



23 April 2020 Newsletter

IMPACT of COVID-19 ON COPP BUDGET

We understand that this is a difficult time for everyone and we trust you and your families are well and coping with isolation. We wanted to share with you some of our Facebook posts (if you don't use Facebook). But firstly, RoPP submitted several questions for Question Time at the 15 April 2020 CoPP Council Meeting regarding the impact of COVID-19 on the Council Budget. The questions were read out by Mayor Bernadene Voss and she gave a response.

<http://webcast.portphillip.vic.gov.au/archive/video20-0415.php>

It begins at 5 minutes and 4 seconds into the webcast

“RoPP Question(s)

The Ratepayers of Port Phillip Inc. are concerned that the City of Port Phillip's current 2019-20 budget is likely to now have a large deficit. Since the COVID-19 emergency has hit Australia, council non-rates revenues from sectors such as parking fees, fines, childcare and asset leases will be significantly reduced. It's also possible that some ratepayers may be unable to pay their rates for some time.

At the same time, council has been silent on how it will manage its expenditure to address the fall in revenue. We were shocked to see no mention of this incredibly important topic in the 15 April meeting agenda.

The time to address this issue is fast disappearing.

If council's revenue has fallen and expenditure stays the same, the only way to meet the shortfall will be by commensurately increasing debt.

- How big is the forecasted deficit in the current 2019-20 accounts?
- Will this be met by increasing debt?
- What is the impact on the 2020-21 Budget?

We expect to see a detailed action plan for how the CEO is proposing to address declining revenues and the cost base for both the 2019-20 and 2020-2021 financial years. Currently the Council has been silent, and we are therefore concerned about whether there is a plan at all.

- Have councillors demanded from the CEO a full report on council finances?

If the CEO and his staff cannot present a clear plan to balance the books without increasing rates or relying on debt, Councillors must use their powers to address management competency.

We remind the councillors that you represent residents and ratepayers. You cannot allow council to borrow its way out of this budget mess. This will only defer the problem and extend it out to future generations."

RoPP does not see how Mayor Voss' suggestion of prioritising Council spending is going to fill a \$40 million budget hole. There needs to be major structural changes. Can CoPP advise the community on which changes are being considered and which have been rejected? Council has an opportunity to focus on core services and cut back on unrelated and non-Port Phillip resident related expenditure. CoPP raises the maximum amount of revenue from ratepayers and spends every cent of it year on year and is guaranteed more ratepayer income the following year. And now, in this crisis, there is no surplus to deal with this disaster. Council has an opportunity to build disciplines into its budget to manage future disasters. Do not allow Councillors to settle on COVID-19 to be the only reason for this huge budget hole, we see it being bigger, an abyss.

23 April update: *still no action from Council. The Essential Services Commission has advised that the total value of rates collected on existing properties in the City of Port Phillip is allowed to rise by 2% for the 2020-21 financial year. We call on Councillors to not apply this increase, which is above inflation, yet again.*

Councillor Tim Baxter repays CoPP \$2800 for travel expenses



Greens Councillor Tim Baxter forced to repay \$2800 in travel expenses

By RACHEL BAXENDALE

5:23PM APRIL 20, 2020

<https://www.theaustralian.com.au/nation/politics/greens-councillor-tim-baxter-forced-to-repay-2800-in-travel-expenses/news-story/99467886f3a41532f5785053c3933691>

(Article will appear on your mobile without a subscription)

20 April 2020: a post on <https://www.facebook.com/groups/RoPPh/> by a concerned ratepayer.

“Alert - Another CoPP decision maker doing the wrong thing!

Another Port Phillip Greens councillor has given an apology and paid back over \$2,800, Cr Tim Baxter.

It was discovered he used a council issued Myki card to be used only on council business however he used it for his personal use, over \$2,800 of personal use, that is a lot of ‘honest mistakes’! That’s a lot of myki trips in fact, approx 318 daily trips.

He has admitted he had done the wrong thing. He has admitted he has used it over a long period of time thinking it was his personal card...which

you need to ask the question if you thought it was your personal card why didn't you top it up?

