



# Community Engagement Report

Proposed Special Rate Variation 2024

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# EXECUTIVE SUMMARY

The purpose of the engagement for the Proposed Special Rate Variation 2024 was to give ratepayers and residents the opportunity to have their say on the proposed options for a Special Rate Variation (SRV) 2025-26 application to IPART.

The engagement plan was designed to gather community feedback on two key aspects:

1. Opinions about proposed Special Rate Variation options.
2. Responses to the Draft Resourcing Strategy 2022-26 (updated 2024-25).

This community consultation report details the outcomes of our engagement activities, highlighting how the community was informed about the proposed rate increase and the feedback received by the Council. All survey responses and self-initiated written feedback (including emails and letters) were thoroughly reviewed and recorded by Council staff. The insights from these surveys and written feedback provide both the community and the Council with a comprehensive understanding of the issues and concerns that need to be addressed, the community's level of understanding regarding the purpose of the proposed Special Rate Variation, and the overall sentiment towards the proposal.

- The total number of responses to the survey was 1,966.
- Written submissions about the draft Resourcing Strategy totaled 168.
- Self-initiated written feedback via email, question box on Get Involved and letters in the mail.

## Key findings from consultation

- More than 60% of survey respondents do not support a special variation rate rise.
- There are concerns about the ongoing financial management of Council revenue and the level of Council debt.
- There are concerns about the affordability of a rate rise in the current cost of living crisis and the financial hardship that this may cause to people on a fixed income, pensioners and welfare recipients.
- The community felt that Council should be focusing very specifically on the provision of core services such as road maintenance, public works and waste services as the key services required by the rate payers.
- Community members also suggested a range of ways in which Council could generate additional revenue including a different rating strategy for Air BnB properties, increased assistance from both Australian Government and NSW Government, tourism levies, sale of assets and paid parking at key locations across the Shoalhaven.

Preference out of the three options from the survey results:

- 64.8% preferred 3.8% Rate Peg base case
- 17.3% preferred Option 1 - 8% includes Rate Peg (3.8%)
- 17.9% preferred Option 2 - 12% includes Rate Peg (3.8%)

This report details all activities undertaken in the consultation period up to 5 December 2024, inclusive of Council's response to questions or concerns raised through the feedback provided.

# REPORT

## 1. Introduction

### Background

An independent review of Council's financial position in 2023 identified that Council needed to increase revenue and decrease costs through a range of measures to be able to sustain and continue its program of works and services needed now and into the future to meet community needs.

The Financial Sustainability Review assessed the long-term sustainability of Council's financial settings and direction, identified key drivers and determinants of future sustainability and facilitated the development of an approved financial plan with strategies to avert potential issues from emerging in the future.

The findings of the review included 27 recommendations to improve Council's financial position, each with subcategories of ways to increase revenue, decrease operating costs, improve service planning, improve governance and financial controls, asset management and planning.

In November 2023, Council resolved to proceed with the actions in the financial review report, including the consideration of a Special Rate Variation (SRV). Community consultation was conducted from November 2023 to January 2024, with two proposed SRV options – 32% in year 1 or distributed over three years (18%, 13%, 8%), and then that rate maintained. The community survey responses were 44% in favour of an SRV and 56% responded that they 'preferred not to say'.

At its meeting on 29 January 2024, Councillors resolved not to proceed with an application to the Independent Pricing and Regulatory Tribunal (IPART) for a proposed SRV and to focus on maintaining strict budgeting measures, improving asset management planning practices and increasing revenue through immediate sales of underperforming property and assets. Since February this year, Council has achieved \$3.2 million in cost savings through a range of revenue generation and workforce initiatives including cuts to overtime, adjustments to fees and charges, reduced recruitment, budget control measures and changes to operating hours of services and facilities. A further \$10 million has also been set as the target for additional efficiency measures to be achieved by 2029.

A thorough condition assessment of roads across the Shoalhaven has been initiated to determine the costs of addressing the backlog of maintenance for the long term. This information will be used to develop an evidence-based analysis of the money required to renew these assets during the next 10 years and prompt discussion with the Councillors and community about the desired standard of roads and any future rate increase amounts needed.

At its meeting on 5 November 2024, Council resolved to consult with ratepayers and local communities about possible increase options that would provide some increase in income and potentially reduce the operational deficit.

Community engagement about the proposed Special Rate Variation options began on 7 November 2024 and ended on 5 December 2024.

## The Proposal

In addition to the rate peg increase of 3.8%, two other options were presented to the community for their feedback. These options were presented as such:

### **The 3.8% Rate Peg only (base case).**

This increase would provide \$2.2 million in savings (unrestricted cash) as at end 30 June 2026 and \$6.79 million for infrastructure renewal next financial year 2025-26. This includes a likely reduction in service to achieve the \$10 million efficiency target. Average residential rates increase for households would be approximately \$1.10 per week.

### **8% includes Rate Peg (3.8%).**

This increase would provide \$2.2 million in savings (unrestricted cash) by 30 June 2026 and \$10.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with a possible decrease to some services to achieve \$10 million efficiency target. Average residential rates increase for households would be approximately \$2.30 per week in 2025-26.

### **12% includes Rate Peg (3.8%).**

This increase would provide \$4 million in savings (unrestricted cash) as at end 30 June 2026 and \$12.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with a possible decrease to some services to achieve \$10 million efficiency target. Average residential rates increase for households would be approximately \$3.46 per week.

**Table 1.1**

**Proposed rate increase options and costs for average residential properties in 2025-26**

Options	Savings (unrestricted cash)	Infrastructure renewal (Capital spend)	Average residential property annual rate 2025-26	Average residential property annual increase compared to 2024-25	Average residential property weekly increase compared to 2024-25
3.8% Rate Peg only (base case)	\$2.2m	\$6.79m	\$1,556.58	\$56.98	\$1.10 per week
8% includes Rate Peg	\$2.2m	\$10.7m	\$1,619.57	\$119.97	\$2.30 per week (\$1.20 above base case)
12% includes Rate Peg	\$4m	\$12.7m	\$1,679.55	\$179.95	\$3.46 per week (\$2.36 above base case)

## 2. Community Engagement

### Purpose of consultation

The Council agreed to investigate community sentiment regarding the possibility of applying to IPART for an SRV starting in 2025-26. An expression of interest is not a decision to proceed with the SRV; Council still needs to pass a resolution to submit the application to IPART. One of the criteria IPART uses when considering an application is whether Council has taken the necessary steps to ensure community awareness and engagement regarding the proposed SRV.

The objectives of the community consultation were to:

- Present the proposed SRV options within the context of financial need.



- Identify the impact of the SRV options on ratepayers.
- Communicate the timeline and process for any potential SRV application.
- Exhibit the updated draft Resourcing Strategy 2022-26 (updated 2024-25) including the draft Long Term Financial Plan (LTFP) 2025-34 demonstrating the impact of the proposed SRV on Council's operating results from 2025-26 for feedback and final endorsement of Council.

The engagement process was designed to help inform Council's final decision on which option Council should proceed with in relation to an application to IPART.

In developing the consultation approach, we considered factors such as the timing of the consultation period, ensuring broad community access to voice their opinions, and the complexity of the issues and their impact on the entire Shoalhaven community. This approach aimed to provide residents with a deeper understanding of the situation, the proposed solutions, and how individuals would be personally affected by the proposed rate increase options of either the pegged rate increase or an option to increase rates by either 8% or 12%, inclusive of rate peg.

## Our engagement framework

The consultation was designed in accordance with Shoalhaven City Council's Community Engagement Strategy. This strategy is available to view at:

[https://doc.shoalhaven.nsw.gov.au/LinkGeneratorAPI/record/8766161/preview\\_latest\\_final\\_version\\_pdf](https://doc.shoalhaven.nsw.gov.au/LinkGeneratorAPI/record/8766161/preview_latest_final_version_pdf)

## Who we consulted

The community, ratepayers, the elected representatives and Council employees were identified as stakeholders for the Resourcing Strategy and SRV Community Engagement Plan.

**Table 2.1**

Stakeholder identification	
Community	The proposed SRV is a community wide issue and will impact the community directly. The impact may be through increased rates and/or changes to service levels.
Ratepayers	Any changes to the rates would impact on property owners that live in the Shoalhaven LGA or in other places.
Elected Representatives	Councillors are an important connection point with our communities. They have ultimate influence over the decision to apply to IPART for any proposed Special Rate Variation.
Employees	Employees in most instances are also residents of the Shoalhaven region and as such, are an important connection with our community.

## How we consulted

### Consultation tools

**Table 2.2**

<i>Online survey</i>	<p>On 7 November 2024 an online survey was launched to understand community sentiment on the two proposed options - 8% and 12% inclusive of rate peg.</p> <p>The <b>Get Involved Shoalhaven</b> community engagement platform on Council's website, guided respondents through the reasons behind Council's proposed SRV options. It also provided details on the proposed rate increase options and the costs for average residential properties in 2025-26, enabling respondents to make an informed decision before indicating their level of support for each option.</p> <ul style="list-style-type: none"><li>• Option 1 – Rate Peg only – 3.8%</li><li>• Option 2 – 8% (including the 3.8% Rate Peg)</li><li>• Option 3 – 12% (including the 3.8% Rate Peg)</li></ul> <p>A specific Rate Calculator tool was made available allowing rate payers the opportunity to see the estimated cost impact of the three options on their individual property/ies, based on their most recent land value (provided by NSW Valuer General in April 2023). This tool was used 911 times during the consultation.</p> <p>The survey closed at 5pm on Thursday 5 December 2024 and Council received 1966 responses.</p> <p>A copy of the survey can be found in Appendix A.</p>
<i>Written submissions on the draft Resourcing Strategy</i>	<p>In total, 168 submissions were received by hard copy, email or submitted via Get Involved. A full collated listing of submissions was provided to the Councillors.</p>
<i>Participation workshops</i>	<p>Council hosted two community engagement workshops in Nowra and Ulladulla, which were attended by more than 50 participants.</p> <p>These sessions provided an opportunity for community members to learn more about the actions being taken to improve Council's financial position and share their ideas through meaningful discussions with staff and other community members.</p> <p>All the feedback gathered can be found in Appendix B.</p>
<i>Pop-ups information booths</i>	<p>Information stalls were held at various locations within the Shoalhaven area to generate awareness of the community</p>

