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Date of submission: Thursday, March 10, 2016

Submission: I have already lodged a submission. However, as an additional comment I refer you to the following from Wingecarribee Council's media release dated Feb 10.

“following consideration of community feedback received during phases two and three of the Investing in our Future project, in particular concerns relating to the affordability of the proposed increases and requests for Council to find additional organisational efficiencies, this 0.7% has been removed from the scenarios,” the Mayor said.

The Mayor recognises that an extra 0.7% (reduction in the peg level from the anticipated 2.5%) increase will have an effect on the affordability of the proposed increases. I believe the Mayor is out of touch with reality if he believes 0.7% is a concerning increase, whereas the proposed 45% increase over four years is supported by ratepayers. I reiterate comments made in my larger submission that the proposal is outrageous. It comes on top of increases of 158% over the last 15 years for the average ratepayer (figures provided by Council)

Wingecarribee Shire Council Special Rate Variation

I understand that this Council has lodged a submission to obtain a SRV for the next four years. No doubt they have lodged "evidence" to support their argument that this increase, of nearly 50%, is supported by the community. I wish to refute that argument.

Council quotes surveys to "prove" the community supports rate rises to maintain or improve infrastructure. The questions were structured so that people had to choose if they would like better roads etc. without making clear the significant cost involved, and who would pay for it. The question should have been better stated as "Would you support paying an extra 10% pa in rates to improve community assets?", or similar to show the financial implication.

In fact, when people were asked how improvements should be paid for, the majority of responses (75%) stated either by sale of Council assets, or by better internal management of resources. A mere 4% stated by rate increases.

The questions were not limited to ratepayers who are the only people affected. In the mail-out survey there was no control of limiting the returns to one person. I am aware of one person who found 100 blank survey forms in the Post Office waste bin, completed the survey but did not reveal their identity. It is not known if Council staff may have been encouraged to fill out forms supporting increases, or whether such people were excluded, as they should have been to avoid bias.

Council has paid little heed to a petition that was lodged in November 2015 by more than 600 residents who objected to any plan for SRV. Such a point of view reflects a far stronger view than people responding to surveys. Perhaps you were not advised of this strong community adverse view.

You will no doubt have a copy of the 200 page Council report headed "Attachments to Reports – Item 13.1 – Investing in our Future" dated 10 February. You will note that all of the unsolicited, voluntary submissions, in the report, made to Council by concerned people were critical of the SRV proposal, and in some cases indicated that the rate increases would force them to sell.

I now ask you to consider the record of Council's use of funds in the last several years. The Council has cried "poor mouth" to ratepayers for too long trying to give the impression that they have been held back from doing necessary work by their inability to raise more money than the rate pegging allows.

According to the NSW Valuer General the land value of my property has increased 50% in the last 13 years. In the same period, the CPI has increased about 38% or about 3% pa.

However, my personal rates, since 2001, at the same property location have increased 134% or in simple terms 9% pa.

Council has had the begging bowl out many times before and I submit attachment "A" to show my previous objection in 2007 when Council was seeking an increase of 9.5% pa over 5 years which came on top of a 5% pa levy over 5 years.

Attachment "B" shows the actual rate percentage increases over the last 15 years. This information was provided by Council. Please note that in only 4 out of 15 years has No Special Variation been sought. In fact, in this period there have only been 5 years when the rate increase (including levies etc) has been less than 7% pa.

It is clear that Council had determined to seek a SRV long before they conducted any community surveys or "consulting". The Council document "Council Improvement Proposal (Template 2)" shows this intention in June 2015, by stating a key strategy includes: "Apply to Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation for a period of four years. (attachment "C")

I refer to the IPART Media Release of 18 February and note that of all the 144 Councils in NSW, only 12 have applied for a SRV above the rate peg level. And of those 12, Wingecarribee is applying for the highest increase on a per annum basis (45.3 % over four years).

http://www.ipart.nsw.gov.au/files/sharedassets/website/shared_files/local_government_-_special_variations_-_applications_for_special_variations_-_2016-17_special_variation_documents/media_release_-_special_rate_variation_applications_received_from_12_councils_-_18_february_2016.pdf

I will avoid repeating many of the arguments I made in a submission to Council on 29 January 2016, but have attached a copy of my letter. Attachment "D".

In summary:

- I believe Council's attempts to "prove" community support for the SRV is flawed and verging on deceitful.
- Council had determined long before any community surveys that they would be lodging an SRV, thus making a mockery of consultation.
- Council have ignored the outcry made by concerned citizens through petition and unsolicited, voluntary submissions
- Council has been making huge increases in rates and levies for many years, so what have they done with the extra funds to make Council Fit for Future?

- The proposal to seek further increases of nearly 50% over the next four years is outrageous, and beyond the capacity of many to pay. It is the highest SRV sought in NSW. It comes on top of substantial increases for many years.
- Council did not provide an assessment of the impact of rate rises would have on affected ratepayers (as required) other than platitudes.
- No attempt has been made to make internal savings or to seek additional funds from sources other than rate increases
- When surveyed, people were told the only options were to have rate rises over four years of 10.4%, 38.4% or 46.2%. Why did the Council not consider in-between figures such as 15% or 25%?