If you can't get your expenses right, can't even be trusted with a Myki card, how can you sit and make decisions for the residents and traders of Port Phillip.

Our rates are not a slush fund for you to dip into.

Sorry Cr Tim (MykiGate) Baxter, your lame excuse has more holes than a Swiss cheese."

On 9th December 2019, RoPP requested a FOI on Cr Baxter's travel expenses. See our Facebook to view a copy of the request. We are not sure why Cr Baxter was not aware of RoPP's freedom of information into his travel expenses. When did he make the repayment?

Ratepayers of Port Phillip (Official) on Facebook

You can follow us on Facebook at

<https://www.facebook.com/groups/RoPPH/>

Here are some of RoPP's postings.

14 April 2020: No mention of the budget in the 15 April 2020

Council meeting Agenda

Council is meeting tomorrow night and **we are shocked that there is no mention of the budget** on the agenda papers. The budget is likely to have a **large deficit** due to reduced activity with reductions in council revenues. Council **urgently needs to make some hard decisions**, or they will likely be forced to take on **significant debt** to fund this deficit, which will only defer the problem.

Why are council silent on the size of the forecasted deficit in the current 2019-20 accounts and what is their plan to fix it?

We need a detailed action plan now!

23 April update: *still no action from our Council.*

19 April 2020: RoPP 2019/20 Budget submission ignored by Council

One year ago, Ratepayers of Port Phillip provided an extensive submission to council during community consultation on the 2019/20 Budget, warning about **excessive spending of ratepayer funds** and a **lack of fiscal responsibility**. It was **ignored**.

Government and business went into action over a month ago to deal with COVID-19 but council has been slow to act. There does not appear to be any sense of urgency, and it is still unclear what is planned to fill the **\$40 million budget hole**. Council has low cash reserves because most revenue has been spent, much on activities with little value to ratepayers. **You have been fiscally irresponsible and now we ask: WHAT IS YOUR PLAN?**

If you do not move decisively you will **confine ratepayers to substantially higher rates than needed for years to come**. We need answers, yesterday...

13 April 2020: Governance: Honest Governments do not conceal information

Honest governments do not need to conceal financial information from ratepayers. When you do business with a council you are doing business with the ratepayers, and the ratepayers have a right to know how their money is being spent.

<https://www.thevoterschoice.com.au/post/enemy-mps-unite-to-keep-contracts-secret-in-councils?postId=5e92b9823fef080017f530fd>

How often does Port Phillip Council invoke 'commercial' concerns to close meetings to public scrutiny?

So far in 2020:

Jan 2020 - *Council Maintenance and Cleaning Contracts*

Feb 2020 - *Metro Tunnel Project - Compensation for Loss of revenue for on-street parking*

April 2020 - *Transfer of Council shareholding in Regional Kitchen P/L to Department of Health and Human Services*

25 February 2020: How will City of Port Phillip fund contested parking fines?



Port Phillip council is one of three councils that today has agreed to refund contested parking fines paid to them from July 2006 to August 2017 after the Victorian Ombudsman found that council acted illegally when they outsourced the review of contested parking fines. The total amount to be paid back is \$8.8 million.

Contested fines must be reviewed and signed off by council staff to be legal. Did CoPP lawyers review and sign off on this outsourcing arrangement?

Despite having almost 900 employees, it is astounding that Port Phillip council staff did not have the time to review contested parking fines, and needed to outsource this task out. There is a clear conflict of interest for private contractors who would likely be more interested in bringing in revenues to justify their fees than in fairly assessing contested parking infringements.

How is Port Phillip council planning to fund this \$8.8 million cost? "Council will draw upon general reserves to fund the voluntary refund scheme." General reserves are paid for predominantly by ratepayers.

Even with a record number of council employees, councils do not seem to

be able to run core services like parking competently. Why? Should council continue to be responsible for enforcing parking restrictions?