	<p>engagement process, answer questions in-person and provide opportunities to complete the survey in hard-copy and online.</p> <p>Approximately 10 – 20 conversations per location.</p> <p>Dates and locations included:</p> <p><b>Ulladulla Wharf Markets</b> - Sunday 10 November, 8am - 1pm  <b>Ulladulla Leisure Centre</b> - Thursday 14 November, 10am-11am  <b>Nowra Centre Plaza</b> - Monday 18 November, 10am-12pm  <b>Bay &amp; Basin Leisure Centre</b> - Thursday 21 November, 10am-11am  <b>Nowra Showground</b> - Saturday 23 November, 8am - 1pm  <b>Berry Village Markets</b> - Sunday 24 November, 10am - 3pm</p>
<i>Self-initiated feedback</i>	<p>In addition to the survey and written submissions of the draft Resourcing Strategy, Council received self-initiated feedback in various written formats via email, inquiries via the Get Involved question box and hard copy letters in the post.</p> <p>Some example questions and responses can be found in Appendix C.</p>
<i>Community Consultative Bodies</i>	<p>A presentation was given by key Council staff members at the Executive meeting with representatives of 24 Community Consultative Bodies in Bomaderry on 27 November 2024.</p>
<i>Rates Calculator</i>	<p>The calculator tool was provided as part of the community engagement phase of Council's consideration of an SRV from 1 July 2025 for financial year 2025-26.</p> <p>The calculator was used 911 times across the four-week consultation period.</p>

**Promotion of activities**

The proposed Special Rate Variation options and engagement activities were promoted through Council-owned and third-party channels during the four-week consultation period. A broad range of communication platforms were used to reach as many people as possible in the community and connect directly with ratepayers. These methods included direct mail, digital screens, online platforms, social media, and radio broadcast. The communications strategy also included promotional and information material made physically available at various locations across the city including libraries, leisure centres and Council administration centres. This was also extended to the pop-up information sessions held at several places during the engagement campaign, including local markets, shopping centres and recreational facilities (see Table 2.3).

Local media outlets promoted the engagement campaign. Additionally, local media and community groups shared information and commentary about the proposed SRV, significantly extending community reach. The communication implementation plan can be found in Appendix D.



**Table 2.3**

<p><i>Get Involved</i></p>	<p>A dedicated webpage was set up on the Council’s engagement platform, Get Involved Shoalhaven, and was the central point for all information relating to the proposed rate rise options. Launched on 7 November 2024, the webpage allowed the community to:</p> <ul style="list-style-type: none"> <li>· Read about the proposed rate rise options</li> <li>· Understand Council’s financial situation and the need for a rate rise</li> <li>· Understand impacts of the proposed options on average rates</li> <li>· Learn how Council is achieving its efficiency savings</li> <li>· Compare average rates with neighbouring councils</li> <li>· Complete an online survey</li> <li>· Make a written submission on the draft Resourcing Strategy</li> <li>· Use the rates calculator to see the personal impact on households of the SRV options</li> <li>· Register for an in-person participation workshop</li> <li>· Ask a question</li> <li>· Find out where Council was hosting pop-ups to learn more and ask questions</li> <li>· View Frequently Asked Questions</li> <li>· Watch a video of the Acting CEO explaining the financial position of the Council and what an SRV would mean for the community</li> <li>· Watch a 2-minute animation on the major factors driving financial sustainability concerns for Council</li> <li>· Find out more about Council’s Financial position</li> </ul> <p>URL: <a href="#">Proposed Special Rate Variation 2024   Get Involved Shoalhaven</a></p> <p>For a detailed breakdown on webpage visitors, engaged participants and engagement tool usage see Appendix E.</p>
<p><i>Letter from the Mayor</i></p>	<p>A letter from the Mayor was sent to all ratepayers. A total of 43,490 letters were issued (from a rateable property count of &gt;60,500), where owners owning more than one property were issued only one letter.</p> <p>A copy of the letter can be found in Appendix F.</p>
<p><i>Media release</i></p>	<p>A media release was distributed on Thursday 7 November - <a href="#">Have your say on proposed Special Rate Variation   Shoalhaven City Council</a> – encouraged community to visit the Council <b>Get Involved Shoalhaven</b> web platform, read the information on the proposed rate rises and have their say.</p> <p>A copy of the media release can be found in Appendix F.</p>

<p><i>Social media</i></p>	<p>Council’s Facebook has a following of more than 27,000 people.</p> <p>During the consultation period, 9 posts were published on Council’s Facebook page.</p> <p>Post 1 – Launch of consultation (Reach: 18,418)  Post 2 – Promotion of workshops (Reach: 4,487)  Post 3 – Ulladulla Wharf markets pop-up (Reach: 6,699)  Post 4 – Ulladulla Leisure Centre pop-up (Reach: 3,423)  Post 5 – Nowra Central Plaza pop-up (Reach: 3,090)  Post 6 – Bay and Basin Leisure Centre pop-up (Reach: 2,491)  Post 7 – Nowra showground markets pop-up (Reach: 5,460)  Post 8 – Berry markets pop-up (Reach: 2,563)  Post 9 – Video animation and final push for consultation (Reach: 1,512)</p> <p>Copies of the social posts can be found in Appendix F.</p>
<p><i>DL flyer and posters</i></p>	<p>A flyer (Appendix F) providing a summary of the efficiency measures being taken by Council, the need to address the infrastructure backlog and the proposed rate variation options was distributed to libraries, leisure centres, Council customer service centres and provided to staff for distribution to members of the public, if asked. It was also distributed at the pop-up information kiosks.</p>
<p><i>Community Information Hub screens</i></p>	<p>A digital poster (Appendix F) outlining the consultation period and how the community could have their say was uploaded to 26 digital community information hub screens across the Shoalhaven.</p>
<p><i>Council website</i></p>	<p>The Shoalhaven City Council’s website featured a homepage banner promoting the SRV consultation period, directing users to the “Get Involved Shoalhaven” page for more information and to provide feedback.</p> <p>Additionally, a “Financial Sustainability” icon on the homepage links to a webpage detailing the project’s progress and offering background information on the Council’s financial situation.</p> <p>A media release was also published as a latest news article.</p> <p>Examples can be found in Appendix F.</p>
<p><i>Internal Communications</i></p>	<p>To communicate the SRV consultation period with staff and provide opportunities for questions and further information, we implemented the following:</p> <ul style="list-style-type: none"> <li>• Live webinar: Hosted by the CEO and CFO, providing a platform for staff to ask questions and gain insights directly from leadership.</li> <li>• All staff email: Sent to all employees, detailing the consultation period.</li> <li>• Directorate presentations: Conducted across various departments to explain the SRV and its implications.</li> </ul>

	<ul style="list-style-type: none"> <li>• Posters and flyers: Distributed throughout the workplace to raise awareness and provide key information.</li> <li>• Intranet information: Updated regularly with detailed content about the SRV, including FAQs and relevant documents.</li> <li>• Phone messaging: Used to remind staff about the consultation period and direct them to available resources.</li> </ul> <p>Examples can be found in Appendix F.</p>
<i>Radio</i>	<p>A 30 second radio advertisement broadcast multiple times daily from 18 Nov – 23 Nov across Power FM and 2ST.</p> <p>The script can be found in Appendix F.</p>

## Media coverage

**Table 2.4**

Date	Media and promotional coverage	Reach
4 November	ABC Illawarra – Interview with the Mayor	42,400
	ABC Illawarra - News (multiple)	42,400
	2ST Radio – Interview with the Mayor	70,000*
	South Coast Register	31,400
	ABC Illawarra – Evening news bulletin	31,400
	The Herald Sun	1.97M
	Ten Illawarra TV - News (multiple)	11,200
5 November	2ST Radio News – 6am to 9am	70,000*
6 November	Ten Illawarra TV – News – SRV proposal	17,200
	South Coast Register	28,800
7 November	Milton Ulladulla Times	7,910
11 November	Daily Telegraph - News Local	1.95M
	Sydney Morning Herald	35,400
18 - 23 November	2ST and Power FM Radio advertising – Multiple times daily	70,000*
5 December	ABC Radio Illawarra - Breakfast	42,400

	ABC Radio Illawarra – News (multiple)	42,400
	ABC Radio Illawarra – Drive Show	28,800

Note: \* figure based on information provided by broadcaster.

For examples of media and promotional coverage see Appendix I.

### 3. What we heard

#### a. Method 1: Online surveys

##### Overview of respondents / demographics

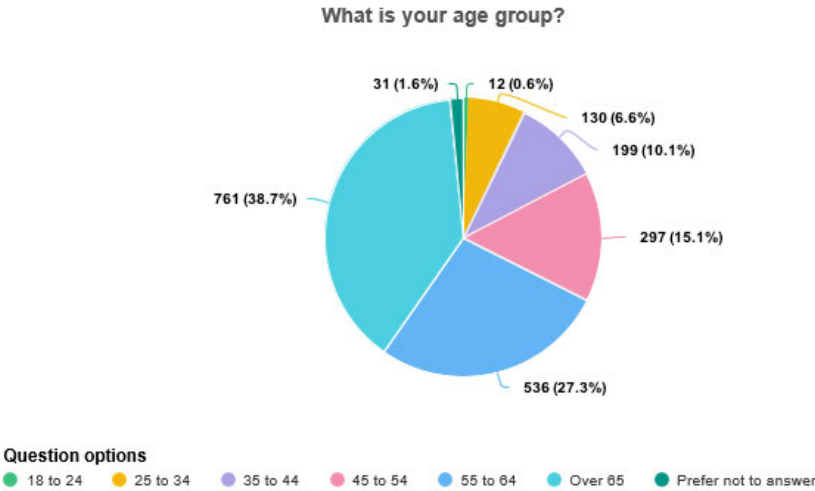
Council received 1,966 completed online surveys during the period 7 November – 5 December 2024. Of the 60,795 ratepayers, the Council received survey responses from approximately 3.2%.