I request you consider my strong objections to the Council's SRV application.

Yours

CG Davies-Scourfield

'A'

[Redacted]

[Redacted]

Hon Paul Lynch MP
Minister for Local Government
Fax 9228 5551

18 May 2007

Dear Minister,

I understand Wingecarribee Shire Council will be making application for approval to increase rates by 9.5% per annum, for each of the next five years. This is about 6 percentage points above the capped level and, with compound interest, will result in a rate increase for residents of 57% after 5 years, all other things being equal.

You will no doubt be aware that these proposed increases come on top of a 5% levy on our rates over the last five years. The imposition is therefore very substantial.

The Council will state they have had community consultation. In truth, they have held two meetings at which they have advised attendees of their intention. There was no consultation, nor any interest in the comments or objections of those attending. The Council did not satisfactorily answer any questions put to them at the meetings. The Council admitted that they were applying for the increases irrespective of what feedback they obtained from the public.

At the meeting attended by myself, 97% of attendees objected to the proposed increases.

In my view the Council has not satisfactorily proven its case for such savage increases (more than three times inflation) over such a length of time. On examination of the Council's proposal there would seem to be a great deal of work that they propose to tackle with the higher rates, that could fall in to the "That-would-be-nice" category, rather than limiting their proposals to "What is absolutely essential".

What is also putting salt on the wound is that Council is proceeding with plans to build a so-called Leisure Centre (basically a large indoor swimming pool) which, although uncosted so far, is estimated to cost more than \$15 million. When asked at the meeting about the apparent contradiction of, first, going cap-in-hand to plead for large rate increases to pay for essential infrastructure works, then secondly, apparently having the wherewithal to pay for an unnecessary luxury item, the Council declined to comment.

In my personal case, I have been cattle farming on the Southern Highlands for the last 12 years and have suffered the anxieties and costs of the worst drought in known history. At the meeting when I asked Council how they expected me, and others like me, to find the money for another five years of high rate increases, they again would not reply.

The Southern Highlands has a high proportion of residents who are pensioners or self-funded retirees. In both cases these are people who are on fixed incomes and have no "financial fat" to fall back on. Certainly after the last five years of extra rate levies, they will find it most difficult to face up to another five years of 9.5% increases per annum.

I might also add that the meeting was conducted by a "Facilitator" whose sole job appeared to be to short-circuit any comments or questions from those attending, so that the bulk of the meeting was Council telling us what was going to happen.....there was an implied "whether you like it or not" atmosphere.

Minister, I sincerely request that you do not accede to the Wingecarribee Shire Council's application for this unwarranted increase in rates so far above the capped level, nor for approval over such a length of time.

Yours,

Charles Davies-Scourfield

Cc

Ms Pru Goward MP, Member for Goulburn, fax 4861 3546
General Manager, Wingecarribee Shire Council,

The rate increases applied by Wingecarribee Shire Council since 2000/01 are shown in the table below:

Year	Rate Peg	Environmental Levy	Infrastructure	Crownland Adjustment	Total	Comment
2000/01	2.70%	4.51%	0.00%	0.00%	7.21%	Temporary Increase until 2002/03
2001/02	2.80%	0.00%	0.00%	0.00%	2.80%	No Special Variation sought
2002/03	3.30%	0.00%	5.00%	0.00%	8.30%	Temporary Increase until 2006/07
2003/04	3.60%	4.30%	7.84%	0.00%	15.74%	Temporary Increase(s) until 2007/08
2004/05	3.50%	0.00%	7.82%	0.00%	11.32%	Temporary Increase for 1 Year
2005/06	3.50%	0.00%	0.00%	0.00%	3.50%	Special Variation Application refused
2006/07	3.60%	0.00%	5.00%	0.00%	8.60%	Temporary Increase for 1 Year
2007/08	3.40%	0.00%	6.10%	0.00%	9.50%	Temporary Increase for 1 Year
2008/09	3.20%	3.74%	6.30%	0.00%	13.24%	Permanent Increase for Infrastructure - Temporary Increase for EL for 4 Years
2009/10	3.50%	0.00%	6.00%	0.00%	9.50%	Permanent Increase for Infrastructure
2010/11	2.60%	0.00%	6.90%	0.00%	9.50%	Permanent Increase for Infrastructure
2011/12	2.80%	0.00%	6.70%	0.00%	9.50%	Permanent Increase for Infrastructure
2012/13	3.60%	3.49%	0.00%	0.00%	7.09%	Temporary Increase for 6 Years
2013/14	3.40%	0.00%	0.00%	0.06%	3.46%	No Special Variation sought
2014/15	2.30%	0.00%	0.00%	0.00%	2.30%	No Special Variation sought
2015/16	2.40%	0.00%	0.00%	1.00%	3.40%	No Special Variation sought

Council name:

Wingecarribee Shire Council

Date of Council resolution endorsing this submission:

24 June 2015

1.1 Executive Summary

Provide a summary (up to 500 words) of the key points of your Proposal including current performance, the issues facing your council and your planned improvement strategies and outcomes.

