

Newsletter 23 February 2020

Welcome to our February 2020 newsletter and thank you for your support of RoPP.

This newsletter contains the following issues. See details below for more details.

- <u>Local Government Bill Update</u> on Local Government Bill: concerns about Councils'
 - Financial Management
 - Need for a democratic voting method and low voting turnout in CoPP
- Recent \$ losses and mismanagement of the South Melbourne
 Market
- Proposal by the Australian National Academy of Music to lease the South Melbourne Town Hall for 50 years
- Some Councilors recently voted against upgrading waste management services
- EcoCentre design works go ahead even though Federal funding has fallen through
- Rising Council Expenditure on Entertainment
 - Live Music Action Plan
 - Linden Art Gallery
 - Gasworks
- A new Parking Management Policy was approved

Join RoPP Facebook group

 Please join our Ratepayers of Port Phillip Facebook group (see link) below) and get involved in our conversation about holding Council accountable to sensible spending, keeping Council focused on core services rates and mismanagement of assets. https://www.facebook.com/groups/RoPPh/

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

If you would like to be involved in our activities, please let us know. We are looking for people to assist with:

- Communications, newsletters
- Social media and public relations
- Speak at Council meetings on behalf of RoPP
- Donate to RoPP
- Your donations help fund our activities such as maintaining the website, printing of materials to promote further memberships, holding meetings and electing new Councillors who support our objectives.

Please make your donations to our bank account:

BSB: 063188

Account no.: 10461095

Account name: Ratepayers of Port Phillip

Your support is vital in being able to bring these issues to the attention of fellow ratepayers and to make the necessary changes within the Council to reduce your rates.

Local Government Bill: concerns about Councils' Financials and Democratic Voting Method

Update on our last newsletter:

Local Government Bill 2019 regarding concerns that there are no protections

for the ratepayers

Thank you to all those who contacted members of Parliament on this important issue. This Bill has reached the second reading in the Legislative Council (upper house).

Hansard record from 20 Feb 2020 Second Reading in Legislative Council: we consider the following statement by the Leader of the Opposition in the Legislative Council to be highly relevant to the activities of the City of Port Phillip for:

Responsible Financial Management of Councils



"I also make the point that there are ongoing issues about financial management with many councils, and we obviously want to see good financial management at councils. The opposition is concerned to see that councils focus on the key issues for their local communities, that councils do not get waylaid on extraneous and external issues that may take their focus from what is important for their ratepayers and also that councils do not spend exorbitant amounts of money on a range of matters that are not of immediate concern to their ratepayers."

• The need for a Democratic voting method for all ratepayers
The opposition leader also said regarding local council voting methods
(Attendance vs Postal):

"I do want to indicate that we do have some concerns around the way government has approached the voting rights of businesses and non-resident landholders and particularly Victorian citizens who are owners of properties in municipalities. This is clearly an attempt to water down their democratic rights, their right to have a say. There was a revolution famously fought on the principle of no taxation without representation. Under the government's proposal here, there is a clear attempt to diminish the position of the non-resident ratepayers in terms of voting. By and large I think the system where the CEO develops the roll has been a reasonably fair system, and I think there are concerns about the way the government is approaching this provision."

Which brings us to majority of Councilors voting on 19 February 2020 to keep attendance voting instead of a more democratic postal voting method in the upcoming Council election on 24 October 2020.

In the 2016 Council election, the City of Port Phillip had a 48.6% voter turnout, the lowest in Victoria. This makes Port Phillip the least democratic council in Victoria and it is a disgrace. It was one of only 5 out of 78 Councils to choose attendance voting over postal voting. The same voter turnout occurred in the 2008 and 2012 Council elections.

Notwithstanding that postal voting has resulted in over 70% voter turnout at the last 3 council elections across the State, and would have also saved Council an estimated \$117,000, the following was the CoPP voting record on this issue:

- FOR: Crs Baxter, Brand, Copsey, Crawford and Simic
- AGAINST: Crs Bond, Voss, Gross and Pearl

We consider this to be an extremely poor outcome for our community. Voting to keep the City of Port Phillip the least democratic in the State.

It is a symptom of the over-politicization of our Council, with majority of Councilors choosing to help their chances of re-election over acting in the best interests of residents, ratepayers and traders.

