Council's OPR. Council has had discussions with the state government to hand these assets back but is not confident of this happening anytime soon.</p>
	<p>We would also appreciate some commentary on why council should be granted a permanent SV if the main purpose of the SV is asset renewals. Is there anything else that needs to be funded?</p>	<p>The main purpose of this SRV in the short term is renewals. The key is not to end up in this position again in 7 to 10 years' time. The management of core assets such as roads, bridges and swimming pools take place over many years and has multiple lifecycle components.</p> <p>With Council's assets being in their current condition the focus in the short term is to renew and maintain current assets. As the assets are renewed Council will be looking to improve the maintenance of them and the balance over time will move to a different balance of renewals v maintenance will happen over a period of 10,20 and in some cases 50 years. With the IPART documents only looking at the next ten years, it is difficult to reflect this clearly or show the strategic importance of the actions we take to address this.</p> <p>Council's focus has been on addressing the OPR result to move back to a balanced operating position.</p> <p>If a temporary SV was approved, it wouldn't solve any of the fundamental issues at best it would stave off another SRV for a short period. Like a band aid solution, it's akin to moving the deck chairs on the Titanic as we all know how that ended. This is noted by the 2015 IPART report reference.</p>

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in our submission where a 99% SV has been applied for previously, however it was denied by IPART and suggested a 99% was not reasonable for the community. Fast forward several years and evidence clearly shows that it was a false economy and that in fact if that increase was granted we would not be where we are today in financial terms.

As Council is an asset/ Infrastructure centric shire rather than a service delivery council, it is vital that assets are maintained at a service level satisfactory and above. The permanent SRV assists Council to deliver services to the community. The flow on effect of not being able to afford to maintain critical infrastructure, would mean that the local economy is at risk as it relies on Agribusiness and the ability of primary producers to get their products to market. It should be noted that even something as seemingly innocuous as a load limit on a wooden bridge would be problematic.

History has already proven that because previous SRV applications were eroded, and the recommended rates increases being denied at the time, we are now dealing with the consequences approximately 10 years later. It can be posited that the current financial situation is a result of a poor decision caused by the previous SRV applications being eroded, at the least it is certainly complicit.

The fact is that council is not building new shiny things, it's not introducing new service, it simply wants to maintain its current position, and its very basic services provision and importantly its transport assets. This point is supported even further by Council's current cash position. Council had a negative unrestricted cash position as at 30 June 2021 and very limited general fund reserves.

At risk of sounding repetitive, the requested SV will simply ensure that Council is able to maintain its assets in current condition and ensure that

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	<p>further deterioration takes place. A number of grant funding is dependent on Council's asset being maintained at a certain level. Without maintenance funds Council is at a higher risk of not receiving those grants and this will have a further impact on the condition of the assets.</p> <p>This also poses a high risk to the community to use an unsatisfactory condition-based asset and risk injury or accident and may lead to loss of life. Our economy relies on growers getting produce to market and this will be at risk if not possible.</p> <p>It should also be noted that funding associated with Natural Disasters is becoming more technical and governance required is increasing meaning Council must hire technical skilled staff to manage the increasingly complex grant application and acquittals.</p>
<p>Please provide some evidence of the steps council has taken to address its financial problems</p> <ul style="list-style-type: none"> - The relevant QBR that shows parcels of land have been sold and/or council resolution that shows council intends to put certain properties for sale - Council documents (e.g. resolutions or internal minutes) that show council has considered reframing its organisational structure to save money e.g. consideration of handing back School of Arts and moratorium on filling the 20FTE vacancy 	<p>Council has very limited opportunities for ongoing increases to annual revenue.</p> <p>In relation to one-off revenue opportunities Council has:</p> <ol style="list-style-type: none"> 1. Commenced the sale of commercial land to raise revenue (current negotiations) – Eg December Quarterly budget Review Page 127 - available online at Link: <ul style="list-style-type: none"> https://www.tenterfield.nsw.gov.au/content/uploads/2023/02/Ordinary-Council-Meeting-Wednesday-22-February-2023-Attachments.pdf 2. Council also conducted an Auction for sale of another parcel of land which is currently in negotiations with real estate to finalize a deal. If successful Council can provide relevant documents to IPART. <p>Otherwise, for Council, it is more about reducing costs. In this area, Council has looked at:</p> <ol style="list-style-type: none"> 1. A village model with lower levels of services and a leaner organisational structure, (It should be noted that this would be disastrous in the medium term as D class and many C class roads would need to be removed).

	<p>the RMP and it is highly unlikely council could ever come back from as the transport assets would quickly fall into disrepair and even council from applying for grants to repair any future flood damage</p> <p>2. Reducing commercial building costs. Unfortunately, the reality of Council's situation is that most of its expenditure is made on (Transport) assets and large a reduction in expenses would have a significant impact on the management and maintenance of its assets. Items like putting a moratorium on filling the 20FTE vacancy is only a short term solution whilst long term income and service levels are resolved</p> <p>All resolutions of Council related to efficiency gains were included in five of Part B of the application. It should be noted that council has reached the point where there are very little if any efficiency gains to be made. As the tank is empty, it will still practice continuous improvement practices. Any gains will be incremental at best.</p> <div data-bbox="1247 824 2074 976" style="background-color: black; height: 93px; width: 100%;"></div>
<p>Any other relevant information that would help Tribunal contextualise Tenterfield Shire Council's application e.g. the fact that Tenterfield only has 1 engineer who works 2 days per week etc.</p>	<p>To provide some insight into this:</p> <ol style="list-style-type: none"> 1. When Council's LTFP was originally drafted Council had one manager and accountant who was the Acting Finance Manager as well. The shire council resources were managed by several staff members contributing the best of their ability to manage the statutory obligations. 2. TSC considered altering our rating categories and structure to apply SV differently across the different categories. It was determined that this as part of the SV process due to: <ol style="list-style-type: none"> a. The Farmland category already makes up approximately 1/3 of Council's total rates revenue so the increases expected

Appendix 2 - Page 8.

	<p>impact this category proportionally more in real dollar terms than other categories,</p> <p>b. With the updated valuer general (VG) numbers also occurring leading into the new rating cycle, it is expected that Farm likely to increase at a higher proportional rate than residue which will have another impact how the rates revenue is distributed.</p> <p>c. It was determined, that to have a consistent conversation with the community, the increase would be applied evenly by category noting there will already be an impact from the numbers. Once these values are known a further conversation can be had with the community in future years re any redistribution of revenue by category.</p> <p>3. Council only has one qualified engineer who works two days per week.</p> <p>4. The significant operational impacts of droughts, bushfires, floods and special purpose grants severely limited the time operational staff spend on asset management related works,</p> <p>5. Local government struggles to match the rates of pay staff can get with the state government and the private sector,</p> <p>6. Being a border region, Queensland is not impacted by the limitation on rate pegging and Council struggles to match the rates of pay staff in like-for-like Council jobs in Queensland.</p> <p>7. Similar to point above Council cannot compete with Queensland's ability to pay a higher contractor rate.</p> <p>8. Council does not want to remove the social aspects of its services to improve the quality of life for the residents and visitors.</p> <p>9. Council is currently borrowing from external banks to fund gap in capital projects from general fund and this increase in debt borrowing will consume operating revenue into the future and add additional pressure on the future of Shire ratepayers. The SV requested as a result of yearly by year basis will ensure that Council does not borrow or minimize its borrowing for general fund capital works.</p>
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Author name: J. Evans

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: J. Evans Sent: Sunday, 26 February 2023 11:15 AM To: IPART Subject: Ratepayers' Association of Tenterfield Shire Inc Submission re Tenterfield Shire Council proposed SRV of 104.49% Good morning Please find attached a submission on behalf of our association Ratepayers Association of Tenterfield Shire Inc regarding Tenterfield Shire Councils proposed SRV of 104.49%. Thankyou Jan Evans Secretary Ratepayers Association of Tenterfield Shire Inc [REDACTED]

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

RATEPAYERS' ASSOCIATION OF TENTERFIELD SHIRE INC

SUBMISSION TO IPART RE TENTERFIELD SHIRE COUNCIL'S APPLICATION FOR SRV

Executive Summary

Albert Einstein said, "We can't solve problems by using the same kind of thinking we used when we created them." Unfortunately, this is what the Tenterfield Shire Council (TSC) is attempting to do. Even worse, the Council's so-called 'solution' (i.e. a 104.49% SRV) does not address the root cause of the problem – it is a bandaid fix to a symptom of the problem.

Tenterfield is not very different to many other rural shires in NSW; however, TSC asserts that it has special conditions and special needs that justify a massive rate rise of 104.49%. In this submission, we use data from the Office of Local Government (OLG) to show that this assertion is not correct.

The body of this submission addresses in detail each of the criteria IPART set for assessment of a SRV. It demonstrates that TSC fails to satisfy all except one of IPART's five main criteria in its Information Paper. In summary, the scorecard is as follows:

IPART Criteria	How well the TSC application satisfied the Criteria
Criterion 1 – Need for the special variation	Not Demonstrated TSC has no basis on which to claim a need for a SRV because their 2022 to 2032 Community Strategic Plan and its suite of derivative plans are fundamentally flawed and therefore cannot support or justify TSC's application for a SRV.
Criterion 2 – Evidence that the community is aware of the need for and extent of a rate rise	Partly Demonstrated The community is aware of the Council's desire for a rate rise and the extent of it. However, there is NO evidence that the community is aware of the need for it. TSC instigated what could be considered a scare campaign, to justify its desire for a rate rise. However, TSC's own community satisfaction survey shows that 81% of residents surveyed opposed the SRV and only 5% supported it.
Criterion 3 – The impact on affected ratepayers must be reasonable	Not Demonstrated The total of TSC's residential rates, fees and charges is higher than in 12 out of the 15 OLG Group 10 Shires that quote comparative figures. <ul style="list-style-type: none">• This combination of expenses currently equals 11% of Tenterfield Shire's residents' median personal income (ABS 2021 figures).• If the 104.49% SRV is granted, these expenses will rise to 14% of median personal income. 77% of residents in Tenterfield Shire LGA are in the bottom two quartiles of equivalised income. A community survey conducted by Our Shire Our Council Initiative

IPART Criteria	How well the TSC application satisfied the Criteria
	showed that 95% of those surveyed said that they could not afford to pay more than double the amount they pay for rates now.
Criterion 4 – The relevant IP&R documents must be exhibited (where required), approved and adopted by the Council	Demonstrated
Criterion 5 – The IP&R documents or the Council’s application must explain and quantify the productivity improvements and cost containment strategies the Council has realised in past years and plans to realise over the proposed special variation period	<p>Not Demonstrated</p> <p>TSC has comprehensively failed to satisfy this criterion. Their application claims, but does not quantify, productivity improvements and costs containment strategies – either past or future. Analysis of the Council’s own financial statements using OLG Criteria show a marked and continuing decline in productivity and rise in costs.</p> <p>Past improvements:</p> <ul style="list-style-type: none"> • TSC responds with 18 pages that contain no information on outcomes from productivity improvements and costs containment strategies. • TSC then claims 12 “outcomes achieved”. Only one of these claims is quantified – and it is neither a productivity improvement nor a cost containment outcome – it is a 10% increase to Fees and Charges. <p>Planned improvements:</p> <ul style="list-style-type: none"> • TSC’s application lists eight initiatives it plans to implement in future, but makes no effort to estimate their financial impact, or present them as a percentage of operating expenditure. <p>The proposed initiatives have NOT been factored into the Council’s Long Term Financial Plan.</p>
Criterion 6 – Any other matter that IPART considers relevant	<p>Not Demonstrated</p> <p>This submission addresses a number of other factors that IPART suggests may be relevant.</p>

Criterion 1 – Need for the special variation

We submit that Tenterfield Shire Council has no basis on which to claim a need for a special variation.

TSC has no basis for a claim because the 2022 to 2032 Community Strategic Plan (CSP) and its suite of derivative plans are fundamentally flawed and therefore cannot support and justify TSC's application for a SRV.

These plans are fundamentally flawed because TSC's CSP development process failed to comply with the Office of Local Government (OLG) requirements, as follows:

Office of Local Government Requirements - quotes from OLG documents/website	TSC Failure to Comply with OLG Requirements
<p><i>In applying for a special rate variation, the Council will need to demonstrate how it's Community Strategic Plan and Delivery Program support and justify this option.</i></p> <p><i>The creation of the CSP is led by the Mayor and Councillors and through engagement with the community. This is the community's plan for its future.</i></p> <p><i>The Community Strategic Plan addresses four key questions for the community:</i></p> <ol style="list-style-type: none"> <i>1. Where are we now?</i> <i>2. Where do we want to be in ten years' time?</i> <i>3. How will we get there?</i> <i>4. How will we know when we have arrived?</i> <p><i>The implementation of the CSP is supported by a suite of integrated plans that include actions to support the strategies identified in the CSP.</i></p>	<p>The CSP is built on a defective foundation:</p> <p>The Tenterfield community were not given complete or accurate information at the time of providing input to the CSP. Neither the Council's true financial situation was openly provided, nor the potential for dramatic rate increases.</p> <p>This resulted in a complete failure to answer the fundamental 'start-of-planning' question of "Where are we now?"</p> <p>Consequently, all plan development steps were based on a flawed premise and incomplete data, resulting in an invalid CSP and suite of integrated plans.</p> <p>Information about Council's financial position and potential SRV were not published on Council's website until shortly before consultation on the CSP ended on the 2nd of May 2022.</p>
<p><i>The Community Strategic Plan is "the highest level of strategic planning undertaken by a council... All other plans must support achievement of the Community Strategic Plan objectives."</i></p>	<p>The Council considers the CSP to be unimportant:</p> <p>The [REDACTED] made a statement during a Tenterfield Chamber of Tourism, Industry and Business meeting on the 29th of April 2022 that, "the Community Strategic Plan is not of importance or significance, is "fluff" only and does not need the attention of the community".</p>
<p><i>The IP&R Framework is underpinned by strong community engagement. Engagement with residents as well as business, state agencies and non-</i></p>	<p>These plans do not "truly represent the aspirations and needs of the local community":</p> <p>Firstly, as noted above, the plans are fundamentally</p>

Office of Local Government Requirements - quotes from OLG documents/website	TSC Failure to Comply with OLG Requirements
<p><i>government organisations is essential to creating plans that will truly represent the aspirations and needs of the local community.</i></p> <p><i>It is important to understand the difference between informing the community about what the Council is proposing, and empowering the community to play an integral role in determining the goals, strategies and actions to be undertaken.</i></p>	<p>flawed and therefore invalid.</p> <p>Secondly, the plan development process did not <i>empower the community to play an integral role in determining the goals, strategies and actions to be undertaken.</i></p> <p>Less than 10% of the Tenterfield population provided input to the draft CSP – and almost none of that input was with knowledge of the Council’s financial situation and intention to apply for an SRV. TSC’s own community satisfaction survey shows that 81% of residents surveyed opposed the SRV and only 5% supported it.</p> <p>The Council ignored efforts by the community to engage with them about the CSP. Many emails to Councillors and Council opposing the SRV and suggesting alternatives were not responded to.</p> <p>This is also evidenced by the large number of people who supported the opposition to the SRV by the <i>Our Shire Our Council Initiative</i> (OSOCI).</p>
<p><i>In short, the Council should have held discussions with the community about service levels and funding priorities and, with the community, determined that a rate variation is the best way to achieve financial sustainability</i></p> <p><i>It is important to understand the difference between informing the community about what the Council is proposing, and empowering the community to play an integral role in determining the goals, strategies and actions to be undertaken.</i></p>	<p>The process followed by TSC fails to comply with these requirements:</p> <p>The TSC started discussions with the community regarding the application for the SRV in September 2022. This process was structured as ‘information sessions’ to <i>inform the community about what the Council is proposing</i> and why the Council needed the SRV. It was not designed to “<i>with the community, determine that a rate variation is the best way to achieve financial sustainability</i>”.</p> <p>These sessions were held by appointment and many community members were intimidated at the thought of a face-to-face meeting with executive staff and a Councillor. Most members of our community were not prepared to subject themselves to this. In fact, the [REDACTED] introduced himself to one lady, who attended on her own, by announcing, “I’m [REDACTED]. I’m ex-military and I don’t take shit from anyone.”</p> <p>The Council held just one public meeting in Tenterfield township regarding the application for the SRV. They required questions to be put in</p>

Office of Local Government Requirements - quotes from OLG documents/website	TSC Failure to Comply with OLG Requirements
	<p>advance. They did not answer all these questions.</p> <p>The Tenterfield community have overwhelmingly demonstrated that they do not believe that a rate variation is the best way to achieve financial sustainability. Questions about the proposed SRV were put to the community in two surveys in 2022:</p> <ol style="list-style-type: none"> 1. The TSC Satisfaction Survey. 81% of the 300 respondents opposed a SRV. Only 5% supported it. 2. The OSOCI Survey. 95% of 285 respondents replied NO to the question <i>“Can you afford to pay more than double the amount you pay for rates now?”</i>

Criterion 2 – Evidence that the community is aware of the need for and extent of a rate rise.

The community is aware of the Council's **desire** for a rate rise and the extent of it.

However, there is **no evidence** that the community is aware of a **need** for it.

TSC has instigated what could be considered a scare campaign, to justify its desire for a rate rise, making such statements as:

TSC Statements	Facts
<i>"The shortfall of staff will result in reducing service delivery, increasing fees and charges, despite looking at new revenue streams."</i>	<ol style="list-style-type: none"> 1. The Council has not explained how a shortfall in staff will cause any meaningful increase to fees and charges. 2. <u>The Council has neither described nor quantified new revenue streams.</u>
<i>If we don't get the SRV then we will go into administration and the administrator will sell assets, reduce services and hike rates</i>	<p>The Council is already doing what they say an administrator would do – so why would Administration be worse?</p> <p>Administration at least would clear out the people who have caused the problem.</p>
<p>Council has only four options available to it. "Those are:</p> <ul style="list-style-type: none"> • Reducing service levels. • Sell and/or dispose of assets that will reduce the associated on-going expenses. • Increase income raised through rates, user fees and charges. • A combination of the above options." 	<p>This statement shows that Council has tunnel vision and is not acting in the best interests of the people of Tenterfield.</p> <p>Council's first option, and a much higher priority than any of those it lists alongside, should be to eliminate waste in all its forms, especially that which will result in rapid and significant cost reductions. Waste includes:</p> <ul style="list-style-type: none"> • Too many managerial layers for a small workforce of less than 100 people. • Excessive salary packages at executive and manager level. • Excessive numbers of people employed in internal/office roles vs external/outside roles. • Employees being paid at a rate higher than the level of work they are required to do. • Paying contractors and consultants to do work that should be done by Council employees. • Doing maintenance work poorly multiple times, instead of doing it once to the required standard. • Constructing sub-standard sealed roads, leading to disintegration within a few months. <p>Only after eliminating waste and its associated costs should the Council consider any of the options it currently sees.</p>
<i>"Council have limited means to increase income within the General Fund and has made overwhelming reductions to its expenses in relation to this</i>	<p>The figures provided to IPART by TSC show there is no justification for saying it has made <i>overwhelming reductions</i> to its expenses in the General Fund.</p>

TSC Statements			Facts						
<i>fund.”</i>									
<i>“At the end of December 2002, over 17 Council’s [sic] had already applied to IPART for some form of Special Rate Variation. This indicates that Tenterfield is not the only council that is undergoing this process out of necessity.”</i>			<p>What other councils are doing does not, and should not provide any support or justification for what TSC is proposing. TSC’s application should stand on facts and data specific to its own situation.</p> <p>In fact, only 17 other NSW councils (out of 128) including two other OLG Group 10 councils (out of 23) are applying for SRVs in 2023-24. All these applications are for much lower increases than Tenterfield Shire Council’s application.</p> <p>The only OLG Group 10 shires applying for SRVs in 2023/24 are:</p>						
Shire	Group	Category	Area	Popln	23/24	24/25	25/26	26/27	Cumulative
Junee	10	Large Rural	2 030	6 683	15.0%	10.0%			32.0%
Liverpool Plains	10	Large Rural	5 082	7 903	0.0%	3.7%			3.7%
Tenterfield	10	Large Rural	7 323	6 594	43.0%	43.0%			104.5%

Criterion 3 – The impact on affected ratepayers must be reasonable.

In rural shires, the cost of Council charges is more than just rates. Residents have to pay other Council fees and charges as well, including water, sewer, waste and storm water fees. The waste and inefficiencies in TSC's operations is demonstrated by the exceptionally high fees and charges they levy when they are not restrained by a cap.

The total cost of Tenterfield Shire's residential rates, fees and charges is now higher than in 12 out of 15 OLG Group 10 Shires that quote comparative figures.

This combination of expenses is equal to 11% of median personal income in Tenterfield LGA (ABS 2021 figures). If the 104.49% SRV were to be granted, these expenses will rise to 14% of median personal income.

In 2015, the IPART Report Assessment of Council for the Future proposals noted that, to achieve the operating performance benchmark rate, TSC proposed an additional SRV starting in 2018, on top of the 2014 SRV just approved. IPART noted that this *"represents combined increases over 11 years of 99% above the rate peg, which we consider unreasonable."* However, what the TSC is proposing now would take the combined increase over 11 years (2014-2025) to well in excess of 200% above the rate peg – which surely must be considered to be wholly unreasonable impact on ratepayers.

The Capacity to Pay Report, commissioned by TSC and forming part of its SRV application, states that it provides *"an analysis and evaluation of relative wealth and financial capacity; it looks at the financial vulnerability and exposure of different community groups within the local government area (LGA)."* This Report puts curious interpretations on some of the data quoted, and comes up with a number of unsupported conclusions that appear to favour an increased 'capacity to pay'.

The Report also makes many comparisons between Tenterfield and other LGAs. However, comparisons with 'somewhere else' are irrelevant to whether people in Tenterfield Shire have the capacity to pay increased rates. Likewise with rankings; in any group there will always be one member ranked lowest and one ranked highest. The comparison with others is not important – it is whether it is the right attribute for that specific group member.

Criterion 3 – Statements made and references in the <i>Capacity to Pay</i> Report	Commentary
Housing tenure <i>High levels of fully owned homes are an indicator of greater household wealth, and therefore a greater capacity to pay as they will not be encumbered by mortgage.</i>	This could be true, but only if they are matched by a high level of income, which is not the case in Tenterfield LGA, which has 77% of its residents in the bottom two quartiles of equivalised income.

Criterion 3 – Statements made and references in the <i>Capacity to Pay</i> Report	Commentary
<p>Household Mortgages</p> <p><i>The National Centre for Social and Economic Modelling (NATSEM) defines households experiencing ‘housing stress’ as those that satisfy both of the following criteria:</i></p> <ul style="list-style-type: none"> <i>• equivalised household income is within the lowest 40% of the state’s income distribution</i> <i>• housing costs (i.e. mortgage and/or rent repayments) are greater than 30% of household income.</i> <p><i>Households facing housing stress are highly likely to be under significant financial stress and vulnerable to sudden increases in Council rates.</i></p> <p><i>Tenterfield Shire LGA has 77% of its residents in the bottom two quartiles of equivalised income, which is above the Regional NSW (60%) levels from the 2016 Census data.</i></p>	<p>Having defined ‘housing stress’, this Report then goes on to calculate it for the Tenterfield LGA using a different criterion to the NATSEM definition.</p> <p>It does not consider rent repayments in its calculations and therefore cannot provide an accurate assessment of ‘housing stress’.</p> <p>Even so, the Report still considers it probable that there will be some mortgage stress in the area with the greatest percentage of residents, Tenterfield township.</p>
<p>Trends in cost of living</p> <p><i>We were unable to access cost of living data with respect to the Tenterfield Shire LGA.</i></p> <p><i>This allows us to infer some general conclusions as to cost of living trends over the five year period between 2015/16 through to 2020/21.</i></p> <p><i>Increases in net savings indicate an improved capacity to pay within the community.</i></p>	<p>This is an example of trying to build a case using potentially invalid data and then jumping to an unsupported conclusion.</p> <p>The five-year cost of living trend (which is NOT specific to Tenterfield LGA) shows:</p> <ol style="list-style-type: none"> 1. A reduction in both discretionary and non-discretionary expenditure, and 2. An increase in savings. <p>Did these people tighten their belts over five years just to give Council a justification for increasing rates by an unreasonable amount?</p> <p>The answer is self-evidently, “No”.</p>

Criterion 3 – Statements made and references in the <i>Capacity to Pay</i> Report	Commentary
<p>Property prices and other indicators</p> <p><i>The Median house property prices within the Tenterfield LGA has increased by 33% over the 12 months ending 30 September 2022. This period saw 109 houses sold for a median price of \$391,000. The 5 year median price trend is significant, with the median price in October 2017 being \$239,000 (based on 109 sales).</i></p> <p><i>This growth represents a significant increase in household wealth.</i></p>	<p>Growth in sales prices of houses has nothing to do with having cash to pay rates. If anything, it indicates people will have less.</p> <p>The fact that 109 houses have sold at higher prices means that the people who have bought them (now ratepayers) may have higher mortgage repayments than the previous owners (now not ratepayers) and less spare cash to pay increased rates.</p> <p>Any significant increase in household wealth went to those who sold their houses at higher prices and are now not necessarily ratepayers.</p>
<p>Discussion</p> <p><i>The LGA overall is in the 11th percentile in terms of socio-economic disadvantage (IRSD) and 12th percentile when considering both disadvantage and advantage (IRSAD). This compares unfavourably to Regional NSW (29th and 32nd percentiles) but closer in line to the Northern Inland region (20th percentile for IRSD).</i></p>	<p>These facts speak for themselves.</p>
<p>Discussion</p> <p><i>It is important to note, that there is a disparity between the most advantaged and disadvantaged areas within Council's LGA.</i></p> <p><i>With respect to IRSAD rankings (i.e. both disadvantage and advantage), the regions of Tenterfield Shire Council LGA sit within the 12% most disadvantaged areas of Australia.</i></p> <p><i>With respect to IRSD (i.e. only disadvantage), the LGA sits within this 11% level of disadvantage.</i></p> <p><i>This means that these areas do not have pockets of advantage to offset the levels of disadvantage.</i></p>	<p>This clearly shows that there is little or no 'capacity to pay' rate increases.</p>

Criterion 3 – Statements made and references in the <i>Capacity to Pay</i> Report	Commentary
<p>Proposed special rate variation impacts</p> <p><i>Should Council be successful in implementing the first year of its SRV, then average residential rates are estimated to be \$1,057 per property in, placing them at second highest within this grouping of seven councils.</i></p> <p><i>Table 15 then extends this into the second year of the proposed SRV. Should Council be successful with its SRV, it is estimated that average residential rates will be highest amongst this group of councils.</i></p>	<p>These paragraphs speak for themselves and show that rates will become the “highest amongst this group of councils”.</p> <p>Note that these highest rates will apply to people with the lowest income by far in this group:</p> <ul style="list-style-type: none"> • Personal income \$490 wkly - 22% lower than the rest of group avg (ABS 2021) • Household income \$885 wkly- 26% lower than the rest of group average (ABS 2021)
<p>Proposed special rate variation impacts</p> <p><i>With normal rate increases (no SRV), in 2024/25 Tenterfield Shire’s estimated average residential rate (excluding the urban subcategory) would rank in the bottom 4 of the group 10 large rural councils.</i></p>	<p>There has always got to be a ranking - and someone will always be lowest. If TSC is fourth lowest out of a group of 23 councils that is not an indication there is a problem.</p>
<p>Proposed special rate variation impacts</p> <p><i>Table 17 shows actual rates revenue as a percentage of total Council operating expenditure for the 2020-21 financial year, for selected comparable LGA’s.</i></p> <p><i>It is observed that within this grouping, Tenterfield Shire’s ratio of 16% is the lowest level of rates revenue as a percentage of total operating expenditure.</i></p> <p><i>This is a strong indication that Council’s rates are below the level required to service the community.</i></p>	<p>A comparison with ‘selected comparable LGA’s’ is not relevant to a report on Tenterfield’s residents’ capacity to pay.</p> <p>The low percentage could equally mean that rates are set at the <i>right level required to service the community</i> – and it is total Council operating expenditure that is too high.</p>
<p>Proposed special rate variation impacts</p> <p><i>Table 18 shows that Tenterfield Shire has very low outstanding rates. This is a strong indicator of willingness and capacity to pay, especially given that the benchmark for outstanding rates is less than 10% for regional and rural areas.</i></p>	<p>There is no basis for this inference.</p> <p>Low levels of outstanding rates might just indicate that Tenterfield residents are more law-abiding and more willing to go without in order to stay out of debt.</p>

Criterion 3 – Statements made and references in the <i>Capacity to Pay</i> Report	Commentary
<p>Proposed special rate variation impacts</p> <p><i>Council should ensure that it acknowledges disadvantage within the community when bringing rates revenue up to levels similar to other group 10 large rural councils, and to the level required to service the community. This would include ensuring that the SRV increases are supported by an appropriate hardship policy.</i></p>	<p>Acknowledging disadvantage provides no justification for causing it.</p>

Criterion 4 – The relevant IP&R documents must be exhibited (where required), approved and adopted by the Council.

This criterion was probably met. Local community groups helped by publicising the SRV Application and encouraging people to have input.

Criterion 5 – The IP&R documents or the Council’s application must explain and quantify the productivity improvements and cost containment strategies the Council has realised in past years and plans to realise over the proposed special variation period.

TSC has comprehensively failed to satisfy this criterion. Essentially, TSC has collected 26 pages of “fluff” that purports to respond to this criterion. Their application claims, but does not quantify, productivity improvements and costs containment strategies – either past or future. Analysis of the Council’s own financial statements using OLG Criteria show a marked and continuing decline in productivity and rise in costs.

Criterion 5 – IPART Criteria	Failure by TSC to satisfy the Criterion
The approach to improving productivity in operations and asset management	TSC provide a one-page list of strategies and tactics they say have been implemented since 2015 and form part of how Council operates now. However, by observing the increase in costs and reduction in efficiency over the past seven years it is apparent that TSC has failed to either increase efficiency or reduce costs. Details are quantified below in this table.
Outcomes realised from productivity improvements and costs containment strategies in past years	<p>TSC respond with 18 pages of “fluff” that contain no information on outcomes from productivity improvements and costs containment strategies.</p> <p>TSC then list 12 “outcomes achieved”. Only one of these is quantified – and it is neither a productivity improvement nor a cost containment outcome – it is a 10% increase to Fees and Charges.</p> <p>TSC argue that <i>“as many of the gains have been efficiency based and offset increased costs in other areas, quantifying all of these values is difficult.”</i></p> <p>This statement is a cop out and, given that expenses have risen in all areas while services have fallen, probably unjustifiable.</p>
<p>Productivity improvements and cost containment strategies planned for future years</p> <p>The response should, wherever possible:</p> <ul style="list-style-type: none"> • Estimate the financial impact of strategies intended to be implemented in the future • Present these as a percentage of operating expenditure • Indicate whether the proposed initiatives have been factored into the Council’s Long Term Financial 	<p>TSC lists eight initiatives it plans to implement, but makes no effort to estimate their financial impact, or present them as a percentage of operating expenditure.</p> <p>TSC argue that <i>“the impact of these works is very difficult to calculate as they all require significant effort to be realised.”</i> Again, this is a cop out.</p> <p>The proposed initiatives have NOT been factored into the Council’s Long Term Financial Plan.</p>

Criterion 5 – IPART Criteria	Failure by TSC to satisfy the Criterion															
Plan																
<p>Evidence of productivity and efficiency.</p> <ul style="list-style-type: none">How have the Council’s levels of productivity and efficiency changed over time, and compare with those of similar councils?	<p>TSC does not address this criterion.</p> <p>Productivity, measured by the number of people serviced by each FTE Council employee shows the following negative trend over the last four years:</p> <table><tr><th>Year</th><th>Tenterfield</th><th>Group 10 avg.</th></tr><tr><td>2017/18</td><td>82</td><td>71</td></tr><tr><td>2018/19</td><td>64</td><td>69</td></tr><tr><td>2019/20</td><td>59</td><td>67</td></tr><tr><td>2020/21</td><td>58</td><td>66</td></tr></table> <p>Tenterfield productivity has fallen by 29% while the Group 10 average has only fallen by 7%.</p>	Year	Tenterfield	Group 10 avg.	2017/18	82	71	2018/19	64	69	2019/20	59	67	2020/21	58	66
Year	Tenterfield	Group 10 avg.														
2017/18	82	71														
2018/19	64	69														
2019/20	59	67														
2020/21	58	66														
<ul style="list-style-type: none">Number of full-time employees	<p>Council states that FTE has reduced by 7 (112 to 105) over two years. However, it is nowhere near where it should be. The facts are, over the last seven years:</p> <ul style="list-style-type: none">2016 the number of FTE was 952022 the number of FTE was 105 <p>This is an increase in FTE of 10%– during which time the shire population fell by 7%.</p> <p>Council claims reduced salary costs over the last two years. This is refuted by Council’s own Annual Financial Statements, which show an increase in <i>Total Employee Costs Expensed</i> from \$8,751,000 in 2020 to \$8,836,000 in 2022.</p> <p>Over seven years, TSC salary costs went up by 36%</p> <ul style="list-style-type: none">2016 \$6,521,0002022 \$8,836,000 <p>And, over the same period, TSC contractor and consultancy costs went up by 1,120%</p> <ul style="list-style-type: none">2016 cost \$395,0002022 cost \$4,818,000															
<ul style="list-style-type: none">Average cost per FTE	<p>TSC does not address this criterion.</p> <p>The facts are, over seven years, the average cost per FTE increased by 18%:</p> <ul style="list-style-type: none">2016 cost was \$68,6422022 cost was \$84,152 <p>In this time, real wages in Australia grew by only 0.1% pa.</p>															
<ul style="list-style-type: none">Ratio of FTE to population	<p>TSC does not address this criterion.</p>															

Criterion 5 – IPART Criteria	Failure by TSC to satisfy the Criterion
	<p>The facts are, over seven years, this ratio has got much worse:</p> <ul style="list-style-type: none"> • 2016 each Council employee served 74 people • 2022 each Council employee served 62 people <p>That is, productivity per employee has fallen by 16%.</p>
<ul style="list-style-type: none"> • Employee and on-costs as percentage of ordinary expenditure 	<p>TSC does not address this criterion.</p> <p>Employee and on-costs plus contractor and consultancy costs, as a percentage of ordinary expenditure have risen from 38% to 45% over seven years.</p>
<ul style="list-style-type: none"> • Consultancy/contractor expenses over time 	<p>TSC does not address this criterion.</p> <p>The facts are, over seven years, these expenses have <u>increased by 1,120%:</u></p> <ul style="list-style-type: none"> • 2016 cost \$395,000 • <u>2022 cost \$4,818,000</u>

Criterion 6 – Any other matter that IPART considers relevant.

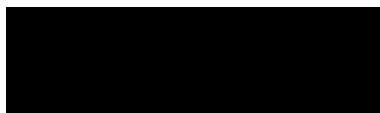
Criterion 6 Matters		Detail																																																		
<ul style="list-style-type: none">Size of the Council		The data below for 2020-21 (source OLG) shows that Tenterfield Shire is close to an average Group 10 Shire in nearly all ways:																																																		
<table><thead><tr><th>Measure</th><th>Tenterfield</th><th>Gp 10 avg.</th><th>Variance</th></tr></thead><tbody><tr><td>Area (sq. km)</td><td>7323</td><td>9060</td><td>-19%</td></tr><tr><td>Population</td><td>6470</td><td>7200</td><td>-10%</td></tr><tr><td>Population Density (persons/sq. km)</td><td>0.9</td><td>0.8</td><td>+13%</td></tr><tr><td>Road length (km)</td><td>1688</td><td>1715</td><td>-2%</td></tr><tr><td>Road length (m) per capita</td><td>256</td><td>257</td><td>0%</td></tr><tr><td>Total roads, bridges, footpaths exp \$</td><td>8 320 000</td><td>7 362 150</td><td>+13%</td></tr><tr><td>Total expenses from continuing ops \$</td><td>29 475 000</td><td>28 867 957</td><td>+2%</td></tr><tr><td>Total revenue from continuing ops \$</td><td>46 968 000</td><td>35 921 913</td><td>+31%</td></tr><tr><td>Total services expenditure, excl. water, sewer, waste \$</td><td>25 249 000</td><td>24 899 000</td><td>+1%</td></tr><tr><td>Population/Equivalent Full Time Staff</td><td>58</td><td>66</td><td>+11%</td></tr><tr><td>Governance & Administration \$</td><td>5 875 000</td><td>4 174 000</td><td>+41%</td></tr></tbody></table>		Measure	Tenterfield	Gp 10 avg.	Variance	Area (sq. km)	7323	9060	-19%	Population	6470	7200	-10%	Population Density (persons/sq. km)	0.9	0.8	+13%	Road length (km)	1688	1715	-2%	Road length (m) per capita	256	257	0%	Total roads, bridges, footpaths exp \$	8 320 000	7 362 150	+13%	Total expenses from continuing ops \$	29 475 000	28 867 957	+2%	Total revenue from continuing ops \$	46 968 000	35 921 913	+31%	Total services expenditure, excl. water, sewer, waste \$	25 249 000	24 899 000	+1%	Population/Equivalent Full Time Staff	58	66	+11%	Governance & Administration \$	5 875 000	4 174 000	+41%			
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		<p>It can be seen that there is nothing intrinsically special about Tenterfield LGA that could possibly justify a SRV of 104.49% - on top of a recent SRV of 53.07% between 2014 and 2018.</p> <p>The only variable of any size that could be driving an SRV application of 104.49% appears to be a \$1.7M (41%) variance in the cost of Governance and Administration.</p>																																																		
<ul style="list-style-type: none">Size (both actual \$ and %) of increase requested		<p>The SRV, if granted will:</p> <ul style="list-style-type: none">Increase rates by 104.49%Increase Council rates income by \$2,976,000																																																		
<ul style="list-style-type: none">Current rate levels and previous rate rises		<p>TSC was granted a SRV starting in 2013 and running until 2018 - a cumulative increase of 53.07%.</p> <p>TSC has since applied for rate rises at the rate cap, except for 2022/23 when they decided not to apply for a 1.8% rise as they were going to apply for this new, massive SRV.</p>																																																		
<ul style="list-style-type: none">Purpose of the SV		<p>The only purpose for the SV that we can see is to fund the excessive growth in Governance and Administration (G&A) spending that has occurred over the last seven years.</p> <p>Expenditure:</p> <ul style="list-style-type: none">2016 G&A \$232,000, all other General Fund \$17,914,0002021 G&A \$5,875,000, all other General Fund \$19,374,000 <p>In that time, G&A spending has increased by 2,432%. All other General Fund spending has increased by 8%.</p> <p>The Council has claimed that the increase in Governance and Administration expenses is due to these having been reallocated from other General Fund areas. If that were true,</p>																																																		

Criterion 6 Matters	Detail
	the other General Fund expenses should have fallen by approximately \$5.5M. In fact, these other expenses have risen by \$1.4M.
<ul style="list-style-type: none">Compliance with this or any other applicable guideline	NA
<ul style="list-style-type: none">Compliance with the conditions of any previous SVs	<p>TSC was granted a SRV starting in 2013 and running until 2018 - a cumulative increase of 53.07%. 70% of the funds was to be spent on capital improvements to roads and bridges. The schedule of expenditure for the capital improvement program extended to 2023-2024.</p> <p>The Council decided to defer spending some of the funding on bridges, resulting, by their own admission, in damage to bridges that would not have occurred had they complied with the IPART approved spending program.</p>
<ul style="list-style-type: none">Any other matter considered relevant in the assessment of a SV application	See below
<ul style="list-style-type: none">Total burden of rates, fees and charges on ratepayers	<p>In rural shires, the cost of living is more than just rates. Residents have to pay Council fees and charges as well.</p> <p>Tenterfield Shire’s total cost of residential rates, fees and charges are higher than 12 out of 15 OLG Group 10 Shires that quote comparative figures.</p> <p>This combination of expenses currently equals 11% of Tenterfield Shire’s residents median personal income (ABS 2021 figures). If the 104.49% SRV is granted, these expenses will rise to 14% of median personal income.</p> <p>The table below shows how inequitable this burden is on Tenterfield ratepayers compared with nearby shires. In 2022/23, Tenterfield is second highest at \$2,944. By 2024/25 Tenterfield will be by far the most expensive at \$3,600. At the same time, it has the lowest personal and household income of the group. (18% less than the rest)</p>

Council Rates, Fees & Charges	Tenterfield	Kyogle	Uralla	Glen Innes	Gwydir	Group Avg.
Avg Ordinary Residential Rate 22/23	665	1 162	730	909	804	854
Typical Residential Water & Sewer Bill	1 986	1 517	1 354	1 191	1 363	1 482
Avg Domestic Waste Charge	293	324	276	317	327	307

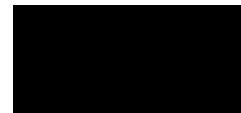
Criterion 6 Matters		Detail					
Total for a typical resident		2 944	3 003	2 360	2 417	2 494	2 643
<ul style="list-style-type: none"> Alternatives to the rate rise through potential reductions in Council expenditure 		<p>TSC anticipates that a number of roads will be handed back to the NSW government, reducing its expenditure and depreciation.</p> <p>In addition, the NSW government is also likely to remove RFS assets from NSW councils, further reducing depreciation.</p> <p>These potential reductions are not accounted for in TSC's application for the SRV.</p>					
<ul style="list-style-type: none"> Reasonableness of the proposed SRV 		<p>The 2015 IPART Report Assessment of Council for the Future proposals noted that, <i>to achieve the operating performance benchmark rate, TSC proposed an additional SRV starting in 2018, on top of the 2014 SRV just approved.</i></p> <p>IPART noted that this <i>"represents combined increases over 11 years of 99% above the rate peg, which we consider unreasonable."</i></p> <p>However, what the TSC is now proposing would take the combined increase over 11 years (2014-2025) to well in excess of 200% above the rate peg – which surely must be considered by IPART to be even more unreasonable.</p>					

Submitted by – **Tenterfield Ratepayers' Association of Tenterfield Shire Inc**



J. Evans (Secretary)

G. Masters (President)



Author name: A. Gillies

Date of submission: Wednesday, 8 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: A [REDACTED] Gillies Sent: Friday, 3 March 2023 2:09 PM To: IPART Subject: Special Variations & Minimum Rates 2022/23, Tenterfield Shire Council, Special Review Hi Attached is my submission for Special Variations & Minimum Rates 2022/23, Tenterfield Shire Council, Special Review. Kind Regards, A [REDACTED] Gillies

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

SUBMISSION TO IPART ON TENTERFIELD SHIRE COUNCIL APPLICATION FOR SPECIAL RATES REVIEW

Name of IPART Review – Special Variations and Minimum Rates 2022/23

Name of Council – Tenterfield Shire Council

Application type – Special Review

SUMMARY

Tenterfield Shire Council (TSC) has applied for 43% Special Rate Variation (SRV) (“the Application”) for the years 2023/24 and 2024/25.

These increases will provide more money to fund the Delivery Program, the Long Term Financial Plan and the Asset Management Plan. TSC has not demonstrated the need for this level of funding, has not indicated any increased levels of service to be provided, has not shown clearly that the community wants to pay increased rates for the same level of service, and has not demonstrated that it has explored or exhausted the alternatives to a rate rise.

Fees and charges are planned to increase 8.2% in 22/23, and 6.71% in 23/24 (Attachment 34 to TSC Application, Morrison Low Report, Appendix B, P.24) (“Morrison Low”)

TSC has engaged in some consultation in relation to the SRV, by a variety of measures. This consultation has not been open and transparent. TSC has selectively determined what it wanted to present and to hear, and ignored much of the community response.

TSC has not demonstrated the reasonableness of the rate rise in relation to socio economic conditions of the area. TSC is seeking to move from a Council with a low level of rates to one with a high level of rates, and has not adequately considered the community’s capacity to pay.

This submission focusses on the SRV as it relates to residential rates with specific attention to Urbenville.

CRITERION 1 - THE PURPOSE OF THE SRV

- The SRV doubles rate revenue in 2 years, and sustains that increase indefinitely. It would remove any need for grant funding, which is in essence an exercise in cost shifting from Governments to ratepayers.
- TSC claims the SRV will enable it to “manage impacts of new assets generated from grant funding” (Application Part B P. 9) when the very purpose of the SRV is to reduce reliance on grant funding.
- TSC proposes an SRV to totally fund from internal sources projected deficits of up to \$5.7m per year over a decade. There is no need to eliminate borrowing. Borrowing which funds long term

assets and community benefit for the future is not false economy. It saves money in the long term and puts the cost where it belongs, with the beneficiaries in the future.

- The TSC Long Term Financial Plan 2022-2032 (page 5) said “ the key performance measures on which Council is measured are as follows from the 202/21 audited financial statements” and went on to include the following data:

	Target	TSC	General Fund	Water Fund	Sewer Fund
Operating Performance Ratio	>0	1.12	-4.2	-9.7	37.9
Unrestricted Current Ratio	>1.5	2.25	2.25	4.5	42.3
Debt Service Cover Ratio	>2	6.98	6.67	5.12	11.71
Own Source Operating Revenue Ratio	>60	31.97	24.6	57.2	98.4
Cash Expense Cover Ratio	>3	7.88			

The 2020/21 Your Council Stats produced by OLG (OLG 20/21) included the following data:

	Benchmark	State	Group 10 Councils	Tenterfield Shire
Operating Performance Ratio				1.1
Own Source Revenue %	60	60.8	51.3	32
Debt Service Cover	2	7	14.9	7
Debt Service Ratio %	0 -20	4.5	4.0	4.5
Cash Expenses Cover (months)	>3	13.9	13.4	7.9

It is only on Own Source Revenue that TSC does not meet the benchmark on the Key Performance Measures it recognizes. Many Councils in NSW do not meet all the benchmarks. But these performance indicators do not support doubling the level of rates.

- Low Own Source funding is accompanied by higher grant source funding. Group 10 Councils have lower Own Source Funding than the State average. TSC is responsible for two significant regional roads. I understand that Bruxner Hwy, at least the 69 km between Tabulam and Tenterfield, is funded by block grants. Mt Lindsay Rd, 142 km from Tenterfield to Woodenbong, is not. Over the past decade, some 70 km of this road which was unsealed has been sealed and a number of bridges replaced, principally if not entirely by grant funding. Some \$30m of State and Federal grants have been allocated between 2019/20 and 2022/23 to rebuild 42km of severely substandard sealed road between Legume and Woodenbong. These grants are at least part of the “high reliance on grant funding” which has characterized TSC. I note TSC has attempted to have

NSW take responsibility for these roads, and if they succeeded it would substantially reduce its road expenses, depreciation and need for grants.

- Worksheet 8 to Part A of the Application show that over 10 years (23/24 to 32/33) the sum of annual Net Operating Results surpluses is estimated at \$34.631m in the general fund. Based on 5100 rate assessments, this is a cumulative transfer to TSC of about \$6,800 for each residential ratepayer, which simply provides surpluses for TSC. It is not funding additional services. There can be no justification for rate rises simply to fund surpluses.

CRITERION 1 - ALTERNATIVES TO THE SRV

- TSC has not addressed at all what service levels could be reduced to assist its funding problems.
- TSC has not indicated possible asset sales to free up funds to reduce borrowings, and whether this would reduce ongoing maintenance costs and/or increase revenue.
- TSC has not proposed any plans with measureable performance targets to reduce costs and improve performance and efficiency

CRITERION 2 - COMMUNITY AWARENESS AND ENGAGEMENT

- The consultation sessions in early 2022 on community needs and expectations were in the context of dreaming the future – not based on or in the context of substantial rates increases.
At least one consultation session was communicated less than 3 days in advance, leaving open the impression that it was intended to deliberately discourage attendance.
- During 2022 I emailed Council and Councilors in relation to the proposed SRV, but I did not receive any acknowledgement or response.
- There are no local newspapers in Urbenville, and if there are in Tenterfield they do not reach Urbenville. There is no local radio station. While internet, web sites, Facebook and other social media are available, they are not used by all. TSC has not tried very hard to keep the community informed or involved.
- TSC produces about monthly “Your Local News”, a one page circular. It includes notices of Council meetings, notices of development consents, Covid announcements, and movie show times in Tenterfield. It has not to my recollection given details of community consultation meetings, or canvassed issues in relation to SRV. The January 2023 edition did not refer to the SRV application or alert ratepayers that this was a further opportunity to be engaged.
- It appears to me (in hindsight) that TSC had a fairly simple but sophisticated consultation plan:
Step 1 was to raise community expectations about what they could aspire to get from TSC
Step 2 was to try to slide past a substantial rate rise

Step 3 was to buckle in and ride out any opposition
TSC has not sought to seriously engage or consult

- Consultation should not be about telling ratepayers what the Council wants them to hear. It should be about sharing information, providing access, exchanging and exploring views, and providing genuine honest and transparent two way communication. TSC does not and has not done that.
- TSC criticizes the Our Shire Our Council Initiative (OSOCI) for delivering “systematic and targeted statistics seeking to support their view without context and not evidenced based”. (Application Part B, P. 39). TSC is possibly right – OSOCI selectively argued its case. However, I think TSC needs to recognize that that is exactly what TSC has done in its Application to IPART. (see below the section addressing Criterion 3)
- On P. 57 of the Application, TSC states that “the feedback from the community consultation was also that overwhelming ratepayers did not want to see an increase in rates” (sic). I think this means that the ratepayers were overwhelmingly opposed to increased rates, although it may mean ratepayers were in fact overwhelmed by the scale of increase proposed. In either case, TSC has clearly ignored widespread expressions of opposition to the proposed increase.