It should be noted that the responses are a self-initiated sample of the broader population and therefore should not be considered to represent the views of all members of the Shoalhaven City Council community. The responses reflect the views of community members that were sufficiently engaged and motivated to respond to the survey.

Table 3.1 outlines that 66% of responses were from community members that were aged 55 years or older which is an overrepresentation compared to the whole community – according to Australia Bureau of Statistics (Census Data 2021) people aged 55 or older make up 42.9% of the Shoalhaven population.

The full results of the survey can be found in Appendix G.

Figure 3.1 – Online survey breakdown by age group



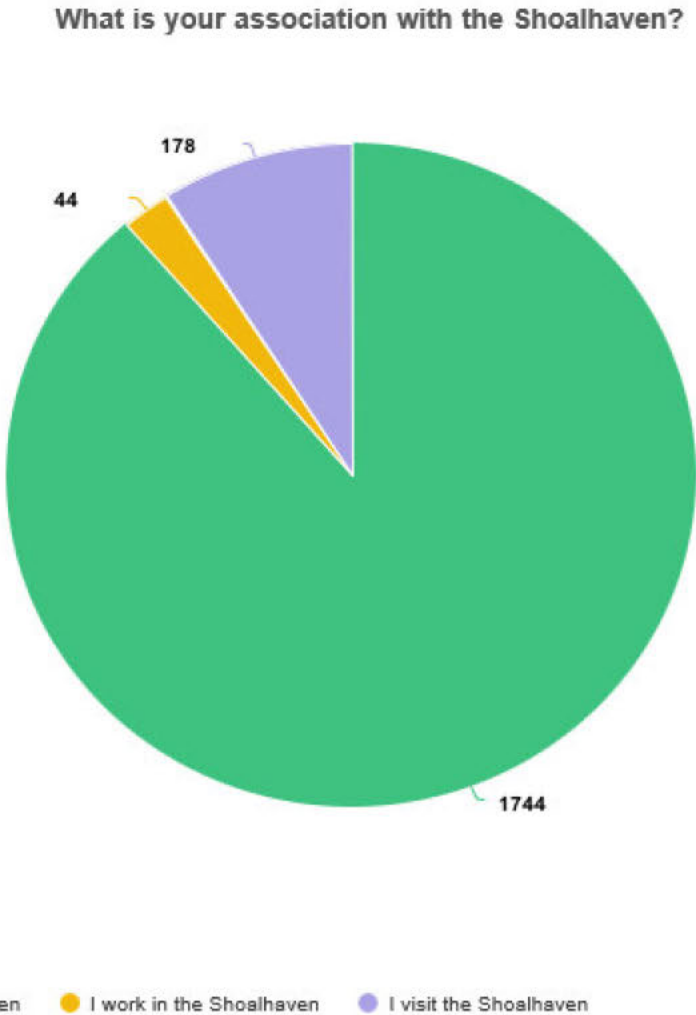
Source: Shoalhaven City Council

**Table 3.1 – Online survey breakdown by age group**

Age groupings	Responders	%
18 to 24	12	0.6
25 to 34	130	6.6
35 to 44	199	10.1
45 to 54	297	15.1
55 to 64	536	27.3
Over 65	761	38.7
Prefer not to say	31	1.6
<b>TOTAL</b>	<b>1,966</b>	<b>100</b>

Source: Shoalhaven City Council

**Figure 3.2 – Online survey responder by association with the Shoalhaven**



Source: Shoalhaven City Council

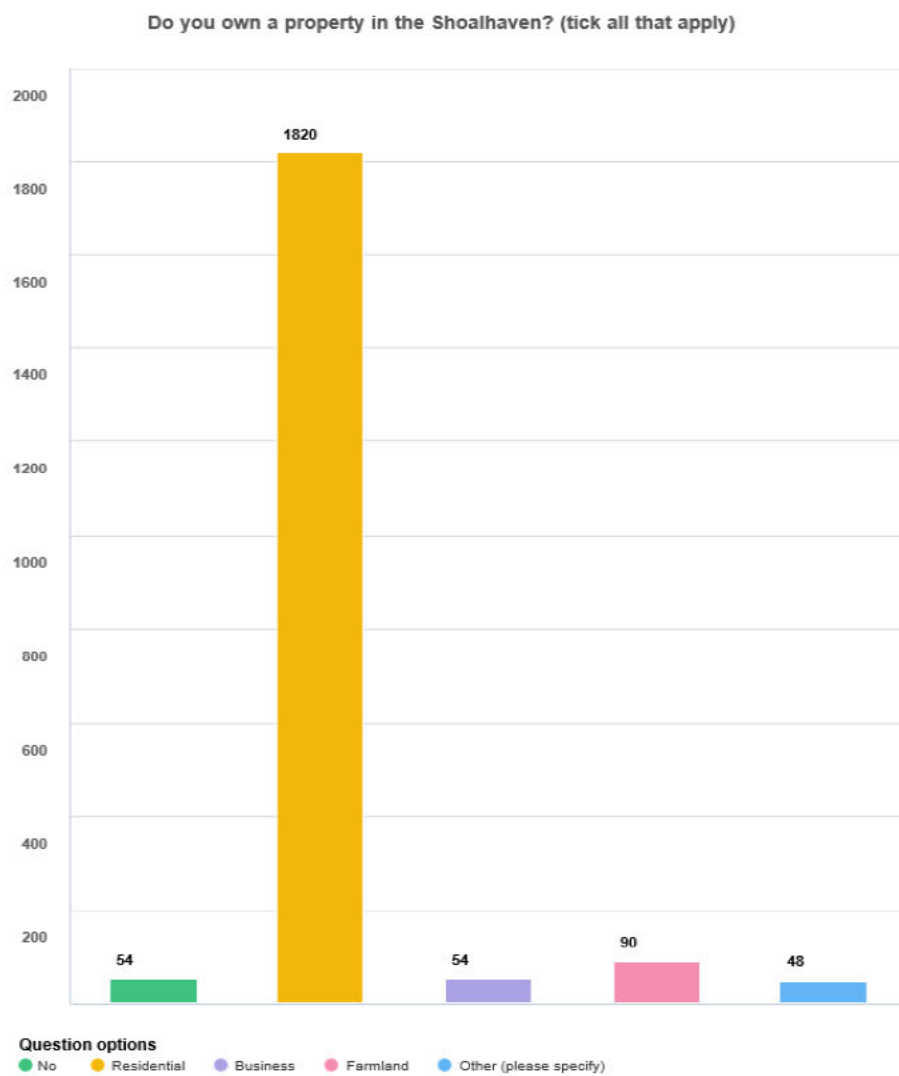


**Table 3.2 – Online survey responder by association with the Shoalhaven**

Association	Responders	%
I live in the Shoalhaven	1,744	88.7
I work in the Shoalhaven	44	2.2
I visit the Shoalhaven	178	9.1
<b>TOTAL</b>	<b>1,966</b>	<b>100</b>

Source: Shoalhaven City Council

**Figure 3.3 – Online survey responder by property type**



Source: Shoalhaven City Council

**Table 3.3– Online survey responder by property type**

Property type	Responders	%
Residential	1,820	88
Business	54	3
Farmland	90	4
Other	48	2
No	54	3
<b>TOTAL</b>	<b>2066</b>	<b>100</b>

Source: Shoalhaven City Council

### **Data collection**

Data handling and analysis was carried out using Council's online survey software (Shoalhaven Get Involved) and spreadsheets. All open-ended responses were read and then coded by theme by Council staff. A guide to how each theme was coded can be found in Appendix H.

### **Overview of results**

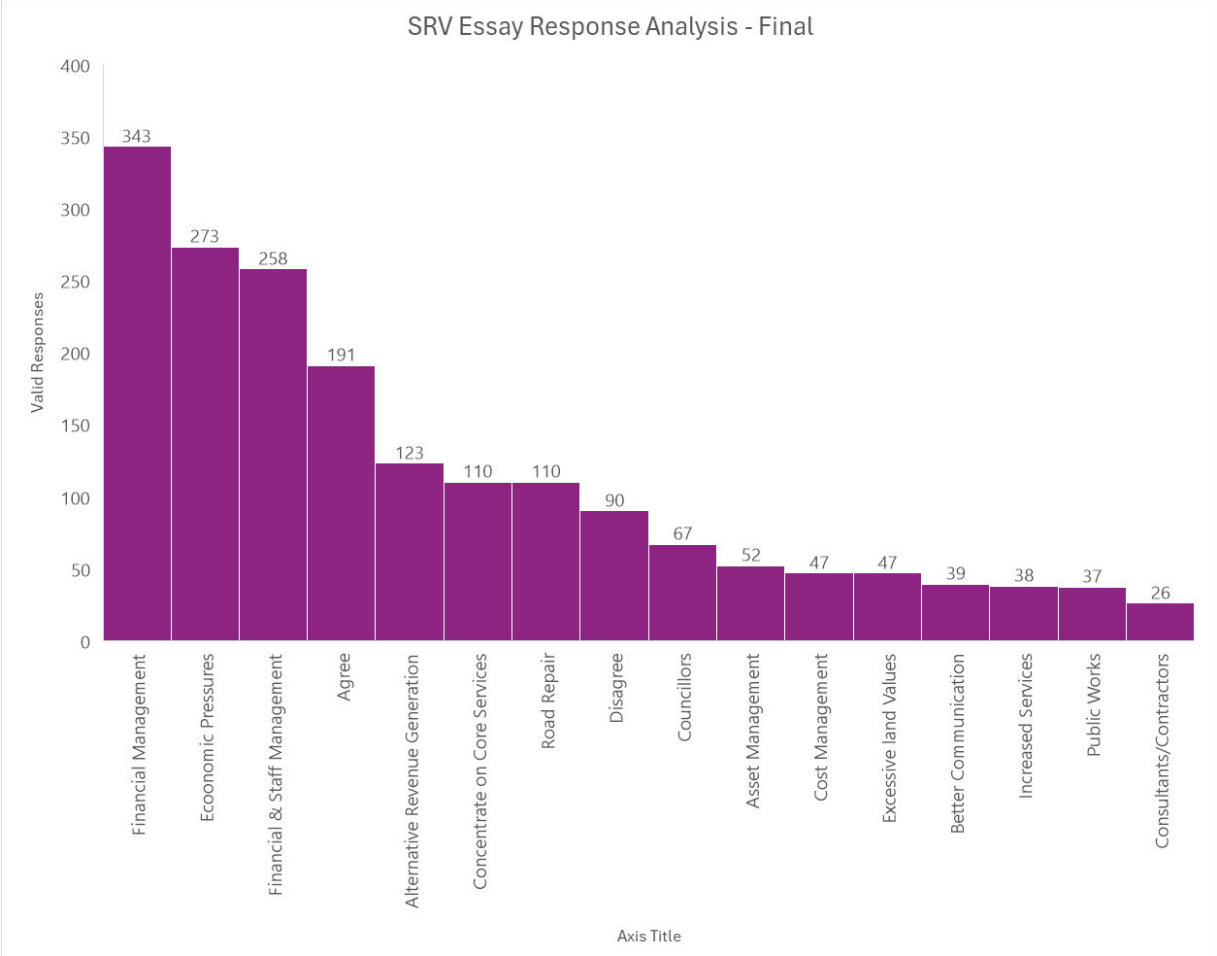
The full results of the survey can be found in Appendix G.

