

Shoalhaven
City Council

Special Rate Variation

Pathway to our future



Community Engagement Report

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Introduction

As the previous Community Engagement Report – Special Rate Variation 2017 outlined, Shoalhaven City Council has undertaken several community engagement processes over the past four years to understand the community's needs, priorities and expectations, explain Council's financial situation and inform the community of the State Government's Fit for the Future requirements.

More recently, Council has engaged the community on Special Rate Variation (SRV) options and proposals.

This Community Engagement Report details the community engagement undertaken following the Independent Pricing and Regulatory Tribunal's (IPART's) determination of Council's 2017/18 SRV application.

Background

After comprehensive community engagement, in February 2017 Council applied to IPART for increases above the rate peg of 13.2% in 2017/18 (including actual rate peg limit of 1.5%) and 14% in 2018/19 (including IPART's estimated rate peg limit of 2.5%).

In May 2017, IPART handed down its determination, approving a temporary increase of 13.2% for 2017/18 only. The application for subsequent years was not endorsed as IPART wanted Council's Delivery Program and Operational Plan to more clearly outline the SRV proposal.

Council continued to engage the community on the rate rise topic following submission of the SRV application in February 2017 and receiving the determination in May 2017.

On Tuesday 24 October 2017, Council resolved to continue its path of ensuring financial sustainability and reapply for additional SRVs. The resolution (MIN17.895) was that:

1. *Council adopt the proposed changes to the Integrated Strategic Plan (inclusive of the changes made to the Community Strategic Plan, Delivery Program, and Long Term Financial Plan) for exhibition purposes, in addition to the following;*
 - a. *For the 2017/18 and next financial year 2018/19 the \$10,000 from the Aerial Beach Patrol be used for beach safety signage*
 - b. *The funding of \$4.5million for the Vincentia Library be deferred to a subsequent year pending a workshop*
2. *The Long Term financial plan be fully updated prior to exhibition to reflect the changes outlined above as well as changes to potential loan borrowings resulting from consideration of the impacts of the North Nowra Link Road and Collector Roads and the update be distributed to Councillors prior to exhibition*
3. *Council include from the rate increase \$500,000pa to the upgrade of our sporting fields (Refer to Report SA17.270)*
4. *A report be submitted to the Ordinary meeting of 24 October 2017 outlining the above.*

Council’s 2017/18 IPART application contained cumulative increases of 35.6%, however, following feedback from the community, Council resolved to reduce the cumulative impact of the previously proposed rate increases to 31.0% over four years (this compares to a cumulative increase of 9.3% over four years, if only the rate peg was applied and no SRV).

Council resolved to seek IPART approval to retain the 13.2% SRV (approved as a one-off increase in 2017/18) as a permanent increase and for the additional special variations:

5.0% in 2018/19 (including an estimated rate peg of 2.5%)

5.0% in 2019/20 (including an estimated rate peg of 2.5%)

5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Following this resolution, Council updated its Integrated Strategic Plan (including the Delivery Program and Operational Plan) to more clearly outline the SRV proposal, and commenced engagement with the community on its updated Integrated Planning Reporting documents and revised SRV proposal.

Stages of Engagement

Council has undertaken a detailed community engagement process to provide information to the community and to seek their feedback. The previous Community Engagement Report – Special Rate Variation 2017 provides details relating to Stages 1-3 summarised in Table 1 below. This report provides details of the community engagement summarised in Stage 4.

Table 1. Summary of Community Engagement Stages

Stage	Focus	Purpose	Year	What	Who
1	Identifying Community Needs	To understand the community’s needs and expectations for their City with specific focus on infrastructure provision and assets renewal	2013	Infrastructure Survey CSP Review Community Survey Setting strategies and actions Determining long Term	All Resident and ratepayers Govt Organisations CCBs Key Stakeholders

				Financial plan	
2	Meeting and explaining State Government's requirements	To inform the community about Fit for the Future and the requirements for Council to meet the state Government benchmarks	2014-2016	Outlining Fit for Future proposal and application Long Term Financial plan and Financial sustainability report Merger proposal Fit for the Future Outcomes	All Resident and ratepayers Govt Organisations CCBs Key Stakeholders
3	SRV Options	To inform the community and seek feedback on the three options proposed by Council for a SRV	2016-2017	Focused engagement to seek community feedback on the proposed SRV through options for a rate increase	All Resident and ratepayers Govt Organisations CCBs Key Stakeholders
4	Updated IP&R documents	To inform the community and seek	2017	Focused engagement to seek community	All Resident and ratepayers

	and revised SRV	feedback on the revised SRV and Integrated Strategic Plan (inc. the Delivery Program and Operational Plan) - updated to more clearly outline the SRV proposal		feedback on the updated IP&R documents and revised SRV proposal	Govt Organisations CCBs Key Stakeholders
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Stage 4 – Special Rate Variation 2018-19 – Pathway to our Future

Community engagement was undertaken on the revised Special Rate Variation proposal and updated Integrated Planning and Reporting (IP&R) documents from 26 October to 23 November 2017.

The purpose of the community engagement program was to:

- Inform community members of the revised SRV proposal
- Inform community members of the amendments to Council’s IP&R documentation (resulting from the SRV proposal)
- Seek community feedback on the revised SRV proposal, and
- Seek community feedback on the updated IP&R documentation.

Community members were able to provide feedback online, via email, mail and by attending public meetings.

Communication Methods

A variety of communication methods were used to convey the proposal to the community and encourage members of the community to provide feedback.

Communication methods included:

- Webpage on Council’s engagement platform, ‘Get Involved Shoalhaven’
- Hardcopy Information Packs
- Document exhibition (at Council sites throughout the LGA)
- Public meetings
- Media campaign
- Social media campaign

- Television advertising
- Electronic direct mail (EDMs)
- Inclusion in Rates Newsletter
- Community Consultative Body notification and activation
- Council foyer posters and television display
- Advertisement on the front page of Council’s website (slider and news articles)

Details of each method are provided below.

Webpage on engagement platform Get Involved Shoalhaven

Extensive information on the proposal was provided to the public on a dedicated webpage of Council’s Engagement platform, ‘Get Involved Shoalhaven’, accessed at www.getinvolved.shoalhaven.nsw.gov.au/rates2018. This webpage was promoted as the primary source of information on all promotional material and in media releases.

A capture of the webpage to show how information was displayed during the consultation period is provided in Appendix 1.

The webpage provided Council’s updated Integrated Strategic Plan as well as background information, a comprehensive timeline, 26 answers to Frequently Asked Questions (FAQs) (see Appendix 2) a copy of the presentation given to members of the community at the public meetings, the Council resolution to proceed with the SRV application and several news articles.

The community were able to provide feedback on the revised IP&R documents and SRV proposal via a feedback form on this webpage.

As of 24 January 2018, the website had received:

- 514 total visits
- 100 document downloads
- 34 FAQ visits; and
- 5 feedback contributions.

Participant Summary - as of 24 January 2018:

- 355 participants were “aware”
- 81 participants were “informed”; and
- 5 participants were “engaged”.

The website has been updated with new information several times since the consultation period closed, and will continue to be updated as the application process progresses.

Council’s Website

The SRV proposal engagement was advertised on the homepage of Council’s website (www.shoalhaven.nsw.gov.au) for the duration of the consultation period via a prominent ‘web slider’, news articles and direct link to the dedicated project page on Council’s community engagement platform, ‘Get Involved’.

Additionally, Council provided and promoted a 'Rates Calculator' tool for ratepayers to estimate the impact of the SRV on their individual rates. This tool was provided on Council's website at www.shoalhaven.nsw.gov.au/My-Property/Rates-and-payments/Rates-calculator.

Hardcopy Information Packs

Hardcopy Information Packs were available for offline members of the community. The availability of information packs was publicised along with the methods for submitting feedback. The information packs were available on request to be posted out to community members, and contained an A5-sized colour brochure (Appendix 3), four-page factsheet (Appendix 4) and a printout of the 26 FAQs available on the website (Appendix 2).

Despite the availability of Information Packs being promoted throughout the consultation period, Council received no requests for hardcopy information.

Document Exhibition

In addition to being available online, hardcopies of the updated IP&R documents were available for viewing by the public at Council's Nowra City Administration Centre, Ulladulla Office and Shoalhaven Libraries' branches at Nowra, Sanctuary Point, Ulladulla, Milton and the Mobile Library.

Public Meetings

Three public meetings were held during the consultation period:

- Tuesday 31 October 2017 at 7.00pm at Huskisson Community Centre
- Wednesday 1 November 2017 at 7.00pm at Ulladulla Civic Centre – Auditorium
- Monday 13 November 2017 at 7.00pm at the Nowra School of Arts

The public meetings provided an opportunity for community members to speak directly with Council's General Manager, Directors, senior staff and Councillors who attended to present information, answer questions and engage in discussion with participants. A copy of the presentation given by Council at the public meetings is supplied in Appendix 5.

Colour brochures (Appendix 3) and four-page factsheets (Appendix 4) were available at the public meetings and were taken home by many attendees.

In total, the public meetings were attended by 42 members of the community. 12 community members attended the Huskisson meeting, 5 the Ulladulla meeting and 25 the Nowra meeting.

Media Campaign

The community engagement was supported by a media campaign to help inform the community of the SRV proposal.

Two formal media releases were provided to all media outlets in the Shoalhaven region, as well as Community Consultative Bodies (CCBs) and local community papers/newsletters:

- Media Release 1. Special Rate Variation - 3 October 2017 - see Appendix 6
- Media Release 2. Special Rate Variation Meetings - 25 October 2017 – see Appendix 7

At least 20 media articles or stories were generated about the SRV proposal or a related topic.

The table below summarises and demonstrates the variety of media outlets and publications that covered the issue. The below summary excludes social media coverage, which also covered the SRV proposal generously. Most of the media articles listed below were also posted on the respective media outlets' social media pages, and subsequently shared by community members on social media both privately and publicly, via 'community noticeboards' groups and pages.

Media attended most Council meetings regarding rate related discussions or decisions. Some provided live feeds on their Facebook page and all were recorded by Triple UUU FM, which provides podcasts of Council meetings on air and via their website

(www.shoalhavenfm.org.au).

Summary of Media Coverage

The below Media Coverage summary and corresponding clippings provided in Appendix 8 provide clear evidence that the issue was well publicized and that significant media attention was given to the revised SRV proposal.

Table 2. Summary of Media Coverage

No.	Date	Article Title	Media Outlet
1.	10 October 2017	Unable to prevent rate rise	South Coast Register
2.	11 October 2017	Further rate rise remains likely in the Shoalhaven, rescission motion defeated	Radio 2ST & Power FM
3.	11 October 2017	Next Rate Rise on horizon for ratepayers	South Coast Register
4.	20 October 2017	Local roads need millions	Milton Ulladulla Times
5.	24 October 2017	Interview with Mayor Amanda Findley on SRV	Radio 2ST
6.	26 October 2017	Council to hold public meetings on proposed rate increase	Radio 2ST & Power FM
7.	26 October 2017	Learn more about the Proposed Special Rate Variation	My Sanctuary Point - Concerned Citizen Newsletter
8.	27 October 2017	Have your say on the imminent rate rise	South Coast Register

9.	30 October 2017	Community Invited to Learn More About Proposed Special Rate Variation	Radio UUU
10.	1 November 2017	Letters to the Editor – Efficiencies Needed	South Coast Register
11.	1 November 2017	Letters to the Editor – Rate Rise Unaffordable	South Coast Register
12.	1 November 2017	General Manager Russ Pigg talks Special Rates Variation with Chris Firth	Radio 2ST
13.	1 November 2017	Letters to the Editor – Try some cost-saving	South Coast Register
14.	2 November 2017	Residents encouraged to attend Nowra meeting on proposed rate increase	Radio 2ST & Power FM
15.	8 November 2017	Letters to the editor - Insufficient practices	South Coast Register
16.	11 November 2017	Nowra community meeting this Monday on proposed rate increase	Radio 2ST & Power FM
17.	14 November 2017	Special Rate Variation meeting (no audio)	ABC News
18.	14 November 2017	Letters to the Editor – Boycott rates meeting	South Coast Register
19.	23 November 2017	Letters to the editor - Cut staff costs first	South Coast Register
20.	1 December 2017	Gov Sets Rate Peg	South Coast Register

Clippings of the above media articles are provided in Appendix 8.

Social Media

Facebook was used to convey information to the Shoalhaven community throughout the engagement process. A total of five posts were made on Council's corporate Facebook page (www.facebook.com/shoalhavencitycouncil). A summary of these posts is provided in Table 3. Copies of these posts are provided in Appendix 9.

Many of these posts were also shared by community members on the Shoalhaven News Facebook site, which is a group page with 25,902 members. This site is a key community-run

user-generated page where most news and information about the Shoalhaven can be found. Councillors were actively engaged on this site and provided feedback and answers to questions from the community.

Table 3. Summary of Facebook Posts

No.	Date	Summary of content	Outcome
1.	24 October 2017	General information and promotion of public meetings	Reach 1,721, 2 likes, 21 post clicks
2.	10 November 2017	Further information about the public meetings	Reach 1036, Clicks 11
3.	30 October 2017	Event Advertisement - Public Meeting on Special Rate Variation Nowra	Reach 749 people, 3 likes
4.	30 October 2017	Event Advertisement - Public Meeting on Special Rate Variation Huskisson	Reach 792 people, 4 likes
5.	30 October 2017	Event Advertisement - Public Meeting on Special Rate Variation Ulladulla	Reach 1,171 people, 4 likes, 20 post clicks

In total, the Facebook posts reached approximately 5,469 Facebook users.