CRITERION 3 - IMPACT ON RATEPAYERS

This submission is based on the assumption that the application of new VG valuations effective from 1 July 2023 will have a more or less neutral effect on the actual level of rates – that is, that increases to the overall level of rates in 2023/24 will be due to rate peg 2023 and any level of SRV approved, and not to the approximately 80% increase in valuations about to be issued across TSC.

- The SRV application notes that TSC rates are among the lowest of Group 10 Councils. OLG 20/21 shows only 3 of 22 councils with lower average residential rates than TSC. The Application (P.45) has TSC as the 3rd lowest of 7 neighbouring councils, and Morrison Low (Table 14 P.18) shows TSC rates are 86% of the average for the 7 neighbouring councils. But the first year of the SRV and rate peg would move Tenterfield to 2nd highest among this group, and 118% of the average rates for the 7 councils, and the 2024/25 estimates show TSC with the highest level of rates by 25%, and 165% of the average rates for the group.
- Using Table 10 Morrison Low (P. 20) average residential rates for all Group 10 Councils, only two councils would have lower average residential rates than TSC in 2024/25. TSC would move from the 3rd lowest average residential rate of 22 councils to the 3rd highest.
- So far as I can ascertain, my rates will increase from \$575 in 2022/23, by \$247 in 2023/24 and a further \$349 in 2024/25. This an aggregate increase of \$596 in just 2 years, more than doubling. That will then be the ongoing base for my rates. Over a decade, using the IPART planning figure of 2.5% for rate peg adjustment, my rates will increase to over \$1400 each year.

- OSG 2020/21 shows TSC having a socio economic index rating (2016) of 10, the second lowest among 22 Group 10 councils, and one of only 5 below an index rating of 20. The OSG 2020/21 places TSC as Council with the lowest annual taxable income (\$36,711) of any of the Group 10 councils, with only one other below \$40,000 and only two others below \$45,000.
- Morrison Low (P. 8) says TSC has 77% of its households in the two lowest quartiles of equivalised household income in NSW.
- Morrison Low (P.11) states “the levels of full or part time employment are indicative of the strength of the local economy and social characteristics of the population”. It then notes total employed persons as 92.4% and unemployed (unemployment rate) as 7.6%. These figures relate only to those in the workforce. In the 2021 census, 48.7% of all residents over the age of 15 in Urbenville 2475 were NOT in the workforce, compared with 33.1% of all Australians not in the workforce. In Urbenville, 37.3% of families had both partners NOT working, compared with 21% of all Australian families. The high level of employment and relatively low level of unemployment mask the real indicator of the lack of strength of the local economy and community – the low level of engagement in the economy demonstrated by the low participation rate, exacerbated by the low levels of median income.
- From the 2021 Census (ABS Quick Stats)

	Urbenville	Tenterfield	Tenterfield LGA
Population	331	2826	6810
Median weekly household income	\$833	\$807	\$885
Median monthly mortgage repayments	\$824	\$1083	\$1083
Median weekly rent	\$220	\$245	\$240

- From the 2021 Census, Australian Median Weekly Household Income was \$1786 in 2019/2020. From the ABS, Average Weekly Earnings in May 2022 were \$1,769.80 and from the Fair Work Ombudsman, the Australian Minimum Weekly Wage was \$812.60 in July 2022. The Consumer Price Index in December 2022 was 7.8% pa,

Clearly, the residents and ratepayers in TSC live in a low socio economic region. While there are slight differences in the medians between areas in the LGA, they are far less than the differences between the LGA median and Australia as a whole. HALF the residents of TSC have income which is HALF that of all Australian households. Household income in TSC is barely above the legal minimum wage and significantly below comparable LGAs. These are not averages distorted by a few very low or zero incomes. These are medians – one half of the scores are above, the other half below.

This clearly demonstrates that far from a high capacity to pay additional rates, at least half of the ratepayers of TSC have a very low capacity to pay, probably another quarter have a low capacity to pay, and that capacity to pay will decline even further with continuing high levels of price increases, and continuing high interest rates.

- There are a high proportion of renters in the LGA, a high proportion of people reliant on social welfare payments, and a low level of workforce participation. There is a clear linkage between these and the level of rents – the low level of rent is affordable for people on low fixed incomes or low wages. Interest rates are rising, and so are rents. Any increase in rates will feed into increased rents, a difficult situation for people already at the bottom, and one which will cause hardship. There is no Council hardship policy which covers them.
- Nearly 20% of all TSC rate assessments are eligible for the pensioner discount. Of itself this indicates low income and low capacity to pay higher rates. Further, this rebate has not changed for at least 9 years. While this is a matter for the NSW Government, there is no suggestion by TSC that it might approach State or Federal Governments to see this rebate increased.
- In Morrison Low (Table 13 P. 15) there is a 5 year comparison of cost of living in Regional NSW. It is quite unclear how this relates to TSC residents. It includes (for 20/21) a total disposable income per household of \$125,270 for 20/21, and net annual savings of \$26,724. The disposable income is three times the median household income of TSC, and the annual savings about 60% of the median household income of TSC. It also shows a level of Discretionary Spending for households in rural NSW of \$45,285 – higher than the median level of household income in TSC. OSG shows median household TAXABLE income of \$36,711 for TSC – 30% of what Morrison Low states as DISPOSABLE household income in rural NSW.
- TSC does have a hardship policy. It is of no assistance in relation to capacity to pay. It does not reduce, suspend or cancel rates. It only operates to defer payment, and with interest, unless TSC decides as an act of grace to not charge interest.

CRITERION 5 – PRODUCTIVITY IMPROVEMENTS AND COST CONTAINMENT STRATEGIES

“Councils should provide evidence of strategies and activities and robust data quantifying the efficiency gains” (IPART Special Variation Application form Part B P58)

- TSC comments on P.59 of its Application Part B are irrelevant. The Table on P.60 does not address at all what TSC has done or is doing. TSC Application Part B P.61 does not address the recent past, the present or the future. They quantify nothing. The responses on P.62 are historic and general, with no quantifiable action or outcome.
- The responses in the Table Pp 63 - 81 have some action indicated, but most are generic fluff. No possible outcomes are provided which might at some time be measured. There is no evidence of any productivity improvement, cost saving, asset realization or other cost saving. There is certainly not any robust data.

- There are only 2 quantified responses - a reduction of FTE “from 112 in 2020 to 105 in 2022” and “reduced management tier from 12 to 9”. (P84). With 9 managers for 105 FTE employees, there is one manager for each 12 employees. This very high ratio of leaders to followers.

OTHER COMMENTS

- Using data from the Application Part A, Worksheet 2, the residential rate structure for TSC could be placed in 3 broad categories:
 - (1) the “Villages”, (Urbenville, Jennings and Drake) with 317 assessments. Average rates about \$600, average land values less than \$40,000.
 - (2) “Tenterfield” with 1592 assessments. Average rates \$664, average land value \$56,000
 - (3) “Other” with 1474 assessments. Average rates \$598, average land value \$96,330

	No of Assessments	Total Land Value \$m	Av Land Value per Assessment \$	TSC Notional Income \$000	Average Rates/ Assessment \$
“Villages”	317	11.5	36,247	190	600
“Tenterfield”	1592	89.1	55,956	881	664
“Other”	1474	142.0	96,330	1,058	598
Total	3391	242.6	72,037	2,140	631

(Note that 8 properties “Tenterfield Urban” and 7 properties “Tenterfield and Urbenville MDAF” have not been included)

On the surface, this is indeed a highly equitable sharing of rates – on average residential properties in TSC pay about \$600 per year in rates. Not only that, but those in Tenterfield who have the most ready and close access to TSC facilities – pool, museum, library, parks and gardens – pay just a bit more than the others.

- The same data shown differently presents a vastly different story:

	No of Assessments	% of Assessments	% of Notional TSC Income	% of Total Land Value	Notional TSC Income (Cents per \$ Land Value)
“Villages”	317	9.3%	8.9%	4.7%	1.66
“Tenterfield”	1592	46.9%	41.2%	36.7%	1.99
“Other”	1474	43.5%	49.4%	58.5%	0.62

The “Villages” with 4.7% of the value of land in TSC provide almost 9% of the rates income.

“Tenterfield” is marginally better off – 37% of the land value yields TSC just over 40% of its rate

income. But almost 60% of the land value – properties with an average value of almost \$100,000 (before revaluation) and almost double the average values of the rest of the residential properties in Tenterfield Shire – provide less than 50 % of TSC rate income. Further, the rate “yield” for TSC (cents per \$ of land value) is three times as high from the lower value properties than from the higher.

The differences within the TSC rates structure are probably as great as those between TSC and its neighbours, or between TSC and all Group 10 Councils. If TSC drew from all its residential ratepayers a similar proportion of property value it would receive about \$1.7m more each year and every year, without any recourse to an SRV. TSC has said rising house prices are indicative of higher household wealth and therefore greater capacity to pay. Perhaps TSC ought to tax what already exists in property value within the Shire without looking to place even more of the burden on households in the two lowest quartiles of wealth and income in Australia.

- The residents of Urbenville do not have access to the same levels of services from TSC as do the residents of Tenterfield town. The pool, library, museum, parks, gardens and community hub activities are of no benefit or use to us. Our Library, which was 2 hours per week, has been stopped. It is a 285 km almost 5 hour round trip to Tenterfield. There is no public transport. Services are available closer:

Pool – Woodenbong (12km), Kyogle (70km)

Library – Kyogle

Shopping – Kyogle, Casino 70km, Beaudesert or Casino about 90km, Lismore or Warwick about 100km

Cinema – Kyogle or Warwick

No doubt other residents of TSC outside of the town itself share the same issue. It is not equitable that our rates should be increased to fund services that it is difficult and costly, if not impossible, to access or utilize.

SUMMARY

TSC has asserted that it has problems with short and long term funding. It has demonstrated that it is currently among the councils with the lowest level of rates. Its own source income is at the low end of all councils. It does rely heavily on grant funding. These do not provide justification for the level of increases applied for.

TSC has not demonstrated sustained or serious efforts to improve efficiency or cost effectiveness. It has made minimal efforts to seriously review levels of service provision, and it has demonstrated no efforts to rationalize assets.

The level of Own Source Funding is not the serious problem painted, as adequate grant funding has been available.

That TSC has lower rates than most similar councils is exactly as it should be. TSC is one of lowest socio- economic areas in Australia. It is a low income area. There is absolutely no justification for a rate rise significantly turning TSC into a high rate council, or for the impact that will have on the community.

TSC performance against a range of benchmarks is not good. But that does not warrant a 104% increase in rates over 2 years, and ongoing rates at that inflated level. It does suggest that more consideration be given to planning within the limits of available resources, and more attention be given to internal management and efficiency.

The consultation processes followed by TSC were severely deficient. TSC did not genuinely seek to consult, but having done as little as it could, it then ignored all the feedback that it did not want to hear and treated the community response as irrelevant.

The information and analysis presented by TSC in relation to capacity and willingness to pay is seriously compromised. The Morrison Low report does not support the TSC view that there is community capacity and willingness to pay – TSC has struggled manfully to pluck whatever it could that supported the view that it wanted, and ignored the rest. The population of TSC is by every measure one of the lowest socio-economic groups in NSW. It is not the well-off who would struggle with this rate increase, it is the worse off. Fully 77% of the ratepayers in TSC are in the lowest 2 quartiles of equivalised income in NSW. The median household income in TSC is barely above the adult minimum wage. Almost half the population in TSC is not even in the workforce, so the level of unemployment is hardly relevant.

TSC has failed to provide any substantiated evidence of efforts to address cost, efficiency or governance problems. Large parts of its Application in this section simply rehash the past, and address nothing of the present or future.

The current TSC rating structure is grossly distorted – the 56% of ratepayers who own 40% of the value of all properties pay 50% of the rates. The 44% of ratepayers who own 60% of the value of all properties pay less than 50% of the rates.

CONCLUSIONS

- 1. The Application should be rejected.***
- 2. TSC should be directed to review its residential rating structures to develop a residential rating structure which more equitably draws rates from the community, recognizing realistically capacity to pay, the socio-economic facts of the area, and the differences between groups and areas within the community.***
- 3. In the event that IPART does not reject the Application :***
 - (a) any increase granted should be for 2 years only, without any continuation ;***
 - (b) any increase granted should not exceed 10% in each year, or 10% for any individual ratepayer***
- 4. If any increase is granted TSC should be directed to revise its Hardship Policy to realistically respond to genuine hardship in the community as a consequence of any rise.***

DETAILS OF THE SUBMISSION PROVIDER

Name: A [REDACTED] Gillies

This a public individual submission and may be published

This information is not for publication:

Phone [REDACTED]

Email: [REDACTED]

I have read and accept IPART's Submission Policy, and any or all of this Submission may be used in accordance with that Policy.

I consider my phone number and email address to Private and Personal Information, and they are not for publication or release. They are only for IPART to contact me if required.

2 March 2023

Submission to IPART

Re: Tenterfield Shire Council Special Rate Variation Application

This submission covers the following issues:

1. COMMUNITY ENGAGEMENT

- 1.1 Urbenville Community Consultation not in Context of Council's Financial Situation
- 1.2 Threat to Cut Services

2. IMPACT ON RATEPAYERS

- 2.1 Capacity to Pay Report
- 2.2 Increases in Land Values
- 2.3 Hardship policy
- 2.4 Pensioner Rebate
- 2.5 TSC Refusal to Acknowledge Impact of the "Charges" Increases on Ratepayers

3. COUNCIL'S IMPROVEMENTS IN PRODUCTIVITY

- 3.1 Not quantified.

4. COUNCIL'S FINANCIAL NEED FOR THE RATE CHANGE

- 4.1 A History of Poor Financial Management

1. COMMUNITY ENGAGEMENT IMPACT ON RATEPAYERS

1.1 Urbenville Community Consultation not in Context

Urbenville residents were invited to attend a Community Consultation session on 22 January 2022 to meet the new Councillors and for the Councillors to hear / consult with us on our “vision for the future”. Not being aware of the Council’s financial circumstances at that time, naturally a long wish list was developed of all the types of activities and developments residents want for Urbenville, without being told that there were serious financial constraints on the TSC leading to inability to consider any new services or improvement or additions to current services.

Come the second Community Consultation meeting on Saturday 9 April, the residents were presented with a scenario that if you want all these things we talked about in January – called the “community’s vision”, we the Council are going to have to apply for a Special Rate Variation from the Independent Pricing and Regulatory Tribunal (IPART) to increase rates over and above the capped level.

A third public meeting was held hosted by the Urbenville Progress Association (UPA) on Saturday 7 May with Councillors and Council invited. The meeting was attended by Mayor Bronwyn Petrie who outlined the various discussions and processes TSC has undergone to arrive at the possible decision of applying for a Special Rate Variation. As stated by the UPA meeting minutes, “the main components that came out of the meeting were transparency and valid factual communication from our Council provided to ratepayers.” Question: Why does “transparency and valid factual communication” even have to be raised with and requested of Council?”

At the October 2022 Urbenville Community Consultation meeting (held with 3 days’ notice to the community), the Mayor said “I don’t know how people afford to live these days”. I asked the Mayor, “and how did you answer yourself”, but no answer was forthcoming. Thinking about this and talking to neighbours, I have developed a list of “Money-Saving Tips in Order to be able to Pay the TSC’s Ransom Over your Home”, included at Attachment A. At this same meeting I also asked the Mayor, and giving my own personal experience, \$800 increase in rates bill over four years of living in Urbenville from mid 2018 to 2022, even on that simple calculation, trajectory is for rates currently \$3500 – 2022 to \$4500 in 2027 to \$5500 in 2032 – even without the special variation, where does it all end or even taper off? The Mayor did not answer that question.

The initial failure to provide community consultation in context has led to a misrepresentative document on community consultation upon which the TSC is relying for a successful SRV application. TSC has been repeatedly called out on this misrepresentation. TSC has continually referred back to the community’s desire to maintain and increase services. This is also repeated ad nauseum in the TSC SRV application. Never at any time has the TSC engaged in meaningful community dialogue about its financial situation apart from to say that it needs the SRV to be financially sustainable in the future.

1.2 Threat to Cut Services

The Urbenville community has been told at each of the Community meetings in April, May and October, that “the Council would have to consider cuts in services in the SRV is not approved”, and the question has been posed each time, “please tell us what Urbenville services will be cut?” with no satisfactory answer. That is because the only services provided to Urbenville residents are the sewerage, water and waste services, stormwater, all of which are paid for by residents in separate financial “buckets” to the TSC.

At the October 2022 meeting the question was again raised, “what services in Urbenville will be cut?”. The Mayor responded with – “the swimming pool” (at Tenterfield), “the visitor centre” (at Tenterfield), “library services” (Tenterfield), charging commercial rates for Council properties leased to operations such as the Tenterfield Mothers Group and Tenterfield Business Centre.

So what exactly do Urbenville residents get for their rates noting that all “services” are covered by separate charges? A letterbox drop once a fortnight being the “Your Local News” newsletter focused solely on Tenterfield, with a mention of Urbenville once a year when the Council holds (once a year) a meeting here in Urbenville.

Even where Urbenville residents are charged for separate services such as storm water management, there is still no actual service. For some residential streets, there is no stormwater management, no guttering, water floods over the roads and through residential properties in heavy down pours such that only after complaints from residents that water flow in heavy rain just washes under the houses, destabilising house stumps and resulting in significant property damage did TSC cleared out “gutters” in Beaury Street with a digger in January 2023. One resident was moved to start a “Urbenville Stormwater Mitigation Alliance” due to the stormwater runoff and subsequent damage to residential properties.

At no time has the TSC offered to have a considered discussion with the Urbenville community about which services, when, and how long for, might services be cut. IPART in its determination should recommend that the TSC conduct such dialogue with Urbenville ratepayers.

2. IMPACT ON RATEPAYERS

“The impact on affected ratepayers must be reasonable”.

2.1 Capacity to Pay Report

The Tenterfield Shire Council has released a consultant’s paper “Capacity to Pay” in support of its Special Rate Variation (TSC website, Council meeting papers, October 2022). This paper talks about the growth in house property prices in the Tenterfield LGA, and how this growth “represents a significant increase in household wealth”.

This paper gives absolutely no consideration to the actual facts of such “household wealth”. This so-called “wealth” in this little village of Urbenville is represented by houses that are generally 40, 50, 60, 70, 80 years old, with little refurbishment and renovation in many cases. Many of these houses are occupied and owned by long-term residents now in their 70s and 80s with their sole income the aged care pension. Their home is their sole asset and mortgage-free simply by fact of them having lived in it for so long.

Other owners buy because of the comparatively low entry cost of homes in this village – people who are on a disability pension but have been able to afford their own home, or low-income families, or single income

older women. Even with COVID real-estate impacts, houses in this village are still able to be purchased for \$250,000, \$300,000, up from \$100, 000, \$150,000 or \$180,000 two years ago. According to this consultant's paper, the residents of Urbenville are considered to have "capacity to pay" based on the equity in their home and the fact that some are mortgage-free. This criteria may fit those buying multi-million dollars houses in Sydney or the coast, but it does not acknowledge the difference in a rural location like Urbenville with its low value housing stock and a demographic skewed to the elderly (latest and previous Census data confirms this).

This consultant's paper also talks about net increases in savings in households over the past 5 years, with lower discretionary expenditure on things like hotels, cafes and restaurants but has disregarded the impact of COVID restrictions and lockdowns in half of that timeframe, and even the fact that places such as Urbenville do not have cafes and restaurants to spend one's spare cash, apart from the hotel and the local hamburger shop.

The "Capacity to Pay" report also talks about the low percentage (4%) of unpaid or outstanding rates, and how this is an indicator of "willingness" to pay. What is not acknowledged here is that there is no option, no choice about whether or not to pay council rates. If council rates are not paid, your home is taken away from you and sold.

I sincerely hope that IPART takes a good close, better look than this consultant has, at the difference in council income and revenue generating opportunities, and the community demographic as it actually is in the Tenterfield Shire. Tenterfield Shire Council is a Council that likes to spend ratepayers' money as though it were a Council located in a wealthy and income-generating location such as the coast or Sydney, but is in fact located in an area with significant disadvantage, low value housing stock, and prohibitive access to services (lack of services, distances required to be travelled to gain services, etc).

2.2 Increases in Land Values

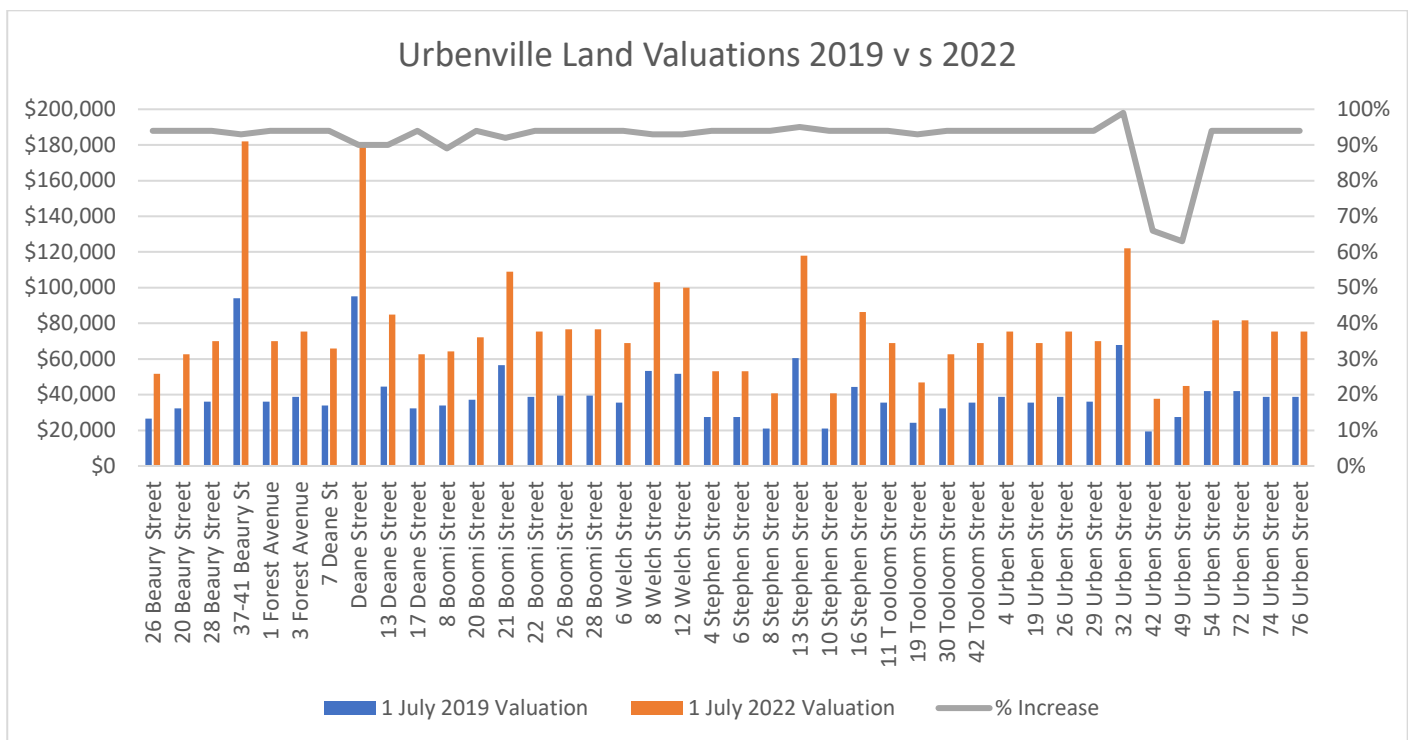
With the visibility of increased real estate prices there comes consideration of the subsequent impact on land values.

Urbenville residential land values as at 1 July 2022 have generally **increased by 94%** over the last valuations provided to residents and council (1 July 2019).

This increase in land values is a more natural progression in rate rises than what is being requested by the TSC.

I understand that land values may be equalised in some degree by a lower ad valorem rate on rate notices from the 2023/24 financial year and await the outcome of that process.

In the meantime, it seems to me that the TSC will receive some kind of hidden windfall once the 1 July 2022 valuations are made known to the general public apart from the Valuer General's website.



Land values are updated annually on the Valuer General’s website. In calculating the impact on ratepayers of an SRV, the TSC could easily have reviewed land value increases over time and factored this increase into their SRV application. Valuer General valuations of land increasing over time are a more “natural” growth factor than SRV applications every decade based on the TSC model.

For my own property [REDACTED], here is the TSC’s SRV rate calculator from its website, Example 1 is with the 2019 valuation and the 43% SRV. Example 2 is the 2022 valuation as per the Valuer General’s website, with the 43% SRV.

Example 1 – TSC 43% SRV Rates Calculator using 2019 Valuation

Rate Category

Residential Urbenville

Land Valuation

38700

TOTAL CUMULATIVE RESULT OF SPECIAL RATE VARIATION

2022/2023 Current General Rate \$596.29	Rates per week \$11.47
2023/2024 Estimated General Rate \$849.27	Rates per week \$16.33
2024/2025 Estimated General Rate \$1,214.15	Rates per week \$23.35

Example 2 – TSC 43% SRV Rates Calculator using 2022 Valuation

Rate Category
Residential Urbenville
Land Valuation
75300
TOTAL CUMULATIVE RESULT OF SPECIAL RATE VARIATION
2022/2023 Current General Rate \$882.17 Rates per week \$16.96
2023/2024 Estimated General Rate \$1,258.09 Rates per week \$24.19
2024/2025 Estimated General Rate \$1,798.76 Rates per week \$34.59

In my case, the difference in rates just due to land valuations is an additional \$408.82 in 2023-24 and an additional \$584.61 in 2024.25 without any possible equalisation to be gained from a lower ad valorem dollar rate.

Will the IPART assessment of the TSC SRV application take this hidden windfall into account when making its decision on whether to approve the 43% SRV application ?

2.3 Hardship policy

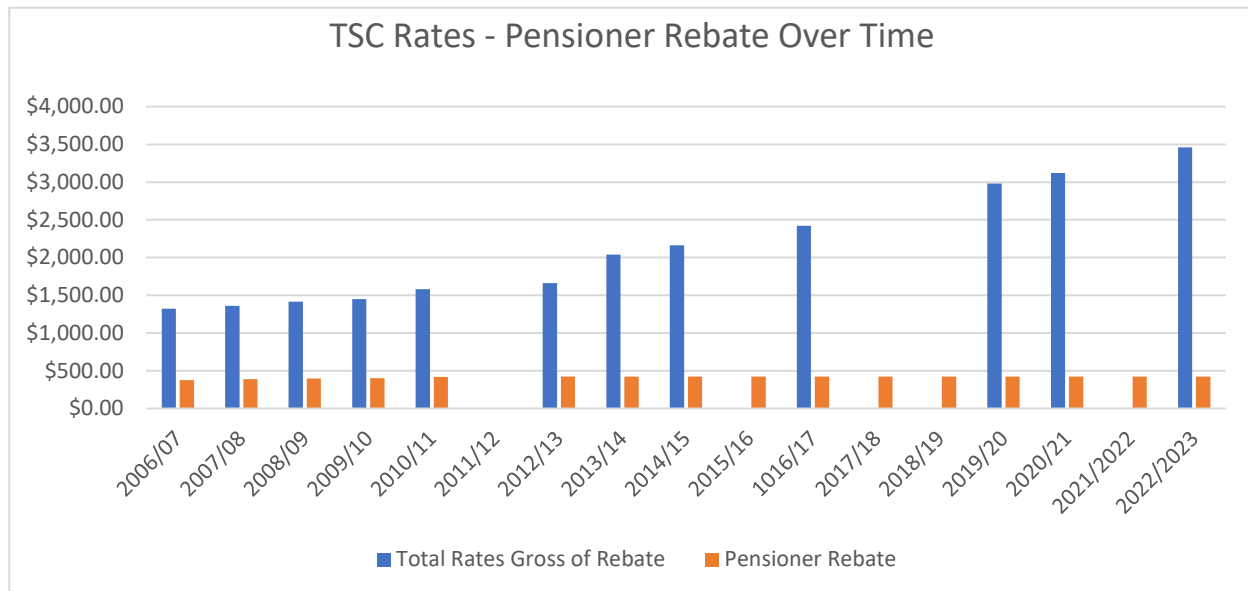
Yes, TSC has a hardship policy. TSC says in its SRV Application it treats people in places of hardship “empathetically”. Here is just one example of how this has been put in place in practice.

Urbenville Ratepayer “A” has health issues and is unable to work full time in his trade as a plumber. “A” has no recourse to disability benefits or the aged pension as he is a man in his 40s. “A” fell behind in his rates, applied for the hardship policy, and was provided with same. Immediately, 6% interest was applied to his outstanding rates. When the 2022-2023 rates were provided to ratepayers, because “A” was on the hardship scheme, TSC applied the 6% interest to his total new rates notice from 1 July 2022. How is “A” ever to catch up? The TSC do not provide him with itemised accounts of his payments which he tries to make monthly as and when he has some money from doing handyman jobs, does not itemise his outstandings on a regular basis despite the TSC being requested to provide same. In accordance with TSC policy, “A” was asked to provide documentation from a financial counsellor confirming hardship. “A” has no regular income, what income he has generally goes toward travel to the Gold Coast for medical appointments, and the TSC want him to spend \$400 or so on a financial counsellor? “A” is seriously considering selling his land and home and becoming transient by living in a van as his situation spirals downwards.

The so-called Hardship Policy does not help ratepayers in trouble with their rates, it merely defers and in fact supports an outcome leading to the loss of people’s homes.

2.4 Pensioner Concession

The pensioner council rates/domestic waste management services concession, legislated at a dollar amount in the Local Government Act, has not increased since 2012, remaining at \$425.00 since that time. In the decade since the concession has flatlined, the Tenterfield Shire Council rates and services notices have skyrocketed as can be seen in this graph for a Deane Street Urbenville NSW property where rates notices are available back to 2006/07. (Notices were not available for



the years with a gap however the trend is evident.). For context, “Council rates notices” refers to the entirety of the TSC rates notice including services, not just the two lines apportioned to “rates”.

This inequity was drawn to the attention of:

- NSW Minister for Local Government
- NSW Minister for Veterans Affairs
- NSW Minister for Seniors
- NSW Member for Lismore
- Mayor of Tenterfield Shire Council, Bronwyn Petrie and CEO Daryl Buckingham
- NSW Shadow Minister for Local Government
- NSW Shadow Minister for Seniors

None of the above were willing to take on the task of raising this issue in NSW Parliament. In his response, the Minister for Seniors states “I have made representations to ... Minister for Local Government ... and the Mayor of Tenterfield Shire Council, as the issues ... falls within their areas of responsibility.” The Minister also referenced “more than 70 rebates and vouchers” available to pensioners to save on everyday costs and more.”

Minister for Local Government on the pensioner concession vs skyrocketing rates and charges (response from Office of Local Government on Minister’s behalf): *“Ultimately, councils are responsible for the pricing policies for services in their area. They are also directly accountable to their local community for the impact these policies have on individual members of the community.”* (I can’t begin to fathom how TSC imagines it is being accountable to its local community for the

requested SRV and skyrocketing charges.) Further, the Minister says *“Under the Local Government Act 1993, councils are largely independent and self-governing bodies with rights and powers conferred by law. They are accountable to their electors for their actions. The Minister for Local Government and OLG have limited powers to intervene in the day-to-day operations of individual councils.”* Frankly I don’t know why there is even an OLG and a Minister and all those attendant costs when by their own admission they have “limited powers” with the very constituency they are named for and how OLG achieves its raison d’etre of “The Office of Local Government is the NSW Government agency responsible for strengthening the sustainability, performance, integrity, transparency and accountability of the local government sector. OLG has a policy, legislative, investigative and program focus in regulating the State’s 128 local councils. The agency also works collaboratively with the local government sector to support local councils to deliver for their local communities.”

The TSC in its response to the issue of the pensioner concession stated: “We have as at April 2022, 5067 ratepayers, 963 of these ratepayers receive a pensioner concession. If for example, Council gave an extra \$100 in rebates in addition to the 45% of total currently contributed, this would equate to \$96,300. This increase would be unsustainable and would impact on council’s cash position as any increase would have to be funded from the general fund. An increase in concessions would affect the balance of ratepayers who do not receive the concession and council would rely on more non pensioners to fund services that the community needs and desires.”

According to Frequently Asked Questions (FAQ) on the Office of Local Government website, the official response to the question “Is there any plan to increase the concession amounts?”, the response is:

“Although expanding the current concession may be desirable, the NSW Government has to take into account the budgetary implications of any change to current funding arrangement. The cost of providing mandatory concessions is met by both state and local government. Any increase would affect the capacity of the NSW Government and councils to provide other programs and services to the community.”

Anecdotally, elders in the Urbenville community who are currently able to live in their homes and carry out the everyday activities of daily living, are now very fearful for their futures. Elderly neighbours are faced with the option of having to enter aged care as they can no longer afford to live in their own homes. And yet the Commonwealth Government is advocating people stay in their homes for as long as possible.

I note IPART tried to address this issue in 2016. Documents reveal issues identified with the pensioner rebate and make a number of recommendations (p128, IPART Review of the Local Government Rating System, Final Report, 2016). In a nutshell, the recommendation was to increase the pensioner rebate up to \$1,000 per year, for new pensioners, on a rate payment deferral basis, with the amount owing repaid on change in ownership of the property concerned. There are a number of issues raised, however, and again in a nutshell, this seems to be a substantial recognition of the fact that the current pensioner rebate is woefully inadequate. And this was back in 2016.

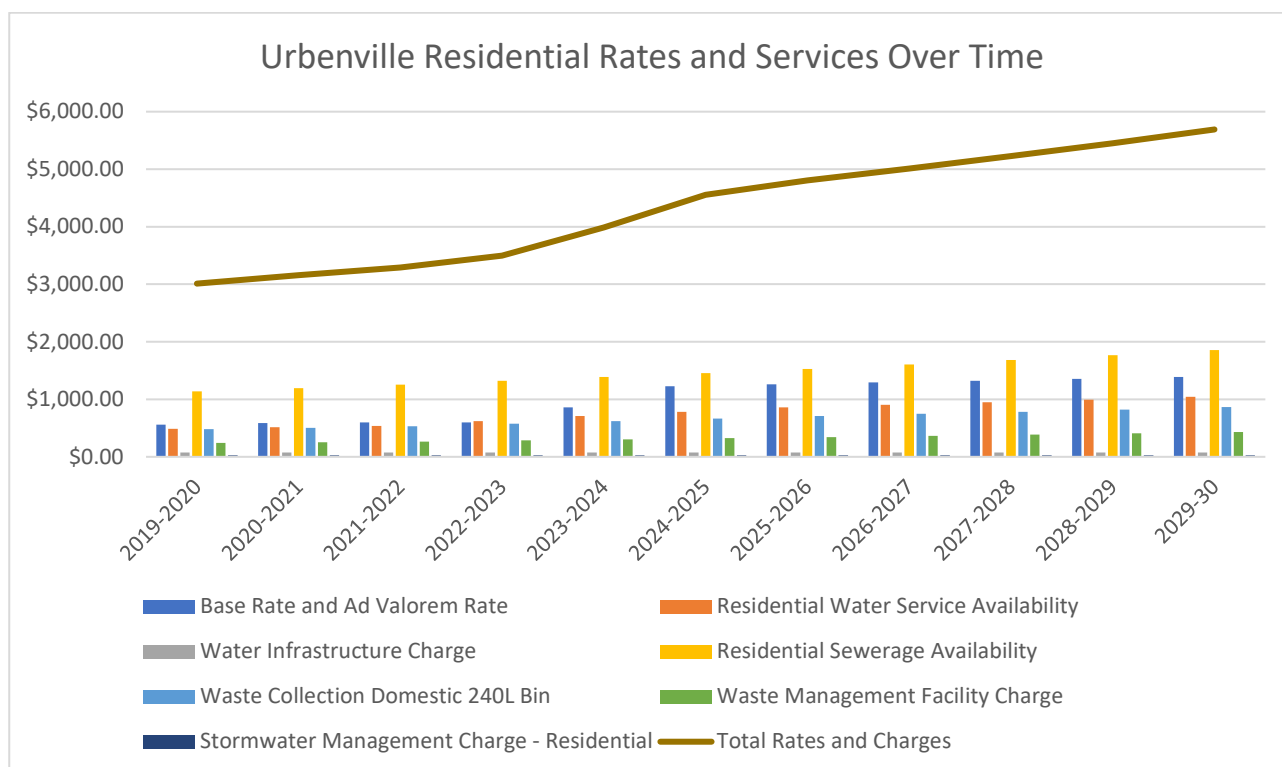
The same IPART document makes reference to considering pensioner rebates being applied to the other charges forming part of the total rates notice – water, sewerage – but dismisses this consideration as it is not part of the particular remit of the IPART review. A direct quote from the same IPART document:

“The impact of the pensioner concession is most prominent in regional areas with a high - and rising - proportion of pensioners. Since local councils are capped on the revenue they can receive (general income), the current pensioner scheme requires other ratepayers in the council area to pay higher rates. These areas are generally lower socioeconomic areas with lower ability to pay. This means the current pensioner concession scheme is becoming unsustainable as it is imposing additional costs on those least able to bear such costs.”

The point in including this information in this submission is that clearly a growing elderly demographic will mean more Urbenville residents relying on the old age pension as their sole source of income in coming years vs the skyrocketing rates and charges from the TSC. In considering the TSC SRV application, what consideration does IPART give of the budgetary implications to the ordinary pensioner householder of these exponential rate rises vs the pensioner concession which has not increased for a decade? This is not a reasonable impact on this cohort. All issues are connected and inter-related. It is not fair and equitable to consider a SRV application solely on merits that “it is only the top two lines” of rates notices as TSC councillors and executive have repeatedly said.

2.5 TSC Refusal to Acknowledge Impact of the “Charges” Increases on Ratepayers

Year upon year increases to services charges - sewerage, water, waste charges is demonstrated in the following graph.



1. Based on 43% SRV - Average charges Urbenville residential per TSC SRV Application Worksheet 5a.
2. Does not include increased land values – an average 94% for Urbenville residential from 1 July 2022 – impact on ad valorem component of rates.

TSC in its community consultation process repeatedly continued to refuse that these increases and the impact on total charges to ratepayers should have any place in consideration of a rates rise, stating over and over again that “it is only the top two lines that the SRV applies to.” It is the impact of the TOTAL rates and services that is of concern to the community.

There is no governance or oversight by Office of Local Government, IPART, or any other statutory or regulatory body over services charges.

Letters written to OLG confirm that all responsibility is handballed back to Council. TSC is able to increase charges as it likes. Not all residents/villages in the TSC are beneficiaries of charges coming through, eg repairs to Tenterfield dam, but yet we are expected to pay for them.

In its paperwork to the Urbenville community consultation in April 2022, the TSC stated “Council’s water and sewer charges are already quite high. This is a result of a combination of the minimum base costs to provide these services and a relatively small group of ratepayers.” (Page titled “Current Financial Position and Options”). How is it that the TSC is able to recognise on the one hand that it has a “relatively small group of ratepayers” and on the other, spend as though it has a much higher number of ratepayers?

Again, this issue is raised in the context of the totality of the rates notice. All issues are related and interconnected. If the SRV application is approved, total rates notices over the coming years will be amounting to the order of \$5,000, \$6,000, \$7,000 per annum for what is acknowledged to be one of the lower socio-economic sectors in NSW society.

3. COUNCIL’S IMPROVEMENTS IN PRODUCTIVITY AND COST CONTAINMENT STRATEGIES

I note as part of IPART’s SRV application template that “wherever possible the Council should:

- Provide information about productivity improvements and cost containment strategies implemented during at least the past two years
- Quantify in dollar terms the gains past initiatives have realised
- Present these gains as a percentage of operating expenditure.

TSC’s response is to provide numerous pages of Council resolutions and waffle about the National General Assembly calling on Governments to do various things. At no point in its application does TSC even attempt a modest estimation of cost containment strategies. Surely it would have been easy enough for some half-way competent accountant to quantify the cost saving of closing the Tenterfield library on Saturday mornings? TSC just sidesteps the apparently too onerous task of quantifying its financial management by stating “As many of these gains have been efficiency based and offset increased costs in other areas, quantifying all of these values is difficult.”

And yet ratepayers are expected to trust this council with an extra \$49.5m over the next ten years. A council with at least 15 years of financial mismanagement and even a breach of the Local Government Act to its name? At least we can infer from the statement “as many of these gains have been efficiency based” that the TSC recognises its own lack of efficiency in its operations.

And again in the application section where Council is requested to provide productivity improvements and cost containment strategies planned for future years, it is simply more of the same waffle, no concrete plans, no estimation of financial impact of cost containment or productivity improvement, because how can you quantify waffle? Again, TSC states in its application “The impact of these works is very difficult to calculate as they all require significant effort to be realised”. Effort that TSC is not willing to undertake, it seems. Just hit up the ratepayers, take the easy way out.

TSC even goes so far as to say “With the previous improvements Council has made, these gains are more likely to assist Council addressing future cost pressures rather than addressing the current operational deficits”. TSC claims to have been making productivity improvement and cost containment since the 2014 SRV and yet where is the evidence? It is not provided in the SRV application, it is unable to be quantified, and how could anyone anticipate that there will be any improvement based on past and current performance.

4. COUNCIL’S FINANCIAL NEED FOR THE RATE CHANGE

There is no doubt the Tenterfield Shire Council has dug itself into a deep hole due to a long history of poor financial management leading to the imposition of rate volatility on ratepayers.

1. As far back as 2008 (14 years ago) the NSW Government’s Department of Local Government report “Promoting Better Practice Program for Tenterfield Shire concluded: “Tenterfield Shire Council faces a number of challenges in the coming years. These include improving leadership within Council and the community; developing a shared vision and strategic directions; accurately forecasting and managing its financial position; building and maintaining infrastructure in an effective manner; acknowledging and responding to demographic change (in particular an ageing community); and engaging more successfully with the community. “Failure to address these challenges potentially places Council’s future sustainability at risk.”
2. In 2013, NSW Treasury Corporation observed “Council’s financial position is weak”: and considered its outlook to be “negative”. TCorp noted the Council’s Long Term Financial Plan forecast continued operating deficits for the next 10 years. TCorp also highlighted the TSC’s reliance on external funding from grants and contributions. Ten years on, we are in the exact same position.
3. Tenterfield Fit for the Future – NOT FIT (IPART publication “Assessment of Council Fit for the Future Proposals: Appendix C, October 2015).
4. NSW Auditor-General’s Report “Local Government 2021”:
Tenterfield Shire Council
 - *Council’s negative unrestricted cash of \$1.2 million represents a breach of section 409(3) of the LG Act.*
 - *Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021.*
 - *Council acknowledges it may have used restricted special rates and charges funds for purposes other than their intended use, without ministerial approval. Such unapproved use would not comply with section 410(3) of the LG Act.*
5. A Special Rate Variation approved in 2014 for an increase of 15% in 2014-15 followed by 10% increases in each of the next 3 years. These increases included the rate peg and were

maintained permanently. This amounted to a cumulative 53.07% including the rate peg, over the four years 2014-2017. At the time, it was stated in IPART's media release that "We are conscious that our decision to approve the increase ... is among the biggest percentage increases in NSW."

6. "Tenterfield Fit for the Future – NOT FIT" also notes that the Tenterfield Shire Council's plan to seek approval for another special rate variation from 2018-19 of 54% over 7. This plan did not eventuate.
7. There is now a Special Rate Variation application proposed for 2023-2024 and 2024-2025 which is presumably the iteration of that proposed 2018-2019 application. The proposal is for permanent 43% increases in rates in each of those years, leading to a cumulative 104.49%. A far higher impact on ratepayers than the 2018-19 proposal of 54% over 7 years. And yet IPART noted in its "Tenterfield Fit for the Future – NOT" that "Given the approved special variation in 2014, the magnitude of this additional special variation is significant. Accordingly, our analysis indicates the Council's assumption of subsequent special variations is not reasonable. As a result, its forecasts do not meet the benchmark for the operating performance ratio". Four years on, presumably IPART must be of the same view that "assumption of additional special variations is not reasonable".
8. So there was a caution from IPART back in 2015 about TSC not meeting Sustainability criteria despite it having received its 2014-2015 Special Rate Variation and could theoretically budget and spend accordingly.
9. The TSC's lack of financial management is also evidenced in Council finance and budget papers over the past decade and summarised by the TSC in its document "Community Strategic Plan 2022-2032 and Financial Sustainability":
 - a. "TSC's general fund is currently in a weak financial position, heavily reliant on State and Federal Grants.
 - b. "The gap between Council's income and the required expenditure to maintain key assets and services at current service levels is currently between \$4m and \$5m.
 - c. "TSC had a negative cash result as at 30 June 2021. While this is a timing issue related to the payment of grant-related works and grant income being received, it shows TSC's precarious financial position.
 - d. "TSC does not have adequate reserves in any fund to meet future asset maintenance and renewal requirements."

And on and on it goes. None of these statements justify or support a doubling in rates as proposed by the TSC in its 2022 Special Rate Variation draft application, and the TSC's stated view that the only viable option to sort out its financial mess is that it should be hitting up its ratepayers. Again from the "Community Strategic Plan 2022-2032 and Financial Sustainability" – quote "Currently TSC has very limited opportunity to increase own source revenue and as a result an increase in rates is the most viable solution for a financially sustainable Council. Council is exploring alternative revenue opportunities." (Nothing has been heard about these alternative revenue opportunities apart from some musings about selling the airport and other infrastructure).

10. Rate increases must be viewed in context of the entirety of the rates and services charges by Council. "Rates" only form one part of the rates and services notices to ratepayers. Charges for services such as sewerage, stormwater, water and waste are also skyrocketing and there is no governance over any of these charges councils are able to impose on

ratepayers. Hence there are year on year increases in the order of 5% to 15% across these services, as the TSC is able to charge whatever it chooses, whether or not ratepayers actually receive the services and infrastructure underlying those charges.

- a. Example 1: TSC document “Community Strategic Plan 2022-2032 and Financial Sustainability” states “Council water and sewer charges are already quite high”. This statement was made in January 2022, and yet for 2022-2023 the TSC has made them even higher, with an astronomical 15% increase in water service availability:

	2002—2021 % increase	2021-2022 % increase	2022-2023 % increase
Residential Water Service Availability	4.92%	4.88	15%
Residential Sewerage Availability	5%	5%	5%

Where is the NSW State Government’s oversight of these types of increases?

- b. Example 2: An agenda item to the October 2022 TSC council meeting to “provide a credit/credits to the selected property assessments in the 2023/2024 budget for those ratepayers who have paid a water infrastructure charge originally levied for the purpose of part funding a loan required for the Tenterfield Water Treatment Plant and also charges levied on localities which did not form part of the previous written resolutions regarding the infrastructure charge”.

This issue has arisen directly as a result of a TSC ratepayer examining minutely the financial reports of the Council going back over some years and challenging this charge to ratepayers. Of course the sting in the tail to providing a credit to ratepayers is the Council’s statement that it will need to raise revenues elsewhere in order to be able to provide the credit.

Tenterfield Shire Council has a record of poor financial management as evidenced by reports produced by the NSW Government’s own regulatory authorities. Poor financial management as evidenced by its record of only incorporating the recommended maximum rate pegs into its rates notices for the years since the 2014 Special Rate Variation despite it being clearly inadequate to the budgetary requirements of the Council and the evidence all around other councils of successfully applying for much more modest Special Rate Variations annually that inflict a much more gradual hit to the ratepayers’ wallets. A Council that cannot live within its means as evidenced by the \$19 million of debt it has acquired to fund its activities and given itself approval in the latest financial year to seek up to another \$3 million of debt. All of this debt inflicted on ratepayers who have to foot the Council’s interest bills going forward ad infinitum.

TSC may argue that financial need exists based on Urbenville community consultation meetings and the so-called desire of the community to maintain or increase services. These meetings were totally out of context as described above. TSC cannot argue that financial need exists based on this point.

Threats of Mergers

In 2014 the then Mayor threatened the community with the prospect of merging with other Councils. In 2022, what neighbouring Council would want TSC as a bride with her overwhelming debts and bloated workforce?

Workforce:

(Refer graph in Office of Local Government's letter dated 18 November 2022 to TSC, "Full Time Equivalent Staff and Population per FTE". "Tenterfield Council average FTEs over the 5 year period is 101, being the lowest of the group. Number of people per staff member in Tenterfield is an average of 67 over the five years and is the third highest in the group". (The Group being comparison data for Tenterfield, Glen Innes Severn, Gwydir, Kyogle, Upper Lachlan, and Uralla Councils. The 5-year period being the financial years 2016-17 to 2020-21.)

Of this average FTE, approximately 10% of it is management. Perhaps that is one line item that should be considered in productivity improvements going forward.

IN SUMMARY, PLEASE DO NOT APPROVE THE TSC's SRV REQUEST

The rates are going up anyway in 2023-2024 by the peg of 4.2% which will reduce the SRV amount requested by TSV for that year at least.

The rates will also increase in 2023-2024 by the Valuer General's new valuations of property – for residential property in Urbenville, these valuations as shown earlier are in the order of an average 94% over the 2019 valuations available to Council.

All services – water, waste, sewerage, stormwater – are increasing every year as shown earlier in this submission.

Give some consideration to the IPART review on rate peg methodology where IPART was asked "to make recommendations for a rate peg methodology that allows the general income of councils to be varied annually that is reflective of changes in inflation and costs incurred by the local government sector, and that continues to include a population growth factor". The review report is not yet available but since the outcome is more or less guaranteed by the terms of reference, this TSC SRV application must be viewed within that context.

