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21st February 2012

Further to my submission dated 29th January 2012

Re: The Special Rate Variation being applied for by the Kempsey Shire Council for 2012-13.

Dear Mr Cox

Please accept this submission further to my 29th January 2012 submission in relation to the Special Rate Variation Kempsey Shire Council is applying for. This submission is in relation to a local newspaper article from The Macleay Argus newspaper. This article supplied as **Attachment A** is a clear indication of Kempsey Shire Council's irresponsible management that at less than a week before they plan to submit their application to IPART they are looking for what information they have to support why they need the Special Rate Variation as is clearly indicated by the following statement made by the newspaper where it states, "the council plans to submit the application before this Friday", which would be the 24th February 2012 and at this point in time is only now looking at why we need a rate rise. In the newspaper article supplied the General Manager Mr. Rawlings states, "We are fleshing out information to show background and looking at why we need the rate rise." This surely suggests that what is to be put forward to IPART will differ from the limited information already made available to the select members of the community. How is it they are only now looking at why they need the rate rise? I feel Council has other intentions for the use of the funding.

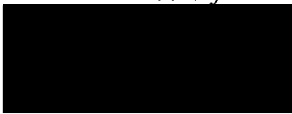
Again the very serious lack of genuine community consultation regarding the proposal for a Special Rate Variation being applied for is clearly shown in **Attachment 1** where it states that IPART looks at telephone surveys as a method of community consultation, so Kempsey Council, have an 'Independent research group' conducting a telephone survey about the planned rate rise on council's behalf at the end of the week and at the start of next week. Clearly this community telephone survey is after Kempsey Council plans to submit the

application for Special Rate Variation. I question what results are they submitting to IPART. What is the questionable figure of ratepayers being surveyed, as the newspaper article states "About 400 ratepayers in the Shire will be contacted? Why doesn't the council know what they are paying for with ratepayers money in regards to the telephone survey, albeit money from ratepayers who strongly object to the Special Rate Variation? Is Kempsey Shire Council genuinely informing IPART about how much funding is already being received from the government as Flood Relief for roads and bridges in our shire? Is there any integrity in the application for the Special Rate Rise application to IPART as this is seriously lacking toward the community?

The original copy of **Attachment A** can be forwarded if you require it.

Thankyou for your consideration.

Yours Sincerely



s to make on rate rise

By Shelle Morrison

KEMPSEY Shire Council will submit its rate rise application to the Independent Pricing and Regulatory Tribunal (IPART) this week.

Applications are due Friday, but council's general manager David Rawlings plans to present the application before then.

"It is close to being finalised, most of the information has been put together," he said.

"We are fleshing out information to show the background and looking at why we need the rate rise."

The main item on the agenda is to finalise the priority project process and look at the issue of affordability.

There are a number of things IPART investigates when going through a rate rise application.

One suggested method of community consultation it looks at is a telephone survey.

An independent research group will conduct a telephone survey about the planned rate rise, on council's behalf, at the end of the week and at the start of next week.

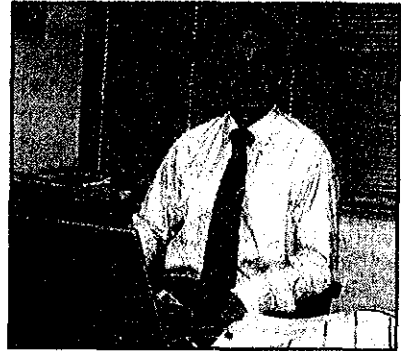
About 400 ratepayers in the Kempsey Shire will be contacted.

Council is seeking a rate rise phased in over three years. This would mean the following increases to an average rates bill: \$135 in the first year, \$130 the second and \$87 in the third year. The total for each year includes rate pegging.

The increase is only to general rates and does not include sewerage, waste and water charges.

Mr Rawlings has noted four priority areas for the extra funds. They are sealed roads, unsealed roads, bridges and bypass works.

"Our main priority is to get our infrastructure up to speed," he said.



□ **Funding priorities:** council general manager David Rawlings

"Roads are one of our main concerns and in our 10-year plan we are looking at putting \$13.7 million into unsealed roads.

"Sealed roads are a lot harder to get on top of and we are looking at spending \$17.3 million over 10 years, but this will still only bring 25 per cent of the network up to standard.

"Bridges are another issue and we plan to spend about \$6.2 million on replacing about 26 bridges and doing major maintenance on a further 41 in the shire. In the past we have sought loans and now we can't afford the repayments."

Bypass work is another key area Mr Rawlings is focussed on.

He is worried that if there is too long a delay between the completion of the bypass and work on streetscapes and other areas, there will be missed opportunities.

Mr Rawlings said council had been working hard to cut costs in other areas to ease the financial burden, including administration cuts saving \$500,000 in the future, and \$1 million in previous budget cuts. A further \$1.5 million is to be found in efficiency savings.



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