

BANJUP RESIDENTS GROUP

Submission to Cockburn Council Improving Rates Levied in 2016/17

13 June 2016

Cockburn's rates rise not consistent with current realities

Unemployment in WA	6%
Wages up	1.6%
CPI up	1.3%
Age pension up	1.3%

Cockburn rates up

3%



**Double the
ability to pay**

In WA, everyone is belt tightening

- Job losses
- Pay cuts
- Reduced working weeks
- Businesses cutting costs by 20%
- Retailers cutting prices
 - Everything is '*On Sale*'
- But Cockburn is acting as if 'business as usual'

Cockburn's Business, Financial and Workforce plans do not envisage efficiencies

- Businesses seeking 10% - 20% price cuts from suppliers
- Costs in businesses being driven down
- WA government has hiring freeze

BUT

- Cockburn's long term plans make **NO** mention of seeking efficiencies
- Instead, they advertise 3% cost increases built into budgets
 - Creates supplier expectations
- Staffing forecast is always for more FTEs

Cockburn needs to demonstrate it is driving down costs

- What materials and services can be sourced cheaper?
- What discretionary services can be scaled back?
- Can we do things differently for the same result?
- Are we making best use of our staff resources?
 - What business processes can be streamlined?
 - Can our IT systems make them more efficient?

Re-engineer Cockburn's business processes now
Publish your progress regularly

Show ratepayers that Cockburn is a good cost manager

- Don't just compare yourselves to the cartel of other councils
- Set a target to take **2%** out of operating costs each year
 - Not an ambitious target !!
 - Not including depreciation
- Save **\$34 million** over 5 years
- Make your Long Term Financial Plan look like this:

		16/17	17/18	18/19	19/20	20/21
Opex less depcn		103	110	113	117	122
less	2%	101	105	107	108	110

Return efficiency dividend to ratepayers

- Reduce rate rises to **1%** each year
- Save ratepayers **\$30 million** over 5 years
- Growth in properties will provide **\$50 million** extra anyway

Show solidarity with ratepayers

- Share their pain, make savings, share the gain
- Don't put all the burden on your ratepayers
- Many ratepayers on limited incomes
 - Every extra dollar Cockburn takes is a dollar less for them
 - Cynical to say 'it is only a dollar'
- Don't raise rates just because you can

Set an example to other local governments

Show empathy with ratepayers

Banjup and Jandakot residents urge Cockburn to constrain rate rises to 1% annually

Banjup Residents Group welcomes an opportunity to discuss the modelling data that supports our figures.