It is to be noted that if TSC is successful in this application, it will LEAPFROG from being one of the lower rate-charging Councils in its Group, to one of the highest, if not the highest, in a Shire well-documented as being in the lower socio-economic quartiles as evidenced in the Capacity to Pay report. If IPART does go ahead and approve this request, how can IPART be said to be achieving the NSW State Government and its own objective of "The Government's commitment to protect ratepayers from excessive rate increases etc".

How can IPART reward years of poor financial management by a Council unable to live within its means and even when it does borrow millions of dollars to renovate Council offices amongst other expenditure, it cannot manage a budget or forecast what the impact of such borrowings against the known values of future years' income, or even address IPART's request to quantify productivity improvements and cost containment strategies.

The TSC is going to have to find another way, or several other ways, to reduce its expenditure. This could include an open discussion with the Urbenville community on what services might be cut, when, and for how long.

Money-Saving Tips in Order to be able to Pay the TSC's Ransom Over your Home

1. No visits to dentists
2. Minimise visits to doctors.
3. Grow your hair if you have it – no visits to hairdressers.
4. Shower or bathe as little as possible, once per week or every few days. Saves water.
5. Wear clothes several times before washing. Saves water and electricity.
6. Turn off the water heater when not needed for showering or bathing, or shower cold!
Saves electricity.
7. No house insurance.
8. No household contents insurance.
9. No private health cover,
10. No comprehensive car insurance.
11. Do not buy a new car for at least 10 years.
12. Minimise travel outside of Urbenville to once per fortnight, more if you can get by with the limited shopping available in Urbenville and Woodenbong.
13. Only eat what you can grow. Helps with 12.
14. No renovations to your home.
15. No new clothes or shoes.
16. No holidays, not ever, never.
17. No entertainment, ciggies or alcohol.
18. No internet, NBN and similar forms of communication.
19. No pets.
20. Therefore no visits to vets.
21. Minimise electricity costs, go to bed when it is dark, don't use the lights,

Author name: C. Coppock

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: Cynthia Coppock Sent: Thursday, 2 March 2023 6:09 AM To: IPART Subject: Submission - Tenterfield Shire Council Special Rate Variation Application Good morning attached is my submission and cover sheet for the Tenterfield Shire Council Special Rate Variation Application. Please acknowledge receipt. My submission is able to be published in its entirety. regards C [REDACTED] Coppock [REDACTED]

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

SUBMISSION TO IPART ON TENTERFIELD SHIRE COUNCIL APPLICATION FOR SPECIAL RATES REVIEW

Name of IPART Review – Special Variations and Minimum Rates 2022/23

Name of Council – Tenterfield Shire Council

Application type – Special Review

SUMMARY

Tenterfield Shire Council (TSC) has applied for 43% Special Rate Variation (SRV) (“the Application”)

for the years 2023/24 and 2024/25.

These increases will provide more money to fund the Delivery Program, the Long Term Financial Plan

and the Asset Management Plan. TSC has not demonstrated the need for this level of funding, has not

indicated any increased levels of service to be provided, has not shown clearly that the community wants

to pay increased rates for the same level of service, and has not demonstrated that it has explored or exhausted the alternatives to a rate rise.

Fees and charges are planned to increase 8.2% in 22/23, and 6.71% in 23/24 (Attachment 34 to TSC Application, Morrison Low Report, Appendix B, P.24) (“Morrison Low”)

TSC has engaged in some consultation in relation to the SRV, by a variety of measures. This consultation

has not been open and transparent. TSC has selectively determined what it wanted to present and to hear,

and ignored much of the community response.

TSC has not demonstrated the reasonableness of the rate rise in relation to socio economic conditions of

the area. TSC is seeking to move from a Council with a low level of rates to one with a high level of rates,

and has not adequately considered the community’s capacity to pay.

This submission focusses on the SRV as it relates to residential rates with specific attention to Urbenville.

CRITERION 1 - THE PURPOSE OF THE SRV

☐ The SRV doubles rate revenue in 2 years, and sustains that increase indefinitely. It would remove any need for grant funding, which is in essence an exercise in cost shifting from Governments to ratepayers.

☐ TSC claims the SRV will enable it to “manage impacts of new assets generated from grant funding” (Application Part B P. 9) when the very purpose of the SRV is to reduce reliance on grant funding.

☐ TSC proposes an SRV to totally fund from internal sources projected deficits of up to \$5.7m per year over a decade. There is no need to eliminate borrowing. Borrowing which funds long term

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assets and community benefit for the future is not false economy. It saves money in the long term and puts the cost where it belongs, with the beneficiaries in the future.

☐ The TSC Long Term Financial Plan 2022-2032 (page 5) said “ the key performance measures on which Council is measured are as follows from the 202/21 audited financial statements” and went on to include the following data:

Target
TSC General
Fund

Water Fund Sewer Fund

Operating
Performance Ratio

>0 1.12 -4.2 -9.7 37.9

Unrestricted
Current Ratio >1.5 2.25 2.25 4.5

42.3

Debt Service Cover
Ratio >2 6.98 6.67

5.12 11.71

Own Source
Operating Revenue
Ratio

>60 31.97 24.6 57.2 98.4

Cash Expense Cover
Ratio >3 7.88

The 2020/21 Your Council Stats produced by OLG (OLG 20/21) included the following data:

Benchmark State Group 10
Councils

Tenterfield
Shire

Operating Performance
Ratio

1.1
Own Source Revenue % 60 60.8 51.3 32
Debt Service Cover 2 7 14.9 7
Debt Service Ratio % 0 -20 4.5 4.0 4.5
Cash Expenses Cover
(months)

>3 13.9 13.4 7.9

It is only on Own Source Revenue that TSC does not meet the benchmark on the Key
Performance Measures it recognizes. Many Councils in NSW do not meet all the benchmarks.

But these performance indicators do not support doubling the level of rates.

☐ Low Own Source funding is accompanied by higher grant source funding. Group 10 Councils have lower Own Source Funding than the State average. TSC is responsible for two significant regional roads. I understand that Bruxner Hwy, at least the 69 km between Tabulam and Tenterfield, is funded by block grants. Mt Lindsay Rd, 142 km from Tenterfield to Woodenbong, is not. Over the past decade, some 70 km of this road which was unsealed has been sealed and a number of bridges replaced, principally if not entirely by grant funding. Some \$30m of State and Federal grants have been allocated between 2019/20 and 2022/23 to rebuild 42km of severely substandard sealed road between Legume and Woodenbong. These grants are at least part of the “high reliance on grant funding” which has characterized TSC. I note TSC has attempted to have

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NSW take responsibility for these roads, and if they succeeded it would substantially reduce its road expenses, depreciation and need for grants.

☐ Worksheet 8 to Part A of the Application show that over 10 years (23/24 to 32/33) the sum of annual Net Operating Results surpluses is estimated at \$34.631m in the general fund. Based on 5100 rate assessments, this is a cumulative transfer to TSC of about \$6,800 for each residential ratepayer, which simply provides surpluses for TSC. It is not funding additional services. There can be no justification for rate rises simply to fund surpluses.

CRITERION 1 - ALTERNATIVES TO THE SRV

☐ TSC has not addressed at all what service levels could be reduced to assist its funding problems.
☐ TSC has not indicated possible asset sales to free up funds to reduce borrowings, and whether this

would reduce ongoing maintenance costs and/or increase revenue.

☐ TSC has not proposed any plans with measureable performance targets to reduce costs and improve performance and efficiency

CRITERION 2 - COMMUNITY AWARENESS AND ENGAGEMENT

☐ The consultation sessions in early 2022 on community needs and expectations were in the context

of dreaming the future – not based on or in the context of substantial rates increases.

At least one consultation session was communicated less than 3 days in advance, leaving open the impression that it was intended to deliberately discourage attendance.

☐ During 2022 I emailed Council and Councilors in relation to the proposed SRV, but I did not receive any acknowledgement or response.

☐ There are no local newspapers in Urbenville, and if there are in Tenterfield they do not reach Urbenville. There is no local radio station. While internet, web sites, Facebook and other social media are available, they are not used by all. TSC has not tried very hard to keep the community informed or involved.

☐ TSC produces about monthly “Your Local News”, a one page circular. It includes notices of Council meetings, notices of development consents, Covid announcements, and movie show times in Tenterfield. It has not to my recollection given details of community consultation meetings, or canvassed issues in relation to SRV. The January 2023 edition did not refer to the SRV application or alert ratepayers that this was a further opportunity to be engaged.

☐ It appears to me (in hindsight) that TSC had a fairly simple but sophisticated consultation plan: Step 1 was to raise community expectations about what they could aspire to get from TSC

Step 2 was to try to slide past a substantial rate rise

Step 3 was to buckle in and ride out any opposition

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TSC has not sought to seriously engage or consult

☐ Consultation should not be about telling ratepayers what the Council wants them to hear. It

should be about sharing information, providing access, exchanging and exploring views, and providing genuine honest and transparent two way communication. TSC does not and has not done that.

□ TSC criticizes the Our Shire Our Council Initiative (OSOCI) for delivering “systematic and targeted statistics seeking to support their view without context and not evidenced based”. (Application Part B, P. 39). TSC is possibly right – OSOCI selectively argued its case. However, I think TSC needs to recognize that that is exactly what TSC has done in its Application to IPART. (see below the section addressing Criterion 3)

□ On P. 57 of the Application, TSC states that “the feedback from the community consultation was also that overwhelming ratepayers did not want to see an increase in rates” (sic). I think this means that the ratepayers were overwhelmingly opposed to increased rates, although it may mean ratepayers were in fact overwhelmed by the scale of increase proposed. In either case, TSC has clearly ignored widespread expressions of opposition to the proposed increase.

CRITERION 3 - IMPACT ON RATEPAYERS

This submission is based on the assumption that the application of new VG valuations effective from 1

July 2023 will have a more or less neutral effect on the actual level of rates – that is, that increases to the

overall level of rates in 2023/24 will be due to rate peg 2023 and any level of SRV approved, and not to

the approximately 80% increase in valuations about to be issued across TSC.

□ The SRV application notes that TSC rates are among the lowest of Group 10 Councils. OLG 20/21 shows only 3 of 22 councils with lower average residential rates than TSC. The Application (P.45) has TSC as the 3rd lowest of 7 neighbouring councils, and Morrison Low (Table 14 P.18) shows TSC rates are 86% of the average for the 7 neighbouring councils. But the first year of the SRV and rate peg would move Tenterfield to 2nd highest among this group, and 118% of the average rates for the 7 councils, and the 2024/25 estimates show TSC with the highest level of rates by 25%, and 165% of the average rates for the group.

□ Using Table 10 Morrison Low (P. 20) average residential rates for all Group 10 Councils, only two councils would have lower average residential rates than TSC in 2024/25. TSC would move from the 3rd lowest average residential rate of 22 councils to the 3rd highest.

□ So far as I can ascertain, my rates will increase from \$575 in 2022/23, by \$247 in 2023/24 and a further \$349 in 2024/25. This an aggregate increase of \$596 in just 2 years, more than doubling. That will then be the ongoing base for my rates. Over a decade, using the IPART planning figure of 2.5% for rate peg adjustment, my rates will increase to over \$1400 each year.

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□ OSG 2020/21 shows TSC having a socio economic index rating (2016) of 10, the second lowest among 22 Group 10 councils, and one of only 5 below an index rating of 20. The OSG 2020/21 places TSC as Council with the lowest annual taxable income (\$36,711) of any of the Group 10 councils, with only one other below \$40,000 and only two others below \$45,000.

□ Morrison Low (P. 8) says TSC has 77% of its households in the two lowest quartiles of equivalised household income in NSW.

□ Morrison Low (P.11) states “the levels of full or part time employment are indicative of the strength of the local economy and social characteristics of the population”. It then notes total employed persons as 92.4% and unemployed (unemployment rate) as 7.6%. These figures relate only to those in the workforce. In the 2021 census, 48.7% of all residents over the age of 15 in Urbenville 2475 were NOT in the workforce, compared with 33.1% of all Australians not in the workforce. In Urbenville, 37.3% of families had both partners NOT working, compared with 21% of all Australian families. The high level of employment and relatively low level of

unemployment mask the real indicator of the lack of strength of the local economy and community – the low level of engagement in the economy demonstrated by the low participation rate, exacerbated by the low levels of median income.

□ From the 2021 Census (ABS Quick Stats)

Urbenville Tenterfield Tenterfield LGA

Population 331 2826 6810

Median weekly
household income

\$833 \$807 \$885

Median monthly
mortgage repayments

\$824 \$1083 \$1083

Median weekly rent \$220 \$245 \$240

□ From the 2021 Census, Australian Median Weekly Household Income was \$1786 in 2019/2020. From the ABS, Average Weekly Earnings in May 2022 were \$1,769.80 and from the Fair Work Ombudsman, the Australian Minimum Weekly Wage was \$812.60 in July 2022. The Consumer Price Index in December 2022 was 7.8% pa,

Clearly, the residents and ratepayers in TSC live in a low socio economic region. While there are slight differences in the medians between areas in the LGA, they are far less than the differences between the LGA median and Australia as a whole. HALF the residents of TSC have income which is HALF that of all Australian households. Household income in TSC is barely above the legal minimum wage and significantly below comparable LGAs. These are not averages distorted by a few very low or zero incomes. These are medians – one half of the scores are above, the other half below.

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This clearly demonstrates that far from a high capacity to pay additional rates, at least half of the ratepayers of TSC have a very low capacity to pay, probably another quarter have a low capacity to pay, and that capacity to pay will decline even further with continuing high levels of price increases, and continuing high interest rates.

□ There are a high proportion of renters in the LGA, a high proportion of people reliant on social welfare payments, and a low level of workforce participation. There is a clear linkage between these and the level of rents – the low level of rent is affordable for people on low fixed incomes or low wages. Interest rates are rising, and so are rents. Any increase in rates will feed into increased rents, a difficult situation for people already at the bottom, and one which will cause hardship. There is no Council hardship policy which covers them.

□ Nearly 20% of all TSC rate assessments are eligible for the pensioner discount. Of itself this indicates low income and low capacity to pay higher rates. Further, this rebate has not changed for at least 9 years. While this is a matter for the NSW Government, there is no suggestion by TSC that it might approach State or Federal Governments to see this rebate increased.

□ In Morrison Low (Table 13 P. 15) there is a 5 year comparison of cost of living in Regional NSW. It is quite unclear how this relates to TSC residents. It includes (for 20/21) a total disposable income per household of \$125,270 for 20/21, and net annual savings of \$26,724. The disposable income is three times the median household income of TSC, and the annual savings about 60% of the median household income of TSC. It also shows a level of Discretionary Spending for households in rural NSW of \$45,285 – higher than the median level of household income in TSC. OSG shows median household TAXABLE income of \$36,711 for TSC – 30% of

what Morrison Low states as DISPOSABLE household income in rural NSW.

☐ TSC does have a hardship policy. It is of no assistance in relation to capacity to pay. It does not reduce, suspend or cancel rates. It only operates to defer payment, and with interest, unless TSC decides as an act of grace to not charge interest.

CRITERION 5 – PRODUCTIVITY IMPROVEMENTS AND COST CONTAINMENT STRATEGIES

“Councils should provide evidence of strategies and activities and robust data quantifying the efficiency gains” (IPART Special Variation Application form Part B P58)

☐ TSC comments on P.59 of its Application Part B are irrelevant. The Table on P.60 does not address

at all what TSC has done or is doing. TSC Application Part B P.61 does not address the recent past, the present or the future. They quantify nothing. The responses on P.62 are historic and general, with

no quantifiable action or outcome.

☐ The responses in the Table Pp 63 - 81 have some action indicated, but most are generic fluff. No possible outcomes are provided which might at some time be measured. There is no evidence of any productivity improvement, cost saving, asset realization or other cost saving. There is certainly not any robust data.

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☐ There are only 2 quantified responses - a reduction of FTE “from 112 in 2020 to 105 in 2022” and

“reduced management tier from 12 to 9”. (P84). With 9 managers for 105 FTE employees, there is one manager for each 12 employees. This very high ratio of leaders to followers.

OTHER COMMENTS

☐ Using data from the Application Part A, Worksheet 2, the residential rate structure for TSC could be

placed in 3 broad categories:

(1) the “Villages”, (Urbenville, Jennings and Drake) with 317 assessments. Average rates about \$600, average land values less than \$40,000.

(2) “Tenterfield” with 1592 assessments. Average rates \$664, average land value \$56,000

(3) “Other” with 1474 assessments. Average rates \$598, average land value \$96,330

No of
Assessments
Total
Land
Value
\$m

Av Land
Value per
Assessment
\$

TSC
Notional
Income
\$000

Average

Rates/

Assessment

\$

“Villages” 317 11.5 36,247 190 600

“Tenterfield” 1592 89.1 55,956 881 664

“Other” 1474 142.0 96,330 1,058 598

Total 3391 242.6 72,037 2,140 631

(Note that 8 properties “Tenterfield Urban” and 7 properties “Tenterfield and Urbenville MDAF” have not been included)

On the surface, this is indeed a highly equitable sharing of rates – on average residential properties in

TSC pay about \$600 per year in rates. Not only that, but those in Tenterfield who have the most ready and close access to TSC facilities – pool, museum, library, parks and gardens – pay just a bit more than the others.

□ The same data shown differently presents a vastly different story:

No of

Assessments

% of

Assessment

s

% of

Notional TSC

Income

% of

Total Land

Value

Notional

TSC

Income

(Cents per \$

Land

Value)

“Villages” 317 9.3% 8.9% 4.7% 1.66

“Tenterfield” 1592 46.9% 41.2% 36.7% 1.99

“Other” 1474 43.5% 49.4% 58.5% 0.62

The “Villages” with 4.7% of the value of land in TSC provide almost 9% of the rates income.

“Tenterfield” is marginally better off – 37% of the land value yields TSC just over 40% of its rate

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income. But almost 60% of the land value – properties with an average value of almost \$100,000 (before revaluation) and almost double the average values of the rest of the residential properties in Tenterfield Shire – provide less than 50 % of TSC rate income. Further, the rate “yield” for TSC (cents per \$ of land value) is three times as high from the lower value properties than from the higher.

The differences within the TSC rates structure are probably as great as those between TSC and its

neighbours, or between TSC and all Group 10 Councils. If TSC drew from all its residential ratepayers

a similar proportion of property value it would receive about \$1.7m more each year and every year, without any recourse to an SRV. TSC has said rising house prices are indicative of higher household wealth and therefore greater capacity to pay. Perhaps TSC ought to tax what already exists in property

value within the Shire without looking to place even more of the burden on households in the two lowest quartiles of wealth and income in Australia.

□ The residents of Urbenville do not have access to the same levels of services from TSC as do the residents of Tenterfield town. The pool, library, museum, parks, gardens and community hub activities are of no benefit or use to us. Our Library, which was 2 hours per week, has been stopped. It is a 285 km almost 5 hour round trip to Tenterfield. There is no public transport. Services are available closer:

Pool – Woodenbong (12km), Kyogle (70km)

Library – Kyogle

Shopping – Kyogle, Casino 70km, Beaudesert or Casino about 90km, Lismore or Warwick about 100km

Cinema – Kyogle or Warwick

No doubt other residents of TSC outside of the town itself share the same issue. It is not equitable that our rates should be increased to fund services that it is difficult and costly, if not impossible, to access or utilize.

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SUMMARY

TSC has asserted that it has problems with short and long term funding. It has demonstrated that it is

currently among the councils with the lowest level of rates. Its own source income is at the low end of all councils. It does rely heavily on grant funding. These do not provide justification for the level of increases applied for.

TSC has not demonstrated sustained or serious efforts to improve efficiency or cost effectiveness. It has made minimal efforts to seriously review levels of service provision, and it has demonstrated no efforts to rationalize assets.

The level of Own Source Funding is not the serious problem painted, as adequate grant funding has been available.

That TSC has lower rates than most similar councils is exactly as it should be. TSC is one of lowest socio- economic areas in Australia. It is a low income area. There is absolutely no justification for a rate rise significantly turning TSC into a high rate council, or for the impact that will have on the community.

TSC performance against a range of benchmarks is not good. But that does not warrant a 104% increase in rates over 2 years, and ongoing rates at that inflated level. It does suggest that more consideration be given to planning within the limits of available resources, and more attention be given to internal management and efficiency.

The consultation processes followed by TSC were severely deficient. TSC did not genuinely seek to consult, but having done as little as it could, it then ignored all the feedback that it did not want to hear and treated the community response as irrelevant.

The information and analysis presented by TSC in relation to capacity and willingness to pay is seriously compromised. The Morrison Low report does not support the TSC view that there is community capacity and willingness to pay – TSC has struggled manfully to pluck whatever it could

that supported the view that it wanted, and ignored the rest. The population of TSC is by every measure one of the lowest socio-economic groups in NSW. It is not the well-off who would struggle with this rate increase, it is the worse off. Fully 77% of the ratepayers in TSC are in the lowest 2

quartiles of equivalised income in NSW. The median household income in TSC is barely above the adult minimum wage. Almost half the population in TSC is not even in the workforce, so the level of unemployment is hardly relevant.

TSC has failed to provide any substantiated evidence of efforts to address cost, efficiency or governance problems. Large parts of its Application in this section simply rehash the past, and address nothing of the present or future.

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The current TSC rating structure is grossly distorted – the 56% of ratepayers who own 40% of the value of all properties pay 50% of the rates. The 44% of ratepayers who own 60% of the value of all properties pay less than 50% of the rates.

CONCLUSIONS

1. The Application should be rejected.
2. TSC should be directed to review its residential rating structures to develop a residential rating structure which more equitably draws rates from the community, recognizing realistically capacity to pay, the socio-economic facts of the area, and the differences between groups and areas within the community.
3. In the event that IPART does not reject the Application :
 - (a) any increase granted should be for 2 years only, without any continuation ;
 - (b) any increase granted should not exceed 10% in each year, or 10% for any individual ratepayer
4. If any increase is granted TSC should be directed to revise its Hardship Policy to realistically respond to genuine hardship in the community as a consequence of any rise.

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DETAILS OF THE SUBMISSION PROVIDER (This information is not for publication:)

[REDACTED]

Phone [REDACTED]

Email: [REDACTED]

I have read and accept IPART's Submission Policy, and any or all of this Submission may be used in

accordance with that Policy.

I consider my phone number and email address to Private and Personal Information, and they are not

for publication or release. They are only for IPART to contact me if required.

Author name: C. Denis

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: Christine Denis Sent: Wednesday, 1 March 2023 10:11 AM To: Local Government Mailbox Subject: Submission relating to Tenterfield Shire Council Dear Sirs/Mesdames, Please find attached my submission relating to the Application from Tenterfield Shire Council for an outrageous SRV. My thanks, Christine Denis

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

2023.0222 CJJ presentation on 22 Feb 2022 agenda item GOV2.23 Quarterly Budget Review – December 2022

Mayor Petrie, elected community representatives, council staff & guests.

I am speaking against Council adopting the Officer's Recommendations on p123, the adoption of which, the report advises,, also approves all the detailed variations identified in the 11 page attachment as per p129.

The Responsible Accounting Officer (RAO) has also advised Council that the cumulative effect of the budget variations should be considered when reviewing this budget.

I suggest these consequences need to include \$ damage to Ratepayers forced to pay increased mandatory rates & charges, including the current proposed unreasonable 104.49% over 2 years special rate variation now with IPART NSW.

In my opinion the cumulative effect of reported budget variations appears \$ irresponsible and does not demonstrate a serious application of the recommended 'remedial actions' on p125. It would appear the RAO has responsibility for financial failures but a severely limited ability to do something about stopping inappropriate actions by 'authorised officers'.

This budget review is at 31 December 2022, which is some 2 months in arrears (as allowed by the State) but which represents further risk to Council's \$ responsibilities.

This budget review again significantly increases the Operating Deficit by a further \$1.754 million, apparently ignoring the advice in the September 2022 Quarterly Budget Review – which also increased the Operating Deficit by \$1.520 million at that time.

The RAO advises Councillors that: ***"The Report Clearly indicates that the projected financial position as at 30 June 2023 is Unsatisfactory."***

I note the improved information included in the Financial Reports, assisting Councilors in considering their options to control TSC financial performance & compliance.

However, I suggest there needs to be further significant improvement in day-to-day financial governance, which may need to extend the RAO authority to override an action by an 'authorised' officer, especially where the full \$ consequences of a grant or other contract are apparently not understood nor managed.

The Immediate additional proposed resolutions I suggest be added today, include:

- 1 That Council does not 'adopt this budget review'
- 2 That the CE be asked to provide an updated DEC 22 Quarterly Budget Review, at a future TSC public meeting, removing the **increased Operational Deficit**, in order to comply with the report's recommended remedial actions for Council adoption
- 3 The CE report to include identifying the 'offsets by other savings', the 'source of funds' for all proposed expenditure resolutions, the reduced maintenance costs for additional road works expenditure and if grant funds for capital related expenditure is included, confirm it is only for replacement of existing assets, not new assets.
- 4 That Council resolves to ask the CE to remove all financial delegations allowing officers to electronically or otherwise accept any grant or other contract conditions, without first publicly reporting to council on the full 10 year long term financial plan/s consequences relating to the proposed grant/s in order to remove the potential for yet more increased operational deficits and potential illegal use of restricted funds to cover operating cash flow.

All grant conditions contracts are known to Council prior to any grant acceptance.

This includes the timing & amount of all grant advances and reimbursements, TSC \$ contribution, the requirement that whole of life \$ matters are considered and managed etc.

There should be NO Grant or other contract \$ budget or cash flow surprises and action is needed now to stop these continuing unsatisfactory results.

Presentation relates to:

Department:	Office of the Chief Corporate Officer
Submitted by:	Roy Jones, Manager Finance & Technology
Reference:	ITEM GOV2/23
Subject:	QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2022

Other NOTES:

In addition I suggest the following Immediate action for resolution today could include:

A That all Council financial delegations to the CE including procurement, grants & other contracts, purchasing, human resources (including contractors & casuals) be removed as at COB today. This will remove consequential delegations by any of TSC's CEs.

B That Council resolve to seek State & Federal amendments to electronic application & reporting systems, including for all grants to assist in council \$ management control over grants, especially where grant conditions are not fully considered by those responding as 'authorised officer'.

It could be said the State & Federal Government agencies requiring use of electronic grant application & reporting systems are 'enabling' deteriorating financial management by grant recipients, including NSW councils like TSC, by not also requiring evidence of the delegation from a council to the authorised officer and not requiring evidence of the compounding proposed grant financial consequences on the council 10 year long term financial plan/s – including cash flow, depreciation & write off of replaced assets.

The information in this agenda report clearly demonstrates grant contracts are being accepted without those 'signing' as 'authorised officers' recognising all related expenditure affecting Operating Deficits nor recognising that even with an 'approved budget' the cash flow may not be sufficient to manage the timing of advances and reimbursements.

References from Responsible Accounting Officer report and attachment.

Comment by the Responsible Accounting Officer:

The report clearly indicates that the projected financial position as at 30 June 2023 is unsatisfactory. Further action needs to be taken to address this issue urgently to reduce operating deficit in this financial year and into the future years. Noting, this is primarily due to funding and timing of grants despite administrations ongoing operational deferrals.

Council's cash position has been positive predominately by the receipt of 75% advance payment of Financial Assistance Grants in the previous financial year.

As required under the Regulation, some remedial actions continue to be proposed as part of the December 2022 review, including that:

OFFICER'S RECOMMENDATION:

That Council:

Adopts the December 2022 Quarterly Budget Review Statement and recommendations therein that:

- a) No additional operating or capital expenditure outside of the recommendations in this review be approved by Council unless they are offset by other savings (e.g. with road works such as re-sheeting, with a plan to reduce maintenance costs) or grant funded, and even then only where there will be no additional operating costs as a result of the expenditure i.e. if capital related expenditure, it should be for the replacement of existing assets only, not new assets;
- b) Acknowledge the ongoing governance and treasury management difficulties Council faces with the current structure of many grant and disaster funding payments, and advocate for changes to the timing of these cash payments from State and Federal governments;
- c) Council continues to explore increases in operational income by considering selling assets and reassessing commercial lease agreements to increase cash flow to meet requirements for the financial year in line with original budget.

These proposed resolutions for adoption aren't actually doing anything.

The RAO comment within the report is that adopting the above means all the transactions in the detailed attachment are also approved. I suggest this could be overreach. The adopted resolution is only the words contained within the resolution, not any other document or conversation etc. This is for open and accountable purposes. So, council need to be sure what is in the words adopted is what they intend and all that they intend to resolve/adopt – it is not every other bit of chit chat at workshops, in the meeting itself or in the whole agenda.

The information in this agenda report clearly demonstrates grant contracts are apparently being accepted without those 'signing' as 'authorised officers' recognising all related expenditure affecting Operating Deficits nor recognising that even with an 'approved budget' the cash flow may not be sufficient to manage the timing of advances and reimbursements.

Council's depreciation costs have increased substantially over the past few years as new infrastructure has been built on the back of a significant increase in grant funds (depreciation costs were \$6.072 million in 2017/18 and is currently estimated at \$8.311 million for 2022/23).

p126

All grant & other contract conditions are known before acceptance. Depreciation & write off of replaced asset is standard accounting procedure. No different to private contracts.

Council also continues to face challenges in treasury management of cash-flow due to the many grant-funded and disaster recovery (DRFA) works being funded in arrears (wherein cash is received after expenditure has been incurred).

p126

All contract conditions are known before acceptance. Depreciation & write off of replaced asset is standard accounting procedure. Existing legislation and contracts/agreements must be complied with, despite what TSC officers would prefer to be the case. What is the real operational deficit?

As at 31 December 2022 Council reported a **positive unrestricted cash balance of \$2,693,127**. This was a positive result and is predominately due to receipt of 75% of Financial Assistance Grants in the previous financial year. However, cash remains a major concern given that this is a very small amount and there is no ability to re-establish internally restricted funds e.g. for Employee Leave Entitlements, or Plant & Vehicle Replacement. By not having sufficient funds within internal restrictions Council is at a higher risk to use externally restricted cash for general purpose. This would result in a breach of the Local Government Act.

p128

The 75% FAG grant in advance should last until the end of March 2023. If not there are costs associated with using the approved but not drawn loan. IF TSC is going to ask for this concession for future years it is demonstrating poor financial controls. Is getting next year's money in the prior year?? Really.

As per the responsible accounting officer (RAO) emphasis below –

“It is important to note that the adoption of this budget review approves the variations identified in the attached Report and that the cumulative effect of the budget variations should be considered when reviewing this budget.”

3. Financial (Annual Budget & LTFP)

It is important for Council to note that the adoption of this budget review approves the variations identified in the attached Report and that the cumulative effect of the budget variations should be considered when reviewing this budget.

In the December 2022 Quarterly Budget Review, the forecast Operating Position has been revised to a surplus of \$36,523,554 (including capital grants) and an **Operating Deficit of (\$4,540,086) (excluding capital grants).**

As indicated in the report, the deficit excluding capital grants is not a satisfactory outcome and therefore remedial action has been proposed in accordance with the Local Government (General) Regulation 2005.

p129

(f) That all ‘new grants’ listed in the attached detailed December 2022 Quarterly Budget Review not be approved until a further report is presented to Council on the full income, expenditure and associated financial transactions for each proposed grant.



QBR-DECEMBER-202
2-Business-Paper-Atta

I suggest the GOV2/23 Quarterly Budget Review Statement – December 2022, Officer’s Recommendation/s (a – (c need amendment as follows, in order to include further practical and urgent action as per the RAO advice throughout this report:

I note the improved information included in many Financial Reports, assisting Council in considering their options to control TSC financial performance & compliance.

However, I suggest here needs to be further significant improvement in day to day financial governance, which may need to extend the RAO authority to override an action by an ‘authorised’ officer, especially where the full \$ consequences of a grant contract are not understood or managed. This is particularly important as the recent Budget Reviews have included yet more increases in Operational Deficit and increased potential for illegal use of Restricted Funds..

Current Responsible Accounting Officer ‘proposed remedial action’ and recommendations for Council Adoption.	The Immediate additional proposed resolutions I suggest is added to the a)- c) recommended resolutions for resolution today, includes -
a) No additional operating or capital expenditure outside of the recommendations in this review be approved by Council unless they are <u>offset by other savings</u> (e.g. with road works such as re-sheeting, with a plan to reduce maintenance costs) <u>or grant funded, and even then only where there will be no additional operating costs as a result of the expenditure</u> i.e. if <u>capital related expenditure</u> , it should be for the <u>replacement of existing assets only, not new assets</u> ;	That Council <u>does not ‘adopt this budget review’ nor approve</u> the variations identified in the GOV2/23 report & the 11 page attachment which results in a further \$1.754,414 increase in TSC Operating Deficit and That the CE be asked to provide an updated Quarterly Budget Review – December 2022 report, at a future TSC public meeting, with NO increase in the Operational Deficit, in order to comply with the RAO proposed remedial action and proposed recommendation for Council adoption as per a) extract in this table.

<p>CJJ NOTE 1: The CE is required to identify a 'source of funds' for every expenditure resolution – this may require a CE report to a future public meeting.</p> <p>CJJ NOTE 2: Where the Operational Deficit significantly increases again it is apparent a) above has NOT been implemented & should not be approved by Council.</p> <p>CJJ NOTE 4: see RAO 'warning' to Council on p129 Council Implications 3 Financial (Annual Budget & LTFP),</p> <p>CJJ NOTE 5: The RAO advice includes advice that <i>"the deficit excluding capital grants is not a satisfactory outcome..."</i></p>	<p>This CE report to include identifying the 'offsets by other savings', the 'source of funds' for all proposed expenditure resolutions, the reduced maintenance costs for additional road works expenditure and if grant funds for capital related expenditure is included, it is only for replacement of existing assets, not new assets as per a).</p>
<p>b) Acknowledge the ongoing governance and treasury management difficulties Council faces with the current structure of many grant and disaster funding payments, and advocate for changes to the timing of these cash payments from State and Federal governments</p> <p>CJJ NOTE 1: all grant contracts are known, including TSC \$ contribution, timing & quantity of advances & reimbursements prior to TSC authorised acceptance of the grant.</p> <p>CJJ NOTE 2: By completing the 10 year long term plan \$ consequences to the satisfaction of the RAO, the real budget variations will be visible, and Council may have to reject the grant – until after the grant contract conditions are renegotiated by an authorised TSC representative.;</p> <p>CJJ NOTE 3: should the grant conditions be renegotiated, the \$ consequences be updated in a public Council report for possible Council resolution.</p>	<p>That Council resolves to remove all financial (contracts & procurement) delegations allowing any officer to electronically or otherwise accept any grant contract conditions, without first publicly reporting to council on the full 10 year long term financial plan/s consequences relating to the proposed grant/s in order to remove the potential for further increased deficits and potential illegal use of restricted funds to cover operating cash flow.</p>
<p>c) Council continues to explore increases in operational income by considering selling assets and reassessing commercial lease agreements to increase cash flow to meet requirements for the financial year in line with original budget</p> <p>CJJ NOTE 1: Constrained requests for purchase etc of TSC assets are likely to reduce or complicate the public responses & defer any \$ benefits which may arise.</p> <p>CJJ NOTE 2: 'in house' consultation can reduce public confidence and suggest some are being given opportunities not available to all. It also means Ratepayers are excluded.</p>	<p>That any recommended resolution for sale of TSC assets should include the expected NET \$ consequences for the Operational Deficit and unrestricted cash funds by Financial Year.</p> <p>That where the CE considers this information is 'commercial in confidence' when the sale recommendation is presented for Council consideration, that following the sale there is a summary of the NET \$ consequences for each TSC asset.</p> <p>That where the response does not comply with the advertised requirements, that consideration be given to implementing an advisory committee for the site in order to meet the 'open & accountable' focus of Council and to avoid any suggestion of 'secret' consultation.</p>

Proposed <u>additional</u> remedial actions and recommendations for Council adoption	Immediate action suggested for resolution today
<p>d) CJJ NOTE 1: Council is required to review ALL delegations within the first 12 months of each Council term. As this has not apparently occurred for more than one term, Council needs to manage its financial risk caused by grant contracts, procurement, HR related delegations asap</p> <p>CJJ NOTE 2: Council is able to resolve to remove CE Council delegations without first receiving the required public report on all delegations.</p> <p>CJJ NOTE 3: The removal of Council financial etc delegations from the CE automatically removes any subordinate delegations any CE may have distributed to others. This is a simple, practical & urgent/immediate action for Council to implement today.</p> <p>CJJ NOTE 3: while the CE may be responsible for determining the organisational structure, I understand this is only within the financial allocation resolved by Council.</p> <p>CJJ NOTE 4: As Council no longer has 'internally restricted funds for plant replacement, staff leave etc' tighter \$ controls must be applied prior to related internal approvals.</p>	<p>d) That all Council financial delegations to the CE including procurement, purchasing, human resources (including contractors & casuals) be removed as at COB today.</p> <p>That this includes all electronic and other instances where 'existing' delegations have been relied on.</p> <p>That all officers with any future subordinate delegations from the CE (once a Council Delegation to the CE resolution is adopted at a future public meeting) are given specific instruction on what \$ reports are required prior to any use of delegations.</p> <p>That the RAO is given specific delegation to NOT allow any \$ delegation, including where 'expenditure' is included within 'approved budgets' ; where a grant contract will result in increased deficits or potential illegal use of restricted funds.</p>
<p>e)</p> <p>CJJ NOTE 1: The information in this agenda report clearly demonstrates grant contracts are being accepted without those 'signing' as 'authorised officers' recognising all related expenditure affecting Operating Deficits nor recognising that even with an 'approved budget' the cash flow may not be sufficient to manage the timing of advances and reimbursements without potential illegal use of restricted funds.</p>	<p>e) That Council resolve to seek State & Federal amendments to electronic application & reporting systems, including for all grants to assist in council \$ management control over grants especially where grant conditions are not fully considered by those responding as 'authorised officer'.</p>

https://www.ipart.nsw.gov.au//Home/Reviews/Lodge-a-submission?timeline_id=15609&openforms_id=c6010f5a-8bb0-4791-8ccd-485c552235ab&cta_type=have_your_say&council_id=1035 (link to online submission form)

IPART Submission Form - Special Variations and Minimum Rates 2023-24

Please choose the relevant council in the above dropdown before completing this form. Please review the council's application form, particularly the application form part B which contains the council's responses to the assessment criteria. IPART will assess the council's application against the assessment criteria, and it is most effective if you can address the assessment criteria in your submission. We have provided a series of targeted questions that address these criteria here, and there will be space for free form responses and attachments at the end of the form. Please clearly name any attachments and refer to those documents by name in the answers to specific questions if they contain further evidence about your responses to a specific criterion.

When writing your submission please be aware that an SV does **not** impact the charges you pay for:

- Water supply
- Sewerage services
- Domestic waste management
- Stormwater management

A full list of exclusions is available [here](#).

Criterion 1 in the SV Guidelines is:

The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:

- Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business-as-usual model, and exclude the special variation, and
- Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.

The IP&R documents and the council's application should provide evidence to establish this criterion. This could include evidence of community need/desire for service levels/projects and limited council resourcing alternatives.

Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund? (ie the 104.49% SRV)

*NO. Tenterfield Shire Council (TSC) has NOT clearly established the (*majority Ratepayer & Resident*) NEED for the proposed 104.49% UNREASONABLE Special Rate Variation (SRV).

*TSC has NOT even clearly established the *majority Ratepayer & Resident* NEED to continue all existing 'activity', 'projects' or 'infrastructure' currently included within the HUGE Integrated Planning & Reporting (IP&R) documents.
Presentation in different report formats & %s over different periods of time creates more confusion.

*Even in the TSC staff generated 'community feedback' reports, it is clear that VERY FEW responses have evidenced a *Ratepayer & Resident* NEED for the current & 'new' 'services' & infrastructure – other than roads being a priority.

*EVIDENCED FEEDBACK HAS SHOWN, more than once, “NO to increased rates” & “YES to reduced services” & “priority is safe usable ROADS”.

*This has been largely ignored by TSC. Noted but largely ignored. Road \$ has increased via grants.

*State documents keep referring to 'aspirations', 'desire' & 'what the 'community' 'wants' despite the primary focus for councils being Ratepayers & residents; not passers-by, private entities, business owners, political groups, the wider community nor TSC staff 'internally selected' groups for 'in house' consultations.

*All IP&R & SRV documents need to focus on Ratepayer & Resident EVIDENCED NEED & ONLY the primary mandatory role/s of TSC. Advocacy is NOT NEED & should not be financed by TSC's approx. 5,000 ratepayers or any scarce TSC \$.

*Advocacy means other public sector entities have not been doing their job properly.

*The 'community' is often confused as to which public sector entity has primary responsibility.

*Many grants further confuse this role separation & lead councils into taking \$ responsibility for State activity. Of course, the state agencies & the multiple local government associations think this is good. COST SHIFTING & council growth.

*NO. TSC has NOT clearly established the PURPOSE of the proposed unreasonable SRV.

*The proposed use does not identify separate 'activity' or 'project'. It uses 'generic terms' which include non-priority components such as footpaths & bike paths in 'Transport' or a huge range of wish lists in 'community facilities'.

*TSC is a HUGE, remote, mountainous area, LOW population rural shire where the Ratepayer & Resident priority is for safe usable roads, not fishing platforms, bike trails, youth precincts, or other 'luxury' projects which will need long term funding. TSC is reported as a large rural shire, but this relates ONLY to its physical area, not the # of ratepayers or the # of residents. It has major roads passing across & significant portions are unrateable national parks, state forests, environmental land

*Why does the NSW government consider that approx. 5,000 ratepayers have to pay increased rates to compensate for the significant 'non rateable' areas of TSC? This is extreme 'cost shifting'.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

NO. The only public SRV alternatives include one UNREASONABLE option implemented over 2 years & the other UNREASONABLE option implemented over 3 years.

*I have NO confidence the tabled long term financial plan is accurate & up to date, even within 2 months. The \$ assumptions also appear well out of date.

*I have not found any presentation/s of a 'community' or councillor priority list of all activity, project & 'infrastructure/assets included in the IP&R documents, so the 'community' can consider other 'alternatives' to the proposed unreasonable rate increase. I might have missed it?

*It is possible the TSC confidential councillor workshops may have provided 'alternatives' to the proposed UNREASONABLE SRV or there may have been 'in house' consultations with staff selected participants but I have not found reports from this activity in the public domain.

*I understood the GM is required to not allow any expenditure resolution until a report identifying a 'source of funds' for that expenditure is presented. So how has TSC had an increase of \$1+ million in the latest 2 sequential quarterly budget reviews?

*There is a much higher deficit if the depreciation consequences of 30/6/2022 asset indexing is included in the \$1+ million numbers above, not that this is an unusual accounting action.

*Please remember total Rateable income from approx 5,000 ratepayers is only approx \$5 million, so two quarterly budget review \$1+ operating deficit increases is not a good result for anyone. The average rate is more than reasonable for this location & the required services.

*Many TSC ratepayers live their lives & run their businesses largely independent of TSC 'services' & 'infrastructure', other than safe usable roads & these rural ratepayers are happy to provide needed 'services' for themselves.

*Many TSC Ratepayers would have most road travel on major roads, which should have been transferred back to State \$ responsibility by now, not remain within TSC accounts & financial results.

*The TSC budgets should include whole of life expenditure for all grant applications which appear to be being 'approved' by 'authorised officers' who do not realise the Long Term Financial Plan implications of their actions, many of which are 'electronic approvals' as required by the State.

*Why don't the State grant providing agencies require more evidence of 'authorised officer', LTFP \$ consequences including cash flow as part of the online application. I don't recall seeing any of these grant contracts in public agenda papers prior to their commencement - a severe \$ risk I would suggest based on subsequent quarterly budget reviews & NSW Auditor-Generals public comments. Every grant has a contract with all conditions known in advance. This is when budget variation requirements should be tabled for councillors to consider the long term \$ consequences, not later.

*The grant 'approvals' by 'authorised officers' appear to be without any prior inclusion in public agenda reports, properly supporting councillors to make responsible \$ decisions.

*So, with great concern, it appears (in public documents & utube meeting recordings) that rather than canvassing 'alternatives' to the TSC proposed unreasonable SRV, the GM (being the officer responsible for TSC management) has continued to support implementation of action which increases the Operational Deficit, further compromises the unrestricted cash flow AND the councillors have continued to pass resolutions as provided in the GM presented agenda reports, despite being advised, sometimes, of non-compliance with State requirements.

*I have heard TSC officers ask councillors to identify which budget they wish to reduce to cover MINOR new expenditure (never any significant \$) – an impossible task for TSC councillors who rely

on the TSC well remunerated executive staff who have responsibility for public agenda reports & recommended resolutions. Insufficient information is provided in public agendas, in my view.

*The Resourcing Model for any \$ responsible entity, especially a public sector entity using public money, includes reducing expenditure when other NEEDED higher priority projects, activity, service levels need additional expenditure.

In my experience, A budget review where all expenditure resolutions identify a source of funds DOES NOT increase the operating deficit or further un-stabilise unrestricted cash flow.

*Hopefully IPART & OLG & NSW Treasury will not continue to 'enable' further deterioration of NSW councils' financial stability due to apparent & documented non-compliance with State directions, resulting in unreasonable SRV cost shifting to TSC's majority, older aged, lower income, remote huge rural area Ratepayers & Residents.

*Surely grants are just shifting \$millions from one State agency pocket to another State agency (council) but resulting in yet more wasted \$ on administration etc. WHY is this still the model?

* * * I suggest nothing over 10% pa SRV (possibly plus the 2.5% offered in 2022) can be justified until TSC complies with all State \$ & other directions & real action is implemented to consider alternative expenditure priorities, which reflect majority Ratepayer & Resident NEED, not want or desire.

*Perhaps IPART or OLG should undertake State-wide 'surveys' of all Ratepayers & Residents to provide evidenced, consistent 'properly constructed surveys' which also indicate the additional Ratepayer rates & mandatory charges & method of summarising & prioritising responses for each Council. This should save public dollars & help restore some Ratepayer confidence in their the reasonableness of their council's likely rate & mandatory charge increases.

*The current IPART 'consultation' seems to be heavily weighted towards the many councils, Joint Organisations & their associations & Ratepayers are an 'unsupported' minority, but Ratepayers are those who will suffer direct, negative \$ consequences.

*The Auditor-General's comments for TSC's 30 June 2022 financial statements include that TSC was unable to confirm that the previous SRV \$ were used in accordance with the Minister's approval - among other concerning comments. Why would TSC Ratepayers be happy with yet another SRV?

*Why does TSC apparently not recognise that all current legislation, contracts, grant contracts, agreements & State directions somehow DO apply to its operations now?

*Deliberate actions compromising financial stability are NOT NEED especially where increased expenditure is forced onto Ratepayers & Residents.

*The most appropriate alternative to the proposed unreasonable, permanent, compounding 104.49% SRV (to be applied over the 1st 2 years) is for TSC to Implement much improved Financial controls, comply with all State directions & ensure all new or extended expenditure is reported to council showing at least the full long term financial plan consequences of each new or extended activity, project, grant. This report & all budget expenditure reviews must show the 'available source of funds' to cover all expenditure resolutions.

*There is a significant \$ control 'missing' when TSC officers don't report 1st to council, as increasing Operational Deficits & inadequate unrestricted cash flows appear to indicate that TSC's 'authorised officers' are extending expenditure & TSC liabilities, apparently thinking that identifying a 'source of funds' isn't necessary because they are not recommending an 'expenditure resolution' to council.

*Expenditure related to loans require a council resolution & banks would check this, unlike grant providers who 'accept E applications as 'valid'. It is possible that TSC officers may have also been incurring expenditure anticipating subsequent loan resolutions. If so, this needs to stop asap.

2023.0301 updated copy of C Jaques online submission to IPART Re TSC unreasonable SRV application.

Criterion 2 in the SV Guidelines is:

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 special variation 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. The 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.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

*NO. I would say NO. But it depends on what 'communicate' means to IPART officers undertaking this assessment of 'reasonableness'.

*The IPART SRV web page includes - "*IPART requires Councils to actively engage residents in discussion.*" While this is a big improvement on the use of 'community', it doesn't include Ratepayers who are not residents but still are forced to pay unreasonable rate increases. A Residence may be just across TSC boundary or it may be in Europe, Asia, Sydney, it shouldn't mean they are not 'actively engaged' especially by councils seeking an unreasonable 104.49% SRV.

*The full cumulative % increase over the 10 year LTFP did appear in the original huge set of IP&R documents, within the multiple pages of the 10 year long term financial plan/s towards the end of the list of documents, it was 'highlighted' as a note in a heading line or by looking at the \$ numbers by year & doing the calculation/s. I don't recall this in more current TSC documents – too high a %?

*There has been a table by rating category, but only for the years relating to the proposed application of the unreasonable SRV. ie Over 2 or 3 years – which doesn't demonstrate the real long term financial plan \$ consequences for ratepayers., before mandatory charges.

* More recent documents either focus on the 2 year cumulative % or avoid mentioning the % consequences at all. The % cumulative effect recently keeps changing mainly due to TSC presenting the result over different years. At the beginning of 2022 the % cumulative effect varied from 48%, 58% approx 80% (which was rejected by those who had heard), then it increased to approx 110% - over 3 years, now 104.49% but only over 2 years. Is this 'community awareness' or 'community distraction or confusion'?

*The IPART REASONABLENESS assessment should relate to TSC's older age, lower income, remote huge rural area *Ratepayers & Residents* not the \$ change for a Sydney ratepayer or a well-paid public servant.

*This question gives an 'opt out' for every council making an application. Did Ratepayers receive the 'communication'; 'communicate' to whom? This seems to be A Very disappointing 'target' question, presumably being used for IPART assessment of reasonableness of the SRV application.