On 10 September 2014 the NSW Government released its response to the Independent Local Government Review Panel's (ILGRP) Final Report through its reform program, Fit for the Future. ILGRP identified that Wingecarribee Shire Council (Council) to stand-alone as a council and was not recommended to merge with neighbouring councils. As such, Council has prepared a Fit for the Future Improvement Proposal to improve performance against each of the three Fit for the Future criteria of sustainability, infrastructure and service management and efficiency.

The Office of Local Government's self-assessment tool, which includes seven measures, was used to assess performance against the three Fit for the Future criteria. Council currently meets only two of the seven measures, these are, own source revenue ratio and debt service ratio. Council currently does not meet operating performance ratio, building and infrastructure asset renewal ratio, infrastructure backlog ratio, asset maintenance ratio and real operating expenditure per capita. As with many other NSW councils, Council is faced with the challenge of ageing infrastructure and a resulting infrastructure and maintenance backlog.

In response to the Fit for the Future reform Council's Improvement Proposal outlines a number of strategies which will be implemented to improve performance against the Fit for the Future criteria. Key strategies include:

- Apply to Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation for a period of four years
- Implement Work Health Safety initiatives to reduce workers compensation premiums to at or below industry average
- Undertake a strategic and comprehensive review of fees and charges

'D'

PO Box 942

Moss Vale 2577

29/1/16

General Manager

Wingecarribee Shire Council

Special Rate Variation

I write to object to the apparent plan to seek to raise rates by up to nearly 50% over 4 years.

I consider the exercise Council is going through one of hypocrisy and deceit:

Hypocrisy since Council has decided two months ago to seek a Special Rate Variation (SRV) even though it is now asking for submissions on that subject;

Deceit because the wording in many of the Council information packs is worded in such a way as to suggest a huge majority of people supported such an increase.

Many people have apparently said, inter alia, they would like to see more investment in various infrastructure projects. The question should more accurately have been: "If we spend more on infrastructure, are you happy to pay significantly higher rates of up to 12% pa to pay for it". It would appear that about 80% of people thought the money should come from either selling Council assets, or structuring Council more efficiently. Only 4% were happy to pay higher rates.

Despite platitudes from Council about "understanding the hardship this will cause", the proposed level of increases are going to result in many ratepayers having to sacrifice necessities or comforts of life, or to sell up. We have inflation running at all-time lows of less than 2% pa and it is outrageous to consider Council seeking increases of around 10% pa for four years. We also have the lowest interest rates on record so there has never been a better time to engage in some limited borrowing to fund essential needs.

For many years Council's rates and levies have been rising at rates well above inflation (see attachment). I note you have not disclosed this in your survey. In my case, my rates at the same location, have increased by an average of 9% pa over the last 15 years.

The propositions that have been put state that Council is considering rate increases over four years of 10.4%, or 38.4%, or 46.2%. Nowhere in your information does it show why some other increases could not have been considered, eg 15% or 25% over four years which give Council some ability to attend to essential works.

I also state that to have any meaning the survey should only have been conducted among ratepayers, not the general population. In regard to the postal survey, the results may well have been skewed by people returning multiple forms as there was no control on names or landholdings of people responding. In other words, one person may have sent in 50, 100 or 200 forms as there was no control on the forms' issue, and it was easy to obtain them.

I suggest many people are fed up with the bickering, point-scoring and politicising of affairs at Council, as reported by media. It often appears that there is no cohesive spirit of people trying to cooperate to the benefit of residents. This gives little confidence in the decisions made by Council and irritates observers who might expect better and leads one to believe that money is wasted on trying to win an argument.

By observation I have noted things being done by Council (eg resurfacing a perfectly good, unused cul-de-sac section of road) just because it was on a "maintenance schedule" and leaving out work that desperately needs attending to (eg [REDACTED]). This indicates to me a lack of concern about efficient use of funds, and management oversight of what is going on .

You have produced a voluminous 350 page report to support your submission for rate increases and invited people to read it and comment. However, it is virtually impossible to stand at a counter absorbing this material as you will not permit borrowing. And it is not possible to read a document of such length via computer. You have then had two information "kiosks" at a time which is approaching the deadline for making this submission, the last session being a mere 5 days before the deadline. All this so that Council can say they have had extensive "community consultation" when, in fact, it appears the plan to apply for rate increases has been the agenda from the start.

Did Council conduct any Town Hall type meetings at which residents could ask questions and raise verbal objections? I don't remember seeing any promoted. At least Hume Coal faced the ire of the local people by running such meetings, although even then, it has made no difference.

As I understand it, Council has been deemed "Fit for the Future" on its earlier submissions. To achieve this result would seem to mean that Council's finances, in their present state, are satisfactory, and not reliant on huge rate increases. Everyone has a "wish list" of what they would like to do if they had more money, but most households budget for what they can do with what they have got.

I suspect Council will proceed down the path that it always planned to follow irrespective of this, and any other opposing submission. I can only reiterate my strong opposition to your intentions, and hope that IPART will not be persuaded that your invalid surveys mean the whole Shire is behind your plans for gross increases.

Yours

CG Davies-Scourfield