<https://www.abc.net.au/news/2020-02-25/local-councils-to-refund-millions-in-parking-fines-ombudsman/11997860>

***23 April update:** just like the budget deficit; how Council plans to reduce spending to make up for the parking fine revenue shortfall is still unknown. If revenue falls, the only way to balance a budget is to commensurately reduce spending or increase debt. Council's silence and inaction makes us fear the latter.*

18 February 2020: Is democracy alive and well in the City of Port Phillip?



At the last council elections, only 49% of Port Phillip residents and ratepayers voted compared to an average of 74% statewide. **Port Phillip had the lowest voter turnout in Victoria.** This is in large part because Port Phillip is one of the last councils to move from attendance voting (turn up at the poll booth) to postal voting (mail your vote). Council officers recommenced a change to postal voting in 2016 but councillors voted against it.

Do you think Port Phillip's low voter turnout has any impact on who is elected to council?

We'd like to see Port Phillip join other councils in moving to postal voting for the 2020 election, but some councillors have previously been

understandably reluctant. They might not be re-elected with the whole community being asked to vote! As an added bonus, **postal voting will save \$117,000.**

Council votes on this very important issue tomorrow night. Please contact councillors to let them know what you think

23 April update: a majority of Councillors voted to keep attendance voting. There is also a possibility that this year's October election will be postponed. Even with the COVID-19 crisis, Councillors have not decided to change to postal voting.

16 February 2020: Why is CoPP running the South Melbourne Market at a loss?



South Melbourne Market is one of Melbourne's best markets and a cultural gem in the heart of Port Phillip. The market comes to life every weekend and is bustling with visitors.

The market should be producing a healthy dividend for ratepayers, or at least be cost neutral. **Why then, is Port Phillip Council running the market at a loss?** Ratepayers are subsidising the market's operations.

Are our council fit to run market-based operations if they can't turn a profit on a successful market like South Melbourne Market? Council has failed to appropriately forecast risks and budget accordingly, leaving us ratepayers on the hook yet again for their **poor financial management.**

Is it time the South Melbourne Market adopted a different financial structure to separate it from ratepayer funds? Who should run the market?

23 April update: no updates from Council about South Melbourne Market's finances.

27 June 2019: City of Port Phillip raise rates by the maximum amount possible of 2.5%



City of Port Phillip raised Council rate revenues by 2.5% based on the Victorian Government's Rate Cap of 2.5% which was based on inflation forecasts in May 2018 and in spite of the fact that inflation forecasts had been downgraded both by the Vic Gov and Reserve Bank as well as the actual inflation figure being reduced to 1.3%, the City of Port Phillip chose to raise rates by the maximum amount possible of 2.5%. They could have chosen to recognise that inflation had reduced to 1.3% but instead have taken the opportunity to price gouge ratepayers. This is at a time with measures being taken by The Reserve Bank (in reducing interest rates) as well as the federal government (through reduced taxes) attempting to "kickstart" the sluggish economy due to lack of spending power by the general public."

RoPP presented at a Council meeting urging Councilors to hold rates increase below the maximum 2.5%. But we were ignored.

23 April update: This year's rates cap allowed increase on total rates collected is 2%. We again call on Councillors to not apply this increase.

ROPP Facebook group

**CLICK HERE <https://www.facebook.com/groups/RoPPh/> TO GO TO
FACEBOOK
TO JOIN ROPP AND REGISTER YOUR OPPOSTION**

Join the RoPP Facebook group and join the conversation.

How can you help?

Please pass this email to FIVE of your friends, neighbours and business owners who are ratepayers or residents in the City of Port Phillip and encourage them to join up.

Our Council is only able to waste our money because they believe no one will hold them to account!

Our subscriber/membership list is private and confidential but you need to be on our list to receive regular Newsletters.

If you would like to be involved let us know.

We are looking for help with:

- Communications, social media and public relations
- Speak at Council meetings on behalf of RoPP
- Donations to RoPP

Your donations help fund our activities and objectives and we are grateful for every donation. Donations can be made here: <https://ropp.org.au/>



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