*IPART documents also refer to a requirement of the application process being that councils will need to identify the proposed program of works that will be undertaken as a result of the proposed SRV. I don't recall seeing this as detailed projects, locations etc. Merely a 'generic' summary.

*Prior eggs of TSC 'communication' relating to a new kerbside bin area was an A5 sheet of paper stuck in the lid of a tiny 125 Lit wheelie bin, left outside each property, some on a hill, some on major roads, giving details of the collection days. Nothing about the cost pa, which basis of charge applied (ie resident or vacant land etc). No consideration as to whether the ratepayer was away or not, especially ratepayers along the sparsely populated major through roads.

*Needless to say, the directly affected Ratepayers presented significant & continuing objections as there was no NEED for the majority of Ratepayers affected. This route was & remains unviable & appears to have related to a prior engineer wanting to expand his plant, stop a working & more practical remote bin collection contract where the collection trucks travelled much shorter distances. Not renewing a contract didn't require a delegation nor a council resolution & there was \$ for plant in the Waste fund, the meeting was at a remote location far from the directly affected Ratepayers & no meeting recording, so it was all go. Another 'in house' consultation?

*Fortunately, ratepayers have seen some improvement on this unbelievable decision. A decision which took repeated submissions to council to get revoked. Again, feedback received but ignored. The community apparently didn't know what they were talking about as council stuck by its contention that the community wanted the collection. A few ratepayers may have but the majority did not. There are other eggs for the general fund.

*Ratepayer constant vigilance is unfortunately necessary, even if Council doesn't implement Ratepayer input. Very time consuming & still impossible to be aware of all TSC 'bright ideas' which ultimately affect Ratepayers financial resources, whether there is evidence that the majority of affected Ratepayers Need or even support the new 'initiative'.

*TSC seems to focus on increasing gross revenue & expenditure rather than real consideration of Ratepayer need or willingness to pay extra mandatory rates & charges or the net cost per 'service'..

*Fortunately, some 'community' members now check TSC website regularly to locate extraordinary meetings & meeting agenda papers prior to meetings, as it is clear we can't rely on being informed via TSC newsletters or media releases.

*I suggest, Not enough has improved in the TSC 'community consultation' methods.

* If the TSC choice is between Communicating with the majority or preferably all Ratepayers & Residents or approx. 200 'community' members – including children, the choice doesn't seem to be Ratepayers & Residents? Why is this?

*Did the 'communication' ensure the majority of ratepayers & residents saw & understood the \$ implications to their personal bank balance? I don't think so.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

*NO. TSC's emphasis appears to be 'internally selected' 'groups' & individuals & entities.

*I suggest The TSC Community Engagement Strategy needs urgent amendment to reflect TSC's environment & constraints & have less focus on 'theoretical models'. I suggest it might be working for TSC public servants, but it is not apparently working for Ratepayers who often have NO visibility of surveys, consultations, advisory committee papers, 'in house' selected consultation groups etc, until it is too late.

*Unfortunately, the TSC public servants seem to consider that once the IP&R documents are approved by Council, they then can do their own thing. This is not having good results, if the

increased operational deficits & compromised unrestricted cash flow, the negative Auditor-General's comments & current proposed UNREASONABLE SRV are considered.

*As per the multiple 'consultation' documents tabled with IPART, A very small % of the approx. 5,000 ratepayers & 6,000 residents have responded (but there is no indication of who responded – it could be Freddy from a local government lobbyist or a non-ratepayer from Alaska having a fantasy.)

*TSC has a direct contact address for not only every Ratepayer but also every resident, but has chosen to ignore this, despite having to contact Ratepayers at least once each year & up to 4 times each year. It appears Ratepayers are the last group of 'stakeholders' TSC want to encourage to participate in council decisions, despite all the document content suggesting this is a primary focus. See the apparent TSC negative comments about ratepayers getting organised in a new association. I am grateful that OSOCI have set up the webpages etc as a mechanism to inform Ratepayers across the huge TSC area. If TSC public servants don't agree with the information provided, then they can easily provide an updated news or media item on their website with their evidenced figures.

*It seems the last group TSC wants to 'engage' is the Ratepayers who will be forced to pay increased ordinary rates as well as other mandatory charges increases over the 10 year long term financial plan. They also don't seem to want to provide the LTFP % increase.

*The IP&R documents need urgent moderation to reflect the reality it is RATEPAYERS & RESIDENT NEEDS which should determine TSC \$ priorities as they are the ones who will be forced to pay not only all UNREASONABLE ordinary rate increases but also the mandatory charges for water, waste, sewerage, stormwater etc which will also be increasing over the 10 year LTFP.

*Many IPART documents focus on **demonstrating** the financial changes in the 10 year long term financial plan. It appears this is 'complied with' technically – ie the LTFP is presented. However, for TSC the results of the 10 year LTFP SRV % increase, don't seem to appear in many (if any recent) textual public documents.

*The councillors are elected to represent the Ratepayers & Residents & when they are aware to require the TSC GM & all staff to comply with all State legislation & policy etc.

* ie why did TSC GM present an agenda report recommending Councillors deliberately endorse accepting a 'qualified' audit report because staff deliberately decided NOT to comply with State legislation & agreements relating to Rural Fire Services Red Fleet?

*I suggest a public sector entity which is part of the State Regulatory structure must comply with all legislation, contracts, agreements as they currently stand, irrespective of what they would like them to become in the future.

*How much staff time was wasted when it could have been redirected to improving the \$ controls, reliable budget \$ & LTFP content?

*The first indication of the missing Rural Fire Services \$ data from TSC documents was via the NSW Auditor General's comments in the 30 June 2022 Financial Statements.
I don't think this \$ data is yet included in TSC IPART SRV documents.

*How much did all this arguing with State agencies cost for consultants, contractors etc?

*Has the GM reminded staff of their compliance responsibilities including ensuring staff have commenced update of financial records to comply with all State requirements, including IP&R documents & financial statements prior to 30 June 2023?

*If TSC staff are relying on possibilities (as they appear to be with 'relying on' IPART approving the current unreasonable SRV) that the opposition will be the government after this next State election

AND then will do all the things TSC thinks should change (other council associations are also part of this political activity it appears) they are making some significant & risky \$ assumptions, I suggest.

*Ratepayers who are aware of the Auditor-Generals negative comments for 30 June 2023 DO NOT want to see any repeated for 30 June 2023 or future years.

*How Will the GM ensure future agenda report recommendations re deliberate non-compliance with State requirements are never again presented to Council?

eg excluding assets as required by State legislation & agreements; accepting there will be a qualified external audit report; increasing operational deficits in multiple quarterly budget reviews which would indicate an identified 'source of funds' has not been determined for these 'expenditure resolutions'; Review of all Council delegations within the first 12 months of each term of council:

*How will the Mayor & GM implement appropriate training so that Councillors never again endorse an officer provided draft resolution which is 'non-compliant' and that any draft expenditure resolutions presented or extended at a public Council meeting are referred to a future meeting for the GM to first identify a 'source of funds'. I.e the expenditure resolutions are NOT endorsed if there is no available source of funds to cover the new or increased expenditure.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

*I would say, TSC has regularly & consistently IGNORED the majority evidenced responses, while maintaining the officer prepared & councillor approved IP&R documents, including the long-term financial plan/s estimating approx. \$50 million operating deficit if the requested unreasonable SRV & implementation over 2 years (being also permanent & cumulative) is not approved by IPART.

*The community consultation plans & strategies & policies need urgent remediation.

*Apparently, the majority of those 'community' members who provided multiple, evidenced responses, saying NO to increased rates, YES to reduced 'services' & their priority is ROADS (not footpaths or bike paths or fishing platforms etc) don't understand what TSC is doing for them?

*The TSC officer & councillor statements that 'the community wants to retain all the existing services & infrastructure & want additional services', can be seen, I suggest, as 'misleading', as the majority of Ratepayers & Residents have not provided evidenced responses to support this 'in house' opinion. There are TSC provided examples of *hundreds* of people supporting particular 'services' but often without being first informed of the likely increase in mandatory rates or charges. NOT the majority and NOT fully informed consultations.

*Those Ratepayers & Residents who want specific, localised 'activity' or 'standards' & provide evidenced support, should be directly levied either via Fees & Charges or via a special rate etc. Not charge all ratepayers or even all ratepayers in one TSC rating category per the Rating Schedule.

*There is also evidence that TSC has implemented significant change for Ratepayer 'services' & mandatory charges, reporting that the 'community' needs & wants a 'service' when this was incorrect. This expansion of 'service' appears to happen frequently in the 'mandatory services' area, resulting in forced charge increases. In some cases, the Ratepayers have lobbied for reversal or change of the resolution. In a recent case TSC invalidly levied a new mandatory charge on Ratepayers, including some who were physically unable to use the 'service' related to the charge.

*TSC did acknowledge the Ratepayer feedback, but the response was to provide a 'credit' before the current year's rates were due for final payment & the credit is to be provided in the 23/24 financial year – presumably to avoid cash flow & increased liability issues?

*This new charge was included in the public IP&R documents but somehow the related text reports didn't refer to this new & subsequently changed charge – a charge which took a ratepayer to indicate it was invalid and despite changes over the years, remains invalid, I suggest.

*Why are ratepayers forced to pay unreasonable mandatory rates & charges when TSC officers & sometimes Councillors make deliberate financial decisions which are unviable, non-compliant, or not a primary need for the majority of Ratepayers, especially after there has been Ratepayer feedback which has been ignored?

*Perhaps the NSW government should pay to cover the additional financial consequences of these deliberate council actions, as the Ratepayers (also State tax payers) expect the State Regulators to perform their role to ensure our local council doesn't waste scarce \$, does comply with all requirements, especially financial requirements (ultimately everything gets back to a financial transaction & it is the financial transactions which make or break every entity) & does 'actively engage' not only residents but all Ratepayers AND actively considers the Ratepayer feedback.

*Perhaps the NSW government should pay an equivalent 'ordinary rate' contribution for all public land & special category land which is unratable, especially when a council has direct expenditure related to that land. Eg roads, rural fire & emergency support, longer service connections etc.

*Will IPART implement action based on Ratepayer feedback, which will be a minority in terms of #s of submissions, or discount alternatives as 'saving unviable councils', is the real objective (despite deliberate sometimes non-compliant decisions leading to the poor financial position)?

*Perhaps the State should provide interest free loans to support the 'unviable' NSW councils, while they improve 'compliance' and they implement practical & relatively simple financial control mechanisms to attain balanced operational budgets, stable unrestricted cash flows & restore appropriate internal provisions (eg leave, plant), rather than force unreasonable SRV increases on Ratepayers?

*This type of explicit State support is reasonable as it would be a cheaper option than putting any council into administration and as in TSC's case there has been significant cost shifting for major through roads & in TSC's opinion other matters which need urgent legal & financial variation, including Rural Fire Services Red Fleet financial consequences & increased Financial Assistance Grants.

*Please forward this submission to the responsible State Agency if any of this submission is not in IPART's role & copy me in so I have the contact officer/area to continue this 'discussion' in the hope that timely remediation is possible.

Criterion 3 in the SV Guidelines is:

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 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.

In assessing the impact, IPART may also consider:

- Socio-Economic Indexes for Areas (SEIFA) data for the council area: and
- Whether and to what extent a council has decided not to apply the full percentage increases available to it in one or more previous years under section 511 of the Local Government Act.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

*The proposed permanent, cumulative 104.49% SRV (calculated over the TSC preferred 2 years of implementation NOT the 10 year long term financial plan % increase) is UNREASONABLE for ALL Ratepayers but especially for TSC huge remote rural area, majority older aged, lower income, longer term resident ratepayers.

*While IPART may consider the ability of a council to defer any component of State approved ordinary rate increases is 'beneficial' to Ratepayers, I suggest that this just increases the risk that the 'backlog' will be implemented without any notice to Ratepayers in future. I suggest this mechanism instead requires an additional 'overview' submission to IPART of the reason, purpose and extent of the council decision not to apply the full % increases available (via approved SRV or approved Rate Peg) & that future application of this 'deferral' requires further Ratepayer & Resident consultation & IPART approval. This sounds like a watering down of IPART's role leading to allowing NSW councils to increase rates as they choose.

*TSC councillors have indicated via a council resolution that IF the council need for any approved SRV has changed, the budget process will only implement the required amount. Eg removal of major through roads, changed laws etc for Rural Fire Services Red Fleet, increased FAG grants etc.

*However the reduced amount can then currently be applied at any future budget over the next 10 years, I understand. A Furphy not a real Ratepayer benefit, I suggest.

*It is unreasonable that the TSC engaged consultant (yet more expenditure) USES the RATEPAYERS' ETHICAL \$ BEHAVIOUR AGAINST THEM.

*How can it be REASONABLE for TSC to cost shift their deliberate decisions resulting in compromised \$ viability & inadequate cash flow, onto Ratepayers?

* eg Higher property ownership (inherited business assets in particular & generational \$ responsibility?); lower mortgages & debts (Ratepayer \$ responsible attitude to entering into contracts & other \$ commitments beyond their \$ or cash flow capacity - UNLIKE TSC current \$ behaviour?); Higher savings (another eg of Ratepayer \$ responsibility & long term \$ planning - unlike TSC current \$ behaviour?); low rate debt with TSC (another eg of Ratepayer \$ responsibility & ethical

behaviour being used against Ratepayers to support an UNREASONABLE & AVOIDABLE negative financial position at TSC?)

* There are simple, practical, timely actions which can get TSC \$ position back to a balanced budget, balanced LTFP & manageable unrestricted cash flow WITHOUT an UNREASONABLE IMPACT which compromises the financial stability of its majority older aged, lower income Ratepayers. Compliance with all State requirements would be a good starting point, I suggest. YES 'services' & 'assets' will need to be removed from the IP&R documents including the multiple plans, strategies, etc.

*Please remember it isn't just the majority older aged, lower income, remote rural area Ratepayers where the UNREASONABLE IMPACT of any SRV in excess of 10% pa (perhaps plus the 2.5% TSC could have requested last year) will implode, the TSC major business activity of farming is already under great \$ stress & together their compromised \$ capability would also have long term implications for the Shire.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

*This is NOT HAPPENING in my opinion. There has been explicit, evidenced feedback from many ratepayers (of those who are aware of TSC intentions & are capable & willing to put their head above the 'barricade' & provide evidenced responses), that they do NOT have the capacity to pay the TSC proposed unreasonable SRV & are NOT WILLING to pay increased rates (& they ARE aware they will also have to pay further increases in mandatory charges – despite Councils & IPART highlighting that the proposed SRV doesn't apply to the TSC mandatory charges)

*The multiple evidenced Ratepayer & Resident responses would clearly demonstrate an UNWILLINGNESS to pay the proposed SRV rate increase, including the earlier 48%, 58%. Approx. 80%, approx. 110% increases. TSC seems to be consistent in ignoring these 'community' responses. Apparently, the respondents don't understand how TSC is trying to help them?.

*I suggest the current models of 'community consultation' are a failure & urgent remediation is required.

*Perhaps IPART or OLG should undertake State-wide Ratepayer & Resident 'consultation' in future to save some public money & more importantly to give Ratepayers & Residents more confidence in valid actions post the review of results. This needs to use provided contact details for all Ratepayers & Residents, not just website etc notices.

*The TSC 'capacity to pay' consultant decided that because TSC ratepayers pay their rates on time & keep their mortgages low & have a high level of ownership that there is a capacity to pay the proposed SRV.

*Is the State Plan to Punish the Ratepayers for having a responsible, long term, ethical approach to managing their short & long term financial responsibilities.

*No mention of the additional increased Ratepayer expenses for day to day living & travelling over the long often substandard rural roads.

*This appears to reflect the Federal government's view that because the 'community' have high savings they can afford continuing interest rate expense increases & changed superannuation rules. Ie why is the public sector taking control of private individuals & private entity bank accounts – presumably because the public servants know better how we should spend our personal \$.

*So much for Australia being a democracy.

*Why was this unsatisfactory TSC financial position, not made known to the 'community' until after the 'recent' local government election.

This would be unacceptable with any other Australian corporation.

*Why did the TSC proposed SRV move from 48%, 58%, approx. 80%, 110% & now 104.49% in the space of approx. 12 months?

The % changes from 110% to 104.49% relates to a shorter period of time for the calculation – 3 years down to 2 years, not any reduced claim on Ratepayer \$ resources.

*An apparent TSC apparent preference to never show the 10 year long term financial plan cumulative % ordinary rate increase in public documents means the references are only to the year 2 or 3 consequences, a deliberate decision which appears deliberately MISLEADING?

*Even TSC's 2 year survey by external consultants recorded that the majority response indicated NO to increased rates & YES to reduced services & priority was roads. I guess the continued application to IPART suggests yet another instance of TSC 'discounting Ratepayer feedback'?

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

* I suggest TSC Hardship Policy does NOT REASONABLY address RATEPAYER \$ HARDSHIP & could be seen as 'box ticking', especially for such an UNREASONABLE, permanent, compounding SRV which will have a direct, immediate, long term, negative IMPACT on all TSC Ratepayers & Residents, not just the majority older aged, lower income, widely distributed Ratepayers.

*YES, TSC has outlined how it intended to address (Ratepayer) hardship caused by the proposed special variation in their Council resolved Hardship Policy.

*Finally, the word RATEPAYER appears in IPART documents. It's good to see some State public servants appreciate that for all NSW council financial decisions, RATEPAYERS (many of whom are also residents) bear the direct & continuing financial consequences. So why isn't the 'consultation' titled 'ratepayer consultation'?

*I suggest the TSC Hardship Policy will result in more TSC expenditure not yet in the current LTFP, it will be an unreasonable invasion of Ratepayer privacy & will be totally useless, as the policy anticipates a one-off, short term event, arrangements are to be within a 2 year period, when the purpose for the hardship policy is to address the unreasonable SRV financial impost which will be applied over the 1st 2 years & then continue compounding permanently with approved Rate Pegs.

*Rate Pegs which are assumed as 2.5% over the remaining 8 years of the LTFP, but which IPART has indicated will be a minimum of 3.7% for 23/24 & no doubt increasing for future years.

*In addition, the real \$ impact on Ratepayers will be much higher than is being 'communicated' to the 'community', especially over the 10 year LTFP due to other 'assumptions' which have yet to be updated, & any new (& I suggest more than likely) SRV requests.

*TSC hardship policy requires remedy within 2 years, appears to still impose late payment penalty interest, not very helpful for the proposed permanent unreasonable SRV

*The TSC Hardship policy Does not indicate if increased pensioner or self-funded retiree grants/subsidies will be increased or whether the debt or penalty interest will be written off or will sit with the property until the next sale.

*There is no indication the State intends increasing its pensioner 'subsidy'. The current policy will just increase the debt & stress for all Ratepayer applicants, I suggest.

2023.0301 updated copy of C Jaques online submission to IPART Re TSC unreasonable SRV application.

*Unfortunately, the hardship policy also requires a total loss of privacy by responsible ratepayers (the TSC debt is very low, so ratepayers apparently pay THEIR debts on time & apparently manage THEIR short & long term \$ commitments, debts & liabilities).

*TSC is a very small community & people tend to keep their \$ position private.

*Any concessions, relief from penalty charges, allowed delay in payment ultimately means other Ratepayers will be forced to pay even more to cover any additional concessions or any additional debt levels due to this TSC unreasonable SRV proposal.

Criterion 4 in the SV Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general income. It is expected that councils will hold an extraordinary meeting if required to adopt the relevant IP&R documents before the deadline for special variation applications.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

*YES, the IP&R documents have been exhibited, approved & adopted by Council before the IPART SRV application.

*It is possible that even the GM & the elected councillors have not yet read all the multiple versions of the multiple documents.

*I haven't checked the last date of amendment of each document, the current # of pages nor what variations have been made between multiple versions.

*I have noticed the LTFP/s are months out of date, don't include a calculation of the % SRV rate increase over the 10 years & documents appear to be focussed on showing only the % increase only over the first 2 years. Distraction or Misleading or not enough space but apparently 'allowed' by IPART & OLG requirements?

*The huge suite of IP&R documents appear to be a mechanism to confuse or overwhelm councillors, Ratepayers & residents. Perhaps they need a simpler presentation?

*Feedback on their content usually gets ignored as does feedback on 'community consultation'.

*Why does the state keep referring to 'community' consultation when for local government it is Ratepayers who have to pay the bills & ratepayers & residents who elect our 'community representatives'.

*The state does need to consider the wider 'community'.

*The IP&R documents, including the budgets do not get updated as new expenditure (& sometimes related revenue) becomes apparent, prior to any legal liability for TSC. This appears to be directly contributing to the current huge 'operating deficits' & continuing unviable 'unrestricted cash flow' & virtual exclusion of Ratepayers & Residents from the process until too late when they bear the ongoing \$ consequences of TSC 'high risk,' deliberate financial decisions.

*Why do I consider TSC \$ decisions to date are 'high risk'?

*I suggest TSC officers & possibly elected councillors are relying too heavily on IPART focusing on improving TSC \$ viability via approving a SRV which possibly may be less than TSC has applied for, but which remains UNREASONABLE for the majority of Ratepayers.

*Hopefully IPART will focus totally on protecting Ratepayers from unreasonable rate increases.

*Note: it is good to see Ratepayers finally get a mention over others in the 'community' who are not forced to pay unreasonable rates & mandatory charges.

*TSC 'authorised officers' (whoever they are, as all delegations have not yet been reviewed in the 1st 12 mths of each council term – again) are 'signing off' on electronic & other contracts etc, including grant contracts, apparently without realising the long term \$ consequences of their

actions. Results which usually don't appear in public documents for many months after their actions.

*Then the budget reviews continue to increase expenditure (after the event but 2 months in arrears – as allowed by the state) to cover known expenditure components which are usually known & documented prior to 'authorised officer' acceptance of the contracts, but 'invisible' to councillors?.

*It appears the financial consequences of these contracts are not included in public agendas allowing councillors to ask the GM to identify a 'source of funds' to cover all potential increased expenditure & it is likely 'authorised officers' do not appreciate the potential negative \$ consequences of their 'approval'.

*The LTFP listed on IPART's webpage is dated 18 May 2022 - some 9 months out of date. apparently no further Ratepayer feedback, nor expected expenditure increases, nor new grants (despite resolution of no new grants).

*Exhibition, Approval & Adoption by Council doesn't seem to mean much when the 2 most recent budget reviews - which further increased the operating deficit by \$1+ million each (before depreciation resulting from 30 June 2023 indexing is included) & Council resolved to endorse the GM's recommended resolution to accept a Qualified Audit Report for the 30 June 2023 financial statements, due to yet another deliberate financial decision to exclude Rural Fire Services Red Fleet assets & \$ transactions apparently because the GM & public servants decided (apparently with other NSW councils) to ignore the relevant legislation & related agreements, in favour of what they considered the State directions should be.

*So YES TSC has done the exhibition, approval & adoption of the IP&R documents, presumably the agendas & minutes reflect those on the IPART website, possibly all with varying dates of last update (hopefully as per the actual council resolution for each).

*What does this demonstrate? That TSC can produce thousands of pages of complicated documents (based on State requirements), many of which are not electronically 'searchable', but do they actually include evidenced Ratepayer & Resident feedback & suggested changes?

*Personally, I have provided multiple suggestions & feedback to the Mayor, Deputy Mayor, some councillors & Council relating to all the issues I am raising with IPART today.

*I have also made presentations to council on various agenda items, including this proposed SRV & continuing significant Operational Deficit increases in quarterly budget reviews.

These presentations are not part of the public 'all councillors' formal meeting, but councils are able to include the presentation in the utube recordings. Some have been recorded, recently NOT recorded.

*TSC has recently chosen to exclude the community presentation component, despite its agenda indicating "Webcasting of the Meeting: this meeting will be recorded for placement on Council's website * livestreamed on Council's YouTube Channel for the purposes of BROADENING KNOWLEDGE AND PARTICIPATION IN COUNCIL ISSUES AND DEMONSTRATING COUNCIL'S COMMITMENT TO OPENNESS AND ACCOUNTABILITY."

*This exclusion of the 'community consultation (public access) component from the recording, is a contradiction of council's purpose for recording the public meeting & is another example of the words not being reflected in the reality of 'community participation'. Not all ratepayers can physically attend council meetings & the community consultation often includes material which TSC has chosen not to include in the agenda but is informative to Ratepayers & Residents.

*Despite the TSC words, the community often is unable to attend the Council meeting in time to hear any 'community consultation presentation' as the notice of meeting shows 9.30 start, but if any approved by the GM, the community consultation actually starts at 9 am. No updates provided.

*TSC decision to have committee meetings which have non councillors as members is seen by TSC to be 'community participation'. However, again the words don't really match the reality. The scheduled meeting dates aren't available on TSC website, no agendas are provided prior to the meeting, the non-councillor members are not elected by any Ratepayer or Resident. Ie another 'in house 'community consultation'. The minutes do get included in public agendas, but after the fact.

*This is another possible example of the wide difference between the words in the multiple TSC public documents, plans, strategies etc & the reality of their application. NO, I don't think it is all due to insufficient staff as TSC is trying to find savings to improve their \$ position.

* I can see some suggestions & feedback have been actioned. But the significant matters just seem to get ignored. Yet here we are looking at multiple \$1+ million increases in operational deficits & further reductions in unrestricted cash funds & still looking at a proposed 104.49% permanent, compounding SRV to be imposed on TSC Ratepayers. Why?

*I appreciate that it's a challenge for councillors to put any ratepayer opinion ahead of the GMs advice, as the GM is the one providing their training & all formal advice prior to their resolutions. Councillors do represent the Ratepayers & Residents, they aren't expected to be formally qualified in any profession, they are not paid as fulltime (& I'm not suggesting this should change as there are still only approx 5,000 ratepayers to pay a significant portion of TSC expenses.), so we appreciate what they can try to control & influence.

*I also appreciate that TSC has a regular turnover of key staff. It is evident there has been significant improvement in financial reporting in recent public agendas, which improves councillors' knowledge. However, it appears there are still too many proposed resolutions accepted, which result in further financial deterioration - in my opinion.

* In addition, on many occasions, especially when it is a very large agenda with multiple complicated pages of text or numbers, the document is not electronically searchable due to images of the pages being included as an agenda page. This means the ability to read & review & check the content across multiple pages & reports is very very difficult.

*Eg in the 2019 & subsequent TSC rates, fees & charges documents, a new Water Infrastructure Charge was added in 2019 & varied over the following years to 2022/3, but in all years it was an invalid charge. This was identified by an Urbenville Ratepayer. Council has resolved to provide a credit – in the 23/2024 budget.

* Ie Ratepayers have to pay the outstanding quarterly rates notice amounts for 22/23 & wait till next financial year for the credit.

*ie This 'new' charge from 2019 charge wasn't highlighted in the text & wasn't noticed until the Ratepayer trying to see where all TSC millions were going to, realised the charge (across the Shire) was still invalid.

*This might give another example of why many ratepayers are concerned about TSC financial decisions & actions, including the current proposed 104.49% permanent & compounding SRV before further Rate Peg increases over the required 10 year long term financial plan.

*There is nothing TSC can do or not do which isn't visible to multiple ratepayers & residents somewhere across the huge physical area. Repeat work, new activity which the 'locals' hadn't heard about, subsidies & support for events, building facades, etc, many of which should be private expenditure, not involving any financial risk for TSC at all. Advocacy should not include real \$.

Criterion 5 in the SV Guidelines is:

The IP&R documents or the council's application must explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period.

Councils should present their productivity improvements and cost containment strategies in the context of ongoing efficiency measures and indicate if the estimated financial impact of the ongoing efficiency measures has been incorporated in the council's Long Term Financial Plan.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

*The main public information appears to quantify increased operational deficits & further reductions in unrestricted cash flow via quarterly budget reviews, which are 2 mths in arrears when included in public agenda papers. ie none of the documents are up to date.

*There have been agenda & meeting comments about 'savings' & 'productivity improvements' but somehow operating deficits kept increasing by \$1+ million at each of the Sept 22 & Dec 22 reports, before the additional depreciation consequences of the 30 June asset indexing (not that this is an unusual financial activity). ie not much quantified evidence of productivity & cost containment strategies realised & planned. Perhaps this was in a document I didn't read in detail?

*I suggest the TSC presented target 'savings' are much too low, especially when budget reviews keep increasing Operational Deficits & decreasing available unrestricted cash flows. I suggest a major cause is that grants & other contracts are being 'approved' by 'authorised officers', without first presenting the LTTP consequences via public agenda items.

*Another potential reason for the increasing operational deficits appears to be the passing of expenditure resolutions without the GM first identifying a 'source of funds'. Presumably the State intends this 'source of funds' to be currently available & 'real', not a 'never never' possibility or an unreasonable SRV which has yet to be considered & approved or not approved by IPART?

*Another possibility increasing operating deficits is TSC officers appearing to rely on small groups of 'community' members expressing their aspiration, want or desire, not the majority of Ratepayers.

*The staff response at public meetings have referred to expenditure being within the 'approved' budget & this comment seems to somehow infer that 'approved' activity can continue despite negative consequences on unrestricted cash flow & somehow this 'approved' budget is quarantined from 'new' or 'extended' 'higher' priority activity so the only 'alternative' apparently being considered is increasing operational deficits & further compromised TSC \$ viability? WHY?

*TSC 'authorised officers' appear to keep 'approving' grant contracts without prior council resolution & without 1st identifying the full cost of the activity or infrastructure (despite the model in the mandatory Capital Expenditure Guidelines))

*TSC Ratepayers should not be expected to have unreasonable \$ liabilities due to TSC deliberate decisions compromising TSC \$ viability. The state needs to implement additional mandatory guidelines (existing ones are apparently they not clear enough yet) to remedy this unfair 'cost shifting' from councils to Ratepayers.

Other Comments and Attachments

Please provide any other comments on the council's application that you would like to make here.

*Are the few 'community' members who have expressed evidenced support for TSC's current UNREASONABLE Rate increase, still keen, now they are looking at possible Federal Government 'tighter control' of their superannuation savings, possible removal of capital gains exemption on the family home etc? Not to mention fuel & food \$ increases.

*Ratepayers should be entitled to get organised as NSW councils already do under multiple arrangements, for which the ratepayers pay directly for travel, membership, collective priorities of JOs & regional associations. Ratepayers don't have paid professional staff & consultants to prepare submissions & responses.

*How many ratepayers are aware & have provided evidence of their support of this proposed permanent, compounding 104.49% rate increase to be imposed over 2023-2025?

*ABS statistics are explicit for TSC capacity to pay, why is this ignored for Capacity to Pay?

*I suggest that Anything over 10 % pa compounding & permanent SRV is unreasonable in my opinion, until TSC demonstrates full compliance with all State legislation & Ministerial directions & approvals & provides evidence of majority ratepayer support.

*Ratepayer Trust has validly been compromised; I suggest.

*Does IPART consider the Auditor-General's comments, especially relating to recent audited financial statements? If not, why not?

*Based on TSC September & December Budget Reviews & known changes in '\$ assumptions' what is the real potential SRV over a minimum of the next 4 years?

*Has ANYONE heard of a \$50 Million LTFP operating deficit for a public sector entity or a 104.5% SRV? How is this responsible \$ management or corporate governance?

*Will IPART protect RATEPAYERS from this UNREASONABLE Rate increase?

*Please Exclude all aspiration, want, desire, locality-based activity from ordinary rates increases.

*Please change language from community to RATEPAYER & RESIDENT & require priority lists of NEEDS supported by Ratepayers. No false expectations.

*I will EMAIL the file.

Maximum 2000 characters (4 remaining)

If you have attachments you would like to include with your feedback, please attach them below.

Are you an individual or organisation? Required

- ☒ I am making a submission on my own behalf
☐ I am making a submission on behalf of an organisation

How would you like us to identify your individual submission? Required

- ☒ Publish my name
☐ Do not publish my name

Would you like your submission to remain confidential? Required

- ☒ Not confidential - The submission can be published on IPART's website
☐ Confidential - All or part of my submission should be treated as confidential and not published by IPART. I have indicated which parts of my submission are confidential.

First Name Required

C [REDACTED]

Last Name Required

Jaques

Email Required

[REDACTED]

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Please read IPART's [Submission Policy](#).

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- If I have claimed confidentiality, IPART will generally not publish my submission or share it with third parties unless required to by law.
- IPART may use information from my submission, where relevant, in its other reviews.
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Please complete the following:

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CJJ: 7 December 2022 Tenterfield Shire Council Extraordinary Council Meeting Presentation

Thank You.

Good Morning, Mayor Petrie, Our Elected Community Representatives, Staff & Others

I'm speaking AGAINST Agenda Item **GOV 101/22** –the Application to IPART for a Special Rate Variation to INCREASE General Income, as I genuinely believe there ARE, other timely, practical options for Council to remedy its estimated 10 year, deficits & unsustainable cash flow, without causing financial trauma to its approximately 5,000, older aged, lower income, mainly rural area ratepayers.

I strongly suggest the proposed Permanent, Cumulative, Special Rate Variation of 104.49%, to be imposed on all Tenterfield Shire Ratepayers over the next 2 financial years would be seen as 'excessive' by most Ratepayers & Residents, especially when it is likely there will be other significant increases in Council Rates Notices.

It would be helpful if Councillors publicly prioritise essential, Ratepayer & Resident 'services', with full 10 & 20 year financial projections for all potential & existing grants & infrastructure projects, BEFORE any grant acceptance, or further infrastructure contract issue or amendment & importantly review all delegations, in accordance with the Local Government Act, to ensure Councillors have control, as well as responsibility for Tenterfield Council's financial viability. Eg who has approved the recent road/pothole grant contract/\$?

"380 Review of delegations

Each council must review all its delegations during the first 12 months of each term of office."

Note: this is particularly important re acceptance of grant contracts – are they all prior to Council resolution/s? Are grant contracts being authorised by officers – delegation??

This may mean returning some grants, & stopping some projects, where current 10 & 20 year estimates show unacceptable impacts on Council & Ratepayers' financial viability.

It may also mean further public sales contracts for '*unsustainable*' Council '*business*' properties. Forced unreasonable rate increases should not be the chosen 'solution'.

In my opinion it could be seen as a failure to appropriately plan.

In order that Councillors' prioritised intentions are simple & obvious, especially following any State partial approval of the proposed 104.49%, Special Rate Variation increase, it is important that Councillors publicly prioritise financial allocations, via explicit & consistently phrased resolutions today, as to the exact share or \$ allocated for each 'service', site, location, activity & purpose component.

Priority lists are essential if prices are rising, as they allow the essential priorities to be completed, prior to commencing others, thus protecting viability.

This public list of 'Councillors' intended actions may allow Ratepayers to have some confidence that **their** recently re-iterated top two priorities, being, ROADS (road maintenance & improvement) & LOWER RATES & WASTAGE are not only recognised but will be implemented, not diluted through use of 'generic' terms such as Transport, Buildings, Aquatics, Parks, nor result in non-priority advocacy activity being actioned from Council's scarce financial resources.

A current example of TSC \$ being used for non-priority 'advocacy' activity being the issue of sale, retention &/or expansion of Tenterfield airport site.

Tenterfield airport use appears to be mainly private by the very few Tenterfield Town ratepayers or visitors who can afford to own & operate aircraft & who already raising site improvements.

Q: Are there charges in the approved Fees & Charges schedule? Have all users paid?

I suggest, Councillors need real evidence that the majority of ratepayers, actively support each 'service' retained. It should not be a few ratepayers, nor a particular 'special interest group', for each 'service', especially when the often 'in house', consultation rarely includes specific reference to the additional rates or mandatory charges likely to be imposed.

It is important, in my opinion, that today's resolutions include specific content to

(1) reduce any Special Rate Variation, approved, in the event State financial arrangements are amended to Tenterfield Council's benefit.

Eg major roads are returned, Financial Assistance Grants are increased, Rural Fire Services or other State 'cost shifting' contracts, legislation & estimates are amended; and

(2) That any such reduction in the approved Special Rate Variation will not be implemented over the next 10 years, without further *real* consultation with the *Ratepayers and Residents directly affected by mandatory Rates & Charges*; and

(3) That the rating structure will not be changed unless specific NEW ratepayer & resident consultation & specific changed public agenda resolutions are put in place. ie

<https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/For-Ratepayers>

"It is a matter for each Council how the rate burden is spread amongst its ratepayers. This means it is possible that your rates may increase by more than the rate peg or the percentage specified in a special variation in a given year where the council has redistributed rates or where it is 'catching up' on a recent shortfall."

Ultimately it is the Councillors' resolution, which is the source of truth for what councillors have approved, not the agenda report content nor workshop discussions. Councillors represent the community, in particular the Ratepayers who bear the mandatory rates and charges and those on the electoral role as Residents or Non-Resident Ratepayers. ie Not passers-by, special interest groups, or 'in house' selected contributors.

Operating expenses (including loan interest costs)		\$ nominal per year									
Fund existing service levels (eg. libraries)											
Roads, Transport, Stormwater and Drainage	706,263	1,776,255	1,820,682	1,866,178	1,912,833	1,960,654	2,009,670	2,059,912	2,111,410	2,164,195	18,388,031
Buildings renewal and maintenance	141,253	355,251	364,132	373,236	382,567	392,131	401,934	411,982	422,282	432,839	3,677,606
Aquatics, Parks and Open Space	94,168	236,834	242,755	248,824	255,044	261,420	267,956	274,655	281,521	288,559	2,451,737

7 dec agenda p35/135

Capital expenditure		\$ nominal per year									
Renewals											
Roads, Transport, Stormwater and Drainage	706,263	1,776,255	1,820,682	1,866,178	1,912,833	1,960,654	2,009,670	2,059,912	2,111,410	2,164,195	18,388,031
Buildings renewal and maintenance	141,253	355,251	364,132	373,236	382,567	392,131	401,934	411,982	422,282	432,839	3,677,606
Aquatics, Parks and Open Space	94,168	236,834	242,755	248,824	255,044	261,420	267,956	274,655	281,521	288,559	2,451,737

p36/135 7 dec agenda

Total		\$ nominal per year									
Total use of proposed SRV income	1,883,367	4,736,681	4,855,098	4,976,476	5,100,888	5,228,410	5,359,120	5,493,098	5,630,426	5,771,186	49,034,749
Difference between additional SRV income and its uses	0	0	0	0	0	0	0	0	0	0	0

CJJ: p37/135 7 dec "Vague" use of terms for intended allocation of any approved SRV. Needs to be explicit & avoid 'wish lists', 'un-essential' and focus on 2022 CSS re-confirmed feedback.

Currently the proposed use (as per above table) of the 104.49% permanent, compounding, Special Rates Variation, appears to be somewhat vague, not detailed nor prioritised, which is not reassuring, especially considering the NSW Auditor-General's comments, in the recently qualified Tenterfield Council's annual financial statements for 2021/22, ie:

"...the Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2022. In doing so it has not complied with section 408 of the Act."

See extract below.

The 2021/2022 annual financial statements, were approved by all Councillors, as recommended by the officers.

Did all Councillors fully appreciate the issues, including legislative & contractual ‘non-compliance’, now publicly documented by the NSW Auditor-General in the Audit Report & Qualification from p84-95 of the Audit Comments in the TSC

Annual Report 2021 2022 Appendix 2 Financial Statements For Year Ended 30 June 2022

PDF ?

<https://www.tenterfield.nsw.gov.au/your-council/council-committee-meetings/council-business-papers>

ANNUAL REPORT - WEDNESDAY 23 NOVEMBER 2022

Non-compliance with the Local Government Act 1993 - use of externally restricted funds for purposes other than their intended use

Council has reported a negative unrestricted cash balance from 1 July 2021 to March 2022. The Council reported a positive unrestricted cash position (before internal allocations) of \$5.5 million at 30 June 2022.

The Council acknowledges it has used externally restricted funds for purposes other than their intended use during the year ended 30 June 2022. In doing so, it has not complied with section 409 of the Act.

In addition, the Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2022. The Council acknowledges it may have used restricted special rates and charges funds for purposes other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410 of the Act.

INCOME STATEMENT

END at meeting

Note: The positive ‘unrestricted’ cash balance at 30 June 2022 only occurred due to prepayment of 75% of the 2022/2023 Financial Assistance Grant in 2021/2022, and 100% advance of at least one other government grant. ie There is still a significant cash problem

Tenterfield Shire’s pages of ‘community’ consultation ‘evidence’ appears to confirm NO to increased rates and YES to reduced services & the Priorities for the majority rural ratepayers being ROADS (not bike paths, fishing platforms in Tenterfield Town, youth precincts, aquatics, footpaths, lights in parks etc).

Did this mean NO to agenda rate increase proposals or NO to all rates increases?

3. SURVEY FINDINGS

Figure 12 Top Priorities for Council

D2. Thinking about the next ten years, what should be Council's top priority for the region?
Base: All respondents 2020/2022 (n=702)



This recent independent CSS re-iterates the TSC conducted ‘survey’ many months ago. Why are Councillors not listening to and respecting the feedback from ‘community’ consultation implemented by TSC itself, let alone other formal feedback on many other occasions?

Feedback on Consultants report on ‘Capacity to Pay’.

High levels of Property ownership, low mortgages, low rates debts DOES NOT mean ratepayers should be forced to bear the \$ consequences of councils’ apparently ‘unviable’ decisions & actions as Tenterfield Shire appears to have a high level of inherited property, lower purchase prices, high ethical standards re paying debts on time and many assets are not easily cashable or are used as part of a business activity.

Please Do not bankrupt our farmers or destroy our older lower income Ratepayers who chose TSC as a low rate, essential services only, rural retirement destination.

It is concerning, that while IPART's Role is to protect Ratepayers from excessive rates increases, this is not really happening, especially with the many modifications to the Rate Peg calculations being lobbied by the well-funded Local Government industry. An Industry funded by mandatory rates & charges supporting the association membership & administration, conferences & meetings of council staff & elected representatives!

The Rate Peg & the Special Rate Variation process needs to require inclusion of only Essential Needs, Council mandatory priorities, and EVIDENCE of majority Ratepayer support, while excluding 'services' which are 'wish lists' & unaffordable 'community' aspirations, council advocacy only, including cost shifting activities & priorities or responsibilities of other agencies or individuals, which Tenterfield Shire seems to take over enthusiastically, without having sufficient financial capacity.

ie insufficient financial capacity as evidenced by the current permanent compounding 104.49% proposed special rate variation to be imposed on ratepayers & residents complicated by multiple senior officers comments that approval of the 104.49% will only apparently 'keep our head above water'?

Eg many grants are 'cost shifting' with some initial State support, but ultimately become Council operational \$ responsibility, affecting depreciation, insurance, expanded infrastructure, replacement & \$ ratios.

Who has been approving these grant 'contracts' or 'agreements' & when did Councillors resolve these \$ transactions? Months after the contractual date with the 'next' budget review? (there is no budget review for each 30 June, so no update until the annual financial statements are included in TSC agendas?)

Somehow, the IPART focus seems to be on restoring financial viability for those NSW Councils which have been making decisions increasing their deficits and compromising their cash flow – predominantly through '*community*' consultation, which frequently excludes RATEPAYERS from explicit knowledge or the ability to participate in & see the evidenced responses & participation #s of all consultations, despite every council having a specific contact address for every Ratepayer & being required to maintain a non-resident Ratepayer electoral roll where Ratepayers seek inclusion (who even knows this is available?).

Note: Council committees include a sample of 'volunteer' ratepayers or residents or others and are not representatives of all ratepayers, nor even of a Council determined 'group' of ratepayers.

Council should retain responsibility to properly inform all ratepayers & residents, not rely on distribution by an un-resourced, untrained group of volunteers (volunteers for whom we are grateful)

I suggest the evidenced, multiple NO to rates increases responses, (in particular - those in the Council arranged 'surveys') probably reflect earlier, (post the 2021 election) council agenda proposals of 28%, 48%, 58%, approx. 80%, approx. 110% (over 3 years only) & now 104.49% at the end of the first 2 years only (but still more than likely to be approximately 200% over the 10 year Long term Financial Plans), & ratepayers would possibly consider a reasonable increase for essential activity. Eg 10% pa.

ie It would appear that these majority NO to rate increase responses clearly indicate the 28%, 48%, 58%, approx. 80% or approx. 110% SRV proposals aren't acceptable either?very

Note: The constantly changing presentation of the % increase is confusing many unnecessarily.

I suggest the likely increase in general rates (before other Rate Notice mandatory charges increases) it is still likely to be approx. 200% over the 10 years, including updated Rate Peg estimates. A more reasonable rate increase – eg 10% pa may be acceptable to the majority of

ratepayers and residents.

ie Necessities not luxuries. It is a large rural shire with few ratepayers & residents.

Based on several comments by senior officers, including the Chief Executive & Manager Finance & Technology, over recent TSC meetings in particular, I am very concerned that the Ratepayers & Residents (& possibly the Councillors) still do not have updated estimates for the required 10 & 20 year plans, which include many \$ changes over the past 10 months.

This is becoming clearer that this significant \$ shortfall doesn't only apply to the General Fund at all, even if the particular SRV application does only relate to the General Fund.

It would also appear that the recent quarterly budget review may not fully reflect all known or likely \$ expenditure changes since the beginning of 2022 calendar year either, despite increasing the estimated deficit?

If the majority of ratepayers & residents in a particular Rating category & locality provide evidence of their active support, including support of the required Rate Notice increases, then perhaps it is only those Ratepayers who are charged. Eg those outside Tenterfield Town would rarely use the 'services' within the town & immediate area, despite being charged. This comment relates to 'services' which are not 'essential' for Ratepayers & Residents in particular and which should not be spread across all Ratepayers rate notices.

Who is approving the many grants – however helpful they may be especially for roads, bridges, culverts, potholes? Every grant would have specific conditions related to it including timing of payment, co-contribution & officers should be able to advise Councillors on the 10 & 20 year financial consequences, including depreciation, insurance, write off of old asset, addition of new asset (affecting future ratios, cash flow and \$ maintenance etc budgets), training, extension of infrastructure eg roads, paths, fences, toilets, parking etc associated with installing a handicapped fishing platform at Tenterfield Dam) before any contractual commitment on behalf of Tenterfield Shire.

eg very recent press updates on the recently 'approved' grant for 4 bridges & potholes?

I don't recall the details coming to a public agenda, especially showing the 10 & 20 year consequences. Providing this \$ information at the next quarterly budget review for Council approval suggests officers are making these decisions despite the Councillors bearing the \$ consequences on council's financial viability. Is this a formal delegation? If not, no grant contracts should be 'signed' without a formal public agenda report showing the full \$ consequences over the 10 & 20 year plans. This could be done prior to advice of the approval by the provider as presumably the requested amount, grant conditions & knowledge of the longer term \$ consequences would be known to the responsible executive officers?

The Sam Faraway, 30 Nov 2022 press release is on TSC website – media releases, but the Mayor's 1 Dec 2022 message on TSC facebook, re \$579,000 to fix potholes, is still not showing on TSC website media or news sections?

Note: Transport for NSW – application form - space for signature by 'authorised officer'????
Who?

*“will this project commence within six months of transport for NSW receiving a SIGNED funding deed?” WHO has signed the funding deed? Under what delegation if no Council resolution?

This suggests that deficit & cash flow issues extended by grant acceptance may be the responsibility of the Chief Executive & the Council officers, (via delegated authority from Councillors in Resolution #XX?.

What are the resolution numbers for TSC review of all delegations within the first 12 months of each term, for the past 5 terms of Council?

When has TSC scheduled the public agenda report related to the review of ALL TSC delegations within the first 12 months following the each term of Council.

4 December 2021 is the date of the last NSW local government election.

The by-election for C & E wards was held on 26 February 2022

In many cases grants are a 'cost shifting' exercise by other government agencies as they not only put the cash flow & Council final contribution risks firmly on Council's \$ budgets, but they create significant 'community' expectations that once in place the 'service' will not only continue but related infrastructure will expand.

Mrs J [REDACTED] Evans

Tenterfield NSW 2372

26 February 2023

Independent Pricing and Regulatory Tribunal (IPART)
PO Box K35
Haymarket Post Shop
NSW 1240

ipart@ipart.nsw.gov.au

RE: Special Rate Variation submission by the Tenterfield Shire Council

I am aware that the Tenterfield Shire Council (TSC) has presented a submission for IPART to consider their application for a Special Rates Variation (SRV) of 104.49%. I am also aware the Ratepayers' Association of Tenterfield Shire Inc has asked you to reject the TSC SRV who will be presenting their submission in the appropriate format with the supporting documentation.

I am a member of the Tenterfield community and concerned about the proposed rate increase. I support the RATSInc. in asking you to reject the TSC's SRV. I will be greatly impacted by the SRV if it is approved, the reasons being:

I am 75 years of age and receive a Single Pensioner payment from Centrelink. I live in my own home in Tenterfield and have no family, so therefore I am reliant on help from friends.

My budget is a strict budget with no frills at all and to have my rates rise to \$3,633 in 2025 is of concern. As well as the rate rise Council raises their fees and charges each year. I have only a very small bank account and struggle to pay my bills each month. I may have to stop paying for health insurance which worries me greatly.

I am not alone with my concerns my friends are also pensioners and some have no spare money at all. What will they do? Council pays no heed when advised that many people will not be able to pay and will have to default or leave town (as the [REDACTED] stated at a public meeting), but where will they go? It is exceedingly difficult to move away from friends and family in your later life.

Indeed the Financial Officer, [REDACTED] stated at a Council meeting that Council has identified that 5,000 persons in Tenterfield Shire are in the low socio economic bracket. Surely that must send a message to Council but they have decided to pursue the SRV of 104.49%

I ask that you give careful consideration to all submissions from the stakeholders in the Tenterfield community and look forward to your decision on this SRV and your reply to this letter.