Television Advertising

Council placed 52 television advertisements on WIN TV Wollongong between 29 October to 11 November 2017. The advertisements were 15 seconds long and contained voice narration, images and text. The narration stated “*Shoalhaven City Council wants your input on how to meet the needs of our community now and into the future, through the Special Rate Variation proposal. Like to know more? Ask for an information pack or visit the Shoalhaven City Council website.*”

The advertisement can be view at <https://youtu.be/AfAjuB-KRpc>.

WIN TV Wollongong (which covers the whole South Coast including the Shoalhaven) has an average daily audience of approximately 154,200 people.

The advertisements were aired during a variety of news and entertainment programs such as WIN Local News, TEN Eyewitness News First at Five, Studio 10 and Dr Phil. The ads were also placed in a variety of different timeslots to target a broad range of community members.

Electronic Direct Mail (EDMs)

Council publishes a weekly e-newsletter, '*In Your Neighbourhood*', to keep the community up to date on Council decisions, issues and events. The e-newsletter currently has 2,297 subscribers. The SRV proposal was included in two editions during the engagement period, potentially reaching 2,297 community members on two occasions.

- 22 October 2017 – Learn more about the Proposed Special Rate Variation:
<http://shoalhavencitycouncil.cmail20.com/t/ViewEmail/d/8AC5ED2A0FB88EBE/D9CD8A4C9DE9294FD3AB5F5EEC5F0895>
- 3 November 2017 – Special Rate Variation Public Meeting at Nowra:
<http://shoalhavencitycouncil.cmail19.com/t/ViewEmail/d/C6DE2C01BFFFC05C/D9CD8A4C9DE9294FD3AB5F5EEC5F0895>



Shoalhaven Australia Day Awards close 1 December 2017
Nominate an unsung hero today - [Click here](#)

Learn more about the Proposed Special Rate Variation

Shoalhaven City Council is inviting the community to learn and provide comment on the proposed Special Rate Variation. Council is proposing to apply to the Independent Pricing and Regulatory Tribunal for a continuation of the 13.2% rate increase that was applied to ratepayers this year. The previous increase was only approved to be implemented for a one-year period and Council is seeking for this increase to remain in place for the future.

As part of this application Council will also be seeking a 5% rate increase (including the rate peg) for each of the next three years. This increase is to meet the ongoing maintenance and renewal needs of our community infrastructure. The proposed increased revenue will fund maintenance and improvements to Shoalhaven roads, parks, sport fields and other community assets. Learn more [here](#).

In the simplest terms, the general purpose rate increase means you would pay 5% more than the current year. If your general rates were \$1000 in 2017/18 they will be \$1050 in 2018/19.

The Special Rate Variation and the Delivery Program and Operational Plan documents will be on exhibition until 23 November 2017 and can be found on Council's [website](#) and at administration centres. Alternatively contact Council on Tel: 4429 3111 to get a Special Rate Variation information pack sent to you.



Council will be hosting three public meetings to provide the community with more information and facts on the proposed Special Rate Variation. The community is encouraged to attend one of the public meetings which will be held on:

Tuesday, 31 October 2017 at 7.00pm at Huskisson Community Centre

Wednesday, 1 November 2017 at 7.00pm at Ulladulla Civic Centre - Auditorium

Monday, 13 November 2017 at 7.00pm at the Nowra School of Arts

The public meetings will provide an opportunity to learn more about the Special Rate Variation proposal directly from Council's General Manager and Directors, senior staff and Councillors, who will all be in attendance to engage in discussions and answer questions.

All welcome, no RSVP required.

Image 1. Clipping from 'In Your Neighbourhood' e-newsletter, 22 October 2017



Special Rate Variation Public Meeting at Nowra



This week, Shoalhaven City Council hosted two public meetings on the proposed Special Rate Variation in Huskisson and Ulladulla.

Community members took advantage of the opportunity to learn more about the sustainable future of Council.

The next public meeting will be held on **Monday, 13 November 2017 at 7.00pm at the Nowra School of Arts**. All welcome, no RSVP required.

For more information, visit Council's Get Involved [website](#), or receive updates on Council's Facebook page. Alternatively, contact Council on Tel: 4429 3111 to get a Special Rate Variation information pack sent to you.

Image 2. Clipping from 'In Your Neighbourhood' e-newsletter, 3 November 2017

Rates Newsletter

Each quarter, as part of the delivery of the rates notices, Council provides the 'Neighbourhood News' newsletter to inform the community on the key issues facing Council. Information on the revised SRV proposal and updated IP&R documents was included in the Spring 2017 Edition which can be viewed in full at

<http://doc.shoalhaven.nsw.gov.au/displaydoc.aspx?record=D17/337659>.

The Spring 2017 newsletter was mailed to 39,530 ratepayers and an electronic link was emailed to 3,555 ratepayers who choose to receive their rate notices electronically.

Special Rate Variation

In June 2017, Council adopted a special rate variation of 13.2% (including the 1.5% rate peg) for the 2017/18 financial year. This increase in rates has assisted Council to meet the growing infrastructure and maintenance needs of our community.

The funds generated from your rates help to provide essential local government services within the Shoalhaven City Council area. Shoalhaven City Council covers 4,660 square kilometres and has 49 towns and villages and more than 1750km of roads.

To continue to provide for the expectations of our community, Council is seeking to ensure that this 13.2% increase is retained into the future. Council is also seeking to implement an additional increase over coming years. Full details of the proposed increases can be found on Council's website www.shoalhaven.nsw.gov.au.

Council will be engaging with the community about this proposal and seeking your feedback on this plan. Community meetings will be held and additional information can be found on our website including opportunities to provide your comments.

Council needs to raise rates for the following reasons:

- Council cannot continue to meet the rising costs of operations within its current budget.
- The community have many assets that need to be maintained by Council and this comes at a significant financial burden.
- The community is asking for more facilities such as toilets, community halls, swimming pools, drainage and footpaths and these all come at a cost.
- There is a need to meet the costs shifted to Council from other levels of government such as reduced grants or new costs from legislation changes.
- Roads need to be maintained. Council has a funding gap and need to invest additional money into maintenance and renewal of community assets, especially our local roads.
- If revenue is not raised then Council will need to consider a possible reduction in the services that are currently provided to our community.



Image 3. Clipping from 'Neighbourhood News' Rates Newsletter, Spring 2017 Edition

Community Consultative Body Notification and Activation

Council's Community Consultative Body (CCB) network was kept informed throughout the SRV process via emails, newsletters and presentations given at the CCB Executive Meetings in May and October 2017. Meeting minutes and presentations can be viewed at <https://www.shoalhaven.nsw.gov.au/My-Community/Residents-Groups/Resident-groups-meetings-with-Council>.

CCBs were encouraged to disseminate information to their members and communities, and to provide submissions, either as a CCB, or as individuals.

As a result, several submissions were received by CCBs.

Information in Council Foyer

Visitors to Council's Nowra Administration Centre were encouraged to learn more and provide feedback on the SRV proposal and revised IP&R documents via information prominently displayed in the foyer area, including wall posters (Appendix 10), brochures (Appendix 3) and a rolling presentation on Council's large ticketing television screen (to view, visit <https://youtu.be/952uYm9Z0wU>).

This information was displayed for approximately six weeks, during and after the consultation period. The information also promoted the availability of hardcopies of Council's Integrated Strategic Plan.

Community Feedback

A total of 12 formal submissions were received from the community. There were also several emails and questions raised by two members of the public working collaboratively. This resulted in an email trail which included several responses and further questions. This discussion has been considered as one additional submission bringing the total to 13 submissions. These are summarised in Table 1 below. A copy of each of the submissions is provided in Appendix 11.

One submission was a specific request for a funding for a project at a location in Shoalhaven, one submission sought answers to questions regarding works undertaken by Council, three submissions were in support of a rates increase. Once submission sought answers to a number of questions relating to accounting, staff costs and other matters and six did not support an increase in rates.

Summary of Submissions

Table 4. Summary of Submissions Received

No.	RECEIVED	SUBMISSION	COMMENT (if applicable)
1.	Public member, received 20/10/2017	<i>I have downloaded the latest Neighbourhood News which says: - Neighbourhood Spring 2017 In June 2017, Council adopted a special rate variation of 13.2% (including the 1.5% rate peg) for the 2017/18 financial year. This increase in rates has assisted Council to meet the growing infrastructure and maintenance needs of our community.</i>	Noted - A formal response to the questions raised were provided to the community member.

		<p><i>Like the widening of Bolong Rd which took many months and costing hundreds of thousands of dollars...</i></p> <p><i>The question is - what was the need for such intensive works as the road was already wide enough?</i></p> <ul style="list-style-type: none"> • <i>To make a freeway to allow idiots to speed up even more due to the extra space?</i> • <i>For Cyclists - I use this road many times a week and I only see very few cyclists on that road. Besides there was already enough space before the new works.</i> • <i>For vehicles to pull over (phone calls, etc.) - cars rarely stop and I've never seen a truck stopped anywhere at all.</i> • <i>What is the council going to do where the new extra wide road reaches the concrete bridge or Bomaderry centre where CB is situated and beyond as they are bottlenecks?</i> • <i>The money would have been better spent on building a railway crossing overpass - like in Gerringong.</i> <p><i>I could list a lot of urgent works to be done with a lot more usefulness.</i></p> <p><i>A lot of unanswered questions about the Council management of the ratepayer's monies.</i></p>	<p>Widening improves safety for motorists and cyclists. Funding from RMS.</p>
2.	Public member, received 27/10/2017	<p><i>It seems to me to be most obvious that SCC must apply each year for an SRV for the years 2018 to 2021. If rates aren't increased then there can be no improvement in services and facilities provided to a Council area where there is one of the highest youth rates unemployment in NSW.</i></p>	Support Noted
3.	Public member, received 27/10/2017	<p><i>We object to the cavalier way this very significant rate variation of +13.2% is being proposed. This represents an approximate 600% increase against the approx. 2% CPI increases of the current financial and economic climate. We accept Council needs</i></p>	Noted - Council has considered alternative options to the SRV proposal and factored in

		<p><i>to be able to do its job properly but first of all I would like to be convinced that Council administration is improving its own inefficiencies, like extravagant sick leave provisions, excessive travel and meal allowances and excessive salaries for senior staff etc. We continually witness council extravagances in relation to payments to contractors and other inefficiencies and before we hear from Council that it cannot continue to meet rising costs without raising more revenue or cutting services, we would like to hear how productivity improvements within Council and its administration will help alleviate the current financial predicament it finds itself in. Its remiss of Council to propose the massive increase on ratepayers without factoring in an efficiency improvement program on Council itself. As a ratepayer, I don't want to pay for Council inefficiencies and extravagances as part of a +13.2 % grab for cash.</i></p>	<p>efficiency cost reductions in previous years</p>
4.	<p>Public member, received 28/10/2017</p>	<p><i>The rates increase is too large a burden for residents to bear. To continue this increase AND expect us to even pay higher rates into the immediate future and beyond is unacceptable and shows Councillors are out of touch with the electorate. Coupled with the excessive increases in electricity prices and historically low wages growth, households are struggling and Councillors need to recognise this situation. The size of this increase indicates Councillors are forcing us to live beyond our means. The reasons given such as we need more swimming pools is a nonsense. Council is not truly looking critically at community needs. Sometimes it needs to say no to frivolous expenditure. We should be curtailing expenses and informing people to reduce their expectations.</i></p>	<p>Noted - Council has considered alternative options to the SRV proposal.</p>
5.	<p>Public member,</p>	<p><i>Thank you for the presentation council did at Ulladulla Civic Centre on Wednesday 7 November 2017, it was very informative</i></p>	<p>Support Noted - it is not recommended</p>

	received 03/11/2017	<p><i>I have one concern and would like to have this removed: -</i></p> <ul style="list-style-type: none"> <i>money was being allocated to Milton Showground internal roads. I would like to see this removed and the money allocated to roads that residents benefit from.</i> <p><i>I am in agreeance with the Special Rate Variation, and can see the benefit to the Shoalhaven Area</i></p>	that council make a change at this time.
6.	Public member, received 03/11/2017	<i>We need the rate rise to improve our infrastructure and to be fit for the future. More and more development is happening in the Shoalhaven and the current facilities in their current state will not cope into the future</i>	Support Noted
7.	Public member, received 23/11/2017	<i>"I think the rate increases by 5% each year are outrageous and way above the CPI. I had a feeling when Council attempted to set this special rate increase last year that it wouldn't be the end of it. This is just a continuous slug and who's to say the Council won't keep on asking for increases each year thereafter? Shoalhaven Council rates are already more expensive than they are for example in the Hills Shire in Sydney where the land is worth 3 times as much but rates are cheaper and many more facilities are provided such as kerb and guttering and paved footpaths. The council can't even provide a smooth road between Huskisson and Vincentia - the current road is full of bumps and uneven surfaces. Shoalhaven Council should get its act together and look at how the Hills Shire manages. They balance their books and are in a strong financial position each year because of good financial management and certainly do not attempt to impose a severe financial strain on ratepayers. Also, many of the Shoalhaven ratepayers are on fixed incomes and least able to afford such savage increases. Council should seriously give thought to a compromise solution where you cut back on more non- essential works, such</i>	Noted - Council has considered alternative options to the SRV proposal.