- 98.3% are aware of the financial position of Council
- 41.4% agree that in addition to operational savings and productivity improvements, an increase in rates is necessary.
- 64.8% preferred Option 1 – 3.8% Rate Peg base case
- 17.3% preferred Option 2 - 8% includes Rate Peg (3.8%)
- 17.9% preferred Option 3 - 12% includes Rate Peg (3.8%)

### **Key findings**

The 1,455 open-ended responses left on Question 11 of the survey have been categorised into 16 key themes (Appendix H).

**Figure 3.4 – Final analysis of the essay question responses**



**Sample of Essay Question responses from surveys (for and against)**

**FOR**

*Let's go for the maximum increase and improve the council's position and amenity of Shoalhaven.*

*Anonymous User, 19 Nov 2024*

*We need to bite the bullet and get it done. The sooner the council's debt is paid down, and ratepayers can see improvements in the infrastructure, the happier we will be. Also, we are a tourist town, and poor roads are a disincentive to visit.*

*Anonymous User, 21 Nov 2024, 03:55 PM*

*In order to provide the services necessary for the Shoalhaven, if the councillors were being realistic, the rate increase should be more, around 25%.*

*Anonymous User, 05 Dec 2024, 08:59 AM*

## AGAINST

*Council rates are already well above market rates for other LGA's, a further increase would impact livability within this LGA.*

*Anonymous User, 08 Nov 2024, 03:22 PM*

*I consider my rates are already very high in comparison to the services we receive in our area.*

*Anonymous User, 05 Dec 2024, 07:32 AM*

### **b. Method 2: Written submissions to Resourcing Strategy**

Council's Resourcing Strategy outlines how we will help achieve the Community's long-term priorities in terms of time, money, assets, and people. In conjunction with community engagement on a potential Special Rate Variation, Council has also sought feedback on the updated Resourcing Strategy.

The draft Resourcing Strategy 2022-26 contains the following elements:

- Workforce Management Planning Strategy (2024-25 version)
- Asset Management Strategy (2024-25 version)
- Information Communication Technology Strategy (2024-25 version)
- Long Term Financial Plan (LTFP) 2025-2034.

In total there were 168 responders who used the 'Make a Submission' form on Council's website or sent a direct email or posted a letter to Council. Submissions were received on behalf of the Burrill Lake Community Association, the Shoalhaven Business Chamber and a local business, NowChem. The remaining submissions were provided by individuals.

Issues raised in these submissions are similar to the themes outlined in the SRV Option survey comments. Figure 3.5 outlines the number of mentions across the top issues raised.

**Figure 3.5 – Analysis of submissions**

Top issues raised in submissions	Mentions
Governance or organisational management	46
Financial management	38
Cost of living or economic pressures	34
Assets or infrastructure upgrades needed, primarily road assets	30
Operating efficiency suggestions, including staff reductions	29
Impact on Seniors	22
Concentrate on core services	19



62 of the 168 submissions specifically mentioned 'no rate rise' or supported one of the rating options proposed. These 62 responses are categorised as follows:

- No rate rise – 30.5%
- 3.8% Rate Peg base case – 30.5%
- 8% includes Rate Peg – 23%
- 12% includes Rate Peg – 16%

Seven submissions directly referred to the Resourcing Strategy, and five submissions referred to the Long Term Financial Plan. These submissions have been provided to staff for review and consideration.

A collated list of submissions and SRV options survey comments has been provided to Councillors ahead of the 17 December 2024 Council meeting.

### c. Method 3: Self-initiated submissions / questions

In addition to the survey and written submissions on the draft Resourcing Strategy, Council received 77 phone enquiries and self-initiated feedback in written formats. Examples of the written feedback are in Appendix C.

The themes and issues raised in the self-initiated feedback were similar to those raised in the survey responses.

## 4. Council's response

Due to the large volume and variety of community feedback, not every issue or theme could be included and responded to in the following table. However, all feedback has been read and will be considered in Council's application to IPART.

Theme	Summary of theme / example of comment	Council's response
Where did the money go?	<i>Can you please advise why the council is in this negative financial position?</i>	<p>Many factors have contributed to making Council's financial position unsustainable.</p> <ul style="list-style-type: none"> <li>• The impacts of consecutive natural disasters and the COVID pandemic during the last five years has significantly depleted revenue and increased operational costs. The net cost of the disasters, including subsidies and waivers on fees and charges, reduced the unrestricted cash position by \$14.6 million.</li> <li>• Rising cost of materials, labour and contractors.</li> <li>• Increased expense of interest rates to loan borrowings.</li> <li>• Sustained lower than average residential and business rates.</li> <li>• Rate Pegging – the NSW Government restricts how much councils can typically increase rates by, and in recent years rate rises haven't kept up with inflation.</li> <li>• Millions in grant funded improvements post fires and floods means we need to put more away each year to save for maintenance and renewal – depreciation costs.</li> </ul>



		<ul style="list-style-type: none"> <li>• Community expectations are that maintenance and replacement of assets like roads, bridges and community facilities should be improved on current levels, requiring greater investment.</li> <li>• Cost shifting by state and federal government forcing council to assume responsibility for infrastructure, services and regulatory functions without providing sufficient supporting funding.</li> </ul>
Accountability	<i>Council has not convinced us that all savings measures have been closely examined.</i>	In February this year, we embarked on a mission to find and enact operational efficiencies and so far, have achieved \$3.2 million in cost savings through a range of revenue generation and workforce initiatives including cuts to overtime, adjustments to fees and charges, reduced recruitment, budget control measures and changes to operating hours of services and facilities. We're committed to doing more and are working to produce \$10 million efficiency measures by 2029.
Staff levels and costs	<i>Why can't Council just reduce staff numbers to save money, instead of increasing rates?</i>	Local governments have to strike a balance between the number of staff needed to deliver the range of services required, perform the administrative tasks and complete the capital works and ongoing maintenance across the city. A reduction in numbers of staff will impact the level of service people can expect. With this in mind, this year, Council has reduced its recruitment by 43% compared to the year previous and is working through an organisation restructure that will dissolve a number of positions.
Permanent or one year only rate rise.	<i>Can you advise if the SRV component of the two options for rate increase is permanent or for one year only?</i>	It is a one-year increase that would be applied for 2025-26 financial year. It is known as a 'permanent' increase, which means that it then remains in the rate base from then on. The maximum increase for the following year 2026-27 would default back to the rate peg percentage. Any increase over the rate peg for 2026-27 would require a further special variation process to be carried out.
Consideration for pensioners.	<i>Concern for many was related to the cost of living and adding the rate rise would exacerbate this issue. They wanted to see if there was consideration for those on pension cards or low income to be exempt or subject to a lower increase.</i>	<p>It is important to note that approximately 20% of ratepayers in the Shoalhaven are pensioners. The draft 10-year Long Term Financial Plan models have been built based on the 8% and 12% SRV scenarios as an increase across all ratable properties.</p> <p>If a larger SRV was to be considered by Council, it could be feasible to minimise the increase on pensioners and shift the burden to the remaining 80% of ratepayers.</p>

## 5. Next steps

Council committed, following completion of the engagement, to:

- Collate and analyse what the community told us (this report)
- Report back the results to the community
- Inform the decision makers (Councillors)
- Inform the community of the decision
- Explain how the decision was made and the influence of community input
- Evaluate the engagement process.

The outcome of the community engagement and subsequent relevant decisions will be communicated through a variety of methods including:

- Councillor briefings
- Facebook updates and information posted on Council's social media
- Website updates
- Media releases
- Reports to Council, including seeking endorsement for lodging an SRV application.