Concerned TSC community member and ratepayer

SIGNED: _____ J [REDACTED] Evans _____

DATED: _____ 26 February 2023 _____

Author name: J. Evan

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: J. Evans Sent: Sunday, 26 February 2023 11:38 AM To: IPART Subject: Submission to IPART re Tenterfield Shire Council SRV rise of 104.49% Please find attached my personal submission re Tenterfield Shire Councils submission to IPART for a SRV of 104.49%. Thankyou J. Evans

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Author name: J. Thomson

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: [REDACTED] Sent: Thursday, 2 March 2023 12:39 PM To: IPART Cc: [REDACTED] Subject: Special Variations & Minimum Rates 2022/23, Tenterfield Shire Council, Special Review

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

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Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

SUBMISSION TO IPART ON TENTERFIELD SHIRE COUNCIL APPLICATION FOR SPECIAL RATES REVIEW

Name of IPART Review – Special Variations and Minimum Rates 2022/23

Name of Council – Tenterfield Shire Council

Application type – Special Review

SUMMARY

Tenterfield Shire Council (TSC) has applied for 43% Special Rate Variation (SRV) (“the Application”) for the years 2023/24 and 2024/25.

These increases will provide more money to fund the Delivery Program, the Long Term Financial Plan and the Asset Management Plan. TSC has not demonstrated the need for this level of funding, has not indicated any increased levels of service to be provided, has not shown clearly that the community wants to pay increased rates for the same level of service, and has not demonstrated that it has explored or exhausted the alternatives to a rate rise.

Fees and charges are planned to increase 8.2% in 22/23, and 6.71% in 23/24 (Attachment 34 to TSC Application, Morrison Low Report, Appendix B, P.24) (“Morrison Low”)

TSC has engaged in some consultation in relation to the SRV, by a variety of measures. This consultation has not been open and transparent. TSC has selectively determined what it wanted to present and to hear, and ignored much of the community response.

TSC has not demonstrated the reasonableness of the rate rise in relation to socio economic conditions of the area. TSC is seeking to move from a Council with a low level of rates to one with a high level of rates, and has not adequately considered the community’s capacity to pay.

This submission focusses on the SRV as it relates to residential rates with specific attention to Urbenville.

CRITERION 1 - THE PURPOSE OF THE SRV

- The SRV doubles rate revenue in 2 years, and sustains that increase indefinitely. It would remove any need for grant funding, which is in essence an exercise in cost shifting from Governments to ratepayers.
- TSC claims the SRV will enable it to “manage impacts of new assets generated from grant funding” (Application Part B P. 9) when the very purpose of the SRV is to reduce reliance on grant funding.
- TSC proposes an SRV to totally fund from internal sources projected deficits of up to \$5.7m per year over a decade. There is no need to eliminate borrowing. Borrowing which funds long term

assets and community benefit for the future is not false economy. It saves money in the long term and puts the cost where it belongs, with the beneficiaries in the future.

- The TSC Long Term Financial Plan 2022-2032 (page 5) said “ the key performance measures on which Council is measured are as follows from the 202/21 audited financial statements” and went on to include the following data:

	Target	TSC	General Fund	Water Fund	Sewer Fund
Operating Performance Ratio	>0	1.12	-4.2	-9.7	37.9
Unrestricted Current Ratio	>1.5	2.25	2.25	4.5	42.3
Debt Service Cover Ratio	>2	6.98	6.67	5.12	11.71
Own Source Operating Revenue Ratio	>60	31.97	24.6	57.2	98.4
Cash Expense Cover Ratio	>3	7.88			

The 2020/21 Your Council Stats produced by OLG (OLG 20/21) included the following data:

	Benchmark	State	Group 10 Councils	Tenterfield Shire
Operating Performance Ratio				1.1
Own Source Revenue %	60	60.8	51.3	32
Debt Service Cover	2	7	14.9	7
Debt Service Ratio %	0 -20	4.5	4.0	4.5
Cash Expenses Cover (months)	>3	13.9	13.4	7.9

It is only on Own Source Revenue that TSC does not meet the benchmark on the Key Performance Measures it recognizes. Many Councils in NSW do not meet all the benchmarks. But these performance indicators do not support doubling the level of rates.

- Low Own Source funding is accompanied by higher grant source funding. Group 10 Councils have lower Own Source Funding than the State average. TSC is responsible for two significant regional roads. I understand that Bruxner Hwy, at least the 69 km between Tabulam and Tenterfield, is funded by block grants. Mt Lindsay Rd, 142 km from Tenterfield to Woodenbong, is not. Over the past decade, some 70 km of this road which was unsealed has been sealed and a number of bridges replaced, principally if not entirely by grant funding. Some \$30m of State and Federal grants have been allocated between 2019/20 and 2022/23 to rebuild 42km of severely substandard sealed road between Legume and Woodenbong. These grants are at least part of the “high reliance on grant funding” which has characterized TSC. I note TSC has attempted to have

NSW take responsibility for these roads, and if they succeeded it would substantially reduce its road expenses, depreciation and need for grants.

- Worksheet 8 to Part A of the Application show that over 10 years (23/24 to 32/33) the sum of annual Net Operating Results surpluses is estimated at \$34.631m in the general fund. Based on 5100 rate assessments, this is a cumulative transfer to TSC of about \$6,800 for each residential ratepayer, which simply provides surpluses for TSC. It is not funding additional services. There can be no justification for rate rises simply to fund surpluses.

CRITERION 1 - ALTERNATIVES TO THE SRV

- TSC has not addressed at all what service levels could be reduced to assist its funding problems.
- TSC has not indicated possible asset sales to free up funds to reduce borrowings, and whether this would reduce ongoing maintenance costs and/or increase revenue.
- TSC has not proposed any plans with measureable performance targets to reduce costs and improve performance and efficiency

CRITERION 2 - COMMUNITY AWARENESS AND ENGAGEMENT

- The consultation sessions in early 2022 on community needs and expectations were in the context of dreaming the future – not based on or in the context of substantial rates increases.
At least one consultation session was communicated less than 3 days in advance, leaving open the impression that it was intended to deliberately discourage attendance.
- During 2022 I emailed Council and Councilors in relation to the proposed SRV, but I did not receive any acknowledgement or response.
- There are no local newspapers in Urbenville, and if there are in Tenterfield they do not reach Urbenville. There is no local radio station. While internet, web sites, Facebook and other social media are available, they are not used by all. TSC has not tried very hard to keep the community informed or involved.
- TSC produces about monthly “Your Local News”, a one page circular. It includes notices of Council meetings, notices of development consents, Covid announcements, and movie show times in Tenterfield. It has not to my recollection given details of community consultation meetings, or canvassed issues in relation to SRV. The January 2023 edition did not refer to the SRV application or alert ratepayers that this was a further opportunity to be engaged.
- It appears to me (in hindsight) that TSC had a fairly simple but sophisticated consultation plan:
Step 1 was to raise community expectations about what they could aspire to get from TSC
Step 2 was to try to slide past a substantial rate rise

Step 3 was to buckle in and ride out any opposition
TSC has not sought to seriously engage or consult

- Consultation should not be about telling ratepayers what the Council wants them to hear. It should be about sharing information, providing access, exchanging and exploring views, and providing genuine honest and transparent two way communication. TSC does not and has not done that.
- TSC criticizes the Our Shire Our Council Initiative (OSOCI) for delivering “systematic and targeted statistics seeking to support their view without context and not evidenced based”. (Application Part B, P. 39). TSC is possibly right – OSOCI selectively argued its case. However, I think TSC needs to recognize that that is exactly what TSC has done in its Application to IPART. (see below the section addressing Criterion 3)
- On P. 57 of the Application, TSC states that “the feedback from the community consultation was also that overwhelming ratepayers did not want to see an increase in rates” (sic). I think this means that the ratepayers were overwhelmingly opposed to increased rates, although it may mean ratepayers were in fact overwhelmed by the scale of increase proposed. In either case, TSC has clearly ignored widespread expressions of opposition to the proposed increase.

CRITERION 3 - IMPACT ON RATEPAYERS

This submission is based on the assumption that the application of new VG valuations effective from 1 July 2023 will have a more or less neutral effect on the actual level of rates – that is, that increases to the overall level of rates in 2023/24 will be due to rate peg 2023 and any level of SRV approved, and not to the approximately 80% increase in valuations about to be issued across TSC.

- The SRV application notes that TSC rates are among the lowest of Group 10 Councils. OLG 20/21 shows only 3 of 22 councils with lower average residential rates than TSC. The Application (P.45) has TSC as the 3rd lowest of 7 neighbouring councils, and Morrison Low (Table 14 P.18) shows TSC rates are 86% of the average for the 7 neighbouring councils. But the first year of the SRV and rate peg would move Tenterfield to 2nd highest among this group, and 118% of the average rates for the 7 councils, and the 2024/25 estimates show TSC with the highest level of rates by 25%, and 165% of the average rates for the group.
- Using Table 10 Morrison Low (P. 20) average residential rates for all Group 10 Councils, only two councils would have lower average residential rates than TSC in 2024/25. TSC would move from the 3rd lowest average residential rate of 22 councils to the 3rd highest.
- So far as I can ascertain, my rates will increase from \$575 in 2022/23, by \$247 in 2023/24 and a further \$349 in 2024/25. This an aggregate increase of \$596 in just 2 years, more than doubling. That will then be the ongoing base for my rates. Over a decade, using the IPART planning figure of 2.5% for rate peg adjustment, my rates will increase to over \$1400 each year.

- OSG 2020/21 shows TSC having a socio economic index rating (2016) of 10, the second lowest among 22 Group 10 councils, and one of only 5 below an index rating of 20. The OSG 2020/21 places TSC as Council with the lowest annual taxable income (\$36,711) of any of the Group 10 councils, with only one other below \$40,000 and only two others below \$45,000.
- Morrison Low (P. 8) says TSC has 77% of its households in the two lowest quartiles of equivalised household income in NSW.
- Morrison Low (P.11) states “the levels of full or part time employment are indicative of the strength of the local economy and social characteristics of the population”. It then notes total employed persons as 92.4% and unemployed (unemployment rate) as 7.6%. These figures relate only to those in the workforce. In the 2021 census, 48.7% of all residents over the age of 15 in Urbenville 2475 were NOT in the workforce, compared with 33.1% of all Australians not in the workforce. In Urbenville, 37.3% of families had both partners NOT working, compared with 21% of all Australian families. The high level of employment and relatively low level of unemployment mask the real indicator of the lack of strength of the local economy and community – the low level of engagement in the economy demonstrated by the low participation rate, exacerbated by the low levels of median income.
- From the 2021 Census (ABS Quick Stats)

	Urbenville	Tenterfield	Tenterfield LGA
Population	331	2826	6810
Median weekly household income	\$833	\$807	\$885
Median monthly mortgage repayments	\$824	\$1083	\$1083
Median weekly rent	\$220	\$245	\$240

- From the 2021 Census, Australian Median Weekly Household Income was \$1786 in 2019/2020. From the ABS, Average Weekly Earnings in May 2022 were \$1,769.80 and from the Fair Work Ombudsman, the Australian Minimum Weekly Wage was \$812.60 in July 2022. The Consumer Price Index in December 2022 was 7.8% pa,

Clearly, the residents and ratepayers in TSC live in a low socio economic region. While there are slight differences in the medians between areas in the LGA, they are far less than the differences between the LGA median and Australia as a whole. HALF the residents of TSC have income which is HALF that of all Australian households. Household income in TSC is barely above the legal minimum wage and significantly below comparable LGAs. These are not averages distorted by a few very low or zero incomes. These are medians – one half of the scores are above, the other half below.

This clearly demonstrates that far from a high capacity to pay additional rates, at least half of the ratepayers of TSC have a very low capacity to pay, probably another quarter have a low capacity to pay, and that capacity to pay will decline even further with continuing high levels of price increases, and continuing high interest rates.

- There are a high proportion of renters in the LGA, a high proportion of people reliant on social welfare payments, and a low level of workforce participation. There is a clear linkage between these and the level of rents – the low level of rent is affordable for people on low fixed incomes or low wages. Interest rates are rising, and so are rents. Any increase in rates will feed into increased rents, a difficult situation for people already at the bottom, and one which will cause hardship. There is no Council hardship policy which covers them.
- Nearly 20% of all TSC rate assessments are eligible for the pensioner discount. Of itself this indicates low income and low capacity to pay higher rates. Further, this rebate has not changed for at least 9 years. While this is a matter for the NSW Government, there is no suggestion by TSC that it might approach State or Federal Governments to see this rebate increased.
- In Morrison Low (Table 13 P. 15) there is a 5 year comparison of cost of living in Regional NSW. It is quite unclear how this relates to TSC residents. It includes (for 20/21) a total disposable income per household of \$125,270 for 20/21, and net annual savings of \$26,724. The disposable income is three times the median household income of TSC, and the annual savings about 60% of the median household income of TSC. It also shows a level of Discretionary Spending for households in rural NSW of \$45,285 – higher than the median level of household income in TSC. OSG shows median household TAXABLE income of \$36,711 for TSC – 30% of what Morrison Low states as DISPOSABLE household income in rural NSW.
- TSC does have a hardship policy. It is of no assistance in relation to capacity to pay. It does not reduce, suspend or cancel rates. It only operates to defer payment, and with interest, unless TSC decides as an act of grace to not charge interest.

CRITERION 5 – PRODUCTIVITY IMPROVEMENTS AND COST CONTAINMENT STRATEGIES

“Councils should provide evidence of strategies and activities and robust data quantifying the efficiency gains” (IPART Special Variation Application form Part B P58)

- TSC comments on P.59 of its Application Part B are irrelevant. The Table on P.60 does not address at all what TSC has done or is doing. TSC Application Part B P.61 does not address the recent past, the present or the future. They quantify nothing. The responses on P.62 are historic and general, with no quantifiable action or outcome.
- The responses in the Table Pp 63 - 81 have some action indicated, but most are generic fluff. No possible outcomes are provided which might at some time be measured. There is no evidence of any productivity improvement, cost saving, asset realization or other cost saving. There is certainly not any robust data.

- There are only 2 quantified responses - a reduction of FTE “from 112 in 2020 to 105 in 2022” and “reduced management tier from 12 to 9”. (P84). With 9 managers for 105 FTE employees, there is one manager for each 12 employees. This very high ratio of leaders to followers.

OTHER COMMENTS

- Using data from the Application Part A, Worksheet 2, the residential rate structure for TSC could be placed in 3 broad categories:
 - (1) the “Villages”, (Urbenville, Jennings and Drake) with 317 assessments. Average rates about \$600, average land values less than \$40,000.
 - (2) “Tenterfield” with 1592 assessments. Average rates \$664, average land value \$56,000
 - (3) “Other” with 1474 assessments. Average rates \$598, average land value \$96,330

	No of Assessments	Total Land Value \$m	Av Land Value per Assessment \$	TSC Notional Income \$000	Average Rates/ Assessment \$
“Villages”	317	11.5	36,247	190	600
“Tenterfield”	1592	89.1	55,956	881	664
“Other”	1474	142.0	96,330	1,058	598
Total	3391	242.6	72,037	2,140	631

(Note that 8 properties “Tenterfield Urban” and 7 properties “Tenterfield and Urbenville MDAF” have not been included)

On the surface, this is indeed a highly equitable sharing of rates – on average residential properties in TSC pay about \$600 per year in rates. Not only that, but those in Tenterfield who have the most ready and close access to TSC facilities – pool, museum, library, parks and gardens – pay just a bit more than the others.

- The same data shown differently presents a vastly different story:

	No of Assessments	% of Assessments	% of Notional TSC Income	% of Total Land Value	Notional TSC Income (Cents per \$ Land Value)
“Villages”	317	9.3%	8.9%	4.7%	1.66
“Tenterfield”	1592	46.9%	41.2%	36.7%	1.99
“Other”	1474	43.5%	49.4%	58.5%	0.62

The “Villages” with 4.7% of the value of land in TSC provide almost 9% of the rates income.

“Tenterfield” is marginally better off – 37% of the land value yields TSC just over 40% of its rate

income. But almost 60% of the land value – properties with an average value of almost \$100,000 (before revaluation) and almost double the average values of the rest of the residential properties in Tenterfield Shire – provide less than 50 % of TSC rate income. Further, the rate “yield” for TSC (cents per \$ of land value) is three times as high from the lower value properties than from the higher.

The differences within the TSC rates structure are probably as great as those between TSC and its neighbours, or between TSC and all Group 10 Councils. If TSC drew from all its residential ratepayers a similar proportion of property value it would receive about \$1.7m more each year and every year, without any recourse to an SRV. TSC has said rising house prices are indicative of higher household wealth and therefore greater capacity to pay. Perhaps TSC ought to tax what already exists in property value within the Shire without looking to place even more of the burden on households in the two lowest quartiles of wealth and income in Australia.

- The residents of Urbenville do not have access to the same levels of services from TSC as do the residents of Tenterfield town. The pool, library, museum, parks, gardens and community hub activities are of no benefit or use to us. Our Library, which was 2 hours per week, has been stopped. It is a 285 km almost 5 hour round trip to Tenterfield. There is no public transport. Services are available closer:

Pool – Woodenbong (12km), Kyogle (70km)

Library – Kyogle

Shopping – Kyogle, Casino 70km, Beaudesert or Casino about 90km, Lismore or Warwick about 100km

Cinema – Kyogle or Warwick

No doubt other residents of TSC outside of the town itself share the same issue. It is not equitable that our rates should be increased to fund services that it is difficult and costly, if not impossible, to access or utilize.

SUMMARY

TSC has asserted that it has problems with short and long term funding. It has demonstrated that it is currently among the councils with the lowest level of rates. Its own source income is at the low end of all councils. It does rely heavily on grant funding. These do not provide justification for the level of increases applied for.

TSC has not demonstrated sustained or serious efforts to improve efficiency or cost effectiveness. It has made minimal efforts to seriously review levels of service provision, and it has demonstrated no efforts to rationalize assets.

The level of Own Source Funding is not the serious problem painted, as adequate grant funding has been available.

That TSC has lower rates than most similar councils is exactly as it should be. TSC is one of lowest socio- economic areas in Australia. It is a low income area. There is absolutely no justification for a rate rise significantly turning TSC into a high rate council, or for the impact that will have on the community.

TSC performance against a range of benchmarks is not good. But that does not warrant a 104% increase in rates over 2 years, and ongoing rates at that inflated level. It does suggest that more consideration be given to planning within the limits of available resources, and more attention be given to internal management and efficiency.

The consultation processes followed by TSC were severely deficient. TSC did not genuinely seek to consult, but having done as little as it could, it then ignored all the feedback that it did not want to hear and treated the community response as irrelevant.

The information and analysis presented by TSC in relation to capacity and willingness to pay is seriously compromised. The Morrison Low report does not support the TSC view that there is community capacity and willingness to pay – TSC has struggled manfully to pluck whatever it could that supported the view that it wanted, and ignored the rest. The population of TSC is by every measure one of the lowest socio-economic groups in NSW. It is not the well-off who would struggle with this rate increase, it is the worse off. Fully 77% of the ratepayers in TSC are in the lowest 2 quartiles of equivalised income in NSW. The median household income in TSC is barely above the adult minimum wage. Almost half the population in TSC is not even in the workforce, so the level of unemployment is hardly relevant.

TSC has failed to provide any substantiated evidence of efforts to address cost, efficiency or governance problems. Large parts of its Application in this section simply rehash the past, and address nothing of the present or future.

The current TSC rating structure is grossly distorted – the 56% of ratepayers who own 40% of the value of all properties pay 50% of the rates. The 44% of ratepayers who own 60% of the value of all properties pay less than 50% of the rates.

CONCLUSIONS

- 1. The Application should be rejected.***
- 2. TSC should be directed to review its residential rating structures to develop a residential rating structure which more equitably draws rates from the community, recognizing realistically capacity to pay, the socio-economic facts of the area, and the differences between groups and areas within the community.***
- 3. In the event that IPART does not reject the Application :***
 - (a) any increase granted should be for 2 years only, without any continuation ;***
 - (b) any increase granted should not exceed 10% in each year, or 10% for any individual ratepayer***
- 4. If any increase is granted TSC should be directed to revise its Hardship Policy to realistically respond to genuine hardship in the community as a consequence of any rise.***

DETAILS OF THE SUBMISSION PROVIDER

Name: A [REDACTED] Gillies

This a public individual submission and may be published

This information is not for publication:

Phone [REDACTED]

Email: [REDACTED]

I have read and accept IPART's Submission Policy, and any or all of this Submission may be used in accordance with that Policy.

I consider my phone number and email address to Private and Personal Information, and they are not for publication or release. They are only for IPART to contact me if required.



Media Release

19 August 2019

UNDERSTANDING YOUR RATES

2019/2020 Annual Rates Notices were issued at the end of July 2019 and since that time Council has received many enquiries regarding the perceived large rates rise and the new water infrastructure charge of \$77.00 per annum to part fund the new Tenterfield Water Treatment Facility.

In order to offer some understanding of the reasons, ratepayers and residents may not be aware that Local Government accountabilities have grown from roads, rates and rubbish to encompass 77 sub-programs:

No.	Accountability	No.	Accountability
1.	Strategic direction & planning	2.	Corporate relations and intergovernmental affairs
3.	Corporate planning & reporting	4.	Workforce planning
5.	Workforce culture	6.	Workforce performance
7.	Business process improvement	8.	Corporate communications
9.	Legal services	10.	Procurement & tendering
11.	Internal audit	12.	Business continuity and risk
13.	Disaster/emergency management	14.	Workplace health and safety
15.	Community services	16.	Tourism
17.	Culture, theatre and museum	18.	Library
19.	Community grants	20.	Sponsorship
21.	Community capacity building	22.	Road safety & Traffic Committee
23.	Community & corporate buildings	24.	Community buildings hire
25.	Community events	26.	Community engagement
27.	Media, branding, marketing & communications	28.	Social media and web
29.	Customer services	30.	Sport and recreation (passive and active)
31.	Aquatic	32.	Open space amenities
33.	Saleyards	34.	Feral pests
35.	Tree management	36.	Street and public domain lighting
37.	Place (public domain)	38.	Information and knowledge management
39.	Information technology and communications	40.	Land and mapping information
41.	Business systems/solutions technology	42.	Financial planning and management
43.	Human resources	44.	Workers compensation
45.	Recruitment and selection	46.	Depot, store, fleet, plant and equipment
47.	Assets and project planning	48.	Business support
49.	Civic	50.	Governance
51.	Land use planning	52.	Urban design
53.	Land use data management and mapping	54.	Land use reporting

Department:	Office of the Chief Corporate Officer
Submitted by:	Manager Customer Service, Governance & Records
Reference:	ITEM GOV31/19
Subject:	Operational Plan 2019/2020

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

CSP Goal:	Leadership - LEAD 12 - We are a well engaged community that is actively involved in decision making processes and informed about services and activities.
CSP Strategy:	Maintain strong relationships with all levels of Government and proactively seek involvement in decision making impacting our Shire and the New England Northwest Region.
CSP Delivery Program	Provide sound and inclusive decisions using the Community Engagement Strategy to guide our interactions.

SUMMARY

The purpose of this report is for Council to adopt the Tenterfield Shire Council Operational Plan 2019/2020 (circulated under separate cover), as amended to include submissions following public exhibition from 24 April 2019 to 22 May 2019, for inclusion with the current Tenterfield Shire Council Delivery Program 2017/2021.

OFFICER'S RECOMMENDATION:

That Council:

(1) Adopts the Tenterfield Shire Council Operational Plan 2019/2020 with the following amendments:

- **Waste Fees – The 120-240L General Waste Bin or Bag fee shall be \$12.60;**
- **Section 603 Certificate – the charge shall be \$85.00;**
- **Sewerage Usage Charge – Non Residential shall be \$2.76 per kilolitre;**
- **Waste Vouchers – the value of each of the three (3) waste vouchers will be \$18.80;**
- **Saleyards Truck Wash Fee – the fee to be removed pending confirmation of location;**
- **Cattle Carcass Disposal Fee – the disposal fee at the Saleyards will be \$238.00;**
- **Mount Lindesay Private Line Water line availability - the charge shall be \$608 (being \$488 Residential connection charge plus \$120 to fund maintenance works on the line);**
- **The Waste Management Availability Charge shall be renamed as the Waste Management Facility Charge;**
- **Proposed borrowings be increased by \$830,000 in relation to the Truck Wash (deferred from 2018/19), and**
- **Corrections for minor typographic errors.**

(2) Adopts the following documents as part of the Tenterfield Shire Council Operational Plan 2019/20:

Our Governance No. 31 Cont...

- (8) In accordance with Section 502 of the Local Government Act 1993, makes, fixes and levies a minimum water consumption account charge of \$25 for each of the six (6) monthly billing periods. Further, that if at the time of reading a water meter it is found to be damaged or has stopped, an account will be issued based on the previous two corresponding water bills.**
- (9) In accordance with Section 502 of the Local Government Act 1993, makes, fixes and levies a Water Infrastructure Charge per assessment connected to the Tenterfield Water Treatment Plant of \$77 to part fund the loan associated with the new Water Treatment Plant).**
- (10) In accordance with the provisions of Section 501(1) and 502 of the Local Government Act 1993, makes, fixes and levies a Sewerage Service Availability Charge of \$1,138.00 on all land assessable in the Tenterfield and Urbenville Town Areas and is:**
- connected to the Council's sewer main, or**
 - not connected to the Council's sewer main but any part of the property is no more than 75 metres from the Council's sewer main; and**
 - land from which sewerage can be discharged into the sewers of Council for the year ending June 2020.**

Further, that in respect of Residential Flat Buildings a Sewerage Availability Charge will be made equal to the number of residential flats multiplied by the service charge for a single connection.

- (11) Within three (3) months from the adoption of the Operational Plan 2019/20, Council be provided with a Policy to interpret Section 552 (3) (b) of the Local Government Act 1993.**
- (12) In accordance with the provisions of Sections 501(1) and 552 of the Local Government Act 1993, Council makes, fixes and levies Annual Access Charges for Commercial and Non-Residential Sewerage for the year ending June 2020, as follows:**

A Sewerage Access Charge will be incurred proportional to the customer's water connection diameter plus a pay for use charge based on the water used, calculated in accordance with the following connection options and the formula following subparagraph "j" below:

- a. Non Residential - Meter connection: 20mm - \$1,138 per connection per annum;**
- b. Non Residential - Meter connection: 25mm - \$1,138 per connection per annum;**
- c. Non Residential - Meter connection: 32mm - \$1,470 per connection per annum;**
- d. Non Residential - Meter connection: 40mm - \$2,296 per connection per annum;**

Compliance with the *Local Government Act 1993* - use of externally restricted funds for purposes other than their intended use

Council has reported a negative unrestricted cash balance of \$1.2 million at 30 June 2021.

The Council acknowledges it has used externally restricted funds for purposes other than their intended use during the year ended 30 June 2021. In doing so, it has not complied with section 409 of the *Local Government Act 1993* (the Act).

In addition, the Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021. The Council acknowledges it may have used restricted special rates and charges funds for purposes other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410 of the Act.

INCOME STATEMENT

Operating result

	2021 \$m	2020 \$m	Variance %
Rates and annual charges revenue	10.8	10.3	4.9
Grants and contributions revenue	32.0	20.7	54.6
Operating result from continuing operations	17.5	6.0	191.7
Net operating result before capital grants and contributions	(2.5)	(0.3)	733.3

The Council's operating result from continuing operations (\$17.5 million including depreciation and amortisation expense of \$7.6 million) was \$11.5 million higher than the 2019–20 result. This is mainly due to an increase in grants and contributions revenue for capital purposes.

The net operating loss result before capital grants and contributions (\$2.5 million) was \$2.2 million lower than the 2019–20 result. This is mainly due to a decrease in grants and contributions for operating purposes.

Rates and annual charges revenue (\$10.8 million) increased by \$431,000 (4.9 per cent) in 2020–21 due mainly to the normal rate peg allowance increases in the year.

Grants and contributions revenue (\$32.0 million) increased by \$11.3 million (54.6 per cent) in 2020–21 due to the effect of:

- additional funding received through the Fixing Local Roads program (\$3.8 million) for Tooloom Road and Kildare Road
- increased funding for the Mt Lindsay road upgrade (\$2.8 million)
- stimulus support for local infrastructure through the Local Roads and Community Infrastructure Program (\$1.3 million)
- drought community program extension (\$947,000)
- Disaster Recovery Funding Arrangement for March 2021 floods and storms (\$879,000).

NSW Ombudsman
Level 24 580 George Street,
Sydney New South Wales 2000

Urbenville: 5th January 2023

Dear Sir/Madam

My name is K [REDACTED] Schwottova, resident of Urbenville in Tenterfield Shire.

In May 2022 the residents of Urbenville complied to me about the yearly increase in rates and no hope to stop it. I purchased my property only on July 2020 and as a new resident I was interested what that is about.

So I started to study documents handed by Tenterfield Shire Council (TSC) at the meeting for Special rates variation in April 2022 in Urbenville hall.

On July 5th 2022 I organized my meeting with TSC with the list of questions, to which I got mainly answers ...all information are in documents on our website.

So, I started to study the documents on the website. Please see (attachment #5) for all my findings.

8th of September 2022 I sent a letter with my findings with relevant attachments to all addresses on the last page of my letter.

I received a response from:

1. Office of Premier of NSW thanking me to bring it to their attention and that Office of Local Government is dealing with local councils.
2. Office of Local Government thanked me as well and acknowledged my concerns and appreciated the reasons that prompted me to raise them. After their lecture When setting fees, what council must consider...

furthermore citate:

....."Under the Local Government Act 1993, councils are largely independent and self-governing bodies with rights and powers conferred by law. They are accountable to their electors for their actions. The Minister for Local Government

and OLG have limited powers to intervene in the day-to-day operations of individual councils.

My meeting with the Chief Executive of TSC was acknowledged too....

If I remain dissatisfied with Council's response it may be appropriate for me to put my concerns in writing to the NSW Ombudsman, who has statutory compliant handling and investigative functions and has jurisdiction over councillors, council staff and council....."

Therefore, I am writing to you for help.

- A. TSC council never sent response to my letter dated 8th September 2022 what was sent to them on 22nd September, as I was first waiting for responses from the original addresses.
- B. I only found out from (website) agenda for Ordinary Council Meeting – 23rd November 2022 to be held in Urbenville hall:

Attachment 1 Unadopted minutes Ordinary Council Meeting – Wednesday 26th October 2022

(ITEM GOV92/22) TENTERFIELD SHIRE COUNCIL – CONSIDERATION OF PROVIDING CREDIT / CREDITS TO ASSESMENTS / RATEPAYERS ARISING FROM APPLICATION OF WATER INFRASTRUCTURE CHARGE. (Attachment #6)

I attended this meeting as the only resident of Urbenville.

Please read this first, as in further attachments are the proofs how unfair, misleading and unlawful the management of TSC justified the charge. *This is the only part what TSC addressed from my letter dated 8th September 2022.*

C. PROOFS:

1. 29 MAY 2019 – OFFICE OF THE CHIEF CORPORATE OFFICER

ITEM GOV31/19 – SUBJECT Operational Plan 2019/2020

Officer's Recommendation:

- (9) In accordance with section 502 of the Local Government Act 1993 makes, fixes and levies a Water Infrastructure Charge per assessment connected to the Tenterfield Water Treatment Plant of \$77 to part fund the loan associated with the new Water Treatment Plant. (attachment #1)

2. 19 AUGUST 2019 **Media Release**

UNDERSTANDING YOUR RATES

2019/2020 Annual Rates Notices were issued at the end of July 2019 and since that Council has received many enquiries regarding the perceived large rates rise and the new water infrastructure charge of \$77.00 per annum to part fund the new Tenterfield Water Treatment Facility.

In order to offer some understanding of the reasons, ratepayers and residents may not be aware that Local Government accountabilities have grown from roads, rates and rubbish to encompass 77 sub-programs....

Finding:

in my letter dated 8th September 2022 every business and household with access to town water disregard even if not in Tenterfield area, just to be in TSC area was charged this \$77.00 yearly including 2022/2023 rates notices.

In Annual report 2018/2019 page 49 DP 23:01 TSC announced receiving \$7.mil grant from NSW government. Next 6th June 2020 \$2.645 mil from Federal government. Whole project in value of \$9.645 mil was grants funded.

In my opinion TSC should just refund next year 2020/2021 the \$77.00 in form of applied credit to the notices charged for it in 2019/2020.

INSTEAD, THE CHARGE CONTINUED.

3. November 2021 – **GENERAL PURPOSE – FINANCIAL STATEMENT 2020/21**

Auditor's notes (page 87 of 92) (attachment #3)

Council has reported a negative unrestricted cash balance of \$1.2 million at 30 June 2021.

The Council acknowledges it has used externally restricted funds for purposes other than their intended use during the year ended 30 June 2021. In doing so, it has not complied with section 409 of the Local Government Act 1993 (the Act).

In addition, Council is unable to verify that funds raised by special rates or charges were not used to pay for general fund expenses during the year ended 30 June 2021. The Council acknowledges it may have used restricted special rates and charges funds for purpose other than their intended use, without Ministerial approval. Such unapproved use would not comply with section 410 of the Act.

Finding:

The Office of Local Government is receiving all reports, they should make sure, that all legislations are followed. WITHOUT CONTROL???? Are they reading them?

Therefore, the unlawful \$77.00 Water Infrastructure charge funds have been used elsewhere.

4. 8th SEPTEMBER 2022 – RESULTS BY FUNDS WATER / SEWER

This table was attachment #3 to my letter dated 8th September 2022 to show

- a) To total income from water or sewer charges by TSC from 2015-2021 and NSW and Federal grants.
- b) The total expenses for the same period 2015-2021 (attachment #4)
- c) Where are the savings? Grants for capital works are in reports, but material and expenses are very low
 1. Or the reports are nonsense
 2. Or the grants and charges have not been used for intended purpose.
 3. Manager of Water and Waste told me in October 2022, that when she took over the post 4 years ago, the water funds have been \$4 mil in red....?????

I am showing these to you to underline the misuse of funds....

5. 23rd November 2022 – Ordinary Council Meeting – CONFIRMATION OF PREVIOUS MINUTES

(ITEM GOV92/22) – 236/22 Resolved that Council

.....

I am not going to cite them. (Attachment #6)

Reasons:

1. The original wording in Media release said per annum. Full stop.
2. The charges have not been dismissed after receiving full governments funding. Full stop.
3. Originally should have been applied only to the ratepayers they are going to have use of facility, in this case only Tenterfield (Act 1993). Full stop.

4. Keeping the charges with later justification (in 2022) is [REDACTED], as our water and sewer access charges until 2021 increased by 63% from 2014, with NO infrastructure improvements and TSC received exuberant amounts in grants for any of infrastructure purpose. Full stop.
5. If any institution overcharged the client, refund / credit is applied immediately after finding and acknowledging it. NOT NEXT Financial year. Full stop.

CLOSURE:

- A. I am asking for all residents and business owners charged for Water Infrastructure to be credited the whole amount of 4 years at \$77.00 equalling to \$308.00 immediately to the rates account.
- B. Hopefully my findings about Council's money management and decision making (attachment #5) could help to make some institution above councils more responsible in their work they are paid for, instead saying the electors are responsible to check. If you could follow with some recommendation to the NSW government, it will improve the hope of people, that this country is not lost in ignorance or "it is not my responsibility" or "no one will do anything" words.
- C. The second important issue apart from our refund is the long-term loans taken by councils. With the long terms loans Council (CEO, CFO...elected for 3-5 years) decides for us ratepayers to be responsible for those loans when they have gone. Long term, less repayments, more capacity to borrow... very serious road we have to walk...Definitely legislation stopping these happening and capping to 3-5 years is urgently needed.

Thank you for the help.

Regards

K [REDACTED] Schwottova

[REDACTED]

URBENVILLE NSW 2475

Author name: K. Schwottova

Date of submission: Tuesday, 28 February 2023

Please provide any other comments on the council's application that you would like to make here.

One day someone REALLY should pay attention to the reports and act before it is too late. The breaches have been reported in Accountants Notes to yearly Financial statements and NOTHING comes out of it. So the Question stays: WHO IS REPRESENTING THE RATEPAYERS. The Minister for LG Hon. Mrs Tuckerman responded to my letter from 8th September 2022 only in January 2023 ??? I was told in her letter to contact Councillors as we voted for them and they are accountable to us. I contacted them with NO RESPONSE.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

The Breaches of 2014 SRV - 1) Loan increase as per 30 June 2022 to 18mil with repayments of 900k yearly (document 44 SRV lodgement 2023)- all loans on long terms meaning bigger capacity to borrow - promised to repay loan of 1.1m for main strip upgrade from 2014 SRV. 2) Wage increases 2m in 2019-2021 - is breach of 0.4m Extra operating expenditure promised in 2014 SRV - it created demand of extra funding each year by 2m just to cover wages, NO increase in population in TSC actually decrease, all managers have been changed to Executive managers, despite in Infrastructure only 6 people, all reports are subcontracted outside - This was in Auditor's notes to 2021 FY as a breach of SRV and revenue ACT 1993 Section 9 and 10 without ministerial approval 3) If the residents do NOT agree with the increase Council was threatening to close the services to the residents as parks maintenance, they already closed some of our rural libraries, despite refurbishing Tenterfield one in value of 160k, road maintenance etc 4) LTFP - compiled for purpose of SRV lodgement not realistic, projects included they never have been consulted with the residents (example swimming pool on Urbenville - NO ONE ask for it, as Woodenbong has one and is only 12km away, 160k footpath upgrade to the hospital, nothing wrong with the existing one as only grass maintenance is not done. Sold of Mobile station in Tenterfield over 800k was used to "refurbished " TSC building only without residents consultation, as after fires and floods this funds should have been used elsewhere the Emergency Centre in Tenterfield with the Grant of 200k - TSC refurbished the admin building in the value of 2.2mil = it was never in LTFP in 2014 5) TSC fully ignores our objections to Water and sewerage charges - increase from 2014 to 2023 by 71 % total revenue 11,473m and the only Capital Water project Tenterfield Water treatment was NSW and federal governments fully funded 9.625m. The total Operating untied Grant was 34,793m from 2014-2022

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

The TSC called for several meetings, but residents refuse to come, as the funds from SRV 2014 have been used mainly in Tenterfield to "beautify " the city as this is the only legacy of CEO Darrell Buckingham I Katarina Schwottova of [REDACTED] Urbenville NSW 2475 sent letter to IPART on 8th September 2022 before you have been aware of TSC lodgement. Please open it as all findings are itemised there and are still current. I sent a copy to ALL Councillors and Mayor, NO ONE ever called or responded in any way. On 28th September 2022 I sent my finding to TSC and NO contact was made by ANYONE from TSC to discuss

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes, by publicized it on their website and saying it is available there. Majority of residents are farmers, mostly not computer literate and as for years TSC betrayed them they are not interested in further lies to listen to. The residents are horrified of the loans TSC undertaken, as per capita it is \$2700 we didn't agree to, and CEO and CFO are in their positions for 4-5 years and move on leaving us residents to pay for debts or bankrupt the council We pay the rates on time (4% only outstanding) to avoid 7% penalties, therefore TSC is stating that we are willing and able to pay the increase, There is not average income by settlements and cost of living to show "their" findings

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

NO The initial meeting for SRV was in April 2022. TSC brought brochures the same day of the meeting (paid 80k outside company to produce them with lots of error), so NO ONE could see them and study before the meeting. Than the rest of the brochures was taken away by TSC at the meeting conclusion The following meetings people just don't turned up

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

I Katarina Schwottova informed the residents of Urbenville about my findings and the investigation to follow, had a meeting with the residents (60 attended from 380 total residents) Letter with findings and attachment was sent to TSC CEO and ALL councillors and Mayor on 28th September 2022 - NO RESPONSE no meeting to follow to discuss

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

There is NO reason whatsoever for increase. It is huge mismanagement of funds by current and previous council CEOs, huge increase in our water and sewerage access charges, what NO ONE monitors and regulates, with NO new infrastructure built in the period of 2014 - 2022 The impact is ongoing yearly by increases and as the disasters happened some residents still recovering to rebuild and restore after losses IPART should take in consideration the revenue from "other sources" previously made and used for purpose other their were intended (Breaches of [REDACTED] as previously stated and reported in Notes by Auditors - FY 2021)

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. TSC did NOT considered capacity and willingness to pay : The report was done by outside company - Solicitors - just stating because: " residents pay the rates on time, it shows they are willing to pay extra increase in SRV" Report is a hypothetical, just using existing figures, without to talk to "real" residents. An other misuse of operating funds

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Hardship by charges can not be justified by any means by TSC. Just DO NOT INCREASE the rates!

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Following the "website" published documents it was. Despite the findings sent to TSC CEO, Mayor and Councillors on 28th September 2022 have never been addressed NONE of the Councillors ever objected to any of the TSC proposals, despite that they have to represent the ratepayers as a middle between the council and the residents.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

What ever TSC promised in the application will be BREACHED without any LG Office or LG Minister to act on it and ALL Councils KNOW ABOUT IT. Breached of promises in 2014 SRV approval Citates: Council intends to use the additional SRV over 10 years to fund: - 0.4m on extra operating expenditure Breaches: 1) increase in wages 2.1m in 2019-2021 creates a gap yearly cca 2mil not covered by basic rates SO NEW SRV HAS TO COVER IT 2) the loan should be eliminated by 2023 to pay only 20k a year in interest. Today the interest on 18m is 900k yearly SO NEW SRV HAS TO COVER IT

RESULTS BY FUNDS - WATER /SEWER

ATTACHEMENT 3

WATER									SEWERAGE								
	2015	2016	2017	2018	2019	2020	2021	TOTALS		2015	2016	2017	2018	2019	2020	2021	TOTALS
RATES & CHARGES	797	878	812	827	917	1179	1238	6648		1575	1625	1762	1825	2000	2218	2344	13349
USER CHARGES	638	710	966	1079	1112	865	1355	6725		56	67	127	124/165	188	158	234	830
INTEREST			26	23	11	18	6	84				40	36	2	21	7	106
OTHER REVENUE			10	609	5	4	-72	556				18	628	13	12	84	755
GRANT OPERATION			106	125	125	1509	218	2083				26	26	28	28	27	135
GRANT CAPITAL			1876	2226	20	2300	1670	8092				17	X	22	33	16	88
RENTAL/OTHER		X			X						X		33	24	X		57
TOTAL	1435	1588	3796	4889	2190	5875	4415	24188		1631	1692	1990	2548	2277	2470	2712	15320
EXPENSES																	
EMPLOYMENT	****	****	581	671	755	847	542	3396				459	482	434	279	270	1924
BORROWING COST	****	****	21	33	159	225	225	663				165	160	155	149	142	771
MATERIAL AND CONTRACT	****	****	350	633	878	1979	958	4798				279	437	640	664	636	2656
OTHER EXPENSE	****	****	243	141	71	105	76	636				195	132	79	79	93	578
LOSS OF ASSET DISPOSAL		X	X		25	X	18	43			X	X	X	X		23	23
WATER PURCHASE				48	X	X		48									0
TOTAL LESS																	
DEPRECIATION	0	0	1195	1526	1888	3156	1819	9584		0	0	1098	1211	1308	1171	1164	5952
DEPRECIATION	****	****	556	594	630	747	734	3261				783	457	484	495	507	2726
NON CURRENT LOANS	****	****	304	3627	6351	6111	5931	5931				2003	1929	1849	1763	1670	1670

NOTE ***** DETAILS FOR 2015 & 2016 NOT AVAILABLE ON WEBSITE FOR WATER AND SEWERAGE FUND EXPENSES
COMMENT: GRANTS FOR CAPITAL WORKS ARE IN REPORTS, BUT MATERIAL EXPENSES ARE VERY LOW
 OR A) REPORT IS NONSENCE
 B) GRANTS HAVE NOT BEEN USED FOR THE INTENDED PURPOSE

N [REDACTED] Nicholls

[REDACTED]
URBENVILLE, NSW 2475

25th February 2023

IPART

P O Box K35

HAYMARKET POST SHOP, NSW, 1240

BY EMAIL: ipart@ipart.nsw.gov.au

Re: Tenterfield Shire Council Special Rate Variation Application

To Whom It May Concern

I am an aged pension who is renting in Urbenville within the Tenterfield Shire.

My rent has already increased this year. I feel if it goes up higher than I can handle it financially, then I will be forced to move out and possible move in with family, which is an inconvenience at any time.

So if IPART can help in some way by getting this rate rise application lowered, I would appreciate it.

Yours sincerely

[REDACTED]
N [REDACTED] NICHOLLS

Author name: N. Nichols

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

From: [REDACTED] Sent: Tuesday, 28 February 2023 5:07 PM To: IPART Subject: Tenterfield Shire Council SRV Application please find attached submission to the Tenterfield Shire Council's Special Rate Variation Application. I am sending this on behalf of Naomi Nicholls, whose internet is currently down. Please contact Naomi at the phone number indicated if you wish to discuss. regards [REDACTED] [REDACTED]

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Author name: A. Hartley

Date of submission: Tuesday, 14 February 2023

Please provide any other comments on the council's application that you would like to make here.

The perceived need for a rate increase of this order should alert I PART to partition LGC expenses used to maintain national infrastructure away from strictly Council Area responsibilities and management. At the heart of this is the simple fact that Australia's population distribution outside a few major cities and regional centres is highly disbursed over very wide areas of land. Economic returns from much of this land has limited local impact through the supply of operating materials and services. Most contributes substantially to the national GNP. I am one of those rural producers contributing food and monetary return to the country and increases in statutory charges of over 100% are beyond my scope for either passing on the effect or mitigating the impact. I accept that living in the shire imposes shared responsibility in paying for water and sewerage and waste collection even though I use none of these. When it comes to roads and bridges however, I suffer disproportionately by having essential support affected. Given the extent of the infrastructure in the shire and the relatively small resident population, the national perspective of low local population density but nationally important communication has to be taken into account for funding. Applied to the current application should be a determination that much of the increase in rates sought falls within the definition of national responsibility with the cost to be borne by Central and not Local Government.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

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Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

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Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

LIBRENVILLE

26-2-2023

Mrs BARBARA SMITHWICK TO IPART

Although I have lived in Libreville for 7 years, I have just bought my current house, I think the rates would be about \$500.00 each year. The increase proposed would be about \$215 next year and a further \$300 the following year. My rates would double in 2 years. I have limited means but have always paid my rates without complaint but now I am shocked and advised at the suggested RATE RISE, I WILL CAUSE LESS QUALITY OF LIFE WITH LESS MONEY FROM MY PENSION.

I am always happy with my life which is a happy one, more stress will be very DANGEROUS TO my OVERALL WELLBEING.

Yours. 

Last NameRequired

SMITHWICK

EmailRequired

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IPART may use information from my submission, where relevant, in its other reviews.

IPART treats all personal information in submissions in accordance with the Privacy and Personal Information Protection Act 1998 and IPART's Privacy Statement.

IPART's Submission Policy Required

Special Variations Criteria

Criterion 1 in the SV Guidelines is:

The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:

- Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business-as-usual model, and exclude the special variation, and
- Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.

The IP&R documents and the council's application should provide evidence to establish this criterion. This could include evidence of community need/desire for service levels/projects and limited council resourcing alternatives.

Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?	I DO NOT THINK THE COUNCIL HAS ESTABLISHED ENOUGH NEED FOR MORE REVENUE
Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?	NO THEY HAVE NOT I AM NOT INFORMED BY COUNCIL IN THEIR PLANS

Criterion 2 in the SV Guidelines is:

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 special variation 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. The 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.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.	
Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.	<p>I DO NOT THINK THIS INCREASE IS REASONABLE</p> <p>3</p> <p>I AM 78 YEARS OLD MY INCOME IS LESS THAN \$1300 - PAYING MORE THAN I CAN AFFORD TO PAY</p> <p>MANY PEOPLE IN THE COMMUNITY ARE SIMILAR POSITION TO ME I WILL NOT BE ABLE TO PAY MORE CASH TO RATES. I DO NOT WANT TO DO SO - - -</p>
Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.	<p>I DO NOT THINK THE COUNCIL CARES ANYWAY ABOUT THE SITUATION.</p> <p>THE COUNCIL IS ENDORING THE HARSHIP BEING CAUSED BY THIS.</p>

Criterion 4 in the SV Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general income. It is expected that councils will hold an extraordinary meeting if required to adopt the relevant IP&R documents before the deadline for special variation applications.

Question 1 (Criterion 4) Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?	

Special Variations Criteria

Criterion 1 in the SV Guidelines is:

The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:

- Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business-as-usual model, and exclude the special variation, and
- Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.

The IP&R documents and the council's application should provide evidence to establish this criterion. This could include evidence of community need/desire for service levels/projects and limited council resourcing alternatives.

Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?	I DO NOT THINK THE COUNCIL HAS ESTABLISHED ENOUGH NEED FOR MORE REVENUE
Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?	NO THEY HAVE NOT I AM NOT INFORMED BY COUNCIL IN THEIR PLANS

Criterion 2 in the SV Guidelines is:

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 special variation 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. The 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.

www.ipart.nsw.gov.au HAVE YOUR SAY

IPART Submission Form - Special Variations and Minimum Rates 2023-24

Please choose the relevant council in the above dropdown before completing this form. Please review the council's application form, particularly the application form part B which contains the council's responses to the assessment criteria. IPART will assess the council's application against the assessment criteria, and it is most effective if you can address the assessment criteria in your submission. We have provided a series of targeted questions that address these criteria here, and there will be space for free form responses and attachments at the end of the form. Please clearly name any attachments and refer to those documents by name in the answers to specific questions if they contain further evidence about your responses to a specific criterion.