		<p><i>as grants to arts and fringe communities - and concentrate more on fixing the essentials. This would make you as a council more credible with ratepayers.</i></p>	
8.	Collingwood Beach Preservation Group	<p>Requesting funding for drainage and stormwater works to be carried out at Collingwood beach. Seeks a specific budget request to be added to the Operational Plan for 2018/19.</p> <p><i>“This submission is provided in response to Council request for feedback on its proposal to apply to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV) for each of the next three financial years.</i></p> <p><i>We put forward the original DPOP’s which we have been updated to reflect changes for moving forward with the CBDVMP and scheduled site visit in December by the Environmental and Assets team for the storm water. We trust that these submissions will be taken into consideration in the updated future DPOP process.”</i></p>	<p>Yes - these will be considered during the normal DPOP exhibition and review process that will occur in March 2018.</p> <p>Specific budget requests were not considered as part of this process as focus was on the amendments made to the plans as a result of the SRV proposal. A further exhibition of the DPOP documents and call for budget adjustments will be made next year.</p>
9.	Public member, received on 22/11/2018	<p>How about Council “tighten its belt” like most of the community has had to do in recent times and is doing now and into the future. If you have to cut back on existing and planned projects have the gumption to make the hard decisions.</p>	<p>Noted - Council has already implemented increased efficiencies and cost reductions over the last 5 years.</p>

10.	2 Public members, received on 23/11/2017	<p>I ask Council to reconsider the ongoing plan for significant rate increases above CPI.</p> <p>When you explained the need for these increases on ABC Radio I believe you stated that more money was needed to maintain roads (yes), to improve sporting grounds (perhaps) and to modernise the city (or words to that affect). I strongly object to this latter aim because it can absorb enormous funds, its success is not measurable and it can be used by some as a medium to express personal artistic preferences.</p> <p>I believe your highly paid salaried staff need a reality check into what life is like in the Shoalhaven for retired and other low income home owners. The following increased costs are facts:</p> <ul style="list-style-type: none"> a. Electricity costs have increased to such an extent that any comparison with CPI is ludicrous, b. Health Care Insurance has risen at about twice the CPI for several years. c. The price of fuel is generally about 20c per litre dearer than in Sydney (or Albion Park Rail for that matter). In addition the State wide price is inconsistent with the current price of crude oil and the value of the \$Aus. d. I do not do the shopping, but I believe that the prices of groceries and fresh meat continually rise above CPI. <p>To counteract this, our income is linked to the CPI and anyone fortunate enough to have money in the bank receives a paltry interest rate which is less than CPI, and much less than the Commonwealth Government deeming rate of 3 / 4.5%.</p> <p>In other words, “corporate greed” and other factors are grinding low income families and individuals into the ground. Do you want your Council to be part of this?</p>	Opposition noted
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		At least, could you please consider a further rebate for pensioners?	
11.	Vincentia Ratepayer and Residents Association (CCB), received 23/11/2017	<p>We attended a Public Meeting on the proposal and have examined the revised SRV proposal and the updated Integrated Strategic Plan and other related documents on Council's website. We acknowledge the level of detail and thoroughness of Council's approach to progressing the SRV application but note that magnitude of the documentation makes it difficult to engage substantially on the whole proposal.</p> <p>We provide for your consideration the attached general comments on the updated Integrated Strategic Plan and also a number of submissions that our Association has put forward in the development of Council's Delivery Program and Operational Plan (DPOP) but which have not been explicitly address in the existing Council Budget. We trust that these submissions will be taken into consideration in future DPOP processes.</p>	<p>Yes - these will be considered during the normal DPOP exhibition and review process in March 2018.</p> <p>Specific budget requests were not considered as part of this process - focus was on the amendments made to the plans as a result of the SRV proposal. A further exhibition of the DPOP documents and call for budget adjustments will be made in 2018.</p>
12.	2 Public Members, received 24/11/2017	<p>We STRONGLY OBJECT to the Proposed Special Rate Variation 2018. The Council, like the Resident Rate payers, should learn to live within their means.</p> <p>Who are we? We are an elderly couple , both 86 years of age. We moved to Nowra in mid May 1988, alost 30 years ago. What was then open paddocks with scattered grazing cattle, is now crammed full of houses, mostly small houses.</p> <p>We found out about the ' proposed special rate variation from reading the Neighbourhood News Spring 2017 pamphlet enclosed with the 2nd instalment rate notice.</p>	Objection noted

	<p>We considered the public meeting on Monday 13 Nov at 7:00pm Nowra School of Arts about this important and we should attend. Because of our age we arranged to get to the hall car park early before the crowd. But when we arrived, the car park was almost empty. Our first thoughts were that the meeting had been cancelled. “ as you know GM the meeting was poorly attended “.</p> <p>Why was this ? The answer to this in my opinion, is the community is not aware of any thing the council is doing or simply don't care. 'Since the meeting I have asked a lot of people, were they aware the council as trying to increase the rates. From the replies I got , it was obvious the community does not care, and reason was the council doesn't listen to them ,so it's a waste of time going to meetings .</p> <p>For info, on council / community problems. About 20 years ago I read NSW government document on the subject of development problems in REGIONAL areas and towns. The document stated that in regional areas very few of the residents had a university education , .and consequently had not acquired the art of writing letters of Objection, complaint and protest. The result is that government agencies, state and federal, and local, don't have to be concerned about what community feels about their actions because they don't get letters of objection.</p> <p>I say to any readers of this letter, you will see that we did not have a university education , and are not much good with computers. I only wish our daughter and her husband lived down here, Councillors and senior staff would then be walking around on tip toe.</p> <p>We will close this letter now, but in closing we must say that we have always found the Counter Staff at the Nowra council chamber</p>	
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		to always be polite and friendly, and try to help you. Full marks to them.	
13.	2 public members	<p>Council received several questions on 2017 Financials and Chapter 7 of the Proposed Special Rate Variation from two residents.</p> <p>Public member 1 questioned the accounting treatment of \$2.7M CIVICA write off in Council's Financials for 2017.</p> <p>Public member 1 had questions around the materiality and stating that Australian Accounting Standard is not complied with.</p> <p>Public member 1 further stated the incorrect presentation of the write off was made at October 2017 CCB meeting where it was shown as written off against the retained earnings.</p> <p>Questioned that the new corporate system (Tech One) has been budgeted as expense instead of capital.</p> <p>Questioned whether REMS 1B cost is \$50M and if a business case was done.</p>	<p>Council has expensed WIP costs as the software was not capitalised.</p> <p>Public member 1 referred to standard AASB 1031 which was superseded by AASB 108 in July 2015. Council applied standard AASB 108 while preparing the statements.</p> <p>While this presentation was made, discussions were still underway on the correct treatment of the write-off.</p> <p>Tech One project costs are budgeted as operational cost and capitalised as project milestone progresses.</p> <p>Staff are gathering the information to provide to this member of the public.</p>

		<p>Questioned whether the asset schedules for 2017 has been corrected (errors highlighted by same member of the public last year).</p> <p>Public member 2:</p> <p>Several questions and clarifications have been sought by Public member 2 on Chapter 7 of Council's proposed SRV submission. Questions focussed on employee costs, Fit for the Future forecast against actuals for 2014/15, 2015/16 and 2016/17 financial year, capital grants received, long term financial plan, use of debt for financing capital projects and presentation of Council's financial statement.</p> <p>Public member 2 also questioned the \$12M growth in the employee costs over 2015-2017.</p>	<p>Staff are gathering the information to provide to this member of the public.</p> <p>A detailed analysis was prepared by the CFO and justifying the reasons for the increase in costs employee costs (award increase, FTE increase, and profile change, allowance etc).</p>
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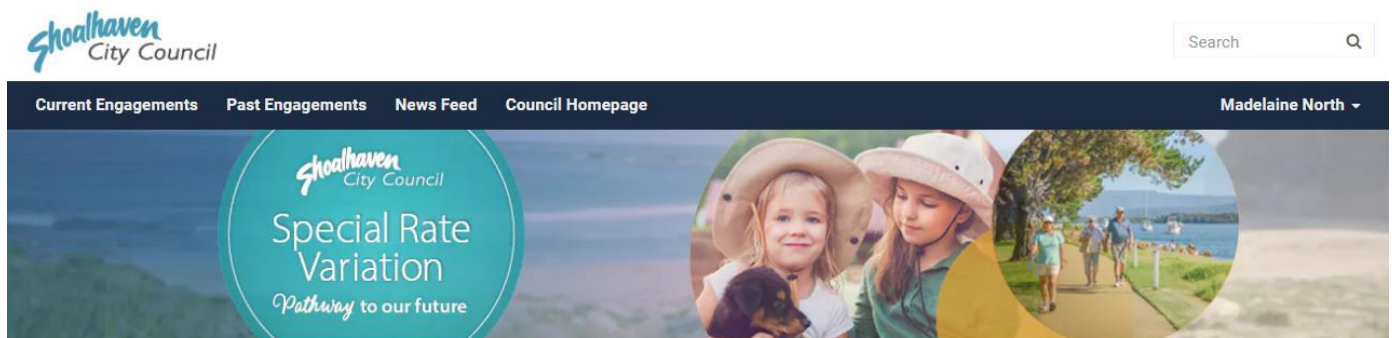
Conclusion

Shoalhaven City Council undertook a comprehensive community engagement campaign to inform the community of its proposed Special Rate Variation and encourage members of the community to provide feedback.

The engagement utilised a wide and diverse range of communication methods including a dedicated website, document exhibition at multiple sites, a comprehensive media and advertising campaign and public meetings at three different locations.

As a result, 5,469 people were reach via Facebook, 514 people visited Council's dedicated webpage, 42 community members attended the public meetings, at least 20 media articles were generated and 13 submissions were received by Council on the proposed SRV.

Appendix 1. Capture of SRV 2018-19 Webpage – Get Involved



Home » Special Rate Variation - Pathway to Our Future

Special Rate Variation - Pathway to Our Future

Consultation has concluded.

Shoalhaven City Council recently consulted the community on a proposal to again apply to IPART for a Special Rate Variation, for each of the next three financial years: 2018/19; 2019/20 and 2020/21. For further details on the proposal, see the 'Proposed Special Rate Variation 2018' section below.

Background

In 2015, Shoalhaven City Council was declared as a 'Fit for the Future' Council by the NSW State Government. This was based on a Council submission provided to the Office of Local Government (OLG) and the Independent Pricing and Regulatory Tribunal (IPART) which outlined several actions Council would undertake to improve financial sustainability. Council's submission included a proposal to permanently increase Shoalhaven's total general rate income by applying for a Special Rate Variation (SRV).

From November 2016, Council engaged the Shoalhaven community in discussions around increasing the amount of money ratepayers pay to Council as rates. Council also sought community feedback on a number of rate increase options. An increase in rates income would allow Council to increase the level of funding provided for much-needed infrastructure maintenance and renewal, maintenance of services and financial sustainability and address infrastructure requirements for the Verons Estate.

As part of the rates discussion, Council suggested alternatives to rate increases, such as the closure of certain services and facilities, and increases in fees and charges. These alternatives were not accepted by the community. On the contrary, feedback to Council indicated an increase in community expectations and a desire for the community to have new facilities and infrastructure.

After considering feedback from the community, Council decided to apply to IPART for increases above the rate peg of 13.2% in 2017/18 (including actual rate peg limit of 1.5%) and 14% in 2018/19 (including IPART estimated rate peg limit of 2.5%). The application and community engagement process can be viewed on the 'Your Rates, Everybody's Future' webpage.

The outcome of the application was determined by IPART in May 2017. IPART approved a temporary increase of 13.2% for 2017/18 only. The application for subsequent years was not endorsed as IPART wanted our Delivery Program and Operational Plan to more clearly outline the SRV proposal.

Proposed Special Rate Variation 2018

To ensure consistency with our Long Term Financial Plan (LTFF) and to meet our Fit for the Future benchmarks, Council is now proposing to again apply to IPART, for an SRV, for each of the next three financial years: 2018/19; 2019/20 and 2020/21. Without applying for another SRV, after June 2018, Council's rate income will only increase in line with the applicable rate peg.

Council will be seeking IPART approval to retain the 13.2% SRV (approved as a one-off increase in 2017/18) as a permanent increase and for the additional special variations:

- 5.0% in 2018/19 (including an estimated rate peg of 2.5%)
- 5.0% in 2019/20 (including an estimated rate peg of 2.5%)
- 5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Council's 2017 IPART application contained cumulative increases of 35.6%, however, following feedback from the community, Council has reduced the cumulative impact of the proposed rate increases to 31.0% over four years. This is compared to a cumulative increase of 9.3% over four years, if only the rate peg was applied and no SRV.

Council's Integrated Strategic Plan (including the Delivery Program and Operational Plan) has been updated to more clearly outline the SRV proposal. Please view these documents and provide your feedback via one of the methods outlined below. You can download the whole document or view chapters individually.

REGISTER to get involved!

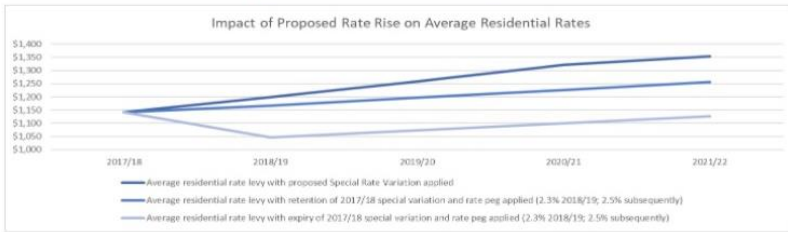
Life Cycle

- Community Engagement on Special Rate Variation (SRV) proposal**
21 November 2016 - 2 February 2017
- SRV application submitted to IPART**
13 February 2017
- Further Community Engagement to inform community of SRV**
March 2017
- Community Engagement undertaken on Integrated Strategic Plan**
28 April - 26 May 2017
Document provided information on the spend on asset renewals and maintenance if the SRV was implemented. [Learn more...](#)
- IPART determination**
9 May 2017
IPART approved SRV, in part, on a one year, temporary basis
- Integrated Strategic Plan adopted**
13 June 2017
- SRV implemented for one year (2017/18)**
1 July 2017
- Council resolved to pursue continuation of SRV for 2018/19; 2019/20 and 2020/21**
17 October 2017
- Revised Integrated Strategic Plan documents (more clearly outlining SRV) on exhibition for public comment**
26 October - 23 November 2017

View chapters individually...