# Appendix

## Appendix A – Copy of the online survey questions

1. **Name\*** required\*
2. **Email address\*** required\*
3. **What is your age group?** \* required\*
  - Under 18
  - 18 to 24
  - 25 to 34
  - 35 to 44
  - 45 to 54
  - 55 to 64
  - Over 65
4. **What is your association with the Shoalhaven?** \* required\*
  - I live in the Shoalhaven
  - I work in the Shoalhaven
  - I visit the Shoalhaven
5. **Do you own a property in the Shoalhaven?** (tick all that apply) \* required\*
  - No
  - Residential
  - Business
  - Farmland
  - Other (please specify)
6. **Are you aware of the financial position of Council?** \* required\*
  - Yes
  - No
7. **Do you agree that in addition to operational savings and productivity improvements, an increase in rates is necessary?** \* required\*
  - Yes
  - No
8. **Which of the following assets do you think Council needs to invest in more?** (tick all that apply) \* required\*
  - Urban Roads
  - Rural Roads
  - Footpaths and Cycleways
  - Stormwater/Drainage
  - Community Buildings and Facilities
  - Parks and Recreational Facilities
  - Coastal Facilities (e.g. beach access and protection)
  - None (Council does not need to invest any more in assets)
  - Other (please specify)

**9. Please select which rate option Council should consider for 2025-26\* required\***

- Base Case - no increase above rate peg (3.8%)
- Option 1 - 8% (including rate peg of 3.8%)
- Option 2 - 12% (including rate peg of 3.8%)

**10. How were you informed of the Proposed Special Rate Variation? (tick all that apply) \***  
required\*

- Letter from the Mayor
- Council's website
- Newspaper or radio advertising
- Newsletter
- Social media
- Other (please specify)

**11. Do you have any additional comments you would like the Council to consider in their decision-making process?**

## Appendix B – Feedback from the participation workshops

Nowra Administration Building, Wednesday 13 November

Q: Suggest ways to get more work done efficiently

### Key themes

#### **Operational efficiency and management:**

- Over-management with a high ratio of managers to employees.
- Consolidate services to reduce travel and centralise tasks like mowing and rubbish collection.
- Streamline policies and processes, including reducing bureaucracy and improving transparency.

#### **Staff and community engagement:**

- Enhance staff well-being with mandatory leave breaks for mental health.
- Increase volunteer involvement in tasks like gardening.
- Engage the community early and utilise local expertise.

#### **Financial and project management:**

- Prepare realistic budgets and focus on high-standard, long-term projects.
- Avoid frequent repairs by investing in quality rebuilds.
- Consider the community's financial capacity when setting council rates.

### All responses

- Supervisor should be qualified so they can supervise and perform the work.
- Costs could be reduced if people were centralised in locations, in teams that perform all the maintenance to reduce travel to and from one depot in one location.
- Collect rubbish and mow lawns at site – one team for all.
- More commonsense for policies
- Volunteers versus staff. Let volunteers do more – garden
- Look after staff with mandatory leave breaks = mental health protection
- Inhouse delivery versus outsourcing roads
- Make policy current – easy to use
- Check out how Kiama council operates and use that as a template. They are very innovative and competent.
- 1103 FTE Employees | 234 Manager | 78 Senior Managers | 2.5 employee per manager | Over Managed?
- Prepare realistic budgets. Develop progressive, real time-based projects.
- Monitor progress against plans. Hire proper staff – reward meeting goals.
- Do less repairs. Do more by rebuilding fewer actual projects to higher standard. Should reduce dollars in the long term.
- Short term pain equals long term gain!! Spend the extra dollar correctly to reduce revisiting works.
- Look where money can benefit higher proportion of community and concentrate spending more.
- Raising council rates to 12% is an assault on the community. This is an area with comparatively low income – that must be taken into account
- Unclog the DA process. Have an 'undercover' person go through the process to find the problem.
- Tap into expertise in the community.



- Greater transparency and more 'early' community engagement. Tell the community exactly what the position is.
- Fix the roads once vs continually patching and repairing.
- Less bureaucracy
- Lose loopholes that allow developers. to undermine local character and heritage. This will reduce time wasted dealing with conflicts.

*Q: Visioning exercise - What do you want more of?*

### **Key themes**

#### **Roads that connect our community, prioritise safety and accessibility for everyone.**

- Long-lasting road solutions: Focus on building better roads and fixing them properly to avoid frequent repairs.
- Critical infrastructure projects: Prioritise major projects like the Nowra bypass and overpasses for the Princes Highway.

#### **Design footpaths that not only link our neighbourhoods but enrich our public spaces.**

- Bike tracks and connectivity: Develop bike tracks for tourism and locals and ensure connectivity to new urban areas.
- Maintenance and attractiveness: Maintain footpaths to be visually attractive and purposeful.

#### **Access to modern and exciting parks and playgrounds that cater to all ages and abilities.**

- Well-maintained parks: Ensure parks are well-maintained and serve the community's needs.
- Utilise unused land: Increase access to unused council land and parks for community use.

#### **A community where waste is minimised, resources are reused, and recycling is a common practice.**

- Green waste bins: Implement green waste bins in parks and residential areas to reduce costs and promote recycling.
- Community feedback: Provide feedback on council performance and use of funds to ensure transparency.

#### **A vibrant community that showcases its unique culture and natural beauty through engaging tourism and events.**

- Heritage and tourism: Build on the heritage value of towns and seek financial input through tourism.

- Event promotion: Promote events well to attract visitors and gather community input on desired events.

### **A compassionate community that prioritises the welfare of all animals.**

- Responsible pet ownership: Promote training for pet owners and limit domestic pet ownership numbers.
- Support local shelters: Advocate for humane treatment and support local animal shelters.

### **Accessible and well-maintained sporting facilities, including pools that promote health and community connection.**

- Maintain and upgrade facilities: Ensure swimming pools and sports facilities are well-maintained and upgraded.
- Support community groups: Assist community groups in improving facilities to benefit users and attract new participants.

### **Thriving community that protects its bushland, farmland and coastline.**

- Sustainable practices: Encourage sustainable practices and conservation efforts.
- Flood prevention and education: Focus on flood prevention and educate the community on sustainability.

### **Investing in modern facilities, efficient transportation and resilient public spaces.**

- Public toilets and facilities: Build and maintain public toilets and other facilities to meet community needs.
- Resilience planning: Plan for future resilience and close gaps in services compared to metro areas.

### **Compassionate community that supports its vulnerable members.**

- Maintain safe spaces: Ensure spaces like libraries and safe areas are well-maintained for vulnerable communities.
- Support for the elderly and vulnerable: Provide better connections and support for the elderly and those affected by domestic violence.

## **All responses**

### **Roads that connect our community, prioritise safety and accessibility for everyone.**

- Better, longer lasting roads. Stop patching potholes poorly – waste of money and time.
- Better maintenance of the roadside/roundabout gardens.
- Build Nowra bypass now.
- Fix roads once and for all versus consistently patching and repairing. This includes fixing drainage that undermines repairs.
- Local roads need to be well maintained also.

- Road infrastructure is critical to get access to services. Would rather see less projects per year to higher standard.
- Traffic Island Owen Street Huskisson.
- Build over passes for Princes Highway.
- Better quality of roads to minimise repairs costs.
- Traffic Island Huskisson, Berry
- Repair roads fill potholes. Develop weatherproof and materials so repairs do not wash away.
- Road maintenance renewal needs to be at a level equivalent to other Group 5 councils.

### **Design footpaths that not only link our neighborhoods but enrich our public spaces.**

- Bike tracks for Mountain Bike Tourism – visitors and locals
- Road maintenance/renewal considered number one priority, as bus services poor, car transport is a need. Due to spatially disparate towns/villages.
- Include DSSs 'tourism' in plain, progress (engagement) to develop link for visitors.
- Need to be maintained visually attractive and useful, purposeful.
- Need connectivity to new urban release areas to existing towns, footpaths, cycleways.

### **Access to modern and exciting parks and playgrounds that cater to all ages and abilities**

- Reduce expenditure on one off park infrastructure (\$25million) which is not accessible to majority of community (extreme north).
- More of IT.
- Essential for children wellbeing need to be well maintained serving community schools to variety needs.
- Increased access used by community of unused council land and parks.
- Maintaining & repairing beaches and adjacent bush. Repair damaged steps handrails seats etc. safety issue

### **A community where waste is minimised, resources are reused, and recycling is a common practice.**

- Give feedback on council performance and use of funds at CCB meetings. Let people know that council is using rate money wisely.
- Green waste bins in parks by the beach.
- Green waste bins.
- Shoalhaven is very grey area need green bins. This will lower costs for council as a resident do pruning etc. keep grass down.
- Approach Wollondilly Shire Council to poach the plastic plant.
- Become a leader in recycling.
- Reduce reliance on consultants.
- Reduce red tape. Homeowners' construction.

### **A vibrant community that showcases its unique culture and natural beauty through engaging tourism and events.**

- Build on heritage value of some towns – Cambewarra.
- Seek greater financial input through tourism to maintain travellers.

- Prevent developers using loopholes in planning guidelines to undermine local characters and heritage.
- BMX track.
- New LGA brand 'Coastal cowboy country'.
- Promote these events well to be able to reap finances often and well-advertised – people will attend. Conduct surveys to assess what people want.
- For local community to be aware of events.
- Seek more cultural funds to enable more supporting for community – expose young people to experience whole range of creativity visual/musical.

**A compassionate community that prioritises the welfare of all animals. By promoting responsible pet ownership, supporting local shelters, and advocating for humane treatment.**

- Rabbit control.
- Limitations of domestic pet ownership numbers - breeders are limited.
- Training for pet owners especially dogs
- Adventure playgrounds development. Shellharbour has prize winning playgrounds - check out possibilities

**Accessible and well-maintained sporting facilities, including pools that promote health and community connection.**

- Don't reduce swimming pools sports facilities, all necessary for wellbeing.
- Assist community groups to improve used facilities to benefit users and attract new users.
- Need for better facilities Francis Ryan.
- Free health programs.
- Build and upgrade more sporting facilities that can support local participation and sport tourism generating income and commerce for the region.
- More support for promotion of sporting clubs to encourage children outdoors and to be active.

**Thriving community that protects its bushland, farmland, and coastline. Promoting sustainable practices and conservation efforts.**

- Flooding reduction - drain cleaned.
- Council provide six plants once every year to ratepayers to encourage greening.
- Encourage homeowners to utilise council areas around their homes.
- Rather than own development, it would be good to see the current bushland and farmland maintained - no overdeveloping of new suburbs.
- More education to sustain the local environment.
- Connect with CCBs and council for issues raised and collaborate.
- Restrictions for new housing development in nature areas bushlands etc, is necessary.
- Put prevention in place for rising water from glaciers melting.
- Research new development in wind and solar. Publicise facts on this and implement.