When writing your submission please be aware that an SV does not impact the charges you pay for:

Water supply

Sewerage services

Domestic waste management

Stormwater management

A full list of exclusions is available here.

Name of IPART Review - Special Variations & Minimum Rates 2023-24

Name of Council - Tenterfield Shire Council

Application Type - Special Variation

Criterion 5 in the SV Guidelines is:

The IP&R documents or the council's application must explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period.

Councils should present their productivity improvements and cost containment strategies in the context of ongoing efficiency measures, and indicate if the estimated financial impact of the ongoing efficiency measures has been incorporated in the council's Long Term Financial Plan.

<p>Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.</p>	<p>This is for council to answer and IPART to assess.</p>
	<p>Have there been any productivity improvements and cost containment strategies ?</p>

Other Comments and Attachments

Please provide any other comments on the council's application that you would like to make here.

Maximum 2000 characters (2000 remaining)

If you have attachments you would like to include with your feedback, please attach them below.

Select file

Max file size: 10 MB

Max number of files: 5 files

Accepted file types: .pdf, .doc, .docx, .xls, .xlsx, .jpg, .png

Your Details

Are you an individual or organisation? Required

Would you like your submission to remain confidential? Required

First NameRequired

Last NameRequired

SMITHWICK

EmailRequired

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IPART may use information from my submission, where relevant, in its other reviews.

IPART treats all personal information in submissions in accordance with the Privacy and Personal Information Protection Act 1998 and IPART's Privacy Statement.

IPART's Submission Policy Required

Author name: C. Ungerman

Date of submission: Saturday, 18 February 2023

Please provide any other comments on the council's application that you would like to make here.

IPART is requested to read and analyse the entire community consultation documentation provided as part of the Application. This will show that the community has rejected the SRV all the way and that TSC regardless of the rejection is pushing forward with the SRV based on fraudulent statements and promises.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

NO - the reason why TSC is in financial difficulties is NOT higher operational cost - the reason is clearly mismanagement in the past and wasteful financial management leading to high loan commitments.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

not sufficiently. the community has clearly requested savings - the TSC has instead raised councillor allowances and staff wages - as well as continuing to undertake higher than needed infrastructure projects with bad project and financial / quality management

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

yes

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

NO council undertook ONE open meeting where attendants needed to submit questions before and answers were only supplied to questions the council wanted to answer. No real answers were provided.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

hundreds of emails and letters were sent to TSC and councillors. There was NOT ONE meaningful answer provided. Mostly emails were ignored. Open community meetings with between 100 and 300 participants were attended by Councillors who requested the meeting to be shut down and made false accusations and unlawful statements about confidential tender processes in order to discredit the presenters.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Cost of living is going up dramatically and with the aging population being on FIXED income, the financial future is grim for many. Some people have investment rental property which are now positively geared and provide income. In the future these will COST money instead of providing income. Rents can not go up at the same rate as the council's SRV and fees and charges rises. Council has already more than doubled the cost to property owners via ongoing charges increases. Many locals will have to leave the area and sell their houses. Rental properties will not be available for rent any more.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. Council has commissioned a capacity to pay report which is completely flawed. While TSC projections of FUNDS NEEDED are based on current and future needs and cost increases, the data used to determine community living cost was 2-3 years old. No proper consideration to the communities' cost of living increases was given. The assumption that ratepayers' PAS willingness and ability to pay EQUALS future willingness and capacity.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

not sufficient - and no help for affected people having to watch council pay packages go up for NO additional services.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

yes

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Council [REDACTED] has openly declared that "even if TSC gets to 104.49% rate increase approved and rates will go up to about 200% in the next 8 years - council will have to cut services". This is a clear indicator that TSC Administration has been mismanaged. TSC has a massive appetite to construct infrastructure which benefits a few and take up loans for non value adding

expenditure. Past SRVs where applied for with clear KPIs attached - none of those KPI's have been achieved. Why does the Regulator NOT follow up and ensure that the increased rates are spent for the purposes outlined in the application?

Author name: D. Collier

Date of submission: Tuesday, 14 February 2023

Please provide any other comments on the council's application that you would like to make here.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No, council needs to rien in their spending. Constant use of consultants, contractors and mismanagement has created this problem. The local government minister needs to investigate this council.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Yes but at the detriment the the community by selling off assets

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

I haven't seen it.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Not all of us can get to community meetings due to work commitments

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

The [REDACTED] was interviewed by local radio and was told that elderly residents can't afford this rate rise. His response was that maybe they might need to find somewhere else to live. That's just not on.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

We are paying a fortune now for very little service. Tenterfield is becoming unaffordable to live in.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. They don't care!

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

If they intended to address they would fix the incompetence from within that allowed council to be in this position.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I haven't seen them

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Hahahaha good one.

Author name: I. Garnham

Date of submission: Sunday, 19 February 2023

Please provide any other comments on the council's application that you would like to make here.

Rate peg methodology Rates should be pegged at the rate of inflation or the CPI. Anything else is unfair There is also the community's ability to pay, e.g., Tenterfield: - The rates and charges in Tenterfield shire are equal to 11% of the median income for residents of the shire. They will not be able to pay much more. All of us, especially the ones on fixed incomes have to keep to a very strict budget. If we overspend, we cannot demand extra money, we must live within our means. Likewise, the council, Tenterfield for example wants to increase the rates by over 100% in two years. They must live within their means. If the CEO cannot do this then he should be sacked and an administrator put in. People would lose their homes under this rate rise. That is why we need the rates pegged to the CPI

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

NO they did not, I had a meeting with the CEO Mr Buckingham, and he just kept repeating that, the costs have gone up so we need a rate rise, I also pointed out to him that the administration cost of the council had gone up 109%. Shouldn't he oversee the overspending and bring it back into line. He ignored the question. I further pointed out that as the CEO it is his responsibility to keep within the budget, and further informed him that when I was in a Management position with Hunter New England Health, we certainly did not get a doubling of our budget if we overspent, and some years budgets were not raised at all.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

NO, and the alternative is obvious, live within your means the same as the residents must

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No, they did not state the full cumulative rate but tried to pass it on as two separate increases, using the increased figure as the base for the second increase.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

The council held what I would call a box ticking exercise, when there were only 48 hours notice to get in any questions. Only the mayor spoke on behalf of the council at the meeting, repeating the same message, we need more money and this is all we can think of. No questions were allowed from the floor

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

NONE, NIL, ZIP

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

To more than double the rates with no increase in service, or any adult explanation is Unreasonable

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

This is what it says on the front of the IPART website. In the case of my local council, Tenterfield, this is not true You approved a Special Rate Variation (SRV) as follows FY 2014-15 15% FY2015-16 10% FY2016-17 10% FY2017-18 10% That is a total of 53.07% for those 4 years and is to stay permanent. We are not getting local government services at a fair price. We are getting very poor services at an inflated price. In the last 4 years Tenterfield Council have increased their administration budget by over 100%. Yet you at IPART go along with this and simply increase our rates, rather than looking at council and instructing them to get their admin costs under control. My wages nor the income from my farm has gone up anywhere near this amount. How do you expect people to pay, many in this shire are on fixed incomes, in fact the median income of the shire is one of the lowest in the state. You have forgotten one very important thing, the community's ability to pay. In Tenterfield's case it is almost at breaking point. The only increase allowed should be that of the CPI.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

It has no plan, and it will cause great hardship, we are already paying one of the highest rates in the equivalent local government areas.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Found out after they had been withdrawn from public scrutiny.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Council had made no productivity improvements, in fact its administration budget increased by over 100% in three years. It is going backwards; council and senior management should be sacked, and an administrator should be appointed.

Author name: J. Cooper

Date of submission: Wednesday, 1 March 2023

Please provide any other comments on the council's application that you would like to make here.

I understand IPART will have received a number of submissions regarding this increase that provide a detailed picture of the situation with regards to the town of Urbenville. These submissions will include detailed outlines of misappropriation and mismanagement that I have not attempted to replicate here. I do wish to add my support to those submissions, while specifically noting the appalling sense of entitlement that Council has brought to the entire process. The consultation attempts can only be seen to have failed, whatever spin Council might try to put on it. The increase has largely been presented as inevitable, with ratepayers seemingly expected to accept it and soldier on. I hope that the numerous submissions from our tiny population can persuade IPART that this should simply not be the case. Ratepayers voices should be important, and acknowledged, as we are direct financial providers to the corporation that is the TSC, and therefore surely the rightful final relevant opinion about the management of those funds.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Council has not established the need to increase rates by this patently unsustainable amount. They have, however demonstrated a clear need for better management of existing funds. Threats to cut services without approval of the SRV indicate that there is no plan for the increased revenue beyond a continuation of fundamental maintenance. This alone shows a distinct mismanagement of the current Council fund pool. Ratepayers simply acquiescing to such an increase is tantamount to handing over more money to a spoilt child, in the hope that it will modify behaviour.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Consultation has been limited to providing scarce and misleading information, bully tactics, and threats. Communication has been very one-way. There has been no discussion around alternatives, merely varied attempts to justify the increase.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

This information has been provided to me by other residents, not Council. Council have made no overt gesture of outreach regarding this issue, beyond agreeing to attend community organised meetings.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

My own experience of any community engagement around this issue has come from other residents, not Council. The increase was brought to my attention by neighbours and community meetings, not by council. There has been no apparent effort to reach out to residents to discuss the issue, by mail, email, phone or any other method that they clearly have access to. My own impression is that Council would much rather that residents learn about the increase only once it was a done deal.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

I am unaware of any action, beyond a couple of combative community meetings, that Council has taken to attempt to respond to community concerns. The constant response is not one of inclusion and productive discussion, but one of justification and bullying. Threats to reduce services do little to move the Urbenville residents, since services are so scarce on the ground here, and the only services that have been mentioned for the chopping block have little to do with our community, being largely Tenterfield based.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Reasonable is a term that cannot in any way be applied to this proposed increase. The impact on local ratepayers will be significant and unnecessary. Coupled with the upcoming increase in property values, and subsequent increase in rates, it could be said that this SRV could be potentially catastrophic for such a tiny and interdependent community. Urbenville represents much of what we aspire to be. Humans acting together to create a mostly harmonious community life. The pressures that will inevitably arise from such a significant increase threaten the very existence of tiny communities such as ours. Approval of this SRV would be a dangerous and destructive precedent to set.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. Council has clearly not considered the Urbenville community's capacity to pay, beyond producing a flurry of spreadsheets and statistics that show a warped picture of the makeup of our little town. Increasing property values have created wealth where no additional wealth is actually present. Given that the community is made up largely of very settled, aged residents that have lived in the same property for decades, the likelihood of financial windfalls due to property speculation are unlikely. Financial wealth created at the expense of giving up their property does not equate to lived wealth for these people, myself included. What is the benefit in a high property valuation on a property that you never have any intention of leaving? The functional

outcome is merely higher rates, which are already expected following the next valuation, and clearly add to the lack of capacity to shoulder yet more rate increase burdens. To use this as a measure of residents capacity to pay is surely irony and disingenuousness at its very saddest. I am not sure that willingness to pay can even be a consideration, when capacity is so clearly lacking.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Unfortunately hardship concessions are only available to me in a limited capacity, as I needed to include a family member on the loan application in order to secure the funds to buy the house. As I am on a disability pension, and like many of my neighbours, I was very lucky to find my forever home in such a stunning little town, and be able to afford to escape the rental nightmare. As my co-borrower doesn't live in the house with me, despite me paying 100% of all costs myself, I am unable to access the full pensioner discount. I do understand the reasoning for this, but it merely adds to the tightening of the financial noose when trying to navigate the cost of living crisis. I am unaware of any other hardship provisions by Council. Unfortunately, my attempts to contact various areas of Council for information on various matters have left me very sceptical of my ability to negotiate any hardship assistance should it inevitably arise, following this potential increase.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I believe they have.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Beyond fundamental maintenance, I am unaware of any productivity improvements carried out locally by Council. Past performance has shown little in the way of planned improvements and has illustrated a need for immediate and significant fiscal intervention to improve outcomes and productivity. . I have unfortunately not read any response.

Author name: J. Culverwell

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

The small town of Urbenville is two and a half hours away from Tenterfield city. Those who want to attend council meetings are inconvenienced by this and those who do attend only have a few minutes to provide their responses. I would like to see greater Urbenville be absorbed by Kyogle council.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

I'm not aware they have looked at different revenue paths.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

I'm not aware they have at different revenue paths other than service reductions.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

I got it through a third party, not through the council, cumulative 104% for two years.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

They randomly have a meeting in the Urbaneville Town Hall, but it is infrequent and not everybody turns up to it. Their ability to put out information out there is poor. They have a newsletter that comes out fortnightly.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Other than what I mentioned before, their response is that if the community wants any services they have to pay for it. Otherwise there is a risk that the limited services it may be cut.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The town of Urbenville is the second largest town in Tenterfield Shire Council. It is generally a low income area and since rates are higher than other areas. To put this rate increase would cause financial hardship for the community and could result in people leaving the town.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

There is no willingness by the community to pay and there is community opposition to the SV.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

I wasn't aware of the council's hardship plan. I don't think they've addressed it at all.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Not to my knowledge.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I guess in their terms they think they have. Best example is the pensioner rebate that has remained static and did not keep up with inflation over the past 10 years. The only other thing I'm aware of is the cut back of services if the SV was not passed.

Author name: K. McCarrey

Date of submission: Wednesday, 15 February 2023

Please provide any other comments on the council's application that you would like to make here.

I am not convinced Tenterfield Shire Council are able to suitably manage a \$50 million increase to their General Fund over the next 10 years with this proposed SRV- without all the past waste and mismanagement of the Communities hard earned incomes and pensions. I see Tenterfield Shire Council as being aloof and not forthcoming with information.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No- I believe there are still many unanswered questions. The Council has not sufficiently informed the Community of where this proposed extra \$50 million (over the next 10 years) will be spent. I believe the Community is suspicious of Council's full intentions - not alleviated by the Public Forums and Consultations. Council is informing us that: - "This additional income will be spent on the maintenance of Council assets. Based on the current information at hand the distribution of this additional income will be as follows: - 75% of additional income Roads, Transport, Stormwater and Drainage. 15% of additional income Buildings Renewal and Maintenance 10% of additional income Other assets (e.g., swimming pool, parks and open spaces (Pages 28 & 29 of Tenterfield Shire Council's Submission Part B). If this is indeed the case, then why the necessity of an excessive 104% increase over the next 2 years? Council has threatened the Community that maintenance to our Roads, Bridges, and Shire Assets will be reduced without this SRV.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

I believe that the Tenterfield Shire Community are suspicious of Council's full intentions of where this intended 104% SRV will be spent. I believe Council did not adequately inform the Community. I attended one Public Forum that was upsettingly hostile and unconvincing. I attended an interview with the CEO and Financial Officer where no Councilors were present/ nor apparently invited. I wrote to all the Councilors of which 4 replied- each promising another meeting and a follow-up of my concerns, including the Mayor, that never eventuated. I addressed my concerns in a "Letter to the Editor" in our local Paper.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

If this SRV of 104% goes ahead, over the next 10 years (Long Term Financial Plan), an extra \$50 million will be taken from the pockets of the Tenterfield Shire Communities. Tenterfield Shire's weekly median income is \$490 per person. This figure shows the Shire sits well below the NSW and Australian average and considering all the other rising costs such as interest rates, food, fuel, electricity, gas, rent etc - I believe our pensioners and communities can ill afford a 104% Rate increase over the next 2 years. Our businesses will suffer substantially due to less available disposable income, and over time less people will be inclined to relocate to our Shire.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Council, as per legal obligation, will offer assistance to extend payments and offer discounts etc for our pensioners and less fortunate, however these increased rates and increased flow-on costs will still need to be paid by each individual at some stage- increasing their hardship. Rates will rise by a minimum of around \$208 in the first year, to \$468 in the second year, and at a maximum of \$520 in the first year to 1,248 in the second year plus, over and above what everyone is already paying. These are substantial increases.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

As Above

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I was unaware Council had exhibited their IPART application prior to their submission. I was informed by email by a

community organisation against the proposed SRV, that Council had already made application to IPART - hence my submission now.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I am unclear and ill-informed by Council of any explanation in proposed productivity improvements and cost containment strategies -unfortunately.

Author name: L. Clarkson

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.

The Tenterfield Shire Council Special Rate Variation application should not be approved based on a number of factors, including financial mismanagement, limited consultation with community, particularly Urbenville residents and lack of information provided relating to what services would be cut in Urbenville. Urbenville residents are being placed in the same area as Tenterfield residents who receive a range of services. The roads to and from Tenterfield to Urbenville are a disgrace and unsafe. It is requested that this SRV request is denied and thorough community consultation occurs that is informative, transparent and realistic. This is an unrealistic SRV that will significantly impact on the Urbenville community as it is an excessive rate increase request.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

I am a ratepayer in Urbenville and to date, Tenterfield Shire Council has not established the need for a different revenue path.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

At a meeting held on 7 May 2022 in Urbenville, the Mayor Bronwyn Petrie shared thoughts that Councillors had discussed selling Tenterfield-based assets, being the salesyard and airport. As well as a statement that if the SVR did not proceed then services would need to be cut. At this meeting I asked what services does Urbenville get that would be cut - there has been no written response from Tenterfield Shire Council regarding this.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes, a rate calculator was provided.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

For the Urbenville community, there has been limited engagement in context of the Special Rate Variation and in fact, the first meeting (consultation) was promoted as a meeting for the new Councillors to hear about the vision for the future. This meeting was held on 22 January 2022. Urbenville residents participated in this 'workshop' providing information on community needs of activities and developments, however the community was not informed that this was in the context of a SRV or the serious financial constraints of the Tenterfield Shire Council that would not enable this 'wish list' to be supported. This is incredibly deceptive. A second meeting was held on 9 April 2022 with residents being informed that if the 'wish list' or community vision was wanted by the community then Council would need to apply for a Special Rate Variation from IPART to increase rates over the capped level. I attended the third meeting held on 7 May hosted by the Urbenville Progress Association and attended by the Mayor Bronwyn Petrie who was not able to advise what services Urbenville residents would lose if the SRV were not approved and identified a number of Tenterfield services, being swimming pool, library, visitor centre - none of this impacts on Urbenville residents.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

As outlined above, Urbenville residents, myself included, have asked at the three meetings and in writing by the Urbenville Progress Association what services would be cut in Urbenville if the SRV was approved. To date, the only services provided to Urbenville residents are the sewerage, water and waste services and these are paid for by residents separately to Tenterfield Shire Council (TSC). I have owned my property for two years and there has been no storm water management of the roads with water flooding through my property at [REDACTED], where my partner, a plumber has now installed drainage systems on the property to catch the water run-off from the neighbours property. Last week, for the first time in two years, the gutter depression (no concrete gutter) that has been filled with water has been excavated (very roughly). No communication was provided to myself as the homeowner in writing or in person. However, this action would address a TSC initiative of meeting community need. There continues to be no thorough discussion with residents regarding the services to be cut in line with the SRV for Urbenville residents.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The proposed SRV would see my rates increase from just under \$3,000 to over \$7,000 in two years, an increase of \$4,000. There is no reasonableness in the proposed special variation for Urbenville residents. My house will be rented this year at a weekly amount of \$300.00. However this return does not cover the loan repayments and the Reserve bank interest rate increases are also having an impact. The end result will be to significantly increase the rental amount to returns that coastal and city rental properties are now demanding. However, this is not possible in a community where many residents are elderly, on a lower income and dealing with increasing bills, including electricity. There are community members that have already moved

from homes into their cars and living in the State Forest. There are no Council community development services that are provided. Local residents maintain the main street gardens and the Urbenville Progress Association and the Public school coordinate activities, including a library, Christmas carols, ANZAC Day services. Any improvements in the area have been through the community applying for grants. While these activities bring the community together, there is limited support from TSC in supporting the Urbenville community and yet the proposed special rate variation is being proposed. Again, there has been no communication regarding what services would be cut in Urbenville and it is incredibly hard to identify what services are being provided.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. This submission is difficult to respond to, when TSC commissioned a consultant's report on the ratepayer's capacity to pay. The paper identifies the growth in house property prices in the Tenterfield LGA and therefore, this growth, 'represents a significant increase in household wealth'. If only this was the case! This may be in Tenterfield and it is certainly understandable in the Northern Rivers coastal areas. However, I purchased my property in 2021 for \$200,000, where I have needed to undertake significant drainage works and basic renovation. I have been impacted by COVID-19 and delays with renovation works. House prices in the area are not increasing at the rate of city or coastal areas and there are a number of residents who have purchased in this area based on the lower house prices, however we are not mortgage-free. A phrase I often hear is that I won't pay the rates if it is increased which does identify that residents are not able to afford an increase and our community members who are renting and faced with significant price increases in essentials, i.e. electricity, food, will not be able to continue to rent with this proposed SRV.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan. There has been no clear information/discussion by Tenterfield Shire Council as to how they intent to address hardship caused by the proposed special variation.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

The TSC SRV is requested to be denied and TSC consult with residents/ratepayers regarding the productivity improvements and cost containment strategies further than just stating that services will be cut.

Author name: L. Ryan

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

Does council recognize the impact and extent of such a rise. In our region we are witness to those struggling in society, the homeless and transient population (which has grown rapidly recently due to bush fires and floods) includes a large % of the "grey nomads" (for example). These people are not touring as such, they have no stable homes and no way of financing a meager life in stable accommodation, with rates skyrocketing affecting rent fees, these citizens cannot afford to rent (@ present levels) and have minimal fundamental wellbeing at today's costs. The homeless people include -couch surfers- those who are not far off living in the street or under a bridge. There are also those who are invisibly homeless (living under the radar in their cars) constantly moving on, trying to exist the elements of the seasons with barely anything, trying to shelter from the extremes of the seasons in a car!!! I know of many living in decrepit old buildings, old sheds, some without all walls, falling down old dairy bails. These are mainly elderly, some quiet elderly. They cut wood (which they gather) to keep warm in winter, and to cook with all year around. Limited freshwater capabilities (any water), often no electricity and no phone reception. This is a critical situation, often homelessness is thought of as living on the street, there are many forms of people just hanging on. The homes in my village are mostly meager, humble dwelling most often in need of repairs and deteriorating. There are very few new or modern homes in this village. The selling of one's home due to costs of rates on top of maintenance and other bills, are entering this transient community. I am afraid for my community, how many more will be thrown into such a delamer, when the basics fundamentals of life are struggling for existence every day. Can I just add one more thing please, many local residents have minimal if any income to participate in community events for socializing, very isolating.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Absolutely not, council was required to consult with the community to establish that the impact on ratepayers is affordable and make productivity and cost savings. At our ten-year strategic plan meeting, (in the Urbenville hall,) which is an important mechanism for councils and the community to engage in important discussions about service levels and funding priorities and to plan in partnership for a sustainable future. During this meeting council never mentioned at all its financial position. Everything council said or implied at that meeting was irrelevant, incorrect, and now obsolete, we as a community were being left in the dark about their shortfalls. This was a wasted opportunity where council did not communicate that it had a financial need for its now proposed financial position. Council has only ever proposed, (since admitting its desire for SRV) that without it our services would be cut.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Yes, "our services will be cut" in their own words, is the alternative council offer. In the last year, council have already shut down many regional library's. Also, some mention of selling off our assets, but not much communication when asked, "which assets?"

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No! Never did council describe any of these values honestly or correctly in its communications with my village. During the consultation with my community council made mathematical errors constantly, true figures were only understood by locals by doing their own accounting, even with councils misinformation to get to the true figures.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Absolutely not. There has been a misdiagnosis from council as to what equates to an appropriate, acceptable level of community engagement. No proper consultation demonstrated which took in community concerns or to establish that the impact on ratepayers is affordable. Urbenville is made up of a large farming community, a median age of 55yrs. (Aus Bureau of Statistics 2021) many have no access to computers or internet, there are many in this age group who don't own a computer or an email address, even a mobile phone and cannot address council in a modern context. As my community began to digest the implications of the SRV, many expressed their inability to curate their concerns to council in their own words. Community members asked for templates to help them find a way to describe their concerns, without confidence to make written sense of it all in their own words. These templates lead to many letters to council remaining similar, unchanged and of the same thread, to which councilors explained, the letters "would not be acknowledged as they are same". Council decided not to acknowledge these people's fears.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Stubbornness' and inability to be flexible, rejection of community led participation in solutions. Traditional practice of debate and balanced negotiation has been neglected or even refused. Also, as above, council describing, letters of the same nature, worded from a template would not be considered. When addressing council for specific information, or any enquiries about

facts, the most common answer from council is, "it's all on our website." This website was where to go if you would like a deluge of information, designed to distract and overwhelm the viewer.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

It is not reasonable for council to ask for another SRV when- ***Council does not comply with its obligations to communicate directly with residents, how the funds are being used. ***Council are not responsibly preparing a fair presentation of their financial statement, Tenterfield councils' approach to financial accounting is not in accordance with Australian Accounting Standards and the LG Act 1993. ***Council are not responsibly assessing their ability as a going concern, by disclosing, as applicable, matters related to going concern basics of accounting. ***In 2014-2015 TSC applied for SRV, IPART granted the rate rise, this was under 508A, meaning permanent. This large rate rise being accumulative, over the following 4 yrs, the increase was 53.07% higher rates. At that time, DR Boxal, from IPART said.... "among the biggest rise in NSW although, councils' high financial position will be strengthened with an extra 10 million \$\$\$\$ over 10yrs for investments in roads and other infrastructure". That 10yr period is not over until 2025, and the same council is asking once again for an escalated rate variation, "among the biggest again" at 104% rise over 2 yrs. Even though we still have another 2yrs to the 10mill, 10yr plan. ***When TSC financial statements were Audited in 2021, RE/ Auditors Report Notes. 1) General Purpose Financial Statement page 87 of 92 (3) Auditors Report 30 June 2021 / ..."council acknowledges it has used externally restricted funds for purposes other than their intended use;.... Next paragraph reads; .."Council is unable to verify that funds raised by SRV or charges were not used to pay for general fund expenses. Council acknowledges it may have used restricted SRV and charges funds for purpose other than their intended use without ministerial approval. BREACHES SECTION 409 & 410 of ACT 1993. ***These are very serious breaches, therefore, we shouldn't fuel inadequacies on the council's behalf, as it's becoming very hard to deny that there has been a failure of individual or collective leadership and accountability.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. Council hasn't shown consideration to the community's capacity to pay an SRV, on the back of, firstly= ***A 5 yrs. drought ending in 2019. ***Bush fire storms, the biggest we have witnessed in a lifetime, due to the drought, starting in 2020 ***Then the Covid crisis, 3yrs of insecurity and lock downs, jobs lost, and finances diminished some more. ***Coming out of covid, floods, the biggest we have known in our lifetime. ***And now our recent economic downturn, high inflation and rising interest rates. After councils last SRV they have adsorbed millions from these rather small outreach villages, how on earth does TSC expect to draw many more millions from the same pool of rate payer base of people on top of all the deluge of overwhelming circumstances many are facing today. *** May I just also add, this has nothing to do with a "willingness" to pay extra for rates, it is the inability of capacity to pay any extra.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

The hardship policy does not seem to be on council's website. If I try to make any sense of council's application, I will not have time to make this submission to you. I read enough of it to recognize the same inability of council to make a balanced assessment, to enable facts to be introduced to this discussion. Their vision in the application once again hurting their own credibility to make statements that either, don't have support, or not producing support for it. (In other words, just another deluge of information that is simply overwhelming and waffling. If you don't afford your rates, eventually you lose your home !!!!!

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

No. TSC have only done what they had to do. Communicating between community and council should be at the center of all council plans, activities, resourcing decisions and improvement strategies. In essence the IP&R framework begins with community's not council. TSC plans and policies are not being directed by communities' desired outcomes. Council may have complied with IP&R responsibilities in a reference to protocols and policies. Although in essence their intentions were not to address the community to recognize and promote community vision into a prosperous sustainable future.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

My understanding of their strategy is that the rate increase will be used to service current debt to maintain the councils credit rating so more money can be borrowed for capital works. Most off this will be spent in the township of Tenterfield. For example, my village is 2 and a half hrs. away from Tenterfield.

ATTACHMENT TO SUBMISSION BY L RYAN

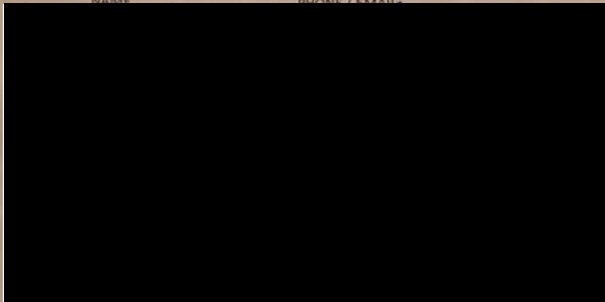
TENTERFIELD SHIRE COUNCIL SPECIAL RATE VARIATION APPLICATION Urbenville Petition Dated October 2022

Sent to Mayor and Management, Tenterfield Shire Council

Signatories with no computer access, unable to express to Tenterfield Shire Council in their own words their opposition to the Special Rate Variation.

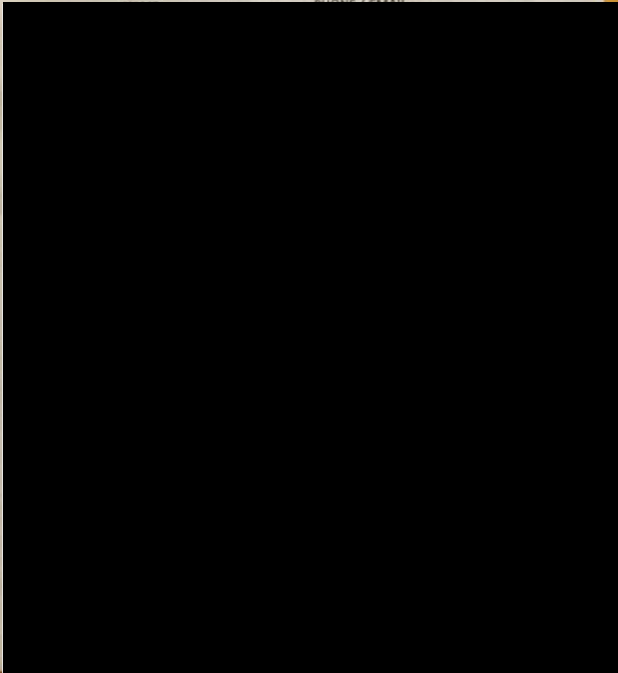
RATES RISE PETITION

To the Tenterfield Shire Council, the CEO & COO
This is a petition rejecting the rate rise proposal and authorising that the OSOCI represents the following signatures from Urbenville ratepayers.

NAME	PHONE / EMAIL
	

RATES RISE PETITION

To the Tenterfield Shire Council, the CEO & COO
This is a petition rejecting the rate rise proposal and authorising that the
OSOCI represents the following signatures from Urbenville ratepayers.



Author name: M. Grass

Date of submission: Monday, 27 February 2023

Please provide any other comments on the council's application that you would like to make here.

Every year council sends out rate notices and every year we ratepayers dutifully make payments. We ratepayers didn't put the council in debt, we have only paid our dues. Ratepayers shouldn't be penalised for council's mismanagement. A rate rise of this magnitude will be devastating for our community.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Council has stated that they are in debt, but haven't spoken about how they got into such debt and there's no guarantee that this mismanagement won't happen again if their submission is successful.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Not fully. They have actually reduced the cost of subdivision and development to "encourage" more people to the area, as they are complaining that the rate rise is needed due to insufficient ratepayers. However, ratepayers are being unduly penalised, while developers are being rewarded. Subdivision fees is another income stream for council, but they have reduced them.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Council has indeed communicated the need for a rate rise, but has not done so in a clear, easily understood manner. They have been open about their amount of debt, but nothing about how they got to this position. They also are conveying the idea that the increase will only affect the 2 top lines in our rate notice and that this increase would "only" be \$13 per week. Unfortunately they fail to realise that the average accumulated rate cost for a house in town at present is \$3,600.00 per year and an increase of around \$700.00 per year would be devastating for families with insurance and a mortgage, but also translates to rental increases as well.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

There is more talk about the rate rises on the grapevine in the community, than from the council. I feel that they have done the bare minimum.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Very little from what I can see. The Mayor's response to the concerns that I have raised is that it is only another \$13.00 per week increase for renters and home owners.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Tenterfield is a small community. There are many pensioners who will struggle with the proposed rises. At a family level, there is a charity in town running a food hub, where qualifying needy families can purchase groceries at a huge discount. Since the beginning of this year, the number of families accessing this service has risen from 75 to 100. At an average family size of 4, this is 400 people who cannot afford to pay everything and still afford groceries. In addition, there are many more who just survive from week to week. A rate increase would be devastating for a small community.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. The council doesn't seem to care.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Any intended plans by council would be insufficient.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Council has done all documentation, but has failed to recognise the impact of this rate rise on the community.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Council has provided a quantity of graphs and other such items. They have failed to show what mismanagement caused their massive debt and have failed to give the assurance that this won't happen again.

Author name: M. Rowley

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

As a single occupant, fixed income household, the proposed rate increase(s) will have me living in my vehicle within five years. There are others in the village who will face the same challenges. The main question we have concerns value for money. The cemetery and parks are kept attractive, the village roads are ok and our library is still closed. Essential services: water treatment and supply, storm water management, sewage transport and treatment, rubbish tip management and roadside rubbish collection are all paid for by the ratepayers of the village. In my case these charges add up to over \$2500 per year. The proposed rate increases will put me on the streets.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Yes. If revenue is not raised, money will have to be saved elsewhere to prevent the council defaulting on past debt.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Council suggests that the only alternative to rates rises are service cuts and asset sales.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

It was not in terms that I could grasp (I do have hearing problems), however a bookkeeper friend was very upset with what they termed past mismanagement).

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Im sure TSC has followed the IPART guidelines. However, the only thing that the council has engaged in Urbenville, is frustration and annoyance. The first meeting in the process was to inform us that the council is in danger of defaulting on debt repayments, and how it is not the current councils fault. This situation has obviously been developing for some time, and the time for community consultation may have been better five years ago.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

A lot of political double talk about how the current council is not responsible for the current financial difficulties. if the proposed increases are implemented, there are many villagers (myself included) on fixed included who will be in danger of losing their homes.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The council seems to equate rising property values with ability to pay. Many of us invested all our capital in this village, and exist week to week on fixed incomes. That means due to inflation, our ability to pay has decreased, and we face the possibility of losing our homes in the next five years.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Lose my house or eat? Willing, but not eager.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Although this would have been relevant to me, I have no memory of hearing about or reading a hardship policy, it is not listed on the TSC website.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Im sure that all IPART procedures have been followed.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

From my (very) laymans perspective, it sounded to me like: We need to increase your rates to service our current debts, this will let us borrow more money for capital works. Much of he proposed work seems to be for the town of Tenterfield, with little coming to Urbenville.

TENTERFIELD SHIRE Council

2023.

SPECIAL RATE VARIATION APPLICATION

I am a 73 yrold single pensioner, now, having lived in Urberville for 30 years.

IN THOSE 30 YEARS I HAVE SEEN

1. Forestry/Parks & Wildlife Depot upgrade.
2. Council Depot upgrade.
3. The Hall upgrade
4. The Medical Centre built
5. 2. New Toilet blocks
6. Upgrade of Waterworks which services Woodendong (Kyogle Shire) nearly 20kms away & I understand pay less/kl for their water.
7. Superdooper "CBD" paving, which is already deteriorating as its only "imitation" brickwork.

This is about all that has happened in 30 years !!!

And a new path to the hospital is in the "pipeline".... but there's already a concrete pathway there!!

There's so much LACK of PATHS in Urberville. A 90+ year old would walk on the ROAD with his wheelie walker near our Pioneer Cottage. I've walked/cycled

with 2 generations of children from the Forest Park (near where I live) into town to play at playgrounds. The Park is also a camping area.

With regards to our properties I have no stormwater mitigation that is no curbs or gutters along my side of Deane St/Forest Ave. Fortunately, I have not had stormwater problems as in Beatty St. However my neighbour on the lower side of the Tst bend on Deane St experiences stormwater into his garage.

Yes! I do have town water/sewerage & waste disposal but these services are escalating at ~~the~~ such a rate that my pensioner concession is becoming (OR IS) minuscule in comparison which has remained \$425/annum for the last nearly 10 years !!

And there are many like me in this town pensioners.

Where we were prepared to live in the country, to own our homes ... it seems that we are RENTING from COUNCIL if we are unable to pay these escalating RATES then

we will be EVICTED from our own homes.

This can't be right!!

Apparently our land values are nearly double that of 2019 which will be reflected in our rates. BUT... that doesn't affect us as this is OUR HOME FOR LIFE for many of us aged pensioners.

Not only will large increases in rates affect the home owners but will affect rentals as these costs are passed onto tenants.

Attending the Council community meetings 2022 was a complete farce ... fancy prints outs ... SEVERAL / LOTS OF PAGES which told us nothing ... felt like a foreign language

Surely this must be a case of total financial mismanagement & certainly not in Urberville ... THE SECOND LARGEST TOWN TO TENTERFIELD itself in the Tenterfield Shire.

Yes! we are 150 km away from Tenterfield ... EASILY FORGOTTEN ... except for RATES

Pauline Ho

Author name: P. Mustoo

Date of submission: Wednesday, 1 March 2023

Please provide any other comments on the council's application that you would like to make here.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

The council has published a lot of information about why they need this huge increase but it is a widely held opinion of Tenterfield ratepayers that it was the council which caused the problem in the first place. The increased spending and dubious decisions occurred long before the drought, the bushfires, and Covid-19. It certainly was not caused by the ratepayers; but now they are the ones who need to pay.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

One of the attempts at an alternative was to sell or lease the Tenterfield aerodrome. That was an abject failure. It has increased the number of airborne visitors to Tenterfield, so it did have a positive side!

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

It did. If my memory is correct, it even said the it would be a very affordable only \$14 per week. That was before the start of the Ukraine war and the start of inflation. The council has been quick to blame this as another factor to justify the rate increase, but fails to see that all the ratepayers are subject to these same increases. For an age pensioner, these rises are frightening.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

My experience with the engagement strategy is that the council only has plan A and they are not interested in anything the ratepayers say.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Lots of explanations why the rise is needed but very little about how they got themselves in that position and why they didn't do something to circumvent it sooner.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The council has explained why the drought, the bushfires, Covid-19 and the Ukraine war have made rate rises affordable, but have not taken into account that all these excuses have affected the people they want to pay to correct their blunders.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. No consideration. Even the elected councillors are worried about their own capacity to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

As far as I can remember, the council listed the ways that ratepayers could pay in installments and the interest rate which applied.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I know they have been exhibited and I presume that the council and approved and adopted them.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I arrived in Tenterfield in 2013 and the next year the council was granted an exemption to increase the rates by 10% per year for three years. Since then the rates have gone up every year. For the years the rate rises were above the ones recommended by IPART, I presume the council were able to provide all the information required to justify an increase. Unfortunately, it appears that all their plans didn't come to fruition, because there is now the massive debt which needs to be repaid.

Author name: R. Bell

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.
The rate rise is unrealistic when taking into account the capacity to pay.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No. Council have not established a need for an increase. They have been remiss in advising the people of this shire the full and correct financial position in an easy to understand format.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Residents have been told at various public meeting (erroneously called consultations) that the proposed rate rise must go ahead or services will be cut. Meanwhile the last rate rise of some 50% resulted in huge increases in administrative costs. No benefit to the people at all.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes they have but their figures have been based on what the chief executive officer has publicly called fluff.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

The community are aware but despite objections to council and councillors with pleas to consider the low socioeconomic situations this Shire is in, council continue to ignore, override and downright bully any objections. They say they are cutting staff but reality is shown in their financials. Staff costs have risen and contracting per annum is now just short of \$5 million per annum.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Please see above. Council are not interested in the opinion of the people. They go through the motions of community feedback to enable them to tick the appropriate boxes on their applications.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The shire of Tenterfield is one of the lowest on the socioeconomic scale in NSW. 40% of the people are aged over 60. There is no industry other than cattle farming and that is not exactly prosperous after the fires and floods. The second big industry is aged care. This speaks for itself. There are many single aged pensioners in this area. If they cant afford to live in a small country town with very few amenities, where do they go? I personally have spent 3 days in front of Coles Talking to people and taking surveys and in many cases it is heartbreaking to hear the anguish in the voices of people who are powerless to stop these rises, particularly in view of other rises in living such as fuel and food.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Council have given no consideration to the community's capacity or willingness to pay. Any interviews have been with council putting forward their wants and no consideration given to what people can afford.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Yes, they say they have a hardship plan. They forget that most of the aged people in the shire are country people who have always paid their way fairly. It would be demoralising for them to have a debt to council that would have to be paid at sometime. In the meantime these good honest people can sit back and watch this council overspend on every project they touch. Greedy and unfair.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Yes

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I do not believe they have done any more than they want to do. They say themselves that their strategic plan is just a bit of fluff necessary to fulfil the requirements of their application.


Tenterfield NSW 2372

Independent Pricing and Regulatory Tribunal (IPART)
PO Box K35
Haymarket Post Shop
NSW 1240

ipart@ipart.nsw.gov.au

RE:Special Rate Variation submission by the Tenterfield Shire Council

I am aware that the Tenterfield Shire Council (TSC) has presented a submission for IPART to consider their application for a Special Rates Variation (SRV) of 104.49%. I am also aware the Ratepayers' Association of Tenterfield Shire Inc. (RATSIInc.) has asked you to reject the TSC SRV and will be presenting their submission in the appropriate format with the support documentation.

I am a member of the Tenterfield community and concerned about the proposed rate increase. I support the RATSIInc. in asking you to reject the TSC's SRV. I will be greatly impacted by the SRV if it is approved, the reasons being:

The proposed SRV is for 43% each year for two years working out to 104.49% compounded. The SRV would take my rate bill from \$712.73 in 2022 to \$1,013.73 in 2023 and \$1,450.69 in 2024 plus the ever rising service charges currently \$2862.00

The current population of the Tenterfield shire is approximately 7,000 with 5,000 of those being in the lower socio economic group.

The proposed SRV would create severe hardship for the shire and force many people to leave the area if the rate rise is allowed.

The concerns of the rate payers have been put before council but they are determined to go ahead with the proposed SRV despite community concerns.

A community meeting was held recently but failed to provide any answers to residents concerns and was generally considered to be a failure.

The SRV is on top of rising charges for services such as water and sewerage etc. and is not sustainable.

Council says that their current rate level puts them in a favourable position compared to other shires, however, if charges are considered the rates and charges are already amongst the highest in the state.

Council has indicated the extra revenue will just be added to general finances for roads and bridges and will not be used to pay down debt which is approximately \$19m.

I am fortunate to be a self funded retiree, however a rate increase of this magnitude will adversely affect my finances.

This proposed SRV is not sustainable by the residents of Tenterfield shire and I trust that IPART will reject this cash grab by this incompetent council.

I ask that you give careful consideration to all submissions from the stakeholders in the Tenterfield community and look forward to your decision on this SRV and your reply to this letter.

Concerned TSC community member and ratepayer

SIGNED: _____

DATED: 14/2/2023

Author name: R. Knight

Date of submission: Monday, 13 February 2023

Please provide any other comments on the council's application that you would like to make here.

The TSC has not handled this matter well at all, it has not consulted in a meaningful way and has put forward a policy of 104.49% over 2 years or nothing. There have been no alternatives put which look at options with cost savings, productivity enhancements, asset sell offs, etc. TSC has not given rate payers any options and their submission to IPAT is not satisfactory.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

The Tenterfield Shire Council (TSC) has indicated to rate payers that there is no other recourse than an SRV of 43% each for 2 years. They have not put forward any other suggestions such as cost savings, selling off assets, etc. There seems to be an either/or mentality from the TSC, either we reduce services or pay 104.49% more in rates.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No, the TSC has not canvassed any alternatives to the rate rise. It is a 149.49% rise or nothing option, with no explaining what the consequences of a smaller rate rise would be. The TSC has no alternate plan and has not provided rate payers any options.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

A calculator on the TSC website which only provides for the 104.49% rise allows rate payers to calculate the rate rise specific to them. In my case my rates would rise to \$1,013.73 in 2023 and \$1,450 in 2024. This does not take into account service charges which are uncontrolled and rise each year.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

There has been a "community consultation" meeting which failed to answer rate payers questions and was considered a failure as to communicating to the community. The premise was rate rise or nothing.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Questions for TSC were submitted in advance for the "community consultation" meeting but some went missing before the meeting and others were just not answered. This was a very unsatisfactory meeting and left rate payers more concerned than ever.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Tenterfield Shire is large but with a low population (7000) approximately 5000 of these residents are in a lower socio-economic group and cannot afford such a large rise in rates. There is research from TSC that shows a low number of rate defaults in the shire and council has suggested that this good conduct by residents shows an ability to pay more. (rubbish)

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Tenterfield residents recognise the need for rates and charges and are willing to undertake reasonable rises. Tenterfield is not a rich shire and many people will find it difficult to pay such a large rise in rates.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

What plan? TSC have not put forward any hardship provisions except that pensioners will receive the normal discount.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

No special exhibit has been conducted and no referral to these documents has been circulated.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

The TSC application does not quantify any productivity improvements, or cost containment strategies either past or future. "outcome achieved" seems to be the answer to this criteria and does not quantify anything.

Author name: R. South

Date of submission: Thursday, 23 February 2023

Please provide any other comments on the council's application that you would like to make here.

When you have an in-officiant origination throwing money at it doesn't increase productivity, It only feeds the in-affiance.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes, but only after it was revealed by rate payers

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No they required rate payers to make appointments and have individual briefings with senior staff this was very intimidating.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

They ignored it, treated it with contempt

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The proposed increase is causing stress already as a significant number of rate payers will find it very difficult to pay if any rate rise is given.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. the council has not responded to the communities concerns over the ability to pay, they have just stated that there costs have gone up and they need the rise, In response to the statment that our costs have gone up to they gust replied that the farmland ratepayers would just have to put the price up on what they sell. Farmers are price takers and caqn't just put their prices up.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Short term assistance does not help people who don't have a regular income. Wool producers only get a proceeds from the sale of wool once a year. In times of drought, flood market downturn. etc. many primary producers can go several years without an income.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Yes

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Council does not address their real problems. Their plant utilization is atrocious. There is very low moral in their workforce not helped by poor leadership at all levels. This has led to extreme in-affiances and poor quality work.

Author name: T. Cook

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

Tenterfield shire Council has not engaged with the ratepayers in regards to this and they refuse to listen to there ratepayers, if they need to find money then they should cut back on how many people they have working in the council chambers, every time they put a new Computer in they higher 3 new staff members

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No no no

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No no and definitely no

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No no no, they have been trying to hide the cost to the ratepayers

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No they dont about the rate payers and they dont listen to the rate payers

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Council 100% knows that the rate payers dont want this and they dont care

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

This rate increase will have devastating consequences on the rate payers as a high percentage of ratepayers are on the age pension and Tenterfield council does not hesitate to threaten people to take there house on the ratepayer when they fall behind in payments

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Council has not taken anybodys consideration and willingness capacity to pay, Tenterfield shire Council doesnt care one bit about there rate payers

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

This is hard to comment on because council has not address the rate payers in regards to this ridiculous rate rise, they dont care about hardship because even when you inform them of hardship they still charge you a ridiculous amount of interest on your unpaid rates

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Have no [REDACTED] idea as council has not discussed this rate rise with the rate payers

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Tenterfield shire council have been very determined to keep rate payers in the dark so I cant answer this question but all I can say is if the council is so broke why have they just started ripping up the skate park and are building a new one

Author name: z. kovacsics

Date of submission: Tuesday, 28 February 2023

Please provide any other comments on the council's application that you would like to make here.

please do not grant tsc,s request for a 43% increase in rates for 2023/2024 calendar year i myself being on an old age pension can just afford my rates at the presence will i have to reduce other services to stay in my own home? how can IPART be said to be achieving the NSW State Government and its own objective of the Government's commitment is to protect ratepayers from excessive rate increases etc yours sincerely zoltan kovacsics

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Author name: Name suppressed

Date of submission: Tuesday, 28 February 2023

Please provide any other comments on the council's application that you would like to make here.
please see attached letter and visit www.osoci.org for more details and facts

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No - the community rejects the SRV and clearly stated so - as such the NEED / DESIRE is not there. Continuous requests for TSC to reduce their cost to Administer have been ignored. Personnel numbers are too high - please see attached letter.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

not sufficiently - as a company the TSC must operate within their means - the TSC has wasted a lot of money in the past and NOW suggests it can not reduce cost - see attached letter.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

YES - only at the very last minute. For the past 12 months - TSC has denied the 104.49% be the rate variation they are going for and labelled community initiatives MISINFORMATION. please visit www.osoci.org for more details.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

NO see attached letter and www.osoci.org. The community has clearly said NO to the SRV - the TSC still proceeds.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

NO meaningful responses to hundreds of letters and emails have been received. During the FORCED individual sessions one had to book with the very intimidating [REDACTED] those participating where continuously TALKED DOWN to and no questions were answered. The ONLY official community consultation meeting was choreographed and only pre selected questions were mentioned. No meaningful answers provided.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

TSC simply ignores the needs of the ratepayers and plows along to save its own Jobs. please see the letter and visit www.osoci.org

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. the report is flawed and is invalid. please see attached letter for details

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

The council will say and promise whatever in order to get approval. Past SRVs were approved by IPART with clear spending commitments. Yet council has ignored most of them and went on to spend the money differently, wasting more, causing more financial stress for NO value to the community.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

YES

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

TSC has realised they wasted too much money - all the way into 2022 when they were still spending \$2M on a council chamber upgrade. They are ONLY interested in their own jobs and pay increases. Some comments regarding "finding minute savings" were made - the calls for 30% cost reduction by the community were ignored.