Impact on Average Rate Payer

The following chart illustrates the impact of the proposed rate rise on average residential rates. Please note that the value of your property, in comparison to other properties in the Shoalhaven, helps determine how much you pay in rates. This means your rates may be significantly more or less than average.



Without applying for another SRV, after June 2018, Council's rate income will only increase in line with the applicable rate peg.

Community Consultation

Community consultation was undertaken on the revised Special Rate Variation proposal from 26 October to 23 November 2017. Community members were encouraged to provide feedback online, via email, mail and by attending public meetings. Three public meetings were held during the consultation period (Tuesday 31 October 2017 at 7.00pm at Huskisson Community Centre, Wednesday 1 November 2017 at 7.00pm at Ulladulla Civic Centre - Auditorium, and Monday 13 November 2017 at 7.00pm at the Nowra School of Arts).

Learn More

Further information can be found in the FAQ and document archive sections of this page.

Links to Council's previous IPART application and details of the community engagement process can be viewed on the **Your Rates, Everybody's Future** webpage. Council's previous Integrated Strategic Plan can be viewed on the **Delivering for Your Future** webpage.

SURVEY **NEWS FEED**

Special Rate Variation Feedback

Consultation has concluded.

- Community feedback reported to Council**
28 November 2017
Report to Ordinary Meeting of Council
- Final Council decision to apply to IPART for SRV**
28 November 2017
Council resolved to apply for SRV
- Application to IPART**
12 February 2018
- IPART determination**
15 May 2018
- SRV implemented - if approved**
From July 2018

Key Documents

- Presentation to Public Meetings (PDF 1.1MB) (1.18 MB) (pdf)**
 - Council Resolution - Extra Ordinary Meeting, 17 October 2017 - see page 5 (PDF 216 KB)**
 - All Chapters - Integrated Strategic Plan - SRV 2018 (PDF 13MB)**
 - Chapter 1 - Integrated Strategic Plan - SRV 2018 (PDF 1.2MB)**
 - Chapter 2 - Integrated Strategic Plan - SRV 2018 (PDF 770 KB)**
 - Chapter 3 - Financials Updated - Integrated Strategic Plan - SRV 2018 (PDF 970KB)**
- more..

FAQ

- [What is a Special Rate Variation?](#)
 - [What is a rate peg?](#)
 - [Who is IPART?](#)
 - [What are the proposed rate increases?](#)
- more..

Appendix 2. Frequently Asked Questions

Frequently Asked Questions

What is a Special Rate Variation?

A Special Rate Variation allows a council to increase its general income above the rate peg, under the provisions of the Local Government Act 1993 (NSW). IPART annually set a rate peg, which limits the amount by which councils can increase their total rate revenue from year to year - for 2017/18 it is 1.5%.

What is a rate peg?

Since 1977, council rate revenue has been regulated in NSW under an arrangement known as 'rate pegging'. Rate pegging allows all councils to increase their total rate revenue in line with the annual change in the rate peg.

The rate peg is a percentage that is set each year by IPART, mainly based on an index of typical council costs. The rate pegging system also provides flexibility for individual council circumstances by allowing councils to apply to IPART for a special variation.

For many years, the rate peg limit has not kept pace with the spiralling increases to costs for councils in NSW to deliver vital community services.

Who is IPART?

The Independent Pricing and Regulatory Tribunal is the main independent pricing regulator in NSW. IPART set prices for water, electricity, gas and transport businesses. They set the rate peg for local councils.

What are the proposed rate increases?

Council will be seeking IPART approval to retain the 13.2% Special Rate Variation (approved as a one-off increase in 2017/18) as a permanent increase and for the additional special variations:

- 5.0% in 2018/19 (including an estimated rate peg of 2.5%)
- 5.0% in 2019/20 (including an estimated rate peg of 2.5%)
- 5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Council's 2017 IPART application contained cumulative increases of 35.6%, however, following feedback from the community, Council has reduced the cumulative impact of the proposed rate increases to 31.0% over four years. This is compared to a cumulative increase of 9.3% over four years if only the rate peg was applied and no Special Rate Variation.

When will rates rise?

If the new proposal is approved by IPART, it would be expected that rates will rise from the first rates notice in June 2018. This is subject to Council adopting any recommendation received from IPART.

How do my rates compare to other councils?

Shoalhaven City residential rates rank at number 64 in the State and are significantly less than the neighbouring councils and also the Group 5 Councils which Shoalhaven is compared against.

Why does Shoalhaven City Council need a rate rise?

Council's Long Term Financial Plan has identified a gap between current projected funding for asset renewal and what is needed to ensure assets are maintained to an acceptable level into the future in line with the expectations of our community. That is why Council is proposing to apply for a Special Rate Variation (SRV), as a way of securing these funds.

The SRV is being proposed only after all other sources of income and cost saving measures have been examined.

Why doesn't Council increase efficiencies rather than ask for a rate rise?

Council has already saved millions of dollars by changing the way it works. In the last 4 years, Council has saved up to \$6 million in staff changes, service reviews and other transformation efforts. We will continue to make savings by changing the way we operate, finding ways to cut costs and work more efficiency.

- Some specific examples include:
- Organisational restructure saving over \$3M
- Overtime reductions and resourcing changes over \$500K
- Changes to plant and fleet
- Changes to purchasing policies

New systems play a major role in gaining efficiencies in how we do things, online services will improve interactions with Council and improve efficiencies and costs.

Has Council considered an efficiency review by an independent body?

In 2012, Council organised for an efficiency review by Blackadder Associates Pty Ltd, which resulted in an organisational restructure, multiple service reviews with an emphasis on savings and efficiencies and improvements in Customer Service. The review highlighted 8 areas for improvement and resulted in over \$6 million dollars in savings. Council has also put in place an internal continuous improvement team and are fast tracking a system implementation to achieve further efficiencies.

What does Council mean by "Fit for the Future" and how is Council measured?

The Office of Local Government released a roadmap for Stronger, Smarter Councils, highlighting that for a Council to be deemed "Fit", they must:

- Be sustainable
- Be efficient
- Effectively manage infrastructure and deliver services for communities: and
- Have Scale and capacity to engage effectively across community, industry and government.

Councils also needed to meet the following seven benchmarks:

- Operating Performance before Capital Grants and Contributions
- Own Source Revenue
- Building and Infrastructure Asset Renewal Ratio
- Infrastructure Backlog Ratio
- Debt Service Ratio
- Real Operating Expenditure Ratio.

Only the General Fund was considered as part of Fit for the Future. Council only meets three of the seven benchmarks. In order to meet the further ratios within a 3 year period, Council needed to implement a number of strategies, the key one being a rate increase, along with cost control measure.

What options are available to those that can't pay a rate increase?

Council offers a number of options for ratepayers to tailor their payments to manageable amounts. For example, you can arrange to pay in quarterly or monthly instalments. Council recognises that some ratepayers may experience financial difficulties in meeting their rate commitments on time. A ratepayer may at any time make arrangements to pay off their outstanding accounts by regular payments Council can also provide a hardship application for those people in severe financial distress.

Can the special rate be itemised on the rates notice?

Given that the Special Rate will become part of the General Rate income it will be included in the current rates charged. However, at each quarterly review of Council's accounts a reconciliation will be provided of what the additional rates raised are being spent on.

Why does Council need more funding to pay for its assets?

Our community has consistently told us that assets like roads, footpaths and drainage are important to them, but we need to improve their condition.

In addition to this, in 2014 the NSW State Government initiated its Fit for the Future local government reform program that required all NSW councils to submit a proposal demonstrating plans to achieve long term financial sustainability and meet seven asset and financial benchmarks.

Over time, the range of services Council provides, and the connected assets, has changed and expanded dramatically. It's no longer just roads and rubbish, but childcare services, art and cultural facilities, sport and recreational facilities, environmental areas, stormwater management and more.

However, the income stream to fund these assets and services hasn't changed. Many assets are already due for renewal, and Council has been undertaking a continual replacement and upgrade program to meet the needs of our growing city - but there is a renewal backlog that will only continue to grow if not addressed.

As a part of our Fit for the Future process we reviewed the condition of our assets and detailed long term financial modelling. This information told us we have a funding gap and need to invest additional money into maintenance and renewal of community assets.

The proposed Special Rate Variation is an important step to help maintain and manage our current assets to ensure that we deliver services in line with community expectations and remain financially sustainable into the future.

Aren't there any alternatives to a rate increase?

Council has already completed an efficiency review in 2012, and continues to monitor costs closely. Other alternatives considered were increases to user pay fees and charges and reduction in services or service levels. Council already struggles to deliver the level of service to meet community expectations, so service level reductions will be a last resort.

How will Council prioritise the spend of additional money?

Each project is assessed on an individual basis and subjected to specific criteria, such as:

- Existing condition
- Risk mitigation
- Usage rates
- Projected future growth
- Drainage issues
- Whether the asset is in a flood or fire zone
- Traffic volumes
- Traffic speed
- Accident records

Why do Council construction and upgrade projects appear to cost so much?

Council construction works have to adhere with strict conditions which can inflate costs.

Factors that must be considered and can have an impact on the cost of works include:

- Safety requirements - Council works are generally conducted in public places and therefore steps must be taken to ensure that any potential risk is addressed and minimised. This includes insurances and risk cover requirements
- Australian Standards – Council must comply with the Australian Standards for construction and maintenance. We must also comply with a range of other standards such as ensuring accessibility to as many constituents as possible.
- Environmental requirements must be complied with e.g. If a protected species is identified within the work site, plans may need to be altered which can add cost
- Costs of materials and disposal of material has significantly increased in recent years
- Location of works e.g. if the work site is isolated establishment costs can be high.

What happens if Council's application for a rate increase is unsuccessful?

Asset conditions may decline over time. Roads may deteriorate. Fixing roads may cost more money as they may be in a poor state of repair. Maintenance levels may be reduced. Service levels may be cut. Council buildings such as community halls may be sold. New assets may not be built.

How does Council get its income?

Council's income comes from a number of areas. Council's income is limited and or fixed in many ways, for example:

- Fees for services and access to facilities are limited by market demand and our residents' ability to pay. Many Council services and facilities are heavily subsidised.
- Council supports many not for profit organisations by charging reduced rent for Council buildings and little or no charges to sports groups for sporting facilities, therefore, Council meets the needs of these community organisations. Rental subsidies alone are approximately \$1.2M annually.
- We are always looking for additional revenue from the State and Federal Government and also seek a number of grant opportunities where we can.

What about all the new developments – do developers contribute?

Council charges developers to help build and improve community assets and facilities. All new developments are charged a developer contribution fee. This money is then used for projects within the area that the development is located and includes funding community infrastructure, roads and drainage, parks and playgrounds.

Where will the monies collected from a rate increase be spent?

Council intends to maintain services at their existing level and to inject more funding into maintenance and renewal of Infrastructure Assets.

I have concerns about the rationalisation of Council assets, what plans do Council have in this regard?

Council recently received a report on Community Infrastructure requirements for the future, including priorities and funding. The full report can be found at [www.shoalhaven.nsw.gov.au/My-Council/Current-Projects/Community-Infrastructure-Plan\(External link\)](http://www.shoalhaven.nsw.gov.au/My-Council/Current-Projects/Community-Infrastructure-Plan(External link)).

Is Council able to minimise spend on external Conferences and Training Courses to save money?

Council currently spends \$1.1M on training costs, including conferences and HEC's. This equates to less than 1.6% of total employee costs. A significant proportion of this spend relates to Occupational Health and Safety Training, which is mandatory. The remainder is an investment in personal and professional development and contributes towards a stronger business and increased productivity.

Is Council able to cut costs with regard to External Consultants and use existing staff where possible?

Council endeavours to utilise existing staff where possible, however, sometimes the specific task requires specialist expertise or Council staff do not have the capacity to handle all the work required. In these instances the work is outsourced to contractors or consultants.

Council needs to increase revenue by targeting business growth in the LGA, what is Council doing to achieve this?

Council contributes funding towards economic development and tourism to help grow the local economy. A number of DA fees are set by Regulation, so to further encourage development Council could reduce these charges, but this would then fall back on the ratepayers to fund.

It has been suggested that Council examine its debt policy, what has Council done to improve aged debt?

Council reviewed its Pensioner Deferral Scheme in 2015 and with this policy change Council is now able to pursue rates debt from pensioners. This benefits Council with cash receipts earlier but also reduces the impact of interest charges for Pensioners over the longer term.

Council is also very active in terms of recovering debt and takes the necessary legal action if debts remain unpaid.

What legal right does Council have to charge rates and taxes without first contacting landowners?

Under Section 495 of the Local Government Act (1993):

495 Making and levying of special rates

(1) A council may make a special rate for or towards meeting the cost of any works, services, facilities or activities provided or undertaken, or proposed to be provided or undertaken, by the council within the whole or any part of the council's area, other than domestic waste management services.

(2) The special rate is to be levied on such rateable land in the council's area as, in the council's opinion:

(a) benefits or will benefit from the works, services, facilities or activities, or

(b) contributes or will contribute to the need for the works, services, facilities or activities, or

(c) has or will have access to the works, services, facilities or activities.

Council is required under the Office of Local Government Guidelines to seek community feedback in relation to any proposed special rates and the results of any community consultation will be added to the submission to the Independent Pricing and Regulatory Tribunal.