**Investing in modern facilities, efficient transportation, and resilient public spaces will be a foundation for growth and accessibility.**

- Toilet blocks new and maintained.
- Public toilets open for people using in the daytime.
- Fit for purpose and fitting for demographic.
- Strong consultation interacts with key stakeholders.
- Build for the future – not the present.
- Resilience planning – A key activity moving forward.
- What State government services are well provided in metro areas that are not in the Shoalhaven. Opportunities to close those gaps.

**Compassionate community that supports its vulnerable members, ensuring access to essential resources and services.**

- Maintain these spaces well for our vulnerable communities e.g. library, safe spaces
- Essential – with the ageing population in the Shoalhaven it is important to see these resources be sustainable.
- Ensure car parking has enough specialised for aged and people with a disability who use electric vehicles.
- Yes, with NSW and Federal Government.
- Better connection between the elderly and younger members of community.
- Support for vulnerable women affected by DV or other forms of misogyny and attacks on women.
- Aged demographic in Shoalhaven – so ensure home safe access, steps and handrails, wheelchair access.



Q: What Council services do you most and least value (three votes for value and three votes for least value)

Service	Value	Least Value
Aquatics and Leisure	2	
Arts, Culture and Entertainment	4	
<ul style="list-style-type: none"> <li>• Ulladulla Civic Centre</li> </ul>		
<ul style="list-style-type: none"> <li>• Shoalhaven Entertainment Centre</li> </ul>	2	1
<ul style="list-style-type: none"> <li>• Regional Art Gallery</li> </ul>	3	
Bereavement Services		
<ul style="list-style-type: none"> <li>• Cremation</li> </ul>	1	6
<ul style="list-style-type: none"> <li>• Chapel services</li> </ul>		1
Business investment and attraction	2	
Business support and advocacy		2
Communications, Media & Marketing, Community Engagement		
<ul style="list-style-type: none"> <li>• Community Engagement</li> </ul>	1	
<ul style="list-style-type: none"> <li>• Media/Marketing</li> </ul>		6
Community connections		
<ul style="list-style-type: none"> <li>• Family Day Care</li> </ul>		3
<ul style="list-style-type: none"> <li>• Community Consultative Bodies and Advisory committees</li> </ul>	4	
Community grants	1	1
Customer Service	2	
Event Support		
Libraries	4	1
Natural Areas Management including Bushcare	2	
Public Amenities cleaning	2	
Sports fields and parks	4	
Sustainability education		2
Tourist parks		6

*Q: Reducing the cost associated with running Council*

### **Key themes**

- **Financial Management:** Reduce spending temporarily to free up cash, pay down debt, and tighten budget controls.
- **Infrastructure:** Focus on permanent road and drainage fixes and ensure quality control.
- **Sustainability:** Increase solar energy use, promote sustainability education, and explore new income sources.
- **Staff Allocation:** Optimise staff placement and consider bringing contracted services in-house.
- **Community Services:** Engage with the community, prepare for mandated green bins, and balance free and paid services.

### **All feedback**

- No maintenances on drainage causes bigger problems.
- Analysing current staff base for savings.
- Back to basics.
- Software – can be piggy backed off staff (Ms office).
- New communities have more services like storm water, kerbs and gutters. How to also level the playing field for older areas.
- Quality control of road work and maintenance.
- Monitor budgets carefully, reassess staff needs properly.
- Research models of functioning in flood prone communities.
- Use free cash via Capex reduced to pay debt and reduce interest.
- Reduce Capex for 1-2 years to free up cashflow.
- Staff where we need them e.g. parks and garden.
- More solar on council buildings.
- Don't duplicate old assets.
- If the council has not already, solar needs to be set up ASAP using government grants.
- Sustainability education can lead to better waste outcomes and reduce costs.
- Capital works reduced 1-2 years employee numbers from 5 years ago additional services that have been added.
- Reduce debt and reduce interest payments.
- Tighten loopholes in planning to minimise legal costs.
- Toilet cleaning contracts – not local.
- Greater developers' contributions.
- Increase age of fleet.
- Advocate to NSW Government to increase developer contributions to fix road damages.
- Fix roads and associated drainage permanently vs constantly patching and repairing. Give a timetable for services road repairs.
- Do it right and do it once.
- Reduce duplication of efforts e.g. parks and gardens, swim sport fitness.
- Prepare for mandated green bins.
- More infrastructure through developer contributions e.g. stormwater.
- Responsibility of road works, warranty.
- Reduce operations costs critical analysis.
- Not consulting on financial sustainability matters e.g. operating hours.
- Core services should remain free. Non-core should be on commercial user pay basis.
- Land sales is limited and destroys community if not handled well.

- Innovation opportunity to reduce costs productivity champions.
- Staff cuts impact planning time frames.
- Contracted services should they come in-house?
- Subcontract services – park and gardens – crematory chapel.
- Broader community consultation.
- Get the balance of short term and long term right.
- Mobilisations and efficiencies of crews.
- Some increase in rates is needed.
- Cost effectiveness of in-house services.
- Land purchase in rates or other means.
- Lift productivity of existing staff/processes.
- Examples of inefficiency review – park mowing and mow around a fallen branch.
- New resources recovery centre is it needed – assess revotes.
- Utilise experts in community, flexibility job opportunities.
- Benchmark council against similar councils and fix anomalies.
- Look for new sources of income – e.g. tourism Air B&B.
- Eliminate loopholes in planning guidelines that create fights between developers and community. Prevent fights and LEC fights to save avoidable costs.
- Analysis of staff need. Admin (comms) outdoor.
- Permanent fix of roads – not cost ineffective patchwork.
- Can we charge visitors.
- Need a tax share to cover tourism costs (roads).
- Reduce rates for residents who maintain reserves.
- Business case prepared and made public for all major capital works.
- If it appreciates in value keep it. If it depreciates in value – sell it.
- Work crew and traffic control inefficient use of resources.
- Cross council partnerships lower costs.

## **Workshop - Ulladulla Civic Centre, Wednesday 20 November**

Q: Finding ways to get more work done efficiently

### **Key themes**

- **Efficiency:** Use real engineers for city services and contract out all maintenance work.
- **Cost Reduction:** Cut staff costs by over \$10 million annually and limit conference attendance.
- **Staff Management:** Decentralise management, perform skills audits, and outsource recruitment.
- **Community Engagement:** Collaborate with universities for student placements and ensure transparency.
- **Asset Optimisation:** Review and optimise assets, sell the entertainment centre, and conduct cost analyses.

### **All feedback**

- Make more use of real engineers e.g., put storm water, collect harvest and discharge under city services.
- Management styles – hubs – co-located skills.
- Benchmarking – like council areas.

- Limit councillor and staff attendance at conferences etc. except where direct high propriety to current need.
- Contract out all work including filling potholes and tending parks and playing fields.
- Develop a shared customer service function/unit. Through ISJO e.g. one common call Centre or information service.
- Explore relationships with university business school to get MBA student do placement within council.
- Decrease top level management, decentralise common use equipment and personnel relocate employees to areas in need of more assistance.
- Identify cost centres contracted traffic – bring inhouse.
- Do staff skills audit – create matrix projects teams – reduce costs and cross train.
- Management of development experience and control of project management team.
- Implement capital post audits.
- Cost all councillor proposal at NoM stage and consider before approved.
- All new property to include full cost of life and before decision to proceed.
- Independent performance measures of all council staff.
- Stop councillor vanity projects.
- Use subcontractors for capped projects rather than employ staff.
- Eliminate the extra pay for acting in relief a high role.
- Leave bereavement services to clergy.
- All rate notices being emailed once then electronic reminders.
- Full cost analysis and trailing costs.
- Each councillor gives a lower limit on travel and conferences outside of the Shoalhaven.
- Business rates that are the same in all NSW.
- Strategic plan year through to renew balance sheet to the black.
- Less staff, most needed things not most vocal.
- Roads- fill holes properly repair strips of road.
- Ask team at all levels what are we doing that's dumb/stupid.
- Financial KPI's added to delivery and operational budget.
- Forced leave annual Long Service Leave.
- Sell the entertainment centre.
- Outsource recruitment.
- Reduce staff costs by >\$10m pa starting 2025 council expenses.
- [REDACTED]
- [REDACTED]
- Process paperwork review

*Q: Visioning exercise: What do you want more of?*

### **Key themes**

- **Community and Infrastructure Development:** Modernise main streets, redevelop caravan parks, and improve footpaths, bike paths, and public transport.
- **Tourism and Revenue:** Implement a federal tourism tax, raise revenue through paid parking, and promote eco-friendly tourism.
- **Environmental and Waste Management:** Introduce green bins, expand green waste recycling, and protect native flora and fauna.
- **Public Services and Amenities:** Enhance parks, libraries, beach access, and maintain pools and parks. Improve hospital services and support volunteer fire brigades.
- **Governance and Transparency:** Reduce staff costs, [REDACTED] and publish structural review documents in full.

## All feedback

- One track for all signage with Aboriginal history.
- Redevelop caravan parks into local communities – modernise main streets.
- Education on our local history good and bad.
- Tourism tax at federal level.
- Raise revenue for tourism – paid parking at key sites.
- Eco-destination tourism with eco –friendly accomodation facilities.
- Hanging baskets of petunias in front of each shop.
- Do not allow building over three storeys.
- Bring back big Christmas Santa on shops.
- Green bins.
- Green waste recycling (compost).
- Extend waste to other services i.e. cut out Xmas parks.
- Green waste.
- Find a partnership model to make entertainment centre viable with reduced subsidy to retain it cultural value.
- A larger group fitness room in the Bay and Basin Leisure Centre.
- Transparency publish structures review docs in full.
- Parks/beach parks “BBQ” dog parks.
- Maintain/increase library funding and include program funds to increase activity
- A proper marina.
- Enforcing developers to make projects user friendly walkways parks, including leisure areas.
- Greater effort in management control subdivision planning and their future costs – footpaths.
- Reliable frequent public transport to and from Ulladulla.
- Bike paths and footpaths.
- Public transport.
- A more “holistic” approach to fixing roads – there is so much waste of money to many Band-Aids.
- All bike paths connected.
- Better management of contract letting to road construction.
- Just fix our wrecked potholes ridden roads.
- Boardwalks at beaches that are more accessible in areas where beach access is not suitable to all.
- Pools and parks are essential components of a successful community.
- Revenue, big rates hit for Air BnB and similar rentals to raise money and free up rentals.
- Good drains throughout.
- Bypass.
- Well-designed urban areas that connect people and promote health and well being.
- Back to basics, fix the roads and run general funds with surplus. Reduce staff costs.
- Decent roads.
- Proper reconstruction of council roads to reduce future road maintenance (e.g. potholes) expenses.
- Regular shuttle bus services b/w, BP, Termeil, Kioloa and Ulladulla.
- Maintain roads.
- Make roads resilient to excessive storms. Spot repairs wasteful of time and money and unsafe.
- Depot civil works as a service.
- A footpath resides each road.
- Better roads and verge and footpaths.