28th of February 2023

IPART

By email and via “have your say portal”

COMMUNITY OBJECTION TO 104.49% SRV

Dear Sir or Madam

On behalf of the OSOCI members, supporters which accounts for **over 700 residents** and the wider community affected by the financial mismanagement and misappropriation of community funds and assets as well as the proposed rate increases, we hereby submit the official

COMMUNITY OBJECTION TO 104.49% SRV

and request that IPART do NOT approve the SRV

on the following basis:

Tenterfield Shire Council have spent a lot of this community's money to put together an application (against the clearly stated will of nearly 10% of this community).

On the surface looks as if the application ticks all the boxes.

Please kook closer

The application DOES NOT tick all the boxes, is not compliant and needs to be rejected.

Capacity to pay is flawed

The core document for the approval is the document “*Tenterfield-Shire-Council-Capacity-to-pay.pdf*” produced by Morrison Low – October 2022.

The following flaws render this document non compliant and on that basis the SRV must be rejected:

- Council claims they need more money due to massive cost increase. The report uses 2021 data for income and rate payers' funds available – comparing that with the FUTURE council funding requirements is not acceptable.



- Claiming that the ability and willingness to pay is going to be the same as in the past is incorrect. The community has made it very clear that they do NOT approve of that massive rate rise and wish the council to reduce their spending to 2016 levels – since then the G&A spending increased by 2432%.
- The report does NOT take into consideration that rate payers are massively impacted by cost of living increases and DO NOT have the capacity to pay more and pay the 104.49% - which then continues to increase to about 200% in the coming years.
- Residents live (some for over 50 years) in Tenterfield because of its reasonable cost of living – especially compared with what they need / want from a council. There is no ability or willingness to pay MORE for a topheavy administration body which is unable to operate within its means. And has been doing so for the past decade.

Community Consultation is flawed

Consultation undertaken by the community itself clearly shows a clear NO to the SRV than support of the council. The TSC community consultation was a carefully orchestrated demonstration of power, where only filtered / pre-selected questions were allowed and no answers to the key questions of the community were provided. Hundreds of emails and letters from concerned residents to councillors and the TSC administration remain unanswered.

Past rate rises failed

Previous SRVs and fees and charged increases were undertaken on the basis of planning and commitments in relation to their outcome. TSC have not delivered on the commitments made (including those to IPART). Ongoing overspending is still occurring in many areas which do NOT add value to the community and only a few council staff benefit from.

Past actions and performance are a reliable indicator for future.

No amount is enough if the same spending and wasting continues inside the TSC Administration.

Ongoing charge raises are inappropriate and [REDACTED].

Why does IPART not follow up on the commitments from previous SRVs why is the performance of the TSC not investigated or followed up?

Allowing this council which is NOT a local government but a corporation to raise the rates is rewarding failure.

Giving TSC the right to take away more from the community, which has nearly no opportunity or capacity to increase their income is wrong.

It would be confirming that if you waste money, you get approval to take more from others to waste.



In rural shires, the cost of council charges is more than just rates. Residents have to Pay Other council fees and charges as well. Including water, sewer waste and stormwater fees

The waste and inefficiencies in TSC's operations is demonstrated by the exceptional high fees and charges they levy when they are not restrained by a cap.

The total cost of Tenterfield Shire residential rate fees and charges is now higher than in 12 out of 15 of LG group 10 shires that quote comparative figures.

This combination of expenses is equal to 11% of median personal income in Tenterfield LGA. If the 104.49% SRV were to be granted these expenses will rise up to 14% of median personal income.

TSC was granted a SRV starting in 2013 and running until 2018 a cumulative increase of 53.07%. Seventy percent of the funds was to be spent on capital improvements to roads and bridges. The schedule of expenditure for the capital improvement programme extended to 2023-2024.

The council decided to defer spending some of the funding on bridges, resulting by their own admission, in damage to bridges that would not have occurred had they complied with the IPART approved spending programme.

Council states that the number of full-time employees in records FTE records has reduced by 7 from 112 to 105 over 2 years however it is nowhere near where it should be.

The facts are, in 2016 the number of FTE was 95 and in 2022 the number of FTE was 105. This is an increase in FTE of 10% during which time the Shire population fell by 7%.

Council claims reduced salary costs over the last two years. This is refuted by councils on annual financial statements, which shows an increase in total employee costs expenses from \$8,750,000 in 2020 to \$8,836,000 in 2022.

Over seven years, TSC salary costs went up by 36% - 2016 salary costs were six million \$6,521,000 and in 2022 were 8,836,000. And over the same time TCS' contract and consultancy costs went up by 1120 percent - 2016 cost was \$395,000 and 2022 costs were \$4,818,000 in this time real wages in Australia grew only by 0.1%.

The only purpose for SRV that OSOCI and other Ratepayers' Associations can see is to fund the excessive growth in TSC Governance and Administration spending that has occurred over the last 7 years.

Expenditure for 2016 G&A was \$232,000 all other General Funds \$17,914,000 and in 2021 G&A was \$5,875,000 and all other General Fund \$19,374,000.

In that time, G&A has increased by 2432 per cent. All other General Fund spending has increased by 8%.

The 2015 IPART report assessment of Council for the Future proposals noted that, *to achieve the operating performance benchmark rate, TSC proposed additional SRV starting in 2018 on top of the 2014 SRV just approved.* IPART noted that this



“represents combined increase over 11 years of 99 per cent above rate peg, which ratepayers’ Association consider unreasonable”.

However what the TSC is now proposing would take the combined increase over 11 years (2014 to 2025) two well in excess of hundred 200% above the rate peg which surely must be considered by IPART to be even more unreasonable.

Like every other corporation / company – this Council Administration must provide its customers with a level of service at a price the customers are willing and able to pay. This community is neither.

We hereby request that IPART shall reject the application and by that force the council to operate within the means the community can afford and is willing to give the council business.

Respectfully submitted.

[Redacted signature block]

This letter will also be made available publicly via website and other media



13th of October 2022

Tenterfield Shire Council
Daryl Buckingham - CEO
and all Councillors
Tenterfield Shire Council
NSW 2372

By email

IMPROVEMENT AND MONEY SAVING IDEAS

Dear Councillors and TSC Administration

On behalf of the OSOCI members, supporters and the wider community affected by the financial mismanagement and misappropriation of community funds and assets as well as the proposed rate increases, we hereby respond to the question asked by the mayor at the September Community Consultation Meeting:

“What can council do to improve and save money?”

The following is a list of actions put together after consultation with the wider community. The consensus is that the Tenterfield Shire Council Administration and Councillors should – **BEFORE considering rate and fees and charges increases undertake / implement ALL of the below:**

1. Change focus from a “Value for the Business: Council Administration” spending approach to “Value for the community”.
2. Develop and pursue “a can-do attitude”. To date TSC keeps repeating “we can’t do this, that, anything...” – “WE MUST have 104.49% in rate rises”.
3. Develop a Customer FOCUS – away from “self-serving / growing / pay increase” and “rate payers have to pay for everything regardless”.
4. Develop “visibly felt leadership” by Councillors and Council staff – departing from the ‘them and us’ mentality and defending Council against the residents and hiding the failures.
5. Develop a meaningful long term Community Strategic Plan – which actually suits the style / type and demographics of the Tenterfield Shire.
6. Reduce the number of councillors from 10 to 5; then the OLD 5 COUNCILLORS take responsibility for their failures and step down.
7. Establish a more appropriate income / pay for Council Staff - Reverse the recent pay rise (staff and councillors) and instigate a voluntary pay reduction by management and staff of 20% to show leadership. Sliding scale down to 8% for the lower pay grades.
8. Contract to a healthy size and operation, this is not the Gold Coast or Brisbane and should not be reflecting in either spending or staffing. Reduce spending by 20% and realise real saving across the business – by bringing the Council administration back to a minimum and reasonable level appropriate for a 7,000 residential community.



- Minimise reporting – shorter reports – less reports – more common language – push back on NSW State Government reporting requirements.
 - Eliminate waste – e.g. better quality assurance of contract / project delivery, fix a pot hole once properly instead of 5 times while it remains a pothole indefinitely.
 - Concentrate on core business – hand over non-core business activities to community groups.
 - Stop unnecessary trips by staff and councillors – e.g. to conferences.
 - Stop council staff and councillors using council fuel cards and vehicles on weekends and for private travel.
 - Roll out meaningful performance reviews 6 monthly, prioritize positions, responsibilities and roles within council staff.
 - Increase productivity by business process reengineering.
 - Revisit all contracts and projects, reduce spending and efficiencies and find better ways of delivering capital projects.
 - Reduce operational spending – maintenance activities (longer cycles) – refurbishment instead of replacing.
 - Schedule maintenance – short term and long term, with reviews and reporting by status.
 - Reduce complexity
 - Initiate lower cost operational cost vs high capital and operation cost for oversized infrastructure – e.g. solar as part of the new WTP.
8. Engage with, include and listen to active community members with relevant experience – hand over non-core business to community groups.
 9. Openly include the true community representatives in workshops, committees (if needed) and stop RULING the community from a point of weakness.
 10. Expect community consultation by councillors and require it to be mandatory – the community when reaching out to their “representatives” need and deserve more than an email saying “we will consult and get back to you” – which hardly ever happens – and response are usually meaningless.

Given the Council Administration is a business (not a level of Government) and the community can choose to or reject to contract with the Council Administration, it seems appropriate for this business to modify its ways of operating and cost management in order to stay viable and attractive for the residents and rate payers to trust it going forward.

Respectfully submitted on behalf of its members and the supporting community members by the OSOCI Executive Team

[Redacted Signature]

[Redacted Signature]

Note: This letter will also be made available publicly via website and other media as well as to stakeholders

Our Shire Our Council Initiative

13 April 2022

Daryl Buckingham

CEO

Tenterfield Shire Council

Hand Delivered and by email

Ref: Collaborative Approach to protect the financial future of the Tenterfield Shire

Mr Buckingham,

As indicated by our public meeting attended by hundreds of concerned residents on 9 April, a rapidly growing group of concerned Tenterfield ratepayers and residents disapprove of the current direction, plans and operational activities of the Tenterfield Shire Council. This includes the output from the Administration team and Councillors representing ratepayers. This group do not believe the Council is focused on protecting the financial and social future of the Tenterfield Shire. We reject the proposed 109% rate rise. The community wants these concerns urgently addressed to potentially avoid economic outcomes that detrimentally impact the Tenterfield Shire ratepayers and residents in the future.

Those ratepayers and residents are now collaborating to represent these concerns to influence the existing Tenterfield Shire Council plans and actions positively. The objective is to avoid the Tenterfield Shire Council's currently projected (budgeted) financial deficit and instead build a plan to remediate the debt. The goal is to work together with the Tenterfield Shire Council to ensure a stronger financial future and beneficial outcome for all involved.

RFI Request

The plans provided by the Tenterfield Shire Council are under review by our subject matter experts, and a consolidated response will follow shortly. Please provide your updates from last weeks round of meetings so our comments are based on all information available.

The potential budget presented is of the biggest concern. We believe it gives grounds for the Request for Information outlined below. Further, we think it also requires immediate corrective action by the administration team to accurately reflect the wishes of this community – including individual and commercial ratepayers and residents.

Our Plan for Best Outcomes

Our Management Team has also been made aware by a concerned ratepayer that they HAVE written to the NSW Premier and Minister of Local Government and requested an administrator be appointed immediately.

Our initiative does not see this option as the best outcome. We hope that further consideration of the economic options available to the Tenterfield Shire Council will enable further discussion and respect for the community's wishes.

Therefore, we continue to reach out to you as the Chief Executive hoping that the Tenterfield Shire Council Administration, which serves the community, will see the benefits of and agree to this collaborative process.

Next Steps

This next step ahead for all of us is crucial and potentially our best and last opportunity to avoid administration and subsequent amalgamation.

Our Shire Our Council Initiative

We have a chance for growth. We have members on this new team who have experienced similar challenges in other shires and worked with respective councils to steer administration through an economic transformation and positive future. We believe we can transition Tenterfield in the same way.

Our Core Team (plus Focus Groups) consists of a highly credentialled number of Subject Matter Experts (SME) in a wide range of areas such as (but not limited to): Finance, Accounting, LG Operation, Health, Engineering, Mining, Legal, Tourism, Capital Projects, Business Process Optimisation... to name a few.

This talent pool is available right here. Treated as a valuable resource and used in the right way, it can help make a difference for the benefit of this community—a top-shelf consulting team FOR FREE.

We trust you see the upside of this proposition and the enormous opportunity.

Urgent Actions

In preparation for a constructive collaboration, we cordially request the following information and response be prepared and submitted by your team as a matter of urgency:

- Confirmation of new financial modelling (including age demographic forecasts) and the corresponding budget outlining an immediate 15% reduction in Tenterfield Shire Council expenditure – particularly in non-core business to achieve profitability.
- Confirmation of hiring freeze and immediate review of non-core roles, including contractors and casual staff.
- Explanation of how the Tenterfield Shire Council will be reviewing and immediately reducing unnecessary expenses that do not benefit ratepayers.
- Planning a shared services approach within Council for more efficient use of available staff and financial resources.
- Guarantee all capital projects underway are solvent (self funded – not cross funded). If not, works to stop, and financial modelling is undertaken to ensure budget forecasts are met.
- Confirmation that NO council assets are being sold off without community consultation.
- Open and transparent dealings without violating commercial in confidence when required.
- Outline a fiscal plan to better manage rates being paid and recovered (rather than written off) and reduce existing rate arrears.

We expect and are looking forward to a timely response.

Respectfully submitted

Our Shire Our Council initiative

CC:

- Premier Dominic Perrottet
- Deputy Prime Minister of Australia Barnaby Joyce Minister for Infrastructure, Transport and Regional Development Member for New England
- Minister for Local Government, Wendy Tuckerman
- Janelle Saffin MP, Member for Lismore

This letter will be published to the OSOCI database and available on our website and social media in our pledge for open and transparent dealings.



14th of July 2022

Tenterfield Shire Council
Daryl Buckingham - CEO
Tenterfield Shire Council
NSW 2372

By email / Australia Post

Breach of Local Government Act and Regulations
Failed Community Consultation – Invalid Community Strategic Plan and Subsidiary Plans

Mr Buckingham

This is to inform you that the undersigned, in representation of its members and the wider community of the Tenterfield Shire hereby put the Tenterfield Shire Council Administration and the Councillors on notice for the above-mentioned breach of Government Legislation.

We therefore request that this failure to comply be promptly remedied by means of annulment of the report to Council, annulment of the Community Strategic Plan and its subsidiary plans, annulment of the so-called Community Consultation AND a complete repetition of the community consultation process (transparent and inclusive), rewrite of the strategic plan and subsidiary plans based on the then actual input from the community.

Details:

1. At no point during the so-called Public Consultation period did Council inform the community openly about the projected 200% rate increase (over 10 years). The document *TSC-Community-Strategic-Plan-Financial-Sustainability-Presentation-to-Community-Consultation-Sessions-April-2022*, which showed the proposed rate rises, **was only presented to those attending the consultation meetings**. The document was NOT available on the Council's website at the time and was only added to the website shortly before the consultation period ended on the 2nd of May 2022. This shows how the Council avoided consultation related to TWO MOST IMPORTANT ASPECTS for this community – **Rate Rises and Financial Sustainability**. OSOCI did pick up a personal Facebook post by the Mayor in early April that informed about a proposed 79% rate increase and within one week of simple public information, OSOCI attracted around 300 attendees to an information session. This shows that the community does understand and is interested to participate in those

consultations, should the Council openly inform about those topics instead of hiding the information.

The Council-driven “Lack of Information and Misleading Information” campaign continued via multiple media, including Radio, Facebook and the monthly newsletter all the way to the Council Meeting on the 25th of May at which a significant number of residents attended to personally object to the proposed Budget and CSP. At this meeting, more than half of the available seats in the Council chambers were occupied by Council workers and the projection of the meeting to the audience standing outside was “unavailable due to lack of personnel”.



MAYORAL MESSAGE

ADDRESSING RECENT COMMUNITY DISCUSSIONS

As required by State legislation, Tenterfield Shire Council (TSC) is reviewing its 10-year Strategic Plan, 4-year Delivery Program, 2022/23 Operational Plan and its Long-Term Financial Plan – with drafts available on Council's website. Council has held community consultations in Tenterfield (2), Jennings, Sunnyside, Mingoola, Torrington, Bolivia, Drake, Urbenville, Legume and Liston.

As part of the review of the Long-Term Financial Plan, an application for a Special Rate Variation (SRV) rate rise of 81% over two or three years has been proposed to fund current and future Council operations. The proposed rise only refers to the first two lines of your annual rates notice – the Rating category ad-valorem (value) and the Base Amount. It DOES NOT apply to fees and charges on the rates notice.

Figure 1: Incorrect information in Council Newsletter. Year on year increase by 40.5% is NOT 81% but 97.4%.

With the underlying rate increase – the actual increase over 2 (or 3 years) is 109%.

2. During the Chamber of Commerce Meeting on the 29th of April 2022, you, as the CEO of Tenterfield Shire Council (TSC), openly stated in front of approximately 50 participants ***“that the Community Strategic Plan (CSP) is not of importance or significance, is FLUFF only and does not need the attention of the community”***.

This statement was made in response to concerns raised by the community (during the consultation phase) about the lack of relevance of the then proposed CSP.

Your response was received and understood by the attendees as an attempt to discourage community members from participating in the ongoing consultation.

As you are well aware, the Community Strategic Plan is "the highest level of strategic planning undertaken by a council... **All other plans must support achievement of the Community Strategic Plan objectives.**"

See: <https://www.olg.nsw.gov.au/wp-content/uploads/2021/11/IPR-Guidelines-2021.pdf>

Your statement was untrue and misleading. Your behaviour is in direct contradiction of said Strategic Planning documents that proclaim an open and inclusive way of community engagement and integration.

3. The Community Consultation Period ended on the 2nd of May 2022 and OSOCI have evidence of large numbers of submissions made to the nominated Council contact and Councillors alike (concurrently) in a compliant and timely manner.

None of this community input was subsequently included in the CSP or Budget.

A meeting was held between you, [REDACTED] [REDACTED] on the 5th of May 2022 in your office. During this meeting you were requested to confirm the next steps of the Community Consultation (CC) and how the input from the community will be included in the CSP. [REDACTED] both confirmed that the results will be collated by the department managers, then presented to the Councillors and then the content be included in the final CSP Draft. Despite your confirmation, this did not happen.

This behaviour is also deemed to be exclusive, deceptive, misleading and thereby raises cause for the above claim.

4. Subsequently, the CSP and IP&R Report (Item GOV43/22 - Page 282ff) were presented to the Council at the meeting on 25th of May for adoption.

The report falsely concludes the following (highlighted sections):

"...In summary, staff found that the second round of community engagement focused primarily on the Special Rate Variation (SRV) included in the Long-Term Financial Plan and subsequent service level requirements. This feedback will form the basis for the SRV Consultation required for the application to IPART and has been provided to staff to ensure that community ideas and concerns around Council operating processes, in the The Community Strategic Plan and associated documents, that according to the Office of Local Government NSW, must identify the main priorities and aspirations of the area for the next ten years. Therefore, the Community Strategic Plan leans more heavily towards the first round of Community Consultation meetings.

This process identified clearly that people involved in the consultation were generally happy with the current breadth and level of Council Service except for Roads. However, at this juncture there was no consensus as to service level reductions that would have a material impact the scenario's contained in the Long-Term Financial Plan. As such the Delivery Program is a reflection of the current levels of Service and activities that will form the basis of this Term of Council."

in as much as the Community Strategic Plan:

- a. **FAILS** to identify the main priorities and aspirations for the future of the local government residents.
- b. **FAILS** to prepare and implement a Community Engagement Strategy based on social justice principles for engagement with the local community in developing the Community Strategic Plan.

as well as – in as much as the Council:

- c. **FAILS** to implement its own "community engagement strategy" – for engagement with the local community when developing its plans, policies and programs and for the purpose of determining its activities (other than routine administrative matters).

as well as – in as much as the Council:

- d. **FAILS** to comply with the requirements under this section, the respective clauses in the Local Government Regulations – in particular

Division 1A Strategic planning

196A Integrated planning and reporting guidelines — the Act, s 406

A council must comply with the integrated planning and reporting guidelines in the document entitled *Integrated Planning and Reporting Guidelines for Local Government in NSW*, published on the website of the Department, as in force from time to time.

Local Government Act

Following is a summary of the requirements of section 402 of the Act:

Community Strategic Plan

- Each local government area is to have a Community Strategic Plan that has been developed and endorsed by the council.
- The Community Strategic Plan is to identify the main priorities and aspirations for the future of the local government area.
- The Community Strategic Plan must cover a minimum timeframe of 10 years.
- The Community Strategic Plan must establish strategic objectives together with strategies to achieve those objectives.
- It must address social, environmental, economic and civic leadership issues in an integrated manner.
- The council must ensure the Community Strategic Plan is adequately informed by relevant information relating to social, environmental, economic and civic leadership issues.

- It must be based on the social justice principles of equity, access, participation and rights.
- The Community Strategic Plan must give due regard to the State Plan and other relevant state and regional plans.

Community Engagement

- Each council must prepare and implement a Community Engagement Strategy based on social justice principles for engagement with the local community in developing the Community Strategic Plan.

Submitting the Community Strategic Plan

- Councils must provide the Deputy Director General (Local Government) with a copy of the Community Strategic Plan and any amendment of the plan, within 28 days of the plan (or amendment) being endorsed.

Figure 2: Extract of the Integrated Planning and Reporting Guidelines for Local Government in NSW.

Council have received official objections to the report, CSP and Budget from the wider community – **these objections were ignored. To date there has NOT been a single meaningful response to community members from the TSC Administration or Councillors.**

The Council passed that report which does NOT represent the community's position (needs and wants) and its acts and omissions directly contradict the publicly declared purpose, values and objectives set in the *Community Engagement Strategy* and the *Community Strategic Plan*.

As such both Councillors and Council Administration have failed to fulfil their obligations as they have not followed due process and not satisfied the requirements under the [REDACTED] and [REDACTED] framework.

Councillors and Council Administration are practising and operating to EXCLUDE the community, which has given clear directions and requests in regard to the finances and operation of the Tenterfield Shire.

Therefore:

- the CSP must be considered null and void and all subsequent actions are invalid as the CSP is the basis of all Council activities.
- Council's activities must be suspended and the CSP be redone.

- as the consultation process also informs the adopted Financial Budget – it must be investigated to establish to what extent the failed consultation/engagement has affected the adopted budget – which shows a detrimental deficit both current and \$50 million over the coming 10 years.
- as the IP&R process also informs the adopted Resourcing Plan (amongst others) – it must be investigated to what extent the failed consultation/engagement has affected the Resourcing Strategy as a whole (predominantly Workforce and Financial Plan) – which shows a detrimental deficit due to overstaffing.

With regard to the proposed SRV, the Council was required to have discussions with the community about service levels and funding priorities and, **with the community, determine that a rate variation is the best way to achieve financial sustainability.** This did not happen.

Yet, a 109% Rate increase over 2–3 years and 200% Rate increase over 10 years is currently promoted as the preferred option considered by Council to allow this administration to keep their top-heavy management structure that does NOT service the actual needs of their ratepayers and specific demographic.

We therefore request remediation by means of annulment of the report to Council, annulment of the Community Strategic Plan, annulment of the so-called Community Consultation AND a complete repetition of the consultation process and rewrite of the Community Strategic Plan based on actual input from the community.

In addition to the above, we request that OSOCI representatives are included in future planning and decision making. Your open-door statement and conditional offer to consider certain input is not satisfactory. You are not entitled or authorised to operate in isolation of the clearly identified and specified requests and needs of the wider community.

Respectfully submitted on behalf of its members and the supporting community members

by the OSOCI Executive Team



cc: all Councillors

This letter will also be made available publicly via website and other media



25th of July 2022

Tenterfield Shire Council
Daryl Buckingham - CEO
And all Councillors
Tenterfield Shire Council
NSW 2372

By email

OBJECTION TO ITEM GOV 61/22

Dear Councillors and TSC Administration

On behalf of the OSOCI members, supporters and the wider community potentially affected by the proposed actions, we hereby object to the above item which was tabled by the Administration for this week's meeting.

COUNCIL

27 JULY 2022

Department:	Office of the Chief Corporate Officer
Submitted by:	Manager Finance & Technology
Reference:	ITEM GOV61/22
Subject:	Commencement of Further Community Consultation - Special Rate Variation 2023/24 and 2024/25

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK	
CSP Goal:	Leadership - LEAD 14 - Resources and advocacy of Council are aligned support the delivery of the community vision outlined in the Community Strategic Plan.
CSP Strategy:	Council is a financially sustainable organisation, delivering value services to the Community.
CSP Delivery Program	Ensure that financial sustainability and the community's capacity to pay inform adopted community service levels.

1. INVALID

This item is not a valid report or item for the Councillors to decide on as it is based on the invalid Community Strategic Plan – reference Breach Notice dated July 14th 2022.

The previously failed community consultation, in BOTH rounds 1 and 2, clearly showed the community wishes LOWER service levels and NO RATE RISE. Moreso, qualified and timely submitted community responses requested 15% savings and TSC to focus on core business.

The proposed 104.49% Rate Rise is therefore NOT founded on a valid community consultation, CSP and budget.

The Proposition also fails to provide a 10 year long-term budget forecast that would allow the **councillors to make an educated decision.**



2. ANTI-SOCIAL AND DISCRIMINATING

The proposed Community Consultation process is in direct contradiction to, and therefore a breach of, the council's Values and Community Engagement Strategy – as well as a breach of legislation.

It is unreasonable and unacceptable to limit the community's options to contribute and also reduce the consultation to a small group (by selective survey).

- a) It is **discrimination** against ratepayers who live out of town and have a busy life – and for the older community members who are not able to attend such one-on-one meetings but wish to contribute.
- b) Dealing with Council is a traumatic and intimidating experience for most people. Residents feel afraid of the council – as they or someone they know has been shunted by the council for speaking up. Forcing them to sit in front of the CEO or a Councillor who hasn't represented them previously is absolutely out of the question for most.
- c) It is **unreasonable** to force individual residents or property owners from Urbenville, Brisbane, Ballina (6 hours drive) or Liston, Bolivia, Drake or Tabulam way to come to town to a pre-fixed meeting to participate in a matter that affects all of the ratepayers = approx. 5,000 people.
- d) During **COVID**, the Administration was shut down and everything was done remotely and electronically. COVID fear is still around – Forcing people to sit in a room with council representatives is a **COMPLETE DETERRENT**.
- e) The means of writing a letter, email, online portal, direct consultation via the councillors – AND direct interaction with the existing community groups – AND allowing everyone to discuss and contribute – ARE available and **MUST BE EMPLOYED** in order to make this a meaningful AND compliant community consultation process.
- f) It is not acceptable to continue down that path of silencing the community every time the community **WANTS** something this council administration does **NOT** like or want. **YOU** are here to represent the community – and how can you do that if you do not openly engage with the community.
- g) Requests from the community to provide information are simply ignored or rejected. This administration and the councillors are **NOT** open and transparent – contrary to the glossy brochures that pretend this is how council operates.
- h) OSOCI has received reports and complaints from long-standing members of this community that when they interact with the council they either get talked down to, are completely ignored, or lectured. This is not acceptable behaviour – the people are **BOTH** your Employers and your Customers.
- i) Furthermore, the proposed one-on-one meetings method is a massive waste of resources – and hence money. The Administration, under the given financial constraints, **MUST** work in more meaningful, economical and effective ways. Councillors must do their Jobs and **OPENLY** communicate with the Community – **PUT THE PROPOSED RATE**



RISE out there in open forums – meetings – listen to the community – then bring it back and INSTRUCT the Administration.

NOT the other way around.

- j) The proposed consultation period of nine days effective IS NOT SUFFICIENT FOR SUCH AN IMPORTANT MATTER that hits a large number of residents in an existence-threatening way. The [REDACTED] publicly stated “that the rate rise will affect many people as they won’t be able to afford living here anymore – AND – THAT “he thinks that was NOT A BAD THING”.
How is that for social justice and working for the community at large?
- k) The further so-called “community consultation” proposed, in the form of a Community Satisfaction Survey, is in NO WAY an appropriate method to consult and collaborate with the community as a whole. It targets a pre-selected micro-group of the community for feedback only.
- l) The proposed consultation is no such thing. It does none of INFORM, CONSULT, INVOLVE or COLLABORATE. We refer you to page 17 of our Community Engagement Strategy which details the appropriate actions to take with respect to Shire Wide High Impact decisions. We also reference the Office of Local Government Website for information on how Councils are to engage with and include the community.

In Summary

This proposed method of “so called” community consultation – if accepted by the council – can only be seen as **an attempt to subdue and avoid proper community consultation** and involvement.

On that basis, OSOCI requests that the report be rejected and the TSC Administration be instructed to prepare and deliver a proper consultation process – fully inclusive – proactively informing the community through all available channels about the proposed Rate Rises AND effects it will have – **INCLUDING a revised 10 year budget** – and details on how the increased funds will be used.

Also include a proper plan to further reduce spending in the GENERAL FUNDS = Administration by 15%.

TRIPLING of the rates (not including the fees and charges) will have a catastrophic impact on thousands of ratepayers.



COUNCIL IMPLICATIONS:

1. Community Engagement / Communication (per engagement strategy)

Commence engagement on the impacts of a **Special Rate Variation (SRV)** of 43% in FY 2023/2024 and a 43% Special Rate Variation in Financial Year 2024/2025, resulting in a compound (accumulative) impact of **104.49%**, to formulate an application to IPART.

Council will be conducting **Special Rate Variation specific community engagement sessions**, in the format of **drop in sessions**. These will be held from Monday 8 August 2022 to Friday 19 August 2022 **at Council's Administration Building at 247 Rouse Street Tenterfield**. Residents, and business, community and other interest groups will be able to **book an appointment to meet with Councillors, the Chief Executive Officer, the Chief Corporate Officer and the Director of Infrastructure** to discuss the Special Rate Variation and provide views and feedback. Sessions will be booked in segments of 15 minutes to 1 hour, depending on the requirements of those booking appointments.

Council's biannual Community Satisfaction Survey will also be conducted from 8 August 2022 to 19 August 2022. Survey questions this year will include **a section of questions on the requirement for a Special Rate Variation**. Final results of the survey will be provided to Council by end September 2022.

Feedback from both the drop in sessions and the survey will be collated with community feedback from Council's January 2022 and April 2022 community engagement sessions, for inclusion in Council's Special Rate Variation application.

Initial Community Engagement took place in January 2022 (excluding SRV).
Community Engagement regarding SRV took place in April 2022 across Shire.

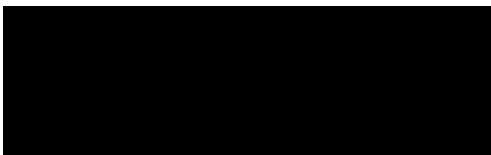
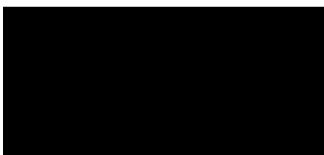
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21 July 2022

In addition to the above, we request that OSOCI representatives are included in future planning and decision making. Your open-door statement and conditional offer to consider certain input is not satisfactory. You are not entitled or authorised to operate in isolation of the clearly identified and specified requests and needs of the wider community.

Respectfully submitted on behalf of its members and the supporting community members

by the OSOCI Executive Team



This letter will also be made available publicly via website and other media

Author name: Name suppressed

Date of submission: Friday, 3 March 2023

Please provide any other comments on the council's application that you would like to make here.
disgusting and totally not supported by the wider community. Initiatives by the RPA and OSOCI are fabulous - representing almost 1000 affected residents and they were actively silenced and suppressed by TSC Admin and the councillors. Other initiatives from the smaller outlying communities / towns have also created a lot of push back and they all have been individually attacked by the Council. check: www.osoci.org The [REDACTED] has openly and publicly stated that "if people can't afford to live here any more and have to move away - that's not a bad thing." And he is on a \$300,000 package and living for FREE in town - not paying rates or fees / charges. The Councillors are actively working AGAINST the community Disgusting

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

NO - TSC is using the separate funds inappropriately and without disclosing it in the plans. the 10 Financial forecast is still missing

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

not enough - please see attached - excessive spending continues. The 31 Dec 2022 quarterly budget review further increased TSC operating deficit by more than \$1+ million, before further significant depreciation expense. This is on top of the @30 Sept 2022 quarterly budget review which also increased the operating deficit by \$1+ million. If this continues for the next two quarters without TSC changing their financial behavior, it may well be yet another \$2++ million increase in the operating deficit for which TSC is expecting ratepayers to pick up the tab.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

not initially - they actually called us liars when we raised the actual numbers - the TSC kept saying it is "only" 43%. There is NO ownership of the past failures and no learning and improvement.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

no - they did not want or answer any answers and forced people to come in to the Council chambers and do 1 on 1 "education sessions" in which we were force fed the NEED for the rate rises. No ownership of the problem AND the same councillors who got TSC and the community into this financial mess are still there making it worse

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

mostly rejection and calling it MISINFORMATION. Hundreds of emails and letters written to the TSC CEO and to councilors where ignored.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The TSC PAID consultant advised that TSC majority older age, lower income Ratepayers CAN afford the rate increase because they have high property ownership, low mortgages, low rate debts to TSC? Really? See the following reports on the NSW IPART links. https://www.ipart.nsw.gov.au/node/1035?review_id=1767 - should go to TSC list of provided (evidence).

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. they are using 2020/21 Data for the evaluation and do NOT take the current and future cost pressure on residents into consideration. The reality is - TSC has been bankrupt for some time and keep overspending - taking up further loans - and now have no where to go other than SRV of 104.49% - going to 200% in order to keep their overspending funded and their heads and jobs secured.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

insufficient - the whole community is affected and many seniors who rely on their investment property to fund their retirement are now negatively geared again. People have to sell their houses and have no where to move. People have to choose between eating and heating (8 months a year). And the Councilors and Admin are RAISING THEIR WAGES!!!! Disgusting

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

who knows what they are doing - one never gets a proper answer. Many documents appear on the website and then are changed later or removed.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Council [REDACTED] stated that even if the 104.49% is approved - council will still only just manage to stay alive - no improvements and more fees and charges increases are needed. They can't be trusted with more money as they have already proven that they spend it on themselves and NOT the community.

Tenterfield Shire Council

CEO / COO / all councillors / council@tenterfield.nsw.gov.au

26. April 2022

OBJECTIONS TO PUBLIC CONSULTATION AND DOCUMENTS / PLANS

Prepared by and with the input of over 300 TSC ratepayers and submitted on behalf of the sender

Referenced Documents

1. Community Strategic Plan & Financial Sustainability Presentation to Community Consultation Sessions April 2022
2. Draft Community Strategic Plan 2022-2032
3. Draft Delivery Program 2022-2025 & Operational Plan 2022-2023
4. Draft Asset Management Strategy 2022-2032
5. Draft Long Term Financial Plan 2022-2032
6. Draft Revenue Policy 2022-2023
7. Draft Workforce Management Strategy 2021-2025

Objection / Rejection is hereby lodged to the following:

1. Public Consultation Process (failed)
2. Contents provided for information (as above and missing documents)
3. Draft Community Strategic Plan (as above)
4. Draft Delivery Program & Operation Plan (as above)
5. Draft Asset Management Strategy (as above)
6. Draft Long Term Financial Plan (as above)
7. Draft Revenue Policy (as above)
8. Draft Workforce Management Strategy (as above)

Executive Summary

Considering the recently published financial position, the Tenterfield Shire Council (Council) has put this community in a **near-catastrophic financial situation**. This situation is not acceptable or explainable other than as **a failure of the councillors to fulfil their duties and the CEO and administration team to act in the community's best interest that pays them to do so**.

On the basis that the councillors are responsible for directing and overseeing the Administration / Operation of the Council, **the five remaining councillors participating in creating this situation** are to be held accountable.

████████████████████ shall face the consequences of their acts and omissions, apologise to the community and step down with immediate effect.

The Councillors have lost control over the ██████████ and hence the administration. Some examples:

- **The sudden realisation that the community is in unreconcilable debt.**
- **The uncoordinated proposition of a rate rises from 0.7% to 2.5% to 79% to 109% to 200%.**
- **The public comments by the ██████████ about people having to move away.**
- **Adding personnel and managers under managers in the organisation chart.**
- **Proposing additional spending without a funding source.**
- **The change from a Farming Community to a tourism community via a Mountain Bike stronghold to an Arts and Crafts Centre – without any consultation.**
- **A budget that shows \$6M in further losses over the coming years.**

Why do we need a \$300k PLUS p.a. ██████████ to help lose \$6,000,000 over the next 3 years???

The newer councillors shall be reminded of their obligations and held responsible every step of the way. Currently the councillors are **BLAMING** reduced State funding for the situation this council is in, which clearly shows their denial of the fact that there is overspending and lack of governance.

The proposed financial plan is **not acceptable at all**. Significant changes must be made immediately. **Under no circumstances are the councillors to approve** the plans without complete overhaul, input from the public and another round of genuine public consultation.

The community does not understand how this Council can keep spending millions of dollars on office upgrades, salaries, bonuses, vehicles and benefits while driving the deficit further and further. **There is NO value for money proposition and no perception of additional value in return for the increased cost to the ratepayers.**

The different Community Plans talk about "the community vision" – this needs to be corrected. At best, this could be called the **Chief Executive's vision** – as there was no community involvement in developing these plans.

Regarding the recent so-called "community consultation", **no reasonable/honest attempt was made** to engage with the community – the information provided was incomplete. No attempt was made to openly inform the community before the consultation sessions (low attendance) about the proposed 200% Rate Rise and catastrophic financial position/management, ongoing overspending and underfunding, \$50 Million proposed future deficit and impacts on ratepayers.

The community has no to little trust in their Council and withholding the TRUTH does not help.

Despite the Strategic Plans talking about operations being run transparently, efficiently and sustainably, the opposite is true. We see enormous salaries being paid to some public servants – plus a combined effect from past and present councillors lacking qualifications (no relevant business experience) operating today in combination with a council administration that provides selective and non-factual reports. **The CEO and Administration appears to be working against the councillors, driving this Council and community to the brink of bankruptcy with no viable plans how to resolve the situation.**

Multiple honest attempts by competent and concerned local businesspeople/ratepayers and the wider community to obtain active involvement to assist have been ignored or actively rejected. Not using or integrating this available free resource pool goes against every statement of transparency and inclusiveness and good business practices.

As a whole – the plans talk about values, ethics and integrity – while the past and currently experienced actions of the Councillors and Council Administration are the exact opposite.

Difficult questions asked to the Council and councillors remain unanswered which deepens the perception of incompetence, arrogance and ignorance.

They are actively excluding the community as much as possible and propose a financial and asset management strategy that is not viable.

This behaviour and miss management will drive / keep businesses away from Tenterfield Shire and force older / long term residents who have worked and live here for a long time away – without providing an opportunity for younger people to stay or come to the area.

This must end NOW!

Failed Community Consultation in Detail

February and March 2022 Tenterfield Shire Council Documents discuss a higher than usual (0.7%) Special Rate Variation of 2.5%. Following closed discussion, this was decided to be non-effective. No higher rate increase proposal or forum is on council records.

In late February, the Mayor posted on Facebook that a 79.4% Rate rise had been proposed. An extraordinary council meeting was called – lengthy explanations for why this was necessary were in the post (now removed).

After that, only invitations with no further details were posted on Facebook, the council website (well hidden), and the local paper.

The times for the consultations were set in a way that most people could NOT attend them.

Had the Council openly communicated the significance of the proposed plans to the community, a much higher engagement would have been achieved – see the event organised by www.OSOCI.org on April 9, where, based on the approx. 80% rate rise announcement over 250 members of the community was present and expressed their objection to the process and proposed rate rise and financial plans.

After the community was made aware of the proposed impacts and how Council was implementing the financial and other plans, much more interest and input were generated, informing this response.

For those who attended the "community consultation sessions," no presentation was given that actively informed about the significant items.

TSC Community Strategic Plan 2022-2032 & Financial Sustainability was handed out. This document has not been made available prior – it has been added to the website since. So, participants could not have come to the meetings prepared for the consultation with the well-prepared specialists.

Large numbers of Councillors and Council Staff tried to talk participants into submission via a "hard sell" – pretending it was in their best interest. There were 21 council staff/councillors in one session and 4 NON-Council related participants.

A question raised in that session was "shot down" by a Councillor in an aggressive and intimidating tone intended to stop the question from being answered. This kind of bullying behaviour is what the community experiences in this so-called "consultation" process.

Older residents who have come to retire in Tenterfield need a more collaborative approach. However, for this target group (approx. 40% of residents), the proposed rate and charge rise have catastrophic consequences as pensioners have no opportunity to increase income.

Questions were not answered clearly, and in a way, the community members could understand the significance of the potential outcome of the answer. Questions asked to Council after the event are still unanswered to date.

The TSC 2022 Community Strategic Plan – Community Engagement report (no date) was not presented on the TSC website but as a handout only available at the consultation events.

It contains responses from the community as well as statistics.

Upon investigation, it was noticed that input provided by the community via the process had been filtered out / left out.

The question was asked WHO decides which content goes into the report. No answer has been received to date.

It shows that only 33 people had responded to the survey.

Out of those, the following feedback was recorded:

Question 6: How supportive re a rate increase.

- 22** answered: not supportive
- 10 answered: willing to consider a reasonable increase
- 1 answered: supportive

Question 7:

- 11** answered: significant reduction in services – minimal increase in rates
- 9** answered: major reduction in services – small to medium increase in rates

So, with 20 out of 33 OPPOSING a rate rise – the Council still proposes a 200% rate increase.

Conclusion:

The community consultation process is flawed and incomplete. To develop community plans and vision, the process must be undertaken again. Eliminating the shortfalls and executing it properly and inviting and including the community to provide their input and identify themselves with the process and outcome.

Draft Community Strategic Plan

Overview

The plan leaves out some of the most significant aspects of the economy and community such as agriculture, tourism, hospitality and health.

There are many grand statements in the plan that have no foundation, actions, or KPIs / benchmarking. Therefore, they are not measurable, which leads to no actionable/achievable outcomes.

As a whole – the plan sounds nice but falls way short in many sectors and as is would only give an administration an opportunity to “do whatever” they want and justify it by pointing back at the Strategic Plan.

The Strategic Plan shall be completely overhauled with the active involvement of all stakeholders and the community in order to produce an executable plan with clear benefits.

Page 6

Claims are made that Agriculture is the largest employer – no source provided.

This is misleading as most farming businesses are not undertaken as a primary source of income. Most people undertaking farming activities do have a second job. A strong move out of farming is noticeable with people trying to establish other businesses as farming is not viable.

Farming businesses are typically mum and dad businesses with NO employees and potentially only registered to obtain a Primary Producer Tax benefit.

Regardless there is no further mention of agriculture in the plan – WHY?

Page 6

The Health Sector is claimed to be the second-largest employer – no source provided.

The health system and services in and around Tenterfield are well below acceptable standards, including the Aged Care / Nursing Home businesses in town.

Mentioned as a key deliverable/vision point, no specific action or benchmark has been provided:

Page 17 - 5.2.2 Work with key stakeholders and the community to lobby for adequate health services in our region and greater accessibility to regional services.

This is not a suitable and executable strategy (plan) for one of the Key Requirements for this community going forward. And there is no further mention of HEALTH in the plan.

Page 6

Retail is named as the 3rd largest employer.

Since the beginning of COVID, the retail sector has been one of the hardest-hit areas in the shire.

Despite this, there is no further mention of retail in the plan – WHY?

Page 12 - Community

1.1 Tenterfield Shire is a vibrant, inclusive, and safe community where diverse backgrounds and cultures are respected and celebrated

The plan fails to mention the demographics of the shire.

The Plus 60 yo group is with over 40% a significant part of the community, and yet there is NO mention of this group and subsequently NO actions/strategies to cater for this group.

The same can be said for Youth as a target group – mentioned once.

This needs to be redone completely.

Page 13 - Economy

2.1 Develop Tenterfield Shire's economic base into a robust and growing economy that supports creating a variety of employment and business opportunities.

2.1.2 Manage Councils Livestock Saleyards in a commercial manner.

The [REDACTED] was asked about the sale of the sales yard and swore that it would not be sold. A \$15,000 valuation of the sales yard was ordered the day after.

This section clearly shows that there is NO understanding of business and the economy. Without a healthy economy, there are no jobs, no income, and no quality of life.

Over the past years a significant number of capital projects were undertaken in the region e.g. Bolivia Bypass, Dam Upgrade, WTP, Bypass PFS and FS totalling about \$200M – upcoming the \$100 Tenterfield bypass. None of those projects led to upskilling in the community, job opportunities, training or the like other than incidental spend. None of those projects had a guaranteed LOCAL SPEND – because such benefits were not written into the Stakeholder requirements. Other Town such as Parkes Shire have achieved about %30 local spend in similar situations. Despite numerous attempts by the community to instigate such local spend initiatives, the Council did not only act but actively rejected.

Business is the LIFE BLOOD of the region and the weakest part of the strategic plan.

There are no goals around attracting new industries to town, participation in ongoing opportunities such as the major projects (Water Treatment Plant, Dam, Bypass...) or ongoing training and development of a Centre of Excellence.

- What about supporting existing businesses.
- How do new residents impact the economy?
- What product development?
- Bypass and impact
- Planning for a Town that no one drives through?
- Affordable Housing
- Development

This needs to be redone completely.

Page 14 – Environment

3.2 Provide secure, sustainable and environmentally sound infrastructure and services that underpin Council's service delivery.

These are NOT environmental strategies – the water services are in place or in progress (Water Treatment Plant) with financial impacts of mismanagement already implemented (water cost increase).

The following points are not what this community needs to focus on concerning their environment.

They seem to have made it into the plan as an excuse for the dramatic overspending on assets in water, waste and wastewater management and the associated cost increases.

How many people are connected to Town Water and Sewerage – do we need more of that, or do we have too much of it already?

3.2.1 Deliver a total water cycle management approach, including water conservation and reuse, is implemented and ENSURE it complies with the Biosecurity Act 2015 and standards.

3.2.2 Deliver an affordable waste management solution for the community to manage waste volumes best and take advantage of recycling opportunities.

3.2.3 Deliver an affordable and effective wastewater management solution for the community.

The environmental section shall be completely overhauled, removing ASSET justification from it.

The services provided shall be Affordable and Appropriate for the population and predicted growth, which they are NOT.

Page 15 – Leadership

“Council continues to partner with and support community members and associations through involvement in decision making and by applying principles of fairness, equity, transparency, and probity in all its dealings.”

This entire section sounds nice and would definitely help if achieved.

The current status is the exact opposite - exclusive, secretive, covering up issues, decision making behind closed doors, unprofessional public conduct of councillors.

Goals must include.

- Competent and accountable – Councillors and Council Leaders
- Affordable
- Not self-focussed
- Councillors to have read and understood the council documents.
- Councillors educate themselves about the subject matters
- Councillors consult with the community before making decisions

Lost time injury rate of <4.24% - is way too high. As an indicator of a healthy workplace (mental and physical), the Council is NOT a healthy workplace where people perform and enjoy participating.

Again – a lot of focus on ASSETS

A Lost Time Incident Rate (days lost to injuries/illness) of about 4 also means 4% waste in wages / operational cost, which should and can be reduced.

Target should be below 2%

Page 16 - Transport

Capital Projects

Measure: Delivered on time, Quality and Budget 100%

How about Public Transport Options?

- Reducing Traffic – share rides
- Bypass and impact
- Planning for a Town that no one drives through?

31-March-Draft-Delivery-Program-2022-2025-Operational-Plan-2022-2023

Page 4 – Community's Vision

The mayor talks about the communities Vision. What is that – who wrote that – the community clearly was NOT involved.

Page 6 - Duties of Councillors

We should start reminding them they represent ratepayers and should be automatically including our concerns in each meeting when requested. So far, they all fail.

Page 7 - Our Mission / Vision

Explain who researched and devised the strategy - and what data influenced this.

Page 10

Provide an ORG Chart with contact Phone numbers and email addresses

Pages 31 ff

Must be reworked based on the updated Strategic Plan

Draft Workforce Management Strategy

There are many grand statements in the strategy paper that have no foundation, actions, or KPIs / benchmarking. Therefore, they are not measurable, which leads to no actionable/achievable outcomes.

As a whole – the strategy sounds nice but falls way short in many sectors and is not tied in with the current financial situation.

The Strategy shall be completely overhauled once the financial situation has been rectified, funding has been secured and the future of this Council has been defined.

Asset Management Strategy

Executive Summary

The PRIORITY for rural areas = roads.

Do not include footpaths, cycleways, aerodrome, rail tracks, or kerb and guttering in road transport group dollars to avoid diluted dollars on low priorities.

Remove all aspirational projects - these are someone else's job and make the service level unaffordable. Update the content of the staff report on "what everyone wants" to reflect the reality of the outcome of asking ratepayers how much extra rates are they willing to pay?

Remove all activity and financial commitments outside the Council area and primary funding role.

Stop TSC spending rates and financial assistance grants on behalf of other agencies, entities or individuals.

NO to over 200% rates increase (with 110% in 1st 2/3 years) AND

NO to \$50 million deficit over the 10-year long term financial plan

YES to 'service' reductions while councillors get control over TSC spending plans, from now for possibly a year or two.