Shoalhaven City Council

Special Rate Variation
Pathway to our future

We Want Your Feedback

Provide your thoughts on the revised proposal up until Thursday 23 November 2017 via:

Online: getinvolved.shoalhaven.nsw.gov.au/rates2018

Email: council@shoalhaven.nsw.gov.au

Mail: The General Manager, PO Box 42, Nowra NSW 2541

Public Meetings

Come along to a public meeting to learn more about the Special Rate Variation proposal. Council's General Manager and Directors, senior staff and Councillors will be in attendance to present information, engage in discussions and answer questions.



Public meetings will be held:

Tuesday 31 October 2017
7.00pm at Huskisson Community Centre

Wednesday 1 November 2017
7.00pm at Ulladulla Civic Centre - Auditorium

Monday 13 November 2017
7.00pm at the Nowra School of Arts

No RSVP is required. For more information on the public meetings, email council@shoalhaven.nsw.gov.au or phone (02) 4429 3111.

shoalhaven.nsw.gov.au  

Special Rate Variation Pathway to our future



Proposed Special Rate Variation

Earlier this year, Council applied to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV). IPART approved Council's application in part, as a temporary 13.2% rate increase for 2017/18 only. To consider further increases, IPART wanted Council's Integrated Strategic Plan (specifically the Delivery Program and Operational Plan) to more clearly outline the rate rise proposal.

Council has now updated its Integrated Strategic Plan and wants to hear your thoughts on the revised proposal and planning documents.

Council will be seeking IPART approval to retain the 13.2% Special Rate Variation (approved as a one-off increase in 2017/18) as a permanent increase and for the additional special variations:

- 5.0% in 2018/19 (including an estimated rate peg of 2.5%)
- 5.0% in 2019/20 (including an estimated rate peg of 2.5%)
- 5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Council's 2017 IPART application contained cumulative increases of 35.6%, however, following feedback from the community, Council has taken the opportunity to revise its original proposal and reduced the cumulative impact of the proposed rate increases to 31.0% over four years. This is compared to a cumulative increase of 9.3% over four years, if only the rate peg was applied.

Learn More

Council's Integrated Strategic Plan has been updated to clearly document the proposal. View the document and provide your feedback by 23 November 2017.

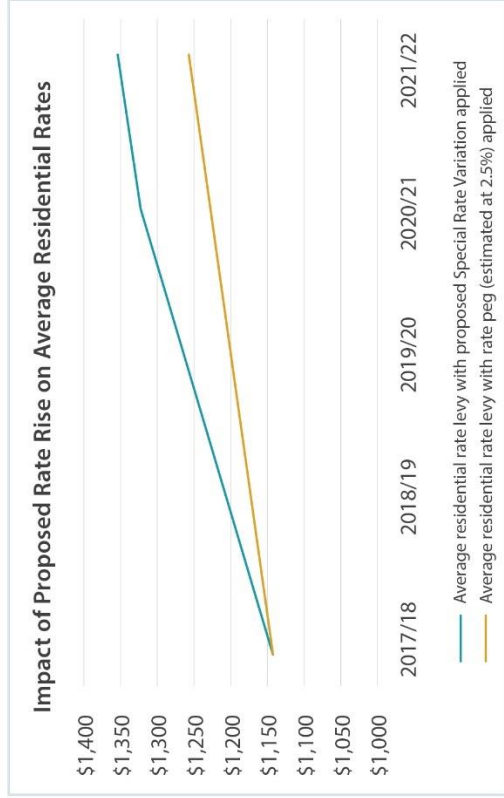
Visit: getinvolved.shoalhaven.nsw.gov.au/rates2018



Hardcopies of the Integrated Strategic Plan can be accessed at Council's Nowra and Ulladulla offices (36 Bridge Rd, Nowra or 14 Deering St, Ulladulla) or Shoalhaven Libraries (Nowra, Ulladulla, Milton, Sanctuary Point and Mobile Library).

Impact on Average Residential Rates

The following chart illustrates the impact of the proposed rate rise on average residential rates. Please note that the value of your property, in comparison to other properties in the Shoalhaven, helps determine how much you pay in rates. This means your rates may be significantly more or less than average.



Without applying for another SRV, after June 2018, Council's rate income will only increase in line with the applicable rate peg.



FACTSHEET

Special Rate Variation

Shoalhaven City Council is currently seeking feedback on a proposal to again apply to IPART for a Special Rate Variation for each of the next three financial years: 2018/19; 2019/20 and 2020/21.

Proposed Special Rate Variation

Earlier this year, Council applied to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV). IPART approved Council's application in part, as a temporary 13.2% rate increase for 2017/18 only. To consider further increases, IPART wanted Council's Integrated Strategic Plan (specifically the Delivery Program and Operational Plan) to more clearly outline the rate rise proposal.

Council has now updated its Integrated Strategic Plan and wants to hear your thoughts on the revised proposal and planning documents.

Council will be seeking IPART approval to retain the 13.2% Special Rate Variation (approved as a one-off increase in 2017/18) as a permanent increase and for the additional special variations:

- 5.0% in 2018/19 (including an estimated rate peg of 2.5%)
- 5.0% in 2019/20 (including an estimated rate peg of 2.5%)
- 5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Council's 2017 IPART application contained cumulative increases of 35.6%, however, following feedback from the community, Council has taken the opportunity to revise its original proposal and reduced the cumulative impact of the proposed rate increases to 31.0% over four years. This is compared to a cumulative increase of 9.3% over four years, if only the rate peg was applied.

Council's Integrated Strategic Plan (including the Delivery Program and Operational Plan) has been updated to more clearly outline the SRV proposal. Please view these documents and provide your feedback by **Thursday 23 November 2017**.

These documents as well as comprehensive background details are available on Council's Get Involved website, at www.getinvolved.shoalhaven.nsw.gov.au/rates2018.

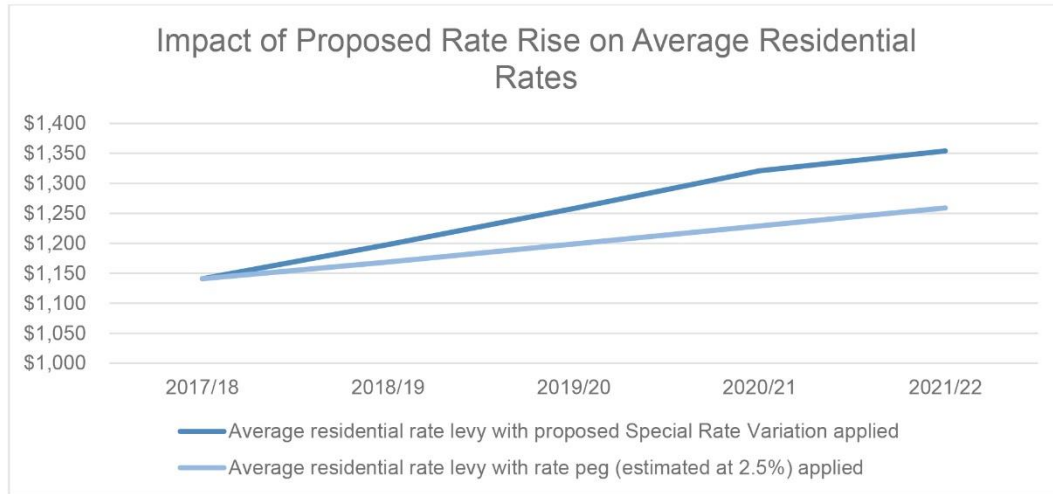
Hardcopies of the Integrated Strategic Plan can be viewed at Council's Nowra and Ulladulla Offices (36 Bridge Rd, Nowra or 14 Deering St, Ulladulla) and all Shoalhaven Libraries (Nowra, Ulladulla, Milton, Sanctuary Point and the Mobile Library).

Provide your thoughts on the proposed Special Rate Variation up until **Thursday 23 November 2017**:

- View the fact and give feedback at www.shoalhaven.nsw.gov.au/rates2018
- Email your comments to council@shoalhaven.nsw.gov.au
- Phone for an Information Kit on **Tel: 4429 3595**
- Write to the General Manager at **PO Box 42, Nowra NSW**

Impact on Average Residential Rates

The following chart illustrates the impact of the proposed rate rise on average residential rates. Please note that the value of your property, in comparison to other properties in the Shoalhaven, helps determine how much you pay in rates. This means your rates may be significantly more or less than average.



Without applying for another SRV, after June 2018, Council's rate income will only increase in line with the applicable rate peg.

Background

In 2015, Shoalhaven City Council was declared as a 'Fit for the Future Council by the NSW State Government. This was based on a Council submission provided to the Office of Local Government (OLG) and the Independent Pricing and Regulatory Tribunal (IPART) which outlined several actions Council would undertake to improve financial sustainability. Council's submission included a proposal to permanently increase Shoalhaven's total general rate income by applying for a Special Rate Variation (SRV).

From November 2016, Council engaged the Shoalhaven community in discussions around increasing the amount of money ratepayers pay to Council as rates. Council also sought community feedback on a number of rate increase options. An increase in rates income would allow Council to increase the level of funding provided for much-needed infrastructure maintenance and renewal, maintenance of services and financial sustainability and address infrastructure requirements for the Verons Estate.

As part of the rates discussion, Council suggested alternatives to rate increases, such as the closure of certain services and facilities, and increases in fees and charges. These alternatives were not accepted by the community. On the contrary, feedback to Council indicated an increase in community expectations and a desire for the community to have new facilities and infrastructure.

After considering feedback from the community, Council decided to apply to IPART for increases above the rate peg of 13.2% in 2017/18 (including actual rate peg limit of 1.5%) and 14% in 2018/19 (including IPART estimated rate peg limit of 2.5%). The application and community engagement process can be viewed on the 'Your Rates, Everybody's Future' webpage, at www.getinvolved.shoalhaven.nsw.gov.au/rates.

The outcome of the application was determined by IPART in May 2017. IPART approved a temporary increase of 13.2% for 2017/18 only. The application for subsequent years was not endorsed as IPART wanted our Delivery Program and Operational Plan to more clearly outline the SRV proposal.

Therefore, to ensure consistency with our Long Term Financial Plan (LTFP) and to meet our Fit for the Future benchmarks, Council is now proposing to again apply to IPART, for another SRV.

Why does Council need to implement a rate rise?

Our community has consistently told us that assets like roads, footpaths and drainage are important to them, but we need to improve their condition.

In addition to this, in 2014 the NSW State Government initiated its Fit for the Future local government reform program that required all NSW councils to submit a proposal demonstrating plans to achieve long term financial sustainability and meet seven asset and financial benchmarks.

Over time, the range of services Council provides and the connected assets has changed and expanded dramatically. It is no longer just roads and rubbish that Council provides for the community, but childcare services, art and cultural facilities, sport and recreational facilities, environmental areas, stormwater management and more.

However, the income stream to fund these assets and services has not changed. Many assets are already due for renewal, and Council has been undertaking a continual replacement and upgrade program to meet the needs of our growing city - but there is a renewal backlog that will only continue to grow if not addressed.

As a part of the Fit for the Future process, we reviewed the condition of our assets and detailed long term financial modelling. This information told us we have a funding gap and need to invest additional money into maintenance and renewal of community assets.

The proposed Special Rate Variation is an important step to help maintain and manage our current assets to ensure that we deliver services in line with community expectations and remain financially sustainable into the future.

Why doesn't Council increase efficiencies rather than ask for a rate rise?

Council has already saved millions of dollars by changing the way it works. In the last five years, Council has saved up to \$6 million through staff changes, service reviews and other transformation efforts. Some specific examples include;

- An organisational restructure saving over \$3M
- Overtime reductions and resourcing changes saving over \$500K
- Changes to plant and fleet
- Changes to purchasing policies

Council is committed to continually improving the way the organisation operates and finding further ways to cut costs and work more efficiency.

We Want Your Feedback

Provide your thoughts on the revised proposal up until **Thursday 23 November 2017** via:

Online: www.getinvolved.shoalhaven.nsw.gov.au/rates2018

Email: council@shoalhaven.nsw.gov.au

Mail: The General Manager, PO Box 42, Nowra NSW 2541.

Public Meetings

Come along to a public meeting to learn more about the Special Rate Variation proposal.

Council's General Manager and Directors, senior staff and Councillors will be in attendance to present information, engage in discussions and answer questions.

Public meetings will be held:

Tuesday 31 October 2017 at 7.00pm at Huskisson Community Centre

Wednesday 1 November 2017 at 7.00pm at Ulladulla Civic Centre - Auditorium

Monday 13 November 2017 at 7.00pm at the Nowra School of Arts

No RSVP is required. For more information on the public meetings, email council@shoalhaven.nsw.gov.au or phone (02) 4429 3111.

What happens next?

23 November 2017 - Community feedback closes

December 2017 - Community feedback reported to Council

Early 2018 - Final Council decision made on whether to apply to IPART for SRV

Should Council decide to apply...

February 2018 - Application to IPART submitted

May 2018 - IPART determination

If SRV approved by IPART...

July 2018 - SRV implemented

Stay up to Date

Visit Council's Website - www.shoalhaven.nsw.gov.au

Visit Council's SRV Information Page - www.getinvolved.shoalhaven.nsw.gov.au/rates2018

Facebook - www.facebook.com/shoalhavencitycouncil

In Your Neighbourhood eNewsletter – Subscribe to Council's weekly email newsletter at the bottom of the home page at www.shoalhaven.nsw.gov.au

Join Your Local Community Consultative Body (CCB) - CCBs are town based community groups that provide their communities with information, focus on improvements and projects in their town. For a list of CCBs, visit www.shoalhaven.nsw.gov.au/My-Community/Residents-groups

Talk to a Councillor – Contact details available at www.shoalhaven.nsw.gov.au/My-Council/Councillors-Mayor

Questions - Send your enquiry to council@shoalhaven.nsw.gov.au or phone (02) 4429 3595.