- Every community over 300 residents when isolated has a community centre safe space.
- Get rid of all cats.
- Council workers' pay rise.
- Partner with indigenous orgs to promote cultural tourism.
- Increase supply of affordable housing e.g. Through urban infill and developing already cleared land.
- Better hospital services
- Public transport in Ulladulla. Pertained esplanades screeds
- Improve transport options and frequency for the elder community
- Community land in donations – rest areas and walking tracks etc.
- Sustainable development build on our beautiful environment to sell our benefits – don't destroy.
- Assistance and counsel about minor DA matters.
- More smaller packages of work maintained regularly so overall asset does not get negated e.g. bush walk – repair parts regular.
- Have appropriate vegetation on coast bio the coastal dune mgt moment.
- Visible, public messaging about managing dogs and cats in local government to protect bush wildlife.
- Better beach access.
- Stop vanity project from councillors.
- Protect native flora and fauna.
- Entertainment centre - sold re development in hotels / housing high rise concrete telecom/water towers with artwork murals.
- A playground in Ulladulla like Berry.
- More dog parks and more times access to beaches for dogs.
- More off lead areas at other beaches.
- Fairer distribution of resources – some areas seem to be getting more funding.
- Strong financial support for local volunteer fire brigades.
- More off-leash access to beaches and parks.
- National quality programs – such a benefit to our community we should look for a model to keep this.
- The entertainment centre is hugely valuable. It seems we can't afford it at the current rate of loss but the high-quality program last year I saw were wonderful.
- I have not put a green dot on cleaning of amenities, but it is so important
- SCC to be example of excellence – largest employer – group training – sell staff capacity and make money.
- Residents accept paying higher rates for useful services.
- More financial and strategic expertise.
- Council maintains the council owned grounds of the Bawley fire facilities.
- Workforce job share, skill share.
- Sell land at current price – one block into three - Milton
- Reduces staff costs by >\$10m pa to recover the \$35m PA shortfall immediately.

*Q: What Council services do you most and least value (three votes for value and three votes for least value)*

Service	Value	Least Value
Aquatics and Leisure	7	
Arts, Culture and Entertainment	1	



• Ulladulla Civic Centre	6	
• Shoalhaven Entertainment Centre		8
• Regional Art Gallery		1
Bereavement Services	1	13
• Cremation		3
• Chapel services		5
Business investment and attraction	3	
Business support and advocacy		2
Communications, Media & Marketing, Community Engagement		
• Community Engagement		3
• Media/Marketing		1
Community connections		
• Family Day Care	1	6
• Community Consultative Bodies and Advisory committees	1	2
Community grants	4	
Customer Service	2	
Event Support		1
Libraries	7	
Natural Areas Management including Bushcare	2	1
Public Amenities cleaning	1	
Sports fields and parks	8	
Sustainability education	1	1
Tourist parks	4	1
Visitors Services	1	1

*Q: Reducing the cost associated with running Council*

### **Key themes**

- **Administration:** Place the council under administration for 3 years to improve governance.
- **Cost Efficiency:** Reduce staff costs by over \$10 million annually and sell off non-essential assets.

- **Community Engagement:** Implement systems for community data collection to reduce staff workload.
- **Project Management:** Stop funding non-strategic projects and limit conference expenses.
- **Service Optimisation:** Review and optimize all assets and services for better efficiency and revenue.

### Overall feedback

- Put council into administration for 3 years.
- Create systems that engage and get the community to data fill not council staff.
- Sell off work cars.
- Leave out free hold interest in recreation, tourism, and infrastructures assets.
- Staff management more effective staff – better value for money.
- Review total assets and systems for useability and efficiency.
- Bring traffic management in house partner with RTO hire trained staff out to Tafe NSW.
- Quantitatively optimise revenue of assets.
- Reduce staff costs by > \$10m pa commences 2025-26.
- Stop funding “pet” projects from councillors – should fit strategic plan.
- Contract out public works and maintenance of infrastructure – do not use inhouse staff.
- Increase commercial rates to average of comparable council.
- Fewer conferences – only one person at a time.
- Disagree with paid parking.
- Optimise management.
- Restructure ensuring correct people fill the roles.
- Put \$15k limit on councillor/mayor conference reimbursement.
- Do not waste money buying contracted services. Do everything possible in-house.
- Before contracting services, do full cost analysis including in-house capably loss.
- Close entertainment centre – create a heritage use – losses too high.
- Headcount and restructure.
- Dynamically assess levels of public demand for services and allocate personnel accordingly.
- Sell off all land.
- Leave liability – reduce.
- Procurement review.
- Productivity improvements.
- Business preference review – parks.
- Service review to efficiency.
- Transparency on payout to the former CEO.
- Internal team maintenace – what are we doing that [REDACTED]

Q: Please select which rate option Council should consider for 2025-26

Base Case – no increase above the rate peg (3.8%)	11 votes
Option 1 – 8% (including the rate peg of 3.8%)	3 votes
Option 2 – 12% (including the rate peg of 3.8%)	3 votes



## Appendix C – Examples of self-initiated questions and responses provided

Can you advise if the SRV component of the two options for rate increase is permanent or for one year only as the wording in report is vague and could be read either way.

### **Response:**

Please find below response to your question which has been taken from the Frequently Asked Questions section of the Proposed Special Rate Variation 2024 Get Involved page on Council's website.

#### **If it goes ahead, for how long would the SRV apply?**

The application would be for a permanent one-year increase of either the 8% or 12% increases, both inclusive of the 3.8% rate peg. Future annual increases would apply additionally in future years.

For further information regarding the proposed Special Rate Variation, I have attached the link to the Get Involved page.

<https://getinvolved.shoalhaven.nsw.gov.au/hub-page/proposed-special-rate-variation>

Enquiry provided to staff on behalf of resident:

"His concern like for many was related to the cost of living and adding the rate rise would exacerbate this issue. He wanted to see if there was consideration for those on pension cards or low income to be exempt or subject to a lower increase. I was hoping you may be able to provide some information (or forward to the appropriate staff member) around the ability or not to exempt some households?"

### **Response:**

It is important for Councillors to note that approximately 20% of ratepayers in the Shoalhaven are pensioners. The draft 10-year Long Term Financial Plan models have been built based on the 8% and 12% SRV scenarios as an increase across all ratable properties. If a larger SRV was to be considered by Council, it could be feasible to minimise the increase on pensioners and shift the burden to the remaining 80% of ratepayers.

The NSW annual maximum \$250 pensioner concession applies to annual rates and domestic waste charges for eligible pensioners and a further maximum of \$175 is available to eligible pensioners on sewer and water charges. The NSW maximum rebate is co-funded between the NSW Government and councils, with the state reimbursing councils 55c in every dollar of rebate provided, leaving councils to fund the remaining 45 cents in every rebate dollar. In 2023-24 it cost Council \$2.1 million to meet this longstanding co-funding arrangement. Council has advocated strongly in the past for the state maximum pensioner concession amount to be increased (from the maximum \$250 per year), and that any future increase be fully met by other levels of government.

Council's approach to debt management is empathetic towards pensioners, in that flexible payment arrangements are welcomed outside of the regular quarterly payment schedule, and debt recovery action is not currently pursued against pensioners as per Council's Debt

Recovery and Financial Hardship Policy. Ratepayers who hold a pensioner concession card and meet the criteria may be eligible for a reduction on their rates. More details on our website at [Pensioner Concession | Shoalhaven City Council \(nsw.gov.au\)](https://www.shoalhaven.nsw.gov.au/pensioner-concession) (External link).

### What if I can't afford the rate increase?

Council recognises that some ratepayers may experience financial difficulties in meeting their rate commitments on time.

A ratepayer at any time may make an arrangement to pay off their outstanding accounts by regular payments outside of the quarterly instalment schedule, subject to the following guidelines:

- All agreements must be in writing and signed
- The amount and frequency of the payments under the agreement are to be acceptable to Council
- Agreements should, where possible, seek to have the outstanding rates and annual charges cleared by the end of the current financial year
- Current rates and charges are to be paid when they fall due in addition to the arrangement plan where possible
- All arrangements are in accordance with Council policy and will be reviewed on regular basis

Council's Debt Recovery and Financial Hardship Policy, provides the process and criteria for consideration in cases of genuine financial hardship.

To apply for [An agreement to pay rates and charges](#) (External link), simply complete the application and [return it to Council](#)

Hi SCC, could you please provide a table covering each of the last 10 rating years that lists the IPART rate peg figure for each year, and the actual Shoalhaven rate rise in that year. I am interested in both the residential rate, the commercial rate, and the agricultural land rate.

### Response:

Below is a table with the last 10 rating years of information that shows the rate pegs for each of those years. Each time these increases were applied, they were distributed across all our rating categories, such as business, farmland and residential.

