

LG Submission Form 2021-2022 - Applications

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IPART Special Variation Submission Form - Applications

Industry	Local Government
Review	(LG) Special Variations & Minimum Rates 2021-2022
Document Reference	
Council	Central Coast Council, Special Variation Application
If you have any general feedback regarding your council's proposed SV, please leave your comments in the comment box below.	<p>The Central Coast Community is struggling. With the number of people relying on jobseeker/youth allowance almost double pre-COVID levels (currently over 21,000), over 47% of Central Coast businesses currently surviving on jobkeeper (which is about to end, putting many more jobs at risk), more than 16 unemployed people for every job vacancy, high youth unemployment (over 12%), the highest homelessness of any LGA in NSW, significant housing stress due to a lack of available residential rentals caused by Sydney investors buying up properties and converting them into Airbnbs, which is also driving a significant increase in house prices and weekly rents, for all these reasons and more, now is not the time to be adding an excessive 15% to the already high Council rates. Furthermore, it is clear that the Central Community are not the ones to blame for the current financial debacle. A review of Council Meeting minutes shows multiple incidents of Councillors deferring or outright rejecting initiatives presented by</p>

Council staff - many of these proposals were designed to improve revenue, employment and economic development on the Central Coast. At one such Council meeting I attended (I have proof), Councillors deferred a decision which Council staff stated would directly cost Council over \$250,000. Councillors did not care. In addition, there is a significant toxic culture within Council staff, resulting in lack of collaboration and information sharing. This is particularly evident in the IT department. Other departments have tried for years without success to get data from IT to support fact-based decision-making, and not been able to get the information. For example, the Economic Development team had been asking for economic and socio-economic data to help drive strategy, for over 4 years, and got nothing. The issue of poor financial management and lack of visibility into the financial position is directly a result of the lack of skills, and lack of motivation, of the IT department. It is therefore ironic that in the current budget proposal there is a proposed line item for almost \$1M to fund a new Business Intelligence system. As one of the foremost Business Intelligence experts globally, who was recently contracted to Council to help fix some of this mess, I can state categorically that this purchase is totally unnecessary - the issue is the people, not the technology. In summary, the financial issues within Council have been largely caused by Councillors and staff, and it is not acceptable to pass the buck to local residents and expect them to pay for this mess. Forcing ratepayers to pay an additional 15% will significantly worsen economic and socio-economic conditions across the Central Coast, with a likely increase in financial stress and homelessness. I would like to add that, should iPART choose to ignore the concerns of Central Coast residents and approve this unreasonable rate increase, then we will be holding Councillors and staff responsible and liable. Should there be no

repercussions towards the individuals involved, I personally commit to publish the proof, and name and shame those responsible.

Your comments on Criterion 1:

As stated above, the financial issues have been demonstrably created by Councillors and staff. Consequently, passing the buck to residents to pay for their mistakes, failing to hold those accountable, will not prevent such issues happening again. Those responsible need to be held accountable, and the systemic issues within the organisation need to be addressed, otherwise it is simply "putting lipstick on a pig". There are many other areas which could have been investigated to provide additional revenue, before taking the easy way out and expecting residents to pay. Examples: 1) many suburbs have unused Council land assets sitting dormant, which could provide a significant revenue stream. For example, 3 blocks from my house, there is a 1/4 acre block worth around \$1M, which is a bush fire risk due to lack of Council maintenance over the past 30 years. This has significantly increased the home insurance rates of all surrounding properties. There is no need for Council to be holding onto this block of land, particularly when the Coast has a significant housing shortage. Our community is approximately 1% of the Central Coast population, and we have at least 3 such blocks which could be sold for badly needed residential housing. If each suburb had a similar number of available sites, that could generate in excess of \$300M. 2) The short term accommodation market on the Central Coast is totally unregulated, despite repeated requests from residents and even Council staff including the Economic Development team. For example, data from Airbnb shows that in January 2021, short term rental listings generated over \$7M (Airbnb: \$3,416,910, Stayz: \$4,257,473). This equates to over \$84M per year generate by short term rental accommodation (note most owners are not Central Coast residents, but Sydney investors - most of the revenue does not

benefit the Central Coast). Ironically if Council imposed some kind of levy, eg like the hotel 'bed tax' US cities collect, or charged a fee for an annual short term rental 'licence', they would probably generate much more than this proposed beach parking fee they are currently thinking about). Essentially, there are over 3,000 properties in residential areas being run as businesses, that don't employ people and generate income that mostly doesn't benefit the coast, that put additional stress on the community infrastructure and decrease social amenity, yet don't pay any fees or taxes to Council. And when I've asked Council, I'm told they "don't have the resources" to regulate Airbnbs, even though many are advertising more bedrooms than allowed under the LEP. Economically, we'd be better off with more hotels and less Airbnbs. The short term rental economy exceeds the hotel economy on the Central Coast, yet is unregulated, and generates little by way of direct employment or revenue into the local economy. 3) While there have been some Council staff redundancies in middle management, there is a significant amount of 'dead wood' within individual contributors themselves. Council does not hold staff accountable, failing to implement any kind of performance objectives/metrics/KPIs for staff, and consequently there are many staff who are not motivated and do not feel accountable. Ratepayers should not be funding these employees. (In fact, should the 15% rate increase be approved and these employees remain at Council, I reserve the right to start publishing proof). These are just 3 of the potential revenue areas that Central Coast Council could be exploring, instead of expecting rate payers to pick up the bill.

Your comments on Criterion 2:

This has been communicated extensively. However, Council outreach has been of the tone that this is "unavoidable" and has failed to even acknowledge any remorse of culpability on their part.

Your comments on Criterion 3:

As explained above, there is no way the impact on ratepayers can be considered reasonable, due to the significant economic and socio-economic impact of such a change. The data is conclusive on this point. By way of example, here are just some of the indicators I have prepared for Business NSW which I also share with the offices of Adam Crouch and Lucy Wicks: [REDACTED]

Your comments on Criterion 4:

Your comments on Criterion 5:

This has not happened. There is no transparency whatsoever. Councillors and staff need to be held accountable, performance objectives and measures need to be implemented and tracked, and this information need to be shared with the community. If you don't measure it, you can't manage it.

If you have attachments you would like to include with your feedback, please attach them below.

[Central Coast Council - Economic and Socio-Economic Indicators - Jan 2021.pdf](#)

Your Details

Are you an individual or organisation?

Individual

If you would like your submission or your name to remain confidential please indicate below.

Anonymous - my submission can be published but my name should remain anonymous

First Name

Last Name

Organisation Name

Position

Email

[REDACTED]

IPART's Submission Policy

I have read & accept IPART's Submission Policy