PATHWAYS TO SUSTAINABILITY PUBLIC MEETINGS

31 October 2017
1 November 2017
13 November 2017

Shoalhaven
City Council

Agenda

1. Where are we at
2. Need for a Pathway
3. Current Position
4. Assets
5. Community
6. Resourcing
7. Options
8. Comparison Analysis
9. What would funds be used for

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Where are we at? IPART Decision

- *We determined that Shoalhaven City Council may increase its general income in 2017-18 by 13.2%, including the rate peg of 1.5% that is available to all councils (see Table 1.1). The SV can be retained in the council's general income base for one year and is to be removed from the council's rate base in 2018-19.*



Where are we at? IPART Comments

- The **need for the proposed revenue** reflects community priorities as demonstrated in the above IP&R documents and is generally supported by our FFTF assessment of the council's financial sustainability.
- The council provided evidence **the community is aware** of the need for, and extent of, the rate rise
- The **impact of the proposed rate rises on ratepayers** is significant
- The impact is reasonable given the council's existing rate levels, its history of special variations, the purpose of the special variation and indicators of the community's capacity to pay
- The council reported **productivity savings and cost containment strategies** in past years, worth \$6.4m
- The council provided **insufficient evidence** the relevant **IP&R documents have been exhibited and adopted**



Need for a Pathway

- Fit for the Future requirements
- Basic Financial Sustainability requires attention
- No strategy beyond this year
- Current and Long Term Financial position requires significant action



Current Position

- Beyond 2017/18, the 13.2% increase is removed- which will decrease current rates.
- Assets still needing significant maintenance and renewals
- Operational costs outstripping revenue
- Ongoing deficits and maintenance and renewal shortfalls
- Cost Shifting costs \$17,135,775
- New/Increased services = Nowra Pool opening, new roads/parks from growth, etc.



Assets

	Target	2015/16	2016/17	2017/18 est
Asset maintenance ratio	100%	81%	79%	96%
Asset renewal ratio	100%	52.99%	67.7%	70.5%
Infrastructure backlog	<2.0%	3.14%	5.02%	3.2%

- Improvements to infrastructure to better meet community expectations requires consistent funding for capital works and asset management programs

	2016/17	2017/18
Additional spend needed to meet targets:		
Asset maintenance	\$6.5M	\$1.2M
Asset renew	\$11.2M	\$10.3M
Additional spend in target to address backlog:		
Infrastructure backlog	\$36.1M	\$14.4M

Assets

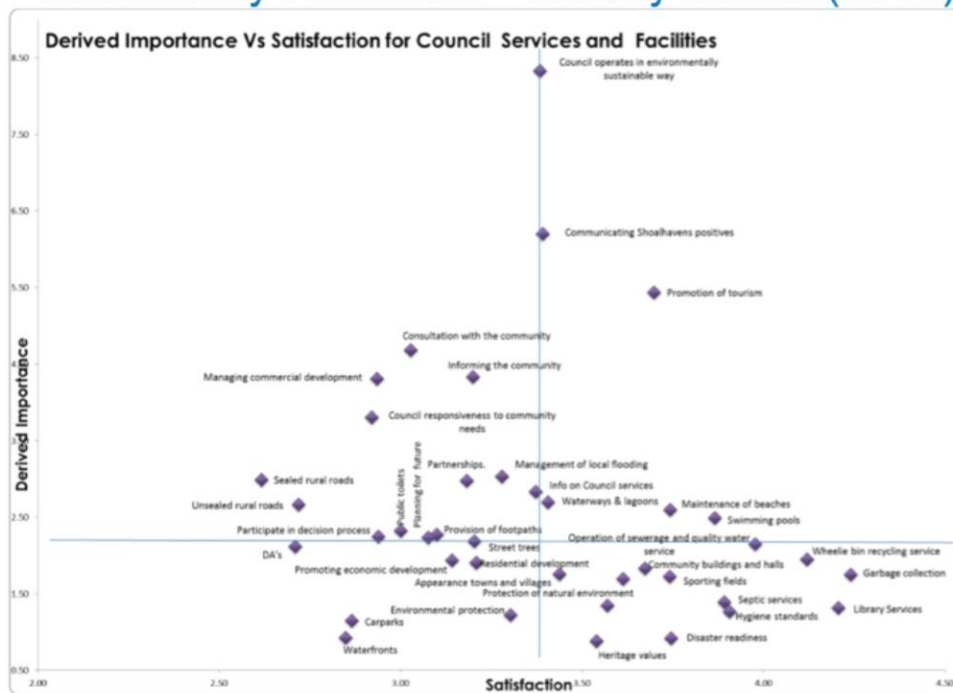
- Asset recording
 - Rolling cycle of asset revaluations
 - Water and wastewater assets in 2016/17
 - Quality review of all assets identified no data issues with regard to depreciation and written down values
 - Position adopted re accounting treatment of Crown Land, RFS assets (plant and equipment), Land Under Roads, Community Land
 - Work ongoing to ensure
 - Costs are correctly treated (capitalised vs expensed)
 - Assets are componentised to allow better management of asset renewals
 - Assets are checked for impairment
 - Useful life is systematically reviewed

Community

- Satisfaction levels
- Growth



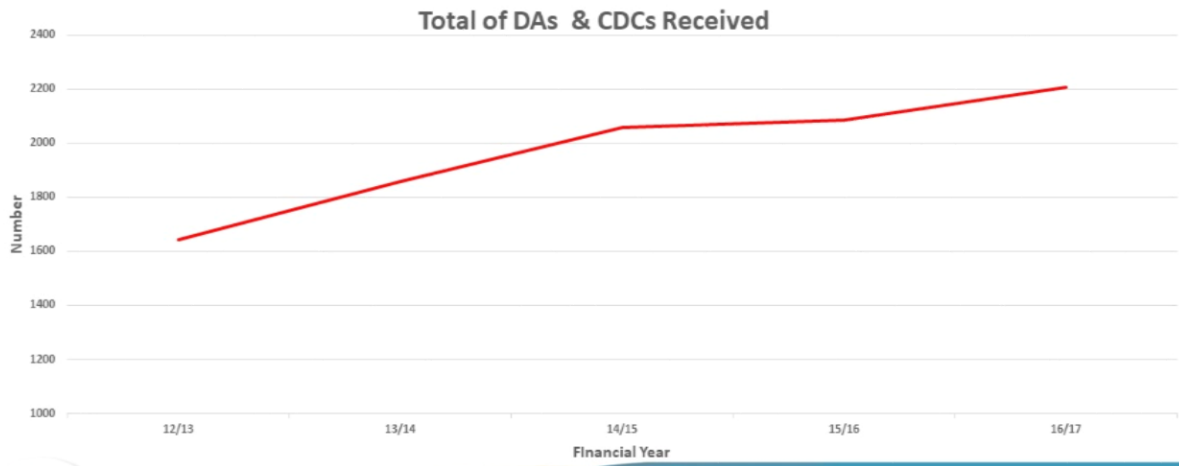
Community Feedback – Survey results (2016)



Community Feedback – Survey results (2016)



Growing Local Economy – Development Applications



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Growing Local Economy – DA Determinations/ Full time Equivalent (FTE) Staff

Year	DA Determinations	FTE Staff number	Average/FTE	Wollongong Avg/FTE
2013/14	1430	19	75	70
2014/15	1608	17	94	70
2015/16	1631	16	102	Figures not available
2016/17	2508	16	156	

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Resources – how we compare to industry benchmarks

Council	Equivalent Full Time Staff / Population	Metre Road Length per '000 capita	Open Public Space	Number of Public Swimming Pools	Number of Public Halls
Coffs Harbour City Council	165	12.1	1,809.0	4	14
Lake Macquarie City Council	217	6.6	1,664.5	17	36
Newcastle City Council	185	5.5	10,395.0	8	17
Port Macquarie-Hastings Council	157	17.1	982.5	6	19
Shoalhaven City Council	131	17.5	5,157.6	12	32
Tweed Shire Council	135	13.6	955.0	3	19
Wollongong City Council	205	4.9	2,458.0	18	35

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Source: Local Government Comparative Data 14/15 –

OPTIONS

- Do Nothing
- Live within means – cut services, increase fees, no new capital
- Council Proposal = Keep 13.2% plus 3 x 5% increases

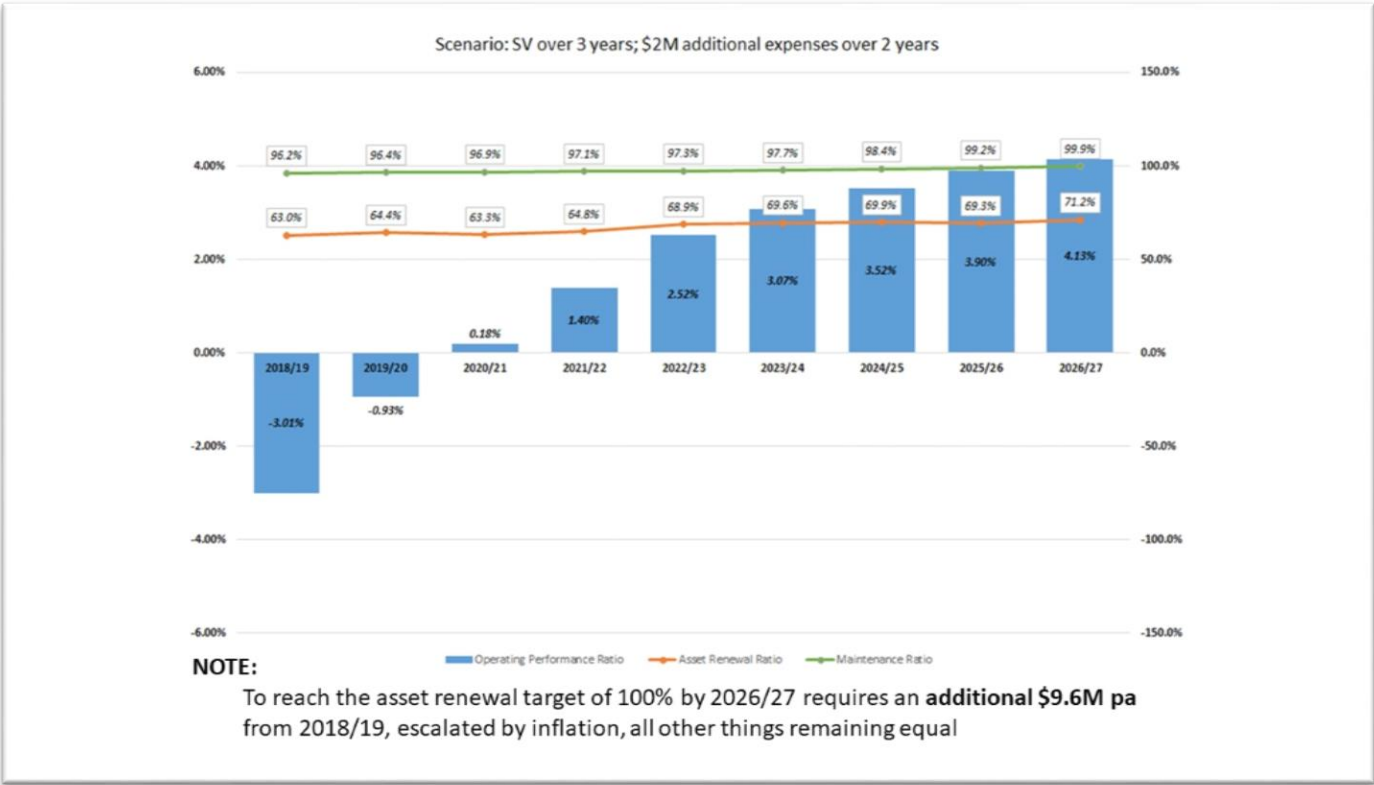


Do Nothing



Rate Increases

- Council Proposal = Keep 13.2% plus 3 x 5% increases



How and Why is this Different

- Original pathway = 13.2% plus 14% over 2 years
- Current recommendation = 13.2% plus 3 x 5% increases
- Listened to the community and Council
- Reduced total amount of increase
- Spread 2nd phase increase over 3 years
- Meets some but not all the sustainability requirements
 - Renewals dropped from 87% to 71% of the KPI over 10 years
- Try to get a better balance in response to issues raised and need to meet OLG requirements

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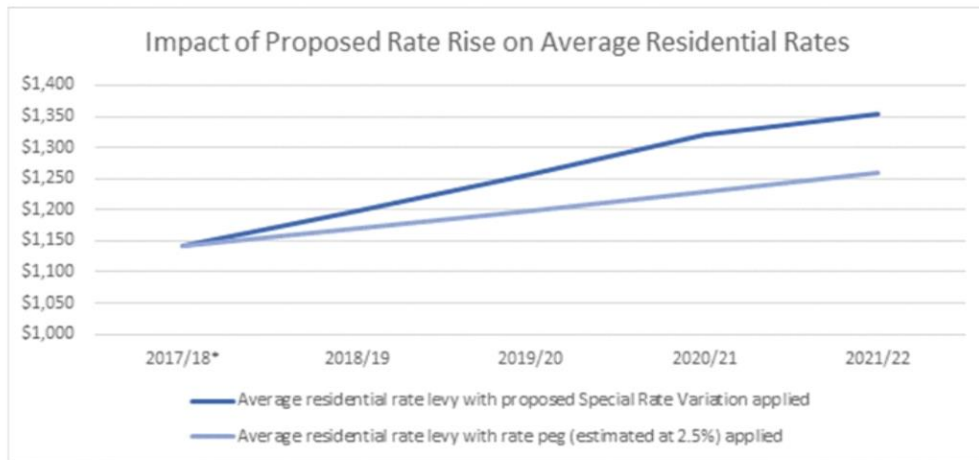
Table One - Rate Peg Only Comparison

