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Date of submission: Wednesday, 10 October 2012

Submission:

The Chairman

NSW Independent Pricing and Regulatory Tribunal

Dear Sir/Madam

I read in our local newspaper Peninsular News that the Gosford City Council (GCC) is applying to you to increase our rates for water, sewerage and storm water by up to 140% over four years. You should know that GCC is not very good at handling ratepayers' monies. It has admitted to losing \$114 million over the last four years in very unwise investments, including \$100 million in the toxic American housing market.

The GCC seems to be run for the purposes of photo opportunities via local media rather than on its core responsibilities. The roads are a disgrace neither constructed properly, resulting in literally thousands of potholes per year on the Peninsular roads alone and many roads have no kerb and guttering, thus no drainage. This in spite of ratepayers paying annual drainage levies for many years. Many streets are impassable due to local flooding after rain for days at a time and nature strips and gardens are turned into quagmires. Further, GCC has recently authorised the movement of B special trucks to traverse some of these roads which are not up to standard for this weight of vehicle. This particularly concerns the local garbage trucks which traverse every street in the GCC area causing considerable damage to local roads and local flooding. It may be well worth your while to enquire into what purpose the drainage levy monies have been put over the last thirty or so years.

I was a member of the NSW Parliament for twelve years (1976-1988) and for eight years was Secretary of the Local Government Committee. We regulated Councils' incomes each year and provided an increase to cover national inflation, with provision for special levies in certain circumstances. Councils receive their rate incomes each year plus inflation even during depression years, when everyone else is tightening their belts.

GCC has been very shy about its income and especially about the level of savings. Even when they lost \$114million they refused to inform ratepayers of the losses until these were published in the national media, and they are particularly reticent about the amount they have in savings and any losses that have been incurred.

Councils do not need to hold ratepayers' monies in savings to any great extent, as they have an assured income indexed to inflation plus levies for any major projects.

The unknown savings of GCC should have been applied to its core responsibilities. For a Council with such a rich income that it thinks it can afford to deny ratepayers of millions of dollars of necessary infrastructure whilst it speculates on dicey overseas investments is laughable.

I suggest you hold public meetings in GCC areas about these outrageous proposals but only after you have studied GCC records of expenditure and its savings and investments. You should also enquire the purpose of these investments.

Yours sincerely

Hon John Akister

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