5,000 TSC ratepayers cannot afford the Chief Executive's recommendations to date.

The Chief Executive says that these documents and recommendations to date DO NOT include any additional expenditure for any reason over the next 10 years, so ratepayers need to identify priorities and \$/activity and administrative units to remove now. It will only continue to escalate.

5,000 ratepayers cannot afford 3 executive positions and 12 manager positions within the "approved" TSC structure. The councillors need to remove delegations for staff replacement, etc., until the \$50 million deficit is resolved and loans covering the deficit are repaid.

5,000 ratepayers can't afford the aspirations contained within the Integrated Planning & Reporting documents now out for public consultation, presumably prepared with input from the 3 executive staff and 12 managers.

Staff have yet to propose how any rate increase will be distributed over all ratepayers. I.e., the Rating Structure. If every ratepayer pays \$1,000 extra, that is \$5 million but only covers 1 year's deficit. Every one of the 5,000 ratepayers would have to pay an extra \$1,000 every year of the 10-year long term financial plan.

Reductions for one rate category mean big increases for others. I.e., higher than even the 200% presented from p39/43 in the 23/3/22 meeting long term financial plan (which should be the document online for public consultation).

ASSET MANAGEMENT STRATEGY suggested \$ changes.

Practical & Achievable Suggestions:

TO URGENTLY REDUCE:

- \$50 million + estimated deficit.
- Repay loans raised to cover the deficit and cash flow problems:
- To significantly reduce the over 200% rate increase (increasing 110% in the first 2/3 years) to NO MORE than 8-10% in 23/24 and State approved rate peg.
- To restore capacity to responsibly consider new expenditures over the 10-year long term financial plan/s (LTFP)
- ***Please Don't forget: the over 200% rate increase or \$50 million + deficit (LTFP) does NOT allow for any more expenditure for the 10-year long term financial plan, including unexpected weather or other events or more cost-shifting etc. See documents, Chief Executive feedback & meeting recordings.

The Chief Executive has been very clear about NO more expenditure and can't keep using the credit card. Hopefully, the Chief Executive does as he indicated and says NO to any expenditure proposals from all sources. (Unless other expenditure is reduced at that meeting to cover the new apparently more important, necessary, urgent item).

***Please consider that instructions to spend capital budgets asap before year-end and additional expenditure being OK if it reduces future operational expenses must stop as an automatic Chief Executive instruction to staff.

While cash flow has no doubt improved (receipt of untied Financial Assistant Grant), there is a long way to go to improve financial management and TSC's financial stability.

*****5,000 odd ratepayers can't afford the aspirational activity & activity belonging to other entities or individuals, especially considering the very large area and the huge areas of non-rate paying national parks and state forests and crown lands.**

*****Priorities outside Tenterfield township seem to clearly be usable Roads, not 'luxuries' currently redirecting scarce TSC resources.**

Submission on public exhibition document: Asset Management Strategy 2022 -2032

A: Asset Management Strategy -

Remove all non-mandatory activity in plans/budgets/10-year LTFP: remove all 'service levels' above a reasonable rate increase IMPACT on ratepayers; Remove all activity which is outside the TSC area, or which is the role of another entity.

AND

B: Asset Management Strategy 2022-2032 -

Inconsistent use of TERMS across pages and tables. Page # issue. The majority of AMP assets are excellent, good, moderate/average CONDITION. How much expenditure for these assets is in a 10-year LTFP? SUGGEST REMOVAL

Section A:

1. Remove all non-mandatory activity in Asset Management and other plans/budgets/10-year LTFP. The approximately 5,000 TSC ratepayers cannot afford to take on financial responsibility for activity and expenditure, which are the responsibility of other entities or agencies.

Staff should not be including asset activity or taking responsibility for new assets because they consider TSC will do a better 'job' or manage 'priorities' better.

For ratepayers, the 'better' solution is to remove them altogether from the Long-Term Financial Plans and proposed excessive rate increases.

2. Remove all 'service levels' that rely on an unreasonable rate increase IMPACT on ratepayers, especially non-mandatory, whether they reduce future operating expenditure or not. In contrast, the current unreasonable rate increase is minimised, and operational deficits and cash flow issues are brought back under responsible financial management.

TSC ratepayers cannot afford to pay for 'gold plated' service standards.

The attached pie charts clearly show that most assets are in the top 3 condition categories for ALL asset groups.

Please provide the TSC approved policy statement for 'intergenerational equity'.

Please provide the TSC approved policy statement for equity across the TSC area and interest groups.

Please provide the TSC approved policy statement for required/minimum service levels, especially for Road Network (excluding footpaths and cycleways and heritage items that are 'luxury' items).

3. Remove all asset capital and operational activity outside TSC local government area or is the primary role of another entity, including all 'aspirational' wants and needs.

Record the removed budgets/activity in a separate 'advocacy' list without any \$ inclusions in the 10 Year LTFP.

TSC ratepayers cannot afford to pay for an activity that belongs to another council, entity, or agency more properly. The NSW government's focus on 'regional' activity does not mean every Council interferes or reallocates scarce resources to regional activity over council area activity.

Please provide a detailed summary of any financial benefit arising from existing regional activity.

4. Including 'Footpaths & Cycleways" within TRANSPORT risks use of scarce \$ which must be allocated to ROAD expenditure as a Shire wide priority.

Suggest 'Footpaths & Cycleways" be moved to Community assets and/or Open Space, Sporting, Reserves, and Recreation grouping.

Do not move the related \$ from roads, culverts, bridges, and causeways.

Footpaths (particularly upgrades, expensive heritage renewals or those outside the main population centres are 'luxury' items that ratepayers cannot afford.)

5. As there is a category for Strategic/Investment assets under CORPORATE, which currently includes the industrial subdivision and commercial property, **it would be appropriate to move the Aerodrome, Livestock Saleyards and CBD assets (including School of Arts and RSL hall etc.?) to Strategic/Investment Assets.**

6. **For councillors and ratepayers to understand TSC's success to date in strategic/investment/entrepreneurial assets priority, please provide reports on success to date and planned revenue, expenditure, cash flow in LTFPs**

6.1 **Please provide a report on the TSC Industrial Estate**, showing the total \$ activity to date, including the sale price of every lot, total expenses from reclassification of property, survey, sales activity, property manager expenses etc.

6.2 With the inclusion of identified assets into the strategic/investment category, **it should be possible also to integrate at least 2 manager roles, further reducing TSC expenditure commitments.**

6.3 **Please provide a report on the TSC Industrial Estate, showing the total \$ activity now included in the 10-year long term financial plan**, including relevant Manager expenses, so ratepayers and councillors may identify activity to reduce the budget/s.

6.4 **Please provide similar reports on the Livestock Saleyards, CBD assets, Land 'assets.'**

7 **Quarantine all reductions in net expenditure** (there may be some estimated revenue associated with activity proposed for removal) and use to reduce the estimated operational deficit and the staff recommended, but unaffordable general rates increase over 200% as per the 10 Year long term financial plan (being 110% in the 1st 3 years).

7.1 **Please create a separate group for 'quarantined' expenditure** (which may have been previously approved within 20/21 and future year budgets) to a new group that requires a new council resolution before any further expenditure or commitment.

8 **Please update policies etc, so that any concept of 'sustainability' doesn't just consider TSC position but also clearly considers the 5,000 odd ratepayers.** They are being treated unfairly as the 'balancing item' for the apparent failure of financial risk management to date.

i.e., an estimated \$50 million deficit over the LTFP or an over 200% increase in general rates?!!

Section B:

1.1 Asset Management Strategy 2022-2032 - Inconsistent use of general terms across pages and tables.

While reviewing this public exhibition document, the inconsistent use of many terms across pages and tables **makes it very confusing to the reader.**

Also, there seems to be a problem with page numbering, which does not help ease of use for readers.

Q: Can these issues be updated, please (or was something missed)?

1.2 Asset Management Strategy 2022-2032 - **Inconsistent use of ASSET CONDITION** terms across pages and tables

Asset Condition term #3 uses Average = preventative maintenance work required. P16/115

In the individual AMPs, condition #3 shows as 'moderate'. E.g., Transport p22/115

Q: Is the description for #3 consistent = preventative maintenance work required, despite using different terms? E.g., Average and Moderate terms are used on different pages.

Q: Do the individual AMPs (i.e., not the summaries in this document) use consistent terms as per p16.

Q: **Why do components move between different groupings.** E.g., strategic/investment (industrial subdivision, commercial property), culverts & causeways, parking, aerodrome, other road assets, cemeteries, libraries, public amenities, Open Space, Reserves, recreation, streetscaping, VIC, CBD assets(?), corporate or leadership? works depot/workshop, fuel facilities, equipment (depot?) equipment & furniture? Other assets (land, earthworks, etc.??), communications, community buildings,

Q: **Can you please use consistent terms** across the different categorisations used in this & subordinate documents, including how they align with TSC annual report and financial reports and the 10-year long term financial plan/s?

2. Page numbers don't seem to be consistent throughout the document. Very confusing for a complicated document. Please check page numbers and modify where necessary with a new version.

2.1 The Majority of assets in Asset Management Plan summaries show as "excellent, good, moderate/average" condition.

Q: How much expenditure for these assets (with conditions 1-3) is in the 10-year LTFP?

Suggest removal or defer till 24/25 (at least), allowing time to improve TSC financial risk management, reduce the need to consider the staff recommended rates increase of over 200% (110% in the 1st three years) while doing maintenance as per asset condition #4.

2.2 P16/115 asset condition table/s include "Poor Condition" = renewal/replacement due, increasing reactive maintenance:

2.3 As the Asset Condition 'pie charts' P17-19/115 also show for all-AMPs the condition predominantly conditions 1-3 (all pie charts showing at least 70% with asset conditions 1-3), this supports #3.1 that any expenditure related to the assets reflected in conditions 1-3 should be removed from expenditure budgets for 21/22, 22/23, 23/24 as a start to reducing the unsatisfactory financial position and the inappropriate staff proposals for over 200% rate increases (with 110% in the first 3 years).

/Ends

From: [REDACTED]@gmail.com>

Sent: Wednesday, 1 March 2023 8:35 AM

To: IPART <ipart@ipart.nsw.gov.au>

Subject: Objection to Special Variations & Minimum Rates 2023-24 - Tenterfield Shire Council

01/03/2023

To whom it may concern,

I am writing to lodge my objections to the proposed unethical increase in council rates labelled as "special rates variation" that has been lodged with IPART by Tenterfield council. The enormous proposed increases over the coming years will cause a high degree of hardship to myself and many others in the shire.

As a self funded retiree with a chronic disability, I relocated to the Tenterfield shire from Sydney as a sensible financial alternative to the out of control housing markets in the major urban areas of Australia. My decision was based solely on my financial situation which provides minimal latitude for the overpriced housing in the more major centres.

The chronic disability that affects me prevents me from earning any additional income and my current financial resources are limited and it is on that basis I am formally requesting any increases to the council rates be pegged to sensible, justifiable and affordable increases.

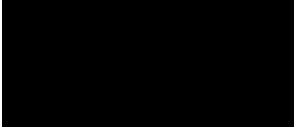
Aside from the proposed rates increase the council does not appear to have canvassed any other methods of achieving their financial targets. The consultation methodology used by council with the local community is appalling and lacks fundamentally in the consultation process. The meetings have now firmly established that the Tenterfield council does not listen to local residents and they simply try to justify their short falls rather than provide alternatives. When residents raise important issues, the councillors steam roll over the local voices with convoluted documents with varying accounting methodologies that are impossible to reconcile. The result is an adversarial confrontation between council and residents and achieves nothing in favour of the local residents and only serves to create animosity towards the council. The only way I can describe the consultation process with residents is "abysmal".

When the subject of reducing services was raised as an alternative, the mayor advised the result would be the Tenterfield public pool could be closed along with the visitor centre and library. I would like to point out those services which are funded by our council rates, require a four hour round trip and half a tank of petrol to be able to visit and thus are not practical to be utilised by residents of Urbenville. Why do I have to fund services I can't easily or affordably access yet we were told that reduced services are not an option.

I have spoken with many other long term residents of Urbenville who also indicate the proposed increases will cause much hardship as many are on fixed incomes with no alternatives for additional incomes due to permanent disabilities or old age.

The Tenterfield Council is not listening to feedback from the community, nor do they appear to seek any alternatives other than raising the rates at unprecedented and unaffordable levels as their primary solution and it is on this basis I would like to lodge my objections with the proposed increases.

Kind regards,





2 March 2023

IPART

P O Box K35

HAYMARKET POST SHOP, NSW, 1240

By email: ipart@ipart.nsw.gov.au

Re: Tenterfield Shire Council Special Rate Variation Application

I am a single income middle aged woman with adult children and grandchildren. The drawcard in moving to Urbenville was the beauty of the area, but also the fact that I could be close to my workplace which is the local Urbenville Multipurpose Service where I work as a registered nurse.

I do not support the Tenterfield Shire Council's application for a Special Rate Variation of 104.49% over two years for the following reasons.

Current demands for nursing staff are so high right across the State and interstate – if the NSW Government / NSW Health wants to attract clinical staff to remote rural areas of the State such as Urbenville, how is this expected to happen if local councils such as the Tenterfield Shire Council are able to charge unreasonable rates and charges for essentially low-value housing stock. People move here because the houses are affordable, however the Tenterfield rates and services charges are making housing unaffordable.

The streets by and large lack kerbing and guttering, maintenance of the village is poor – roads are selectively maintained, eg outside Council depot. As a nurse, I see accidents both motor vehicle and motor cycle, caused as a direct result of the state of the roads. Damage to motor vehicles is quite frankly upsetting. Tyres need to be replaced every 12 months instead of once every three years. The state of the roads contributes to tyre blow-out and there are instances of some quite dangerous near-misses of serious motor vehicle accidents. The roads around Urbenville through to other major areas are quite isolated, so this lack of maintenance of the roads is worrying for the reason that if a blow-out or other mishap occurs because of the state of the road, there is often no mobile coverage and it becomes quite a tricky situation, especially for single women travelling alone.

Another aspect of concern is that younger nurses who come to work at the Multipurpose Service find that the roads are so bad, driving for shiftwork in the dark, makes for very difficult retention of younger staff members who may otherwise be interested in working in a rural location.

Urbenville ratepayers already do not receive any services from the Tenterfield Shire Council apart from those possibly covered by charges for water. All reasonable services that might be expected of a rural Council are focused on Tenterfield itself.

Employment options are limited in a village like Urbenville, with the Multipurpose Service being one of the higher employing agencies, and the Council the other. Apart from this, there are some local business owners but not many. There are not many attractions to living in a place like Urbenville unless you are a "do it yourself" type of person for things such as entertainment. As stated, the affordability of real estate is an attraction but it seems to me the Council is working against itself in attracting new residents by imposing these very large rate increases.

I came to this area because I wanted to work in rural setting to help support a local community and bring a skillset that has taken the best part of 15 years to acquire, and enables me to contribute to the local community.

There is also a large indigenous catchment in the Urbenville area and this increases the need for the services provided by the Multipurpose staff.

I was previously employed by the military, and made the conscious decision to work in a rural community to help make up the shortfall in service delivery that is experienced in areas like Urbenville.

If this rate rise application is approved, the financial burden of living in a remote village like Urbenville will only increase perhaps to the detriment of people such as myself choosing to live in these smaller villages.

Previous to moving to Urbenville, I owned a property in Glen Innes, where the rates were a third of the amounts I am paying in Urbenville. Glen Innes Shire provided services such as a green waste bin, flood mitigation through kerb and guttering, regulation consultation with local councillors. In Glen Innes there was appreciation of health care workers such as myself moving to rural areas. There appears to be no such appreciation on the part of Tenterfield Shire Council, just a demand to pay rates and don't speak up if you have a query or complaint about something.

I absolutely know that if this rate application is approved it will add to the burden of ratepayers such as myself, with a mortgage. We already incur high costs by choosing not to live in an area with services such as shops, services and entertainment choices and having to drive 3 or 4 hour round trips in order to buy even the basics.

I would ask IPART to consider the impact of any successful Tenterfield Shire Council special rate variation application on essential workers such as myself, who choose to live in rural areas. It is my opinion due to seeing contract nursing staff come and go due to such things as poorly maintained roads and lack of facilities and entertainment that future workers considering a move to this part of the world think twice if they knew about the imposition of rates on home-owners.

Another point I would like to make is that if homeowners/ratepayers are not having to funnel a considerable portion of their income towards paying rates and charges, people such as myself use our income to improve our homes. This increases value, which increases land value, increases the attraction of potential future home-owners to the village, all of which benefits the Council in an indirect way with high value housing, and more ratepayers.

As to Council's Hardship Policy and how this is managed, Councillors and Council employees are employed by us. I believe the Councillors and Council management need to understand that difficult times are being experienced in rural locations and consideration should be given to how Councillors and Council treat such cases. I believe these have not been dealt with, especially with an understanding of the hard work we do under very trying circumstances at times.

I ask please that we are given a break financially. It would go quite a good way to improving relationships with the hierarchy of the council if they were to show an acknowledgement of the difficulties experienced by members of the Urbenville community.

It is my opinion that the application for a 104.49% increase in rates is a very unreasonable and outrageous hike, when there is no promise of any services additional to, or even better maintenance of current services.

Sincerely

[REDACTED]

Author name: Name suppressed

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

The council has not explained why it needs to increase the rates by a vastly greater amount than other councils in the whole region and most councils in the whole state. It has not demonstrated that its present financial position has been caused by circumstances beyond its control rather than by years of inadequate financial management. It has made no genuine attempt at self-scrutiny and is instead simply holding its hand out for more money from people who are unable to give it without experiencing extreme hardship.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No. It has not established why this Council, alone among others in the region, needs to ask for such a massive increase, one which will be catastrophic for its ratepayers.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Not to my knowledge.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Yes. That is why we are protesting!

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Absolutely not. The council has made only minimal and reluctant attempts to communicate with the community. They have not used a variety of engagement methods.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

What action?

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Many ratepayers in the area live on very low incomes; many are old age pensioners. The value of the houses is low. Monumental rate rises, if they are approved, will have a catastrophic effect on the ability of ratepayers to pay for food and other basic household expenses. Mental health is already being affected. Some ratepayers fear they will have to sell their houses because they will not be able to keep up with the rates. There is nothing reasonable about these impacts.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

The council has given no genuine consideration whatever to the community's capacity to pay. It has assumed that it will be able to force the community to pay, and that willingness is irrelevant.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

It is inadequate.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Approved and adopted by the council - yes. Adequately exhibited to ratepayers - no.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Inadequate cost containment strategies.

Author name: Name suppressed

Date of submission: Thursday, 2 March 2023

Please provide any other comments on the council's application that you would like to make here.

Please do not grant TSC their SRV. It will break our small community of unemployed and pensioners. There are a number of empty houses & shops in Urbenville. The council should be looking at increasing our population and businesses by giving us the services we pay handsomely for, thus attracting tourism and new residents. Realistically, Tenterfield is too far away to include Urbenville. We are merely 50 minutes from Kyogle - wouldn't it be more sensible to be under their jurisdiction? I am disgusted by the attitude of the TSC to request such a massive increase. We rate payers all agree that it is totally unfair and unjustified.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Not clearly. Rumour has it that TSC have thought about selling the airport & sale yards. TSC have threatened to cut services. Here in Urbenville, we don't have much in the way of "services". We are two & a half hours drive from Tenterfield. The only service I have experienced is the weekly garbage pickup, which is charged as an extra cost. We only get one bin. No recycle or green waste pickup service. They don't even mow many of the street verges. I have to pay someone to mow my verge, so that's an extra fortnightly cost on top of the rates So what services CAN they cut?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Not to my knowledge. We get an A4 folded newsletter in our mail box once a fortnight and most of the info is about Tenterfield. I've rarely read anything about Urbenville. Why should we pay as much as Tenterfield when the council uses our money to look after those in the "big smoke"?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Percentage-wise, TSC have indicated a 43% rise the first year followed by another 43% the following year. In real terms, the rates will be doubled in 2 years. This is outrageous, especially as they are not planning any extra services, but are threatening to CUT services. I moved to Urbenville 18 months ago from a seaside suburb in Sth Australia. My property was valued at 50% higher than my Urbenville property, yet the rates for the WHOLE YEAR was the same as ONE QUARTER in Urbenville (plus, the services were fantastic). That's a 400% hike for me, as an aged pensioner. I was horrified. And now TSC want to double our rates over 2 years? I call it BAD MANAGEMENT. An audit needs to be done!

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

The TSC hold a Devonshire tea in the Urbenville community hall, once in a blue moon. That is all I am aware of. I'm sure they have strategies in their local area of Tenterfield. The council says we are welcome to come to the meetings in Tenterfield but we only get a few minutes to air our views, after driving two and a half hours at the crack of dawn to get there. Then drive all the way back to Urbenville again. The cost of fuel and the time involved are quite prohibitive. So, no, there are minimal ways of engaging with the community in Urbenville.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

They have threatened to cut services in Urbenville. What services? They don't have an answer, because there aren't any. We have no Information Centre since the news agency closed. The cost of disposing a load at the Urbenville waste facility is eighteen (18) times higher than at the waste facility 15 minutes away in the Kyogle council area. I know that virtually all the rate payers in Urbenville are low-income or aged pensioners. There are few, if any, employment opportunities in Urbenville. People are struggling to pay the already exorbitant rates. Urbenville will become a ghost town if the rates are hiked. It will drive residents away. The [REDACTED] herself said that she doesn't know how people can afford to live these days. And then she says it's a good thing to raise the rates. TSC appears to NOT be responding to community concerns.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The impact of a rate rise in Urbenville would be catastrophic. Many of us already have to pay by credit card. If no other services are increased (but of course they will go up) we aged pensioners will have to set aside over \$200 from each fortnightly pension payment just to cover rates and mowing council verges. We have to travel a long way to access shopping and business services, so expenses are increasing all the time. Urbenville residents will suffer greatly if the SRV is approved. It is outright UNREASONABLE!

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

TSC does not seem to consider how different Urbenville is to Tenterfield city. We have no library, swimming pool, cinema, skate park and other services they enjoy in Tenterfield, yet we Urbenville rate payers have to pay the same. So unfair. TSC stated that if we were to request some of these extra services, we would have to pay even more rates. They have no

consideration of our remoteness. I think that the shire should be divided into zones, according to services available. We should be paying less than those living in Tenterfield.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

I am not aware of TSC's intention to address hardship. The government concession, despite being a great help, has not increased for over a decade. During that time the rates and associated costs have increased immensely. We pensioners are struggling financially and have to forgo the little luxuries like haircuts, vet services for our companion pets and new shoes.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

I have not seen any documents. We have a notice board outside the general store. TSC should have at least displayed their intentions there, or written a letter to all ratepayers. Their simple answer is "Everything is on the website". As if the older residents have computers!

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I don't know what their response is, but personally I see bad management in the past. Excessive waste of funds. The TSC should be thoroughly audited. Why should outlying residents have to pay for their excesses & waste?



1 March 2023

Independent Pricing and Regulatory Tribunal
2-24 Rawson Pl, Sydney NSW 2000

To whom it may concern,

I'm writing in regards to the Special Rate Variation (SRV) that Tenterfield Shire Council has applied for over the next two financial years of approximately 100 per cent per year. I'd like to acknowledge that, as I write this, Tenterfield Shire Council already collects some of the highest rates per household of any local councils in Australia. My yearly rates bill for a suburban block in a small village with no real services is \$3000 per year. If the two rate variations are approved, I will be expected to pay \$3500 in 2023/2024 financial year, and \$4000 in 2024/2025 financial year, to the best of my understanding.

I understand that one of the factors that Tenterfield Shire Council has had to account for in their submission for the SRV is "willingness to pay" the increased amount, and they have based their assumption that residents are willing to pay an increased amount on the fact that people are, for the most part, currently paying the exorbitant rates TSC charges. Comparatively, not so many people lose their houses due to inability to pay the rates in TSC as other council areas. TSC has assumed that therefore, people are willing to pay this increased expense in trade off for the benefit of living in this beautiful part of the country. I got that information from [REDACTED], who I believe is the [REDACTED] of TSC.

I'd put it to you that, instead of "willingness to pay", what is occurring – especially in the satellite villages like Urbenville – is that many residents are already living well below the poverty line and have been drawn to the village because of housing affordability. They're cheap houses that provide some security to those who are retired or otherwise unable to work like myself. I considered my options when I purchased the house, aware of the higher than average yearly rates, but considered it affordable. Just.

It was my opinion that, after a steady increase indicated in the former SRV granted to Tenterfield Shire Council over the past decade, the rates would not significantly increase for another decade or, if they did, it would be within the realm of inflation. Instead what I am now faced with is two increases of 100 per cent over two years, increasing my rates by nearly one thousand dollars over 24 months. There is no "willingness to pay" on my behalf. I either pay or my house is sold, either by council or myself.

In regards to the criteria on your website, the Council have established that they are in significant financial debt, which could indicate the need for a different revenue path for

the Council's general fund. What remains unclear is how the Council have gotten into debt. I have been shown several major inconsistencies in the Council's bookkeeping records that remain unaccounted for. In fact, when there was a meeting held by the Urbenville community outlining some troubling financial reporting inconsistencies, the mayor and our local councillor attended and became heated in their arguments but failed to explain the inconsistencies. These inconsistencies in financial record keeping throw into question the validity of TSC's purpose of establishing a different revenue path and I would urge IPART to request an audit of TSC's financial records over the past ten years before any SRV is agreed to.

As far as I am aware, TSC has not considered any other alternatives to raise revenue. I have spoken to [REDACTED] from TSC who I believe is one of their financial officers and no alternative was presented. It is unclear to me why streamlining the number of staff working for TSC has not been considered, nor applying for additional grants. I was simply told to suck it up and that's what you have to pay to live in a beautiful shire like the one we have. When I explained I simply could not and neither could many of the residents of Urbenville, she told me that was too bad and we could all move on. I asked her who would be living in the village then to pay the rates and she suggested people who work from home now because of covid. She did not provide any evidence that Urbenville is a desirable location for remote workers, nor any statistics for the amount of workers who are still working remotely. The thesis seemed based on vague assumptions and is concerning from an economic standpoint. TSC does not seem to have considered that SRVs of such magnitude could cause Urbenville to implode and the council will receive approximately 300 houses worth of annual rates.

Did the council communicate the SRV in percentage and dollar terms?

TSC held two(?) public meetings. The first meeting was held at the local hall with two days notice in the form of a letterbox drop, but I was unable to attend due to my disability. When I contacted the council to ask for some written information they directed me to their website in extremely vague terms. I could not find any information about the exact amount of the rate rise and how it would affect me. I contacted council again and was eventually put through to someone from finance. I asked her for a plain English, single page document explaining the situation to me because of my cognitive and information processing issues. She laughed at me and said that was not going to happen. I would like to also state that the two times I did manage to connect with someone from council took approximately twelve phone calls to achieve. After a lot of time, I was eventually told my rates would increase by \$450 the first year, and between \$450-\$500 the second year. I know for a fact there are MANY, MANY members of the community who have no idea how the rate increase will affect them in dollar terms, and it is not because it doesn't concern them. They simply lack the advocacy skills to squeeze the information from TSC.

Have there been a variety of community engagement strategies?

I'm sure TSC will argue they put a survey on their website and invited people to two meetings in the local hall. These are purely posturing and I don't believe sincere attempts to communicate and engage with the local community. Many residents of Urbenville have no access to internet or capacity to digest complex information, and TSC repeatedly failed to present information in a clear way as to WHY, HOW MUCH, and what benefit Urbenville will see from the SRV. In short, the engagement strategies were not fit for purpose for the community council is supposed to serve.

Please comment on the action taken by council in response to feedback from the community about the SRV.

TSC has consistently taken an adversarial approach to their constituents' fears about the proposed SRV. They have been defensive, rude, and insinuated that the elderly and disabled people living in Urbenville should move elsewhere. That was said to me when I rang TSC and eventually had a lengthy conversation with [REDACTED]. When I asked for evidence that remote workers were going to magically arrive and fill our houses (and TSC pockets) I was told there was none, it was an assumption based on estimates (read: guessing). I am sorry that I'm becoming heated myself in this section of my submission, but I have never been so poorly treated by a council in my life as I have been by TSC. Even in everyday transactions that are not emotive – they are extremely adversarial and unhelpful.

The impact on affected ratepayers must be reasonable having regard to both current rate levels and existing ratepayer base.

I have already mentioned the fact that TSC rates are amongst the highest in the state before the proposed SRV and gone to some lengths to describe the community who have relocated to Urbenville and Tenterfield solely for the purpose of housing affordability because they are pensioners. I have put forward the notion that willingness to pay is not indicated by the fact that residents are already paying high rates because we are essentially held to ransom to pay rates or face homelessness (where does one live when your house is being auctioned by council to pay back-rates?). Many of us are well below the poverty line as it is.

There is just no way that a 104 per cent increase in rates, over 100 per cent more than the annual increase IPART has agreed is acceptable, is reasonable to expect ratepayers to absorb. Not only once, but twice.

According to the Socio-Economic Indexes for Areas (SEIFA) data for Tenterfield Shire Council, nearly 50 per cent of the population earn less than \$500 per week gross. Gross. That is, at best, \$26,000 per annum. To increase rates of an average village block to

\$4,000 per annum quarantines 15 per cent of an individuals income towards housing, and supposed council services, before mortgage repayments and house maintenance are even considered. TSC is populated with comparatively poorer residents than the rest of regional NSW and has the greatest disparity in income levels. The existing ratepayer base simply cannot afford the proposed increase, nor half of the proposed increase.

In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

TSC has consistently spent money beautifying the streets and buildings of TSC, including the council chambers, while routinely neglecting the provision of services to its constituents. The only services I see on offer in Urbenville are roads and a couple of footpaths. And a toilet block. The footpaths and ramps aren't even that useful because none of the shops have ramps. TSC has repeatedly refused to consider fixing the ongoing stormwater issues faced by the village that has cost many homeowners dearly.

There has not been any mention of any plans to improve the quality of life of those residents living in satellite villages.

In conclusion, it's my opinion that it is vital that TSC turns its books over to an independent auditor to establish how it has gotten itself into this financial position so it does not keep repeating its mistakes and drawing from its impoverished population to dig it out of the financial hole it has created before any SRV is even remotely considered. They need to properly account for their spending and produce positive outcomes for their constituents, including providing the bare minimum of customer service.

There is absolutely no way the poorest people in regional NSW can afford to be paying by far the highest yearly rates! Especially with financial management that is not adequately transparent.

Thank you for taking the time to read my submission.

Kind regards,



20 February, 2023

SUBMISSION TO Independent Pricing and Regulatory Tribunal

RE: TENTERFIELD SHIRE COUNCIL SPECIAL VARIATION APPLICATION – 10.2.2023

My husband and I are long- time (30+years) residents/ratepayers of the small village of Urbenville (approximately 2 hours' drive from Tenterfield) in Tenterfield Shire.

We are very distressed about council's Special Rates Variation application to IPART and strongly oppose their application for an increase of 104.5% over two years. We believe an increase of this magnitude is outrageous, unreasonable and unsustainable for the high percentage of pensioners and lone person households (particularly the case in our village) in this Shire.

Council has consistently tried to present proposed rises as modest, (just a few extra dollars a week) without disclosing that the annual rises are cumulative and permanent. Over ten years, further rises proposed could bring total increase to over 140%. With the proposed rate increase, Tenterfield Shire ratepayers' average residential rates alone would increase from approx. \$664 in 2023 to \$1354 in 2025 and \$1609 in 2032.

Tenterfield Shire is one of the most expensive council's per capita in Australia. (source: yourcouncil.nsw.gov.au) As aged pensioners we enjoy a \$425 pa discount (that has remained unchanged since 2012) but despite this, our total rates & charges this year (2022/23) are almost three thousand dollars! As well, we have to pay for every drop of town water used @ \$5.50 per kilolitre.

Adding to our stress – as council's rates are costed on property land valuations (as determined by the Valuer-General every three years) – since our last land valuation in 2019, our land value in 2022 has almost doubled. This revenue alone will produce a potential windfall for council, without the need for their requested substantial Special Variation.

In 2014 council applied for, and was granted, a SRV of 53% over four years and to remain permanent. At the time, ratepayers were informed by council that the increase was necessary so as to avoid amalgamation and remain financially viable as an independent council – since then administration costs at council have skyrocketed. In 2019 TSC spent \$2.47 million on governance & administration; by 2020 this was \$5.5 million – a rise of over \$3 million or 122% in one year! (source: yourcouncil.nsw.gov.au)

Council has stated that their General fund is currently in a weak financial position, heavily reliant on State & Federal grants – but it appears that council's only solution to their dire financial situation is to pass the burden onto ratepayers. There is no value-for-money proposition in return for the massive increased cost to ratepayers.

In early May 2022, we attended a public meeting, organised by the Urbenville Progress Association, in response to community outcry/outrage regarding the proposed rate hike. The meeting was attended by the Mayor, two councillors and approximately thirty citizens. We were informed that the rate increase was necessary just to maintain current services – it's that simple! Please note: the only services we receive are water, sewerage and garbage collection, for which we already pay over \$2,000 pa for those services, and increasing each year.

Prior to that meeting, we'd had no direct correspondence from council informing us about the Community Consultation meetings to be held in Urbenville in January & April 2022 and their intention to apply for a SV... it was only brought to our attention through word-of-mouth, after the April meeting. Consequently, we missed council's deadline of May 3rd to respond to their proposal.

A 'BIG RED FLAG' to the Office of Local Government, would best describe council's unprecedented 104.5% (over 2 years) Special Variation request and we appeal to IPART to reject council's application – the community doesn't need any more cost-of-living pressures.

Thank you for your consideration

[REDACTED]



IPART

P O Box K35

HAYMARKET POST SHOP, NSW, 1240

Or Email: ipart@ipart.nsw.gov.au

Re: Tenterfield Shire Council Special Rate Variation Application

I oppose the Special Rate Variation Application by Tenterfield Shire Council for the following reasons:

Question 1 (Criterion 1) – Has the Council clearly established the need for, and purpose of, a different revenue path for the Council's general fund?

I do not agree the Council has clearly established a need for this increased revenue. I still do not understand why the Council is in the financial situation that it has created for itself, over many years.

Question 2 (Criterion 1) – Has the Council canvassed alternatives to the rate rise?

I have only been able to attend one Urbenville community meeting with Council to discuss the rate rise. Unfortunately the acoustics in the Urbenville Hall mean that if 3-4 people are speaking, nobody can hear anything. My hearing is not what it used to be. I have not heard of any alternatives coming from the Council.

I would like to suggest that an alternative for the Council is for administrators to step in and sort out the financial mess that the Council is in, as the Council accountants and managers are clearly unable to do so. The Council management has to be made accountable for its situation, must respond to questions about how it got into this situation, and the Council books thoroughly examined.

Question 1 (Criterion 3) = Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The impact on Urbenville ratepayers is not reasonable. The Tenterfield Shire Council shows no foresight for the future of Urbenville in applying for this very large Special Rate Variation. Urbenville residents are mostly of an ageing population. When people pass or move into the aged care unit at the Urbenville Multipurpose Service, their homes are sold or left empty, their families and relatives cannot move here due to no services such as shopping etc, and more importantly, no employment.

I am concerned the village will die along with its elderly residents as homes lay empty now and into the future, as there will be nobody who will want to buy a home (affordable as they might be)

because of the very high rates and services charges imposed by the Tenterfield Shire Council, if it is successful with this application.

Question 1 (Criterion 5) – In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realized in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

I do not believe the Tenterfield Shire Council has done enough in its budget management as there have been warnings for years about the Council's financial situation. We as citizens are required to live within our means, and go without, in order to be able to pay our bills including the Council rates. The Council should also be living within its means.

One example is of Council staff employed in the Urbenville area. For many years there was just the one staff member with responsibility for water and sewer. Now there are two staff members, one for water and one for sewer. This for 130 ratepayers in the 2475 postcode. If the Council argues that it requires the additional staff member because of the Urbenville water treatment plant, then this is not true. The water plant was well in place before the additional staff member was brought in just to focus on water. I do not consider expanding from one staff member to two any kind of "productivity improvement" or "cost containment" strategy.

Other Comments

I am nearly 84 years old, and spent my working life in the corporate world. I cannot believe that IPART would even consider approving the Council's Special Rate Variation application and rewarding the Council for living beyond its means for so many years.

This Council – councillors and employees alike – are arrogant and dismissive in their approach to Urbenville ratepayers. An example of this is for 23 years I have been begging the Council for (un-kerbed) gutters to be cleared of overgrown grass and mud. The grass and mud builds up in the "gutter", and when it rains, my front garden is flooded. I have been clearing out this overgrown mess myself as I have had to do over the years but am no longer able to do so. Two council workers visited a few weeks ago, had a look at it, and went away. I notified the Council about the lack of action and received what I consider to be a very harassing email in return. And yet, the Council threatens to "cut services" if the Special Rate Variation is not approved. There are not many services in Urbenville, and the ones we do have, are paid for out of separate charges for water, stormwater, waste and sewer anyway.

Please do not approve this application for a Special Rate Variation.

Sincerely



Author name: Name suppressed

Date of submission: Saturday, 11 February 2023

Please provide any other comments on the council's application that you would like to make here.

Perhaps the most egregious aspect of this entire matter is the fact that Tenterfield Shire Council hired a person as [REDACTED] at a cost of close to \$300k p.a. In addition, he has hired apparently with council approval - an [REDACTED] at some \$200k p.a., resulting in a wages cost of close on \$500k p.a. Given the large pool considerable expertise within the Tenterfield community, there is little doubt that one person being paid some \$100K - \$200K max. including an [REDACTED] - would be happy to take on both roles. This decision in and of itself is clear evidence of hopeless incompetence or irresponsible reckless - and probably both - of those making important decisions within council. Why would any rational and reasonably experienced, informed person believe that any meaningful improvement - via intelligent, wise, experienced-based decisions - will occur under the supervision of such self-proved incompetents. The essential problem here is not so much individual characteristics. The problem is founded in the *culture* of not only the local council, but of Australian government in general. For example, there exists zero effective, actionable, serious sanction for socially-destructive decisions made by council administrators and decision-makers. To give a child an open credit card and expect responsible, productive spending with zero downside is utter madness. Arguments against these observations would merely exemplify how deeply the "culture of immoral irresponsibility" is psychologically embedded at all levels of Australia's government. Which means that even these observations are pointless.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Tenterfield Shire Council has, with wasteful spending - such as self-gratifying, expensive, opulent office upgrades and excess employment of NON-frontline staff and exorbitant salaries for its [REDACTED] and his [REDACTED] - recklessly and incompetently CREATED its need for ever more revenue. It has demonstrated no rational plan or ability to service its existing debts. Even an extreme rate rise will not reduce debt. Additionally, council evidences zero interest in meaningfully and effectively increasing productivity and determinedly reducing its wasteful expences,

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No. Council has 'gamed' ratepayers - and possibly even IPART (?) - by *appearing* to go through the motions of hearing ratepayers' input with a series of supposedly 'public' meetings that were not at all well publicised and (b) literally ignoring or dismissing and protests from ratepayers, including a meeting of 300+ seriously-concerned ratepayers. The first law for any financial activity experiencing revenue challenges is to cut un-essential costs and extravagances*. Council has shown zero interest in doing that. In fact, non-essential costs have been steadily increasing. For example, a question: council has upgraded to most the sophisticated computer systems available, Why has there been a need to greatly increase office staff? *For example: the infantile and truly hideous, so-called art displays in Tenterfield park.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No. The council initially sought to hide the true effects of its proposed rate rise(s). Only after careful analysis of an independent group representing ratepayers (i.e. OSOCI - *NOT* Tenterfield Ratepayers Association) were the true facts of council's intentions brought to light.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No. Council has 'gamed' ratepayers - and possibly even IPART (?) - by *appearing* to go through the motions of hearing ratepayers' input with a series of supposedly 'public' meetings that were not at all well publicised and (b) literally ignoring, dismissing or stonewalling any protests from ratepayers, including a meeting of 300+ seriously-concerned ratepayers.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

To my knowledge, no action - and certainly no meaningful action - has been taken.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

In a word, disastrous. Tenterfield shire has.... (1) a high percentage of elderly ratepayers living on retirement funds or pensions. The effect on such people would be extremely harsh. Yet the sheer arrogant carelessness of the attitude by the council's CED - i.e council's 'representative' - was clearly displayed when responding to a comment that many such people, who have lived here for many decades, would be forced to move from Tenterfield: "That might not be a bad thing" said he. (2) A high percentage of rural property owners in Tenterfield shire have long been obliged to be employed by businesses or government because they cannot self-sustain via income off their properties. Any severe rate rise will obviously also negatively impact their financial well-being. Additionally, the widespread outrage and protests against the Tenterfield Shire Council's proposed rate rise(s) - effectively soon to be a doubling of existing rates - occurred before the manifestation of the increasingly severe inflation now

taking place. Which means that the impact on the community of such a rate rise will be even more severe than was originally expected.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. To my best knowledge there has been no evidence of council's taking into account the community's capacity and willingness to pay. Furthermore, trying to hide the facts, or glossing over its true intent and actual consequences of its plan for a drastic rate rise, is a strong indication of the council's attitude and complete disregard for the severe effects on the community. It needs to be noted that not only Tenterfield Shire Council, but Australian governments generally are, as a result of many decades of wasteful expenditure and self-indulgent excesses - plus throwing away billions of dollars in aid to other countries - in a financial mess. The general solution has been to, *literally* just print ever more money and ignore the well-proved, disastrous ultimate consequences. Well, if that's such a great solution, why does the federal reserve not simply print enough money to buy sufficient federal government bonds that will enable the federal government to throw money at the various state and local financial problems? The simple reality is that Australia's federal, state and local governments are determinedly refusing to face the reality that Australia as a nation - at all levels - is well along the path to financial, political, social bankruptcy, all the result of ideological bankruptcy. Because of the nation's ideological bankruptcy (and ideological insanity) any realistic and meaningfully acceptable solution to these problems is deemed 'unacceptable.' Which will be very likely be exemplified by a complete dismissing of this observation.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Unknown and certainly untrusted if such a promise or commitment is made.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Unknown - however it appears this is a question that needs to be put to Tenterfield Shire Council

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Unknown. However, given its gross financial mismanagement over many years, resulting in an unsustainable debt, would any council explanation have any merit?

Author name: Name suppressed

Date of submission: Monday, 13 February 2023

Please provide any other comments on the council's application that you would like to make here.

We would like to see an administrator to take over council, as we believe the current management and councillors are not competent enough to manage the problem and it is beyond the scope of councillors. The community has also lost faith in the running of the council.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No, in the beginning they were misleading the community on the actual amount. Even now my understanding is this rate rise application is on the old land values not the updated land values. No one has been able to answer that question.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No My understanding they have flogged off assets to make the books look better, some over paid positions have been made redundant. However the major decision making people in these position are still there and are not capable to make business decisions.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No, as above, in the first meetings they were only dictating to the community, that they need this huge rate rise.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Council do not listen to the community, they do not reply to any letters sent to them, nor are they listen to the general public. That's why it's in the mess it's in. The previous GM also should be brought back and [REDACTED] for over spending and putting on staff that the council simply cannot afford.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

It is against any moderate rate rises as we are feeling the pressure on the cost of living. However this is way too much nor has the root problem been resolved which is incompetent people in positions making decisions. There are a lot of farmers that will really take a big hit (we are one of them) due to the value of the land they have. Many still have not recovered from the fires and drought. There is also a significant older community that will struggle to pay the proposed rate rise as well.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

I don't believe they have really considered this. They just see one way forward and are not interested in pursuing other options.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Pathetic!!

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Is that the responsibility of the community to police that? If the council cannot function as it should surely that send warning signs to IPART.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

Never saw or heard anything like this.

Author name: Name suppressed

Date of submission: Thursday, 23 February 2023

Please provide any other comments on the council's application that you would like to make here.

The SV is preposterous and rejected by the community. The council needs to show some responsibility and listen to the people of the Tenterfield Shire.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No, the council has not established the need for an additional revenue path. Council has wasted resources at every level and scale and continues to do so showing no sign of reform. Before council asks for the rate payers to make up for their lack of fiscal ability it should display sound accounting practices and curb expenditure at the very least. To ask for such an enormous increase just to keep council running as usual defies logic. To expect that subsequent increases will be required just to keep their "head above water" is not a viable financial plan. Who would give their money to any business with such a poor track record and no plan for improvement?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

As far as I'm aware the council has made no effort to answer to the rate payers, commit to projects approved by them or find any alternatives to the rate rise.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No, various percentages have been mentioned during the discussion. I have seen no dollar amounts mentioned or the actual increases proposed including CPI etc.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

What action? Has there been any action at all in response to ratepayer feedback? I am aware of none - has there been any 'action by council in response to feedback'?

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Who thinks that a rate rise over 100% compounding is reasonable? We are a rural community of older people, many pensioners, that will be severely impacted by this increase. There is no room in a pensioners budget for this increase. Those of us who are rural will be paying for something that will provide us no benefit and therefore find the increase totally unreasonable.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

I have not spoken a single ratepayer that is willing to pay these rates to an irresponsible council. As above, the community is neither capable nor willing to pay this increase.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

The council's plan is to have everyone pay. How does that help those who can not afford to pay? The council is good at paying their bills with other people's money - perhaps they can teach us how to do that?

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Keeping up with the council processes is difficult as we the ratepayers are not included in much of what goes on. eg receiving the newsletter stating we can submit questions at the council meeting only with written prior notice.. the newsletter sent on the day before the meeting. Have they met their responsibilities in the IP&R area? I don't know.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

The council has not displayed any functional cost containment strategies in past years has it? That's one reason we don't support giving them more resources. Please see below for examples: Thousands of dollars spent last year to wrap a van that looks so bad the employee previously driving it no longer wants to be seen in it. Thousands of dollars spent each month for a

demountable (from Coates) that sat in the depot for months and may never have been used. Thousands of dollars spent for artwork in the parks - I love art but would you be buying art if you were insolvent? Maybe if you were spending someone else's money. Thousands of dollars spent on the library that was contracted to builders out of the area and then leaked in the first rain, ruining many books. Thousands of dollars spent renovating the RSL hall to have it condemned as unsafe upon completion! The list is endless, scale tremendous and lack of accountability horrendous.

Author name: Name suppressed

Date of submission: Tuesday, 28 February 2023

Please provide any other comments on the council's application that you would like to make here.

In Tenterfield the council is increasing rates while cutting services. Councilors have a bias against elderly residents. One councilor has even said that it would be better if the "old people just died already" another councilor said that elderly home owners were a "drag on the economy " and that it would be better if they were forced to move somewhere else. The council also shows a bias against younger people, a councilor said that younger people don't deserve to own homes anyway and laughed about the rent increases from these rate rises saying it was a good thing because the [REDACTED] will have to find somewhere else to live. [REDACTED] being a term they use to refer to unemployed people under 25 years old.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

No.

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

No.

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

No.

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

No.

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Council has dismissed residents concerned and gas lighted the community, no information has been shared by council.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

The rate increases are unreasonable as services are being reduced and fees are being increased at the same time as rate increases.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay. Councilors have said that if people can not afford to pay the increase that it's a good thing because it means they can seize people's property and sell it for profit.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

The council's plan is to provide no assistance and ignore hardships caused by the rate increases, councilors have said that people being unable to pay rates is good because it can be used as a pretext to seize people's possessions.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

No.

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.

There has been no response from council, nothing has been explained.

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Please provide any other comments on the council's application that you would like to make here.

I live 40ks from Tenterfield, as a single pensioner living off grid, the increase cannot be justified, and will result in further financial cut backs for me. Any discount I was eligible for as a pensioner was absorbed by this years rate increase. I also pay rates of \$185 a yr to LLC, as I do not have stock or crops, I do not receive any benefit from this charge either. I feel that due to Councils poor financial management, should not be passed on to the rates payers. All financial decisions should be approved by the community prior to Council committing to any spend. One example: was it absolutely necessary to refurbish the council office, how has that spend helped the community. The only thing I receive for rates, is upkeep of 6ks of gravel Rd, which is never maintained in a safe and suitable state. I am required to separate my recycling and travel the 80k trip for disposal. Disposal of an 72 kilogram bag of general waste costs me \$4.30.

Question 1 (Criterion 1) - Has the council clearly established the need for, and purpose of a different revenue path for the council's General fund?

Question 2 (Criterion 1) - Has the council canvassed alternatives to the rate rise?

Question 1 (Criterion 2) - Did the council communicate the full cumulative increase of the proposed special variation in percentage terms? And the total increase in dollar terms for the average ratepayer by rating category?

Question 2 (Criterion 2) - Has the council's community engagement strategy demonstrated an appropriate variety of engagement methods to ensure community awareness?

Question 3 (Criterion 2) - Please comment on the action taken by council in response to feedback from the community on the proposed special variation.

Question 1 (Criterion 3) - Please comment on the reasonableness of the impact on affected ratepayers of the proposed special variation.

Question 2 (Criterion 3) - Please comment on the council's consideration of the community's capacity and willingness to pay.

Question 3 (Criterion 3) - In its application the council outlined how it intended to address hardship caused by the proposed special variation. Please comment on the council's plan.

Question 1 (Criterion 4) - Have the relevant IP&R documents in the council's application been exhibited, approved and adopted by the council before it applied to IPART for the proposed special variation?

Question 1 (Criterion 5) - In its application the council is required to explain and quantify the productivity improvements and cost containment strategies the council has realised in past years and plans to realise over the proposed special variation period. Please comment on the council's response here.