Item	2017/18 actual rate peg	2018/19 estimate	2019/20 estimate	2020/21 estimate	Cumulative Change from 2017/18
Rate Peg Percentage Increase	1.5%	2.5%	2.5%	2.5%	7.7%
Average Residential Rate Levy (\$)	1,023	1,048	1,075	1,102	79
Average Business Rate Levy (\$)	1,854	1,901	1,948	1,997	143
Average Farmland Rate Levy (\$)	2,035	2,086	2,138	2,192	156

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Table Two - Proposed SRV (for 2018/19, 2019/20 and 2020/21) compared to actual 2017/18 levy

Item	2017/18 actual SRV	2018/19 Proposed	2019/20 proposed	2020/21 proposed	Cumulative Change from 2017/18
SRV increase	13.2%	5.0%	5.0%	5.0%	29.1%
Average Residential Rate Levy (\$)	1,141	1,198	1,258	1,321	298
Average Business Rate Levy (\$)	2,068	2,172	2,280	2,394	540
Average Farmland Rate Levy (\$)	2,270	2,383	2,502	2,628	592



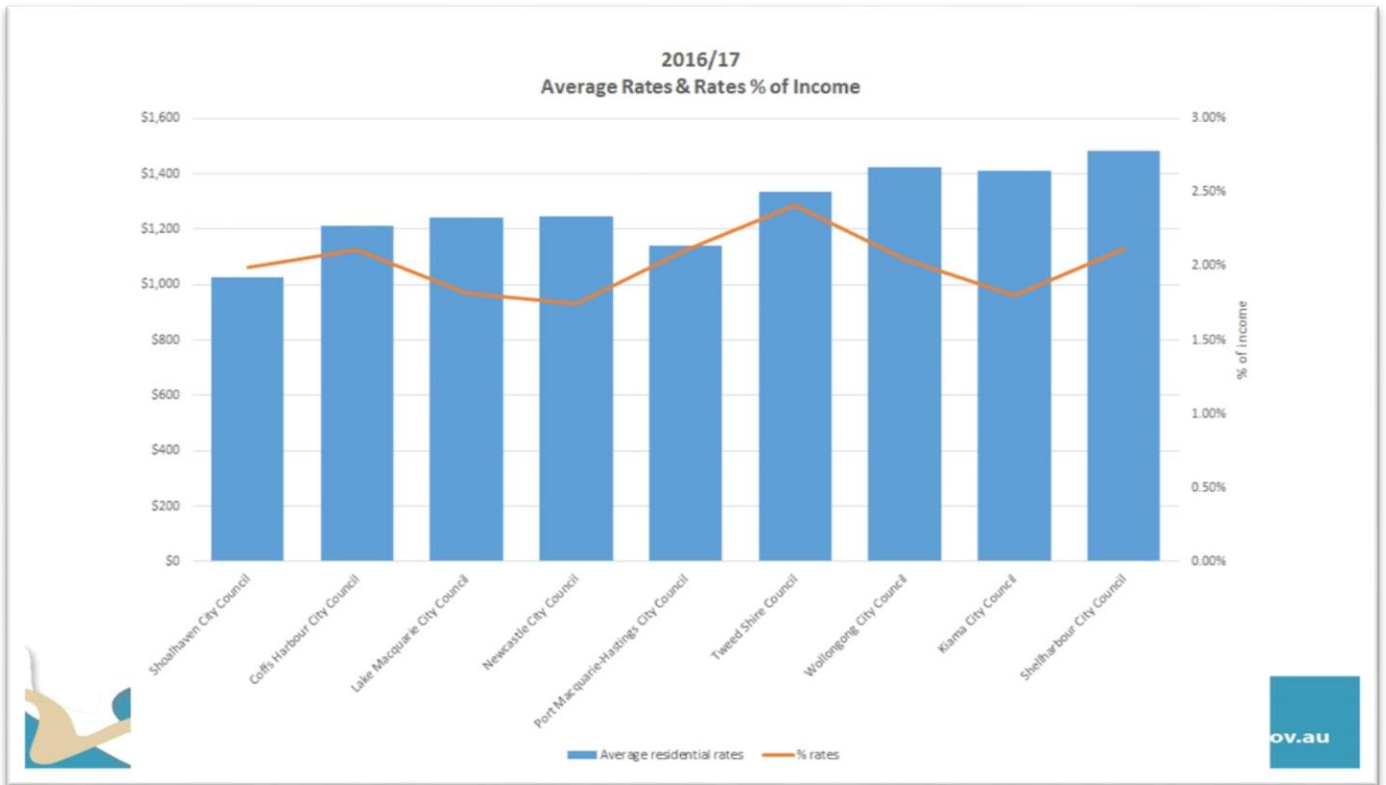
FFTF Ratios – General Fund

	OPTION:	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Performance Ratio	Do nothing	-4.21%	-3.37%	-3.75%	-2.83%	-1.87%	-1.25%	-0.75%	-0.33%	-0.06%
	Retain 13.2% SRV	-3.11%	-1.23%	-0.59%	0.26%	1.15%	1.72%	2.19%	2.58%	2.83%
	Proposed SRV	-3.01%	-0.93%	0.18%	1.40%	2.52%	3.07%	3.52%	3.90%	4.13%
Asset Renewal Ratio	Do nothing	60.7%	59.1%	53.0%	49.7%	48.0%	46.3%	46.2%	46.8%	48.2%
	Retain 13.2% SRV	62.5%	62.6%	58.5%	57.6%	59.9%	60.6%	60.8%	60.2%	62.1%
	Proposed SRV	63.0%	64.5%	63.4%	65.0%	69.1%	69.8%	70.1%	69.5%	71.5%
Maintenance Ratio	Do nothing	94.5%	94.2%	93.6%	93.7%	94.0%	94.4%	95.1%	95.8%	96.6%
	Retain 13.2% SRV	90.0%	96.0%	96.2%	96.4%	96.6%	97.1%	97.7%	98.5%	99.3%
	Proposed SRV	90.2%	96.4%	96.9%	97.1%	97.3%	97.7%	98.4%	99.2%	99.9%



HOW DO RESIDENTIAL RATES COMPARE TO OTHER COUNCILS?

Council	2016/17	
	Average residential rates	
Shoalhaven City Council	\$1,028	0.00%
Coffs Harbour City Council	\$1,214	+18.09%
Lake Macquarie City Council	\$1,241	+20.72%
Newcastle City Council	\$1,244	+21.01%
Port Macquarie-Hastings City Council	\$1,142	+11.09%
Tweed Shire Council	\$1,335	+29.86%
Wollongong City Council	\$1,423	+38.42%
Kiama City Council	\$1,411	+37.26%
Shellharbour City Council	\$1,482	+44.16%



SRV Expenditure

- It is proposed to use the Special Rate Variation in the following ways:

	2018/19	2019/20	2020/21
Funding current operations (cash deficit)	\$4,613,912	\$4,288,928	\$2,979,041
Additional maintenance	\$1,000,000	\$1,025,000	\$1,050,625
Additional operations	\$1,000,000	\$2,050,000	\$2,101,250
Additional capital	\$2,414,254	\$3,714,279	\$7,139,799
	\$9,028,166	\$11,078,207	\$13,270,715

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What will monies be used for

- Reducing operating deficit to ensure delivery of service programs to the community, now and into the future AND

	Increases in maintenance spend	Increased asset spend
2018/19	\$1,000,000	\$2,414,254
2019/20	\$1,025,000	\$3,714,279
2020/21	\$1,050,625	\$7,139,799
2021/22	\$1,076,891	\$9,585,938
2022/23	\$1,103,813	\$11,754,524
2023/24	\$1,131,408	\$10,509,511
2024/25	\$1,159,693	\$10,670,263
2025/26	\$1,188,685	\$10,934,960
2026/27	\$1,218,402	\$11,642,120

Additional Capital Expenditure - Renewals

New SRV	2017/18	2018/19	2019/20	2020/21
Roads	3,796,012	601,754	1,676,466	3,995,040
Building and facilities		800,000	1,000,000	2,081,000
Sports field upgrades		500,000	512,500	525,313
City Wide Streetscape Renewal	500,000	512,500	525,313	538,446
Total	4,296,012	2,414,254	3,714,279	7,139,799

Road Renewals

- 28% of roads in poor or worse condition
- Road renewal funding for renewing roads to good condition
- Expect 25yr life from a renewed road pavement
- Renewal – combination replacement & treatment of existing materials eg stabilisation
- Expect 15yr life from a reseal



Road Renewals

Existing Budget - Roads	2017/18	2018/19	2019/20	2020/21
General Local Road Repair	2,466,000	3,167,000	3,230,300	3,294,900
Local Road Resurface	3,362,000	3,429,200	3,497,800	3,567,800
Unsealed Road Resheet	550,000	550,000	550,000	550,000
Old SRV (2014)	2,503,613	2,566,204	2,630,359	2,696,118
Roads to Recovery	1,315,819	1,476,819	1,800,000	1,800,000
Existing Budget - Roads	10,197,432	11,189,223	11,708,459	11,908,818
SRV Roads	3,796,012	601,754	1,676,466	3,995,040
Total to allocate - Roads	13,993,444	11,790,977	13,384,925	15,903,858



2017/18 Road Renewal Program (Draft)

Resurfacing Program	3,912,000	Currarong Rd (R2R)	334,000
SRV Resurfacing Program	1,996,012	Prince Edward Ave - St 2	701,819
Milbank Rd	400,000	Warden St	300,000
Jindy Andy Lane	700,000	Bendalong Rd	800,000
Hillcrest Ave	300,000	The Wool Rd	800,000
Beach Rd Callala Beach	400,000	Coonemia Rd	603,613
Worrigeer Rd	350,000	Kerb and gutter renewals	500,000
Kinghorne St	20,000	Path renewals	250,000
Greenwell Point Rd	800,000	Woodhill Mountain Rd	180,000
Currarong Rd	366,000	Woodhill Mountain Rd	280,000
Existing Budget - Roads	10,197,432		
SRV Roads	3,796,012		
Total to allocate - Roads	13,993,444		



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2018/19 Road Renewal Program (Draft)

Resurfacing Program	3,979,200		
SRV Resurfacing Program	280,000	Larmer Ave	800,000
Kinghorne St	200,000	Island Point Rd	607,777
Woodhill Mountain Rd	440,000	Otranto Ave	400,000
Albert St	760,000	Orient Ave	400,000
Victoria St	600,000	The Lake Circuit	500,000
Tannery Rd	600,000	Mitchell Pde	600,000
Cambewarra Rd	524,000	Murramarang Rd	500,000
St Anne St	600,000		
Existing Budget - Roads	11,189,223		
SRV Roads	601,754		
Total to allocate - Roads	11,790,977		



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2019/20 Road Renewal Program (Draft)

Resurfacing Program	4,047,800	
Bendalong Rd	900,000	The Wool Rd 800,000
Hunter St	500,000	Warrain Cres 200,000
Ellmoos Ave	300,000	Johnston St (Willinga Pt) 200,000
Bawley Point Rd	600,000	Murramarang Rd 200,000
Narang Rd	100,000	Broughton St 317,000
Milton Showground roads	300,000	BTU Rd 600,000
Sydney St	500,000	Tomerong St 500,000
Donlan Rd	400,000	Village Dr 600,000
Lake Conjola Entrance Rd	600,000	Princess St 400,000
Upper Kangaroo River Rd	520,125	Matron Porter Dr 500,000
Jacobs Dr	300,000	
Existing Budget - Roads	11,708,459	
SRV Roads	1,676,466	
Total to allocate - Roads	13,384,925	

2020/21 Road Renewal Program (Draft)

Resurfacing Program	4,117,800	SRV Resurfacing Program	1,000,000
Kerb and gutter renewals	500,000	Path renewals	250,000
Road shoulder reconstruction	1,500,000	Car park resurfacing - Artie	
Meroo Rd	600,000	Smith oval	500,000
Main Rd bridge	600,000	Jacobs Dr	500,000
Myrtle St	500,000	Tourist Rd	723,776
		Croobyar Rd	560,000
Remainder to be allocated	4,552,282		
Existing Budget - Roads	11,908,818		
SRV Roads	3,995,040		
Total to allocate - Roads	15,903,858		

Buildings Renewals

- Manage buildings to realise 60 year life
- Renewal – periodic replacement of components eg. Roof (30yr), kitchen (15yr), HVAC etc
- Amenities refurbishment 25yr

	2017/18	2018/19	2019/20	2020/21
SRV Buildings	0	800,000	1,000,000	2,081,000



2018/19 Buildings Renewal Program (Draft)

Nowra Showground buildings	600,000
Public Amenities Cudmirrah Errol Bond Res	200,000
SRV Buildings	800,000



2019/20 Buildings Renewal Program (Draft)

Ulladulla Leisure Centre	100,000
Amenities - Berry Showground	900,000
SRV Buildings	1,000,000



2020/21 Buildings Renewal Program (Draft)

"Arts' building Currarong	200,000
Watt St ('Meals-o-W' building) Husk, Public Amenities Plantation Point	300,000
Amenities - Holden St	200,000
Lake Tabourie Museum	150,000
Nowra Library	431,000
Kangaroo Valley showground change rooms	150,000
Nowra Arts Centre	450,000
Berry School of Arts	200,000
SRV Buildings	2,081,000



Additional Other SRV Funded (Draft)

	2017/18	2018/19	2019/20	2020/21
Sports field upgrades		500,000	512,500	525,313
City Wide Streetscape Renewal	500,000	512,500	525,313	538,446
SRV Other Total	500,000	1,012,500	1,037,813	1,063,759

- Sports fields – irrigation, drainage, weeding, fertilising, top dressing
- Streetscapes – landscaping, paving, furniture



Additional SRV Funded Maintenance

Increase service level of preventative maintenance to protect assets :

- Road Maintenance – timber bridges, drain clearing, table drains
- Building Maintenance – painting, timbers, gutters etc
- Parks Maintenance – furniture, mowing etc

	2017/18	2018/19	2019/20	2020/21
Additional maintenance		1,000,000	1,025,000	1,050,625



QUESTIONS





3 October 2017

Special Rate Variation

Tonight Council heard a debate on the Special Rate Variation proposal. Council adopted to move forward to continue the path of ensuring ongoing financial sustainability, however a rescission motion was put forward by Cllr Pakes, Cllr Waston and Cllr Proudfoot. This means that the matter will again be debated at a further meeting to be held in the coming weeks.