RoPP had two speakers at the Council meeting advocating for postal voting. There was one speaker from Community Alliance of Port Phillip advocating to keep the status quo, at the expense of democracy and Council's budget.

See and hear it for yourself at CoPP live web streaming:

http://webcast.portphillip.vic.gov.au/archive/video20-0219.php 1 hour 43 minutes and 24 seconds into the recording (1:43:24)

Recent \$ losses and mismanagement of the South Melbourne Market

In a response to a question from Cr Pearl, the extent of recent losses and mismanagement of the South Melbourne Market has been revealed.

Do you think it is appropriate for ratepayers to be subsidising operation of the South Melbourne Market? Or should it be cost neutral at worst?

The fact that South Melbourne Market *budgeted for a \$256,000 loss in 2018-19* is incredible. What's worse, the actual loss turned to to be more than double that, at \$516,000!

This is more evidence that the CoPP cannot run commercial or market-based operations. Nor, in our opinion, should they be! It is outside the remit of local council. They clearly do not have the organisational experience and culture required to perform these functions. CoPP must stick to roads, rubbish, parks and gardens etc.

Is there a different structure that the Market could operate under, that would enable it to be run independent of Council (ratepayer) funds, whilst ensuring that the market meets the needs of residents, ratepayers and residents? For example, some sort of a Trust arrangement?

We hear stories from traders of the rents being huge and yet CoPP have shown losses over the last 4 years. What is going on? Do rents need to be raised again?

Or is the operation of the market just incredibly inefficient? (RoPP would assume the latter, given the CoPP's track record).

We have seen this time and time again; where CoPP do not appropriately forecast risks and include them in budgets. Which results in the ratepayer consistently footing the bill for their financial mismanagement.

They consistently come back after the event and say 'we have had to pay more, we didn't expect it, but it's ok, the council can afford it'.

Proposal by the Australian National Academy of Music to lease the South Melbourne Town Hall for 50 years.

Some of you may be aware of a proposal by the current tenant, the Australian National Academy of Music (ANAM), to lease the entire South Melbourne Town Hall from Council for a period of up to 50 years. We consider this to be an important topic and have invested significant time understanding the issues. Several RoPP Committee members met with ANAM management recently, and we are set to meet with those opposing the lease to hear their side too. We will come back to you soon with a newsletter with some background information and our recommended option.

Some Councilors recently voted against upgrading waste management services.

Councillors Baxter and Copsey voted on 5th February against upgrading waste management services, specifically the Advanced Waste Processing and Sorting of Kerbside Recyclable Material programs.

EcoCentre design works go ahead even though Federal funding has fallen through.

The Federal Labor party promised funding for redevelopment of the EcoCentre before the last federal election. Since they were not elected, this funding has not been forthcoming.

We do not understand how Council is still proceeding with EcoCentre design works, given that this Federal funding has fallen through. Where will this money come from?

On 19 Feb the Council voted on "Continues to advocate for partnership funding to the Victorian and Australian governments for half the estimated project costs (\$2.75m)". It looks likely that Port Phillip ratepayers will have to foot the whole bill in the absence of any other Government funding, notwithstanding that the EcoCentre benefits many Melbournians, not just those from Port Phillip. And given the recent

fiasco with the South Melbourne lifesaving club's redevelopment cost blowout, we consider the \$2.75m cost as likely to be only the beginning.

Rising Council Expenditure on Entertainment

- Live Music Action Plan:
 On 5th February, Councilors agreed to an additional \$913k of funding over 4 years. This funding is new expenditure in addition to existing funding.
- Linden Art Gallery: peppercorn rental agreement for the next 10 years which is a subsidy of \$339,896 per year (19 February 2020)
- Gasworks: peppercorn rental agreement for the next 10 year which is a subsidy of \$652,896 per year (19 February 2020)

See Councilors on the night in Council Chambers (19 February 2020): http://webcast.portphillip.vic.gov.au/archive/video20-0219.php

Does this give the appearance that Council is trying to long term lock in these deals before the upcoming elections?

A new Parking Management Policy was approved on 19 February 2020

see http://www.portphillip.vic.gov.au/transport-and-parking.htm