The special rate proposal is as follows:

1. That Council retain the 13.2% special rate variation approved as a one off increase in 2017/18 as a permanent increase.
2. That an increase of 5% including the rate peg be proposed to be applied from 2018/19 until 2020/21

Mayor Findley said " Council must continue to ensure that it is financially sustainable into the future."

"There is two very clear options for Council to adopt. Either we cut our services to reduce the amount of money we are spending or we increase the revenue that we receive each year."

"We can ask our community whether they would like their pools to be closed or their library services to be reduced road maintenance to be reduced, but from what we have already heard, I am sure that the answer to this will be a resounding no."

"Our community want Council to continue to provide them with services and meet their needs."

"Our only option is therefore to seek additional revenue to ensure that we can meet ongoing community expectations."

"We have listened to the community and staff have put forward a recommended rate increase approach that is significantly reduced from previous proposals."

"This will mean that we may not meet the state government benchmarks required of us in the time originally nominated."

Issued by Jessica Rippon, Executive Manager-Communications

(02) 4429 3270 | jessica.rippon@shoalhaven.nsw.gov.au

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“Further discussion will be occurring on this matter at the next Council meeting and there will be a process of ongoing community engagement that will need to occur.”

“Clear explanation of what is proposed will be provided and discussed with our community.”

“We will also strongly continue to advocate for our fair share of both state and federal funding and explain to our community about the ongoing cost shifting that occurs from government to Local Councils.”

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25 October 2017

Community Invited to Learn About Proposed Special Rate Variation

Shoalhaven City Council is inviting the community to find out about and provide comment on the proposed Special Rate Variation. Council is proposing to apply to the Independent Pricing and Regulatory Tribunal for a continuation of the 13.2% rate increase that was applied to ratepayers this year. The previous increase was only approved to be implemented for a one-year period and Council is seeking for this increase to remain in place for the future.

As part of this application Council will also be seeking a 5% rate increase (including the rate peg) for each of the next 3 years. This increase is to meet the ongoing maintenance and renewal needs of our community infrastructure. The proposed increased revenue will fund maintenance and improvements to Shoalhaven roads, parks, sport fields and other community assets.

General Manager Russ Pigg said “Council has listened to the feedback that was received from the community last year about the previous proposed rates increase.”

“There was a clear message that any increase needed to be more affordable and needed to be implemented at a slower pace than had originally been proposed.”

“Instead of a short sharp increase the new proposal is for a staggered increase which will be brought in over the next 3 years.”

“This will mean that Council will not be able to meet some of the State Government measures (ratios) for Local Government sustainability. Whilst Council will not meet the ratios as soon as originally planned, the proposal over time will ensure that we do meet most of what is required of us.”

“It is important in any proposal, that the needs of our community are considered and so a smaller increase has been proposed this year.”

“We understand that Council needs to look at both sides of the ledger and ensure that we are tightening our own belt. It is essential that Council finds ways to continue to save money and become more efficient. We are working hard to ensure that this occurs and continue to find savings each year.”

Issued by Alison Turner, Media Co-Ordinator
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For all media releases visit www.shoalhaven.nsw.gov.au/My-Council/Media-releases



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“We need to also make sure that Council is financial sustainable into the future. Council needs to have the revenue available that will start to address the infrastructure backlog.”

“It is important for the community to understand that according to State Government measures and the information prepared as part of the 2016/17 Financial Statements, Council should be spending an extra \$53M to maintain and renew our infrastructure, assets and catch up with backlog works.”

“Each year our Community Survey results indicate that the community still expects better roads and paths. With the rate increase proposed I expect noticeable improvements over the next three years.”

“To add to this there is the continuing increases in community expectations and desire for the community to have new facilities and infrastructure.”

“To reduce rate increases we have suggested alternatives such as closure of certain services and facilities, increases in fees and charges, but these have not been accepted by the community.”

“Council understands that any rate increase does have an affect for our ratepayers, however, in order to keep providing for the community now and into the future we need to be financially prudent and continue to have this conversation to find the best solution for our community.”

In the simplest terms, the general purpose rate increase means you would pay 5% more than the current year. If your general rates were \$1000 in 2017/18 they will be \$1050 in 2018/19.

“We are inviting everyone to look over the proposal and to provide feedback to Council. The Special Rate Variation and the Delivery Program and Operational Plan documents will be on exhibition from 26 October 2017 and can be found on Council’s website and at administration centres.”

Council will also host three public meetings to provide the community with more information and facts on the proposed Special Rate Variation. The community is encouraged to attend one of the public meetings which will be held on:

- **Tuesday, 31 October 2017 at 7.00pm at Huskisson Community Centre**
- **Wednesday, 1 November 2017 at 7.00pm at Ulladulla Civic Centre - Auditorium**
- **Monday, 13 November 2017 at 7.00pm at the Nowra School of Arts**

The public meetings will provide an opportunity to learn more about the Special Rate Variation proposal directly from Council’s General Manager and Directors, senior staff and Councillors, who will all be in attendance to engage in discussions and answer questions.

Issued by Alison Turner, Media Co-Ordinator
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All welcome, no RSVP required. For more information, visit the Council website www.shoalhaven.nsw.gov.au or receive updates on Council's Facebook page. Alternatively contact council on Tel: 4429 3111 to get a Special Rate Variation information pack sent to you.

Issued by Alison Turner, Media Co-Ordinator
(02) 4429 3595 | alison.turner@shoalhaven.nsw.gov.au
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Appendix 8. Media Articles (Not published due to copyright concerns)

Appendix 9. Facebook Posts



1. Post - 24 October 2017 – Reach 1,721, 2 likes, 21 post clicks



2. Post - 10 November 2017 – Reach 1,036, Clicks 11

 Shoalhaven City Council shared their event. ...

30 October 2017 · 🌐

The public meeting will provide an opportunity to learn more about the Special Rate Variation proposal directly from Council's General Manager and Directors, senior staff and Councillors, who will all be in attendance to engage in discussions and answer questions.

All welcome, no RSVP required.



NOV 13 **Public Meeting- Special Rate Variation**
 Mon 19:00 · Nowra School of Arts, Berry Street ... ★ Interested

You like Shoalhaven City Council

3. Public Meeting on Special Rate Variation Nowra Event Advertisement – 30 October 2017 – Reach 749 people, 3 likes

 Shoalhaven City Council shared their event. ...

30 October 2017 · 🌐

The public meeting will provide an opportunity to learn more about the Special Rate Variation proposal directly from Council's General Manager and Directors, senior staff and Councillors, who will all be in attendance to engage in discussions and answer questions.

All welcome, no RSVP required.



OCT 31 **Public Meeting on Special Rate Variati...**
 Tues 19:00 · Huskisson Community Centre · Hu... ★ Interested

You like Shoalhaven City Council

4. Public Meeting on Special Rate Variation Huskisson Event Advertisement - 30 October 2017 – Reach 792 people, 4 likes



Shoalhaven City Council shared their event.



30 October 2017 · 🌐

The public meeting will provide an opportunity to learn more about the Special Rate Variation proposal directly from Council's General Manager and Directors, senior staff and Councillors, who will all be in attendance to engage in discussions and answer questions.

All welcome, no RSVP required.

This event will be held in the Ulladulla Civic Centre, Auditorium.



NOV

1

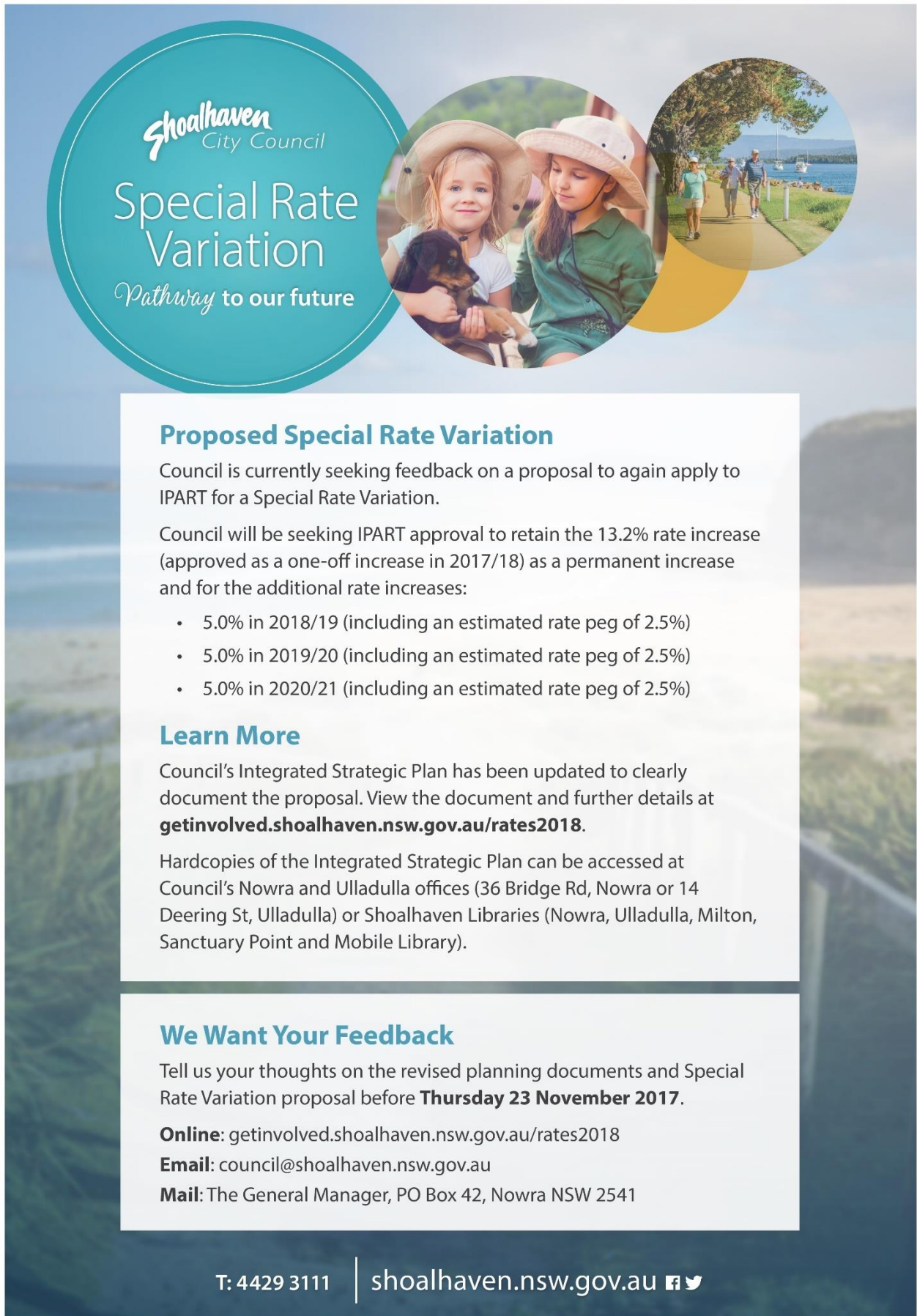
Public Meeting - Special Rate Variation

Wed 19:00 · Ulladulla Civic Centre · Ulladulla

You like Shoalhaven City Council

★ Interested

5. Public Meeting on Special Rate Variation Ulladulla Event Advertisement – 30 October 2017 - Reach 1,171 people, 4 likes, 20 post clicks

The poster features a teal circular logo on the left with the Shoalhaven City Council name and the slogan 'Special Rate Variation Pathway to our future'. To the right are three circular images: two children with a dog, a couple walking a dog, and a scenic view of a coastal path. The background is a blurred landscape of a beach and hills.

Shoalhaven
City Council

Special Rate Variation
Pathway to our future

Proposed Special Rate Variation

Council is currently seeking feedback on a proposal to again apply to IPART for a Special Rate Variation.

Council will be seeking IPART approval to retain the 13.2% rate increase (approved as a one-off increase in 2017/18) as a permanent increase and for the additional rate increases:

- 5.0% in 2018/19 (including an estimated rate peg of 2.5%)
- 5.0% in 2019/20 (including an estimated rate peg of 2.5%)
- 5.0% in 2020/21 (including an estimated rate peg of 2.5%)

Learn More



Council's Integrated Strategic Plan has been updated to clearly document the proposal. View the document and further details at getinvolved.shoalhaven.nsw.gov.au/rates2018.

Hardcopies of the Integrated Strategic Plan can be accessed at Council's Nowra and Ulladulla offices (36 Bridge Rd, Nowra or 14 Deering St, Ulladulla) or Shoalhaven Libraries (Nowra, Ulladulla, Milton, Sanctuary Point and Mobile Library).

We Want Your Feedback

Tell us your thoughts on the revised planning documents and Special Rate Variation proposal before **Thursday 23 November 2017**.

Online: getinvolved.shoalhaven.nsw.gov.au/rates2018
Email: council@shoalhaven.nsw.gov.au
Mail: The General Manager, PO Box 42, Nowra NSW 2541

T: 4429 3111 | shoalhaven.nsw.gov.au  

Appendix 11. Submissions Received (Not Published)