Annual Rate Pegs & SRV Percentages

	2018-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Rate Peg*	3.40%	2.30%	2.40%	1.80%	1.50%	2.30%	2.70%	2.65%	2.00%	1.70%	4.85%	4.50%
Special Variation (inc. rate peg)	8.00%		3.89%		13.20%	17.10%	5.00%	5.00%				
Actual increase	8.00%	2.30%	3.89%	1.80%	13.20%	17.10%	5.00%	2.65%	2.00%	4.5%	4.85%	4.50%
Comment	A permanent SRV was approved in this year. SRV was for infrastructure renewal.	Rate peg applied	Approved temporary SRV for 10 years. Used to fund infrastructure at Jarberna Estate, paid by relevant ratepayers.	Rate peg applied	A one-off (non permanent) SRV was approved in this year. SRV was for infrastructure renewal.	A permanent 3 year SRV was approved in this year. SRV was for infrastructure renewal.	This is year 2 of the approved SRV	Due to COVID-19 pandemic, Council resolved to not apply the approved SRV and instead, only applied the rate peg	Rate peg applied	Due to COVID-19 pandemic, Shoalhaven City Council did not take up its approved SRV in 2020/21 and increased rates by the 4.0% (rate peg only). Council resolved for 2022/23 to take up the SRV catch-up by increasing rates by 4.53% (1.7% rate peg plus 2.83% SRV catch up)	Rate peg applied	Rate peg applied

We have also included a table comparing Shoalhaven City Council average residential rates to its comparable OLG Group 5 Council's and Kiama Municipality Council.

Rates history comparable table - Residential average

Year	Shoalhaven (5)	Kiama (4)	Wollongong (5)	Shellharbour (5)	Tweed (5)	Coffs Harbour (5)	Lake Macquarie (5)	Maitland (5)	Mid Coast (5)	Newcastle (5)	Port Macquarie-Hastings (5)	Port Stephens (5)	Average	SDC average v. Group 5 average
2022-23	1,375.45	1,731.20	1,601.17	1,628.92	1,572.85	1,325.67	1,552.80	1,783.18	1,425.62	1,641.01	1,252.9	1,358.33	1,527.44	-126.88
2021-22	1,316.38	1,883.95	1,591.46	1,610.00	1,528.37	1,294.88	1,515.21	1,731.76	1,327.14	1,603.81	1,219.73	1,110.26	1,487.37	-150.99
2020-21	1,280.35	not provided	1,526.25	1,565.96	1,475.69	1,275.85	1,483.61	1,678.96	1,317.73	1,597.33	1,297.83	1,061.80	1,425.08	-132.93
2019-20	1,282.23	1,558.50	1,504.12	1,543.52	1,442.92	1,280.81	1,452.15	1,532.78	1,321.34	1,565.95	1,208.35	1,067.24	1,398.52	-134.39
2018-19	1,201.70	1,484.24	1,488.86	1,462.78	1,408.82	1,257.19	1,380.71	1,459.94	1,252.73	1,433.23	1,174.31	1,039.58	1,338.42	-134.72
2017-18	1,105.12	1,382.25	1,399.45	1,411.80	1,330.78	1,187.22	1,320.75	n/a	1,328.31	1,300.09	1,089.23	989.05	1,257.75	-151.63
2016-17	954.91	1,345.22	1,367.53	1,410.33	1,313.14	1,129.89	1,257.14	1,224.38	n/a	1,218.01	1,074.84	958.35	1,207.18	-242.25
2015-16	933.88	1,341.54	1,282.93	1,288.54	1,273.95	1,070.31	1,194.26	1,130.84	n/a	1,128.16	1,058.73	846.37	1,124.05	-160.77
2014-15	902.01	1,304.30	1,201.07	1,184.22	1,231.46	985.43	1,130.00	1,055.71	n/a	1,050.80	1,044.04	925.31	1,030.47	-188.46
2013-14	871.00	1,277.87	1,198.55	1,053.27	1,106.44	925.77	1,083.59	980.28	n/a	1,008.64	1,024.22	908.58	1,041.21	-182.21
2012-13	803.25	1,223.10	1,077.96	978.14	1,187.28	837.67	997.31	933.12	n/a	973.40	988.14	883.33	982.22	-185.03

Information regarding average residential, business and farmland rates is available through the Office of Local Government website.

Storm water infrastructure is the biggest cost to replace or repair, how do you know how much is damaged in the drainage system if council does not know where it all is? How do you put a cost on something underground what you cannot see how badly damaged it is? I would say you would need about 150 million to repair what is in the ground, which is passed its used by date of 50 years! So, the rate variation will do nothing to improve the sustainability of council?

### **Response:**

Management of Council's stormwater infrastructure is another significant challenge we face, with pockets of ageing pits and pipes spread across the LGA. While our current focus is on addressing the poor condition of the much more visible road assets, our engineers are also seeking out opportunities to improve our understanding of the condition of the stormwater network and manage those risks as best as possible as they present. This is a serious concern for us, as we have recent first-hand experience of the difficulties in repairing failed stormwater pipelines.

Council is currently preparing an inspection camera program for parts of its stormwater network, commencing this financial year, which will initiate the proactive collection of stormwater infrastructure information targeting high risk areas based on age, soil type, pipe joint type and proximity to known failures. The addition of funds via an SRV can only help to increase our capacity to undertake this inspection work and the repairs and renewals that are expected to follow in the years to come.

Can you please advise why the council is in this negative financial position?

### **Response:**

Many factors have contributed to making Council's financial position unsustainable.

- The impacts of consecutive natural disasters and the COVID pandemic during the last five years has significantly depleted revenue and increased operational costs. The net cost of the disasters, including subsidies and waivers on fees and charges, reduced the unrestricted cash position by \$14.6 million.
- Rising cost of materials, labour and contractors.
- Increased expense of interest rates to loan borrowings.
- Sustained lower than average residential and business rates.
- Rate Pegging – the NSW Government restricts how much councils can typically increase rates by, and in recent years rate rises haven't kept up with inflation.
- Millions in grant funded improvements post fires and floods means we need to put more away each year to save for maintenance and renewal – depreciation costs.

- Community expectations are that maintenance and replacement of assets like roads, bridges and community facilities should be improved on current levels, requiring greater investment.
- Cost shifting by state and federal government forcing council to assume responsibility for infrastructure, services and regulatory functions without providing sufficient supporting funding.

Hi Council

I received an invitation to this workshop. Thank you. I must admit, I've looked at the title of the workshop several times and still can't make sense of it. Does it mean council plans to reduce our rates and subsequently cut costs? Or just cut costs?

[REDACTED]

I won't be able to make the workshop but suspect that, if I could attend, I'd come away frustrated. I've been to too many meetings and consultations to not be cynical. It will not be possible to both cut costs and improve efficiency, so the agenda is impossible to start with.

**Response:**

The participation workshops are part of the proposed 2024 Special Rate Variation community engagement activities. The workshops are structured to enable the community to collaborate and provide feedback across the following topics:

- Ideas and feedback on our approach to reducing costs associated with running Council
- Ideas and feedback on current initiatives to improve Council's productivity
- What Council services do you value?
- What do you want more of?

A Special Rate Variation is one action required to reduce Council's structural deficit, however, to improve Council's financial sustainability in the long term, we need to take a number of actions, including reducing costs, increasing revenue and improving our business performance and processes.

So far this year, we have achieved \$3.2 million in cost savings through a range of revenue generation and workforce initiatives including cuts to overtime, adjustments to fees and charges, reduced recruitment, budget control measures and changes to operating hours of services and facilities.

You can find more information about the proposed Special Rate Variation at our get involved page <https://getinvolved.shoalhaven.nsw.gov.au/hub-page/proposed-special-rate-variation> or read more about the actions Council is taking to improve financial sustainability <https://www.shoalhaven.nsw.gov.au/Council/What-guides-us/Plans-for-the-future/Financial-sustainability>

Transparency concerns - Council's Audited Financial Statements for 2023/24 financial year have not been published.

**Response:**

Thank you for your correspondence addressed to the Mayor.

Council's audited Financial Statements for 2023/24 are available on our website – you can view them here [Financial statements | Shoalhaven City Council](#)

For further information on the [Proposed Special Rate Variation 2024](#) visit the Get Involved page on Council's website.

Why does it cost \$9m out of \$40million (Road works) to request a tender? (Why not use contractors like ██████████ to do the work?). How could it possibly cost 20 million to refurb the old Nowra bridge and take years?

What do all the office staff do with their time? (Didn't the council have a freeze on employment when the 100 or so new employees were appointed?)

What do Rangers do?

I see people in the park near the boat ramp with old cars, trailer and rubbish. No one can use one of the BBQ areas because of a set up camp. There is also a bus parked on the grass near the road that has been there for months. The grass is growing up under it.

Who Supervises the road crew and the parks and garden crew? Do the supervisors do spot checks? Do they work to KPI's? People sitting around

I see the crews all the time, sitting in their trucks, or standing around talking. Why does it take 5 or 6 people or more to trim the sides of roads?

Is this new council going to be accountable for all the money they spend? Is there any value for money appraisal done after works completed?

Will the council meet KPI's?

**Response:**

*1. Why does it cost \$9m out of \$40million (Road works) to request a tender?*

The management of a tender process is a very low-cost element of delivering a project, even for projects as large as the \$40 million Shoalhaven Roads Package. Any public realm information indicating allocations of millions of dollars for that exercise are unfortunately misleading. To ensure that investment in infrastructure is optimised to achieve the best whole-of-life cost, significant work is done to identify what is needed, what is possible, and what will have to be accounted for before construction works commence. Council has already awarded a tender for a consultant to assist with those activities for the fully Federally funded Shoalhaven Roads Package. A focus of that tender assessment was maximising the proportion of dollars to be invested in construction works.

*2. Why not use contractors like ██████████ to do the work?*

Council has demonstrated its commitment to optimising the input of local contractors through the application of its Local Preference Policy. When procuring contractors, Council abides by Local Government Act legislation and applies selection criteria during tenders that are aimed at identifying the best value for money contractor for the job. All companies who tender for jobs are selected based on weightings against criteria which could include price, experience, methodology, program, environmental management, safety management and quality assurance processes.

3. *How could it possibly cost 20 million to refurb the old Nowra bridge and take years?*

This is a NSW Government project and would need to be directed to them via Transport for NSW.

*I have been on tender evaluation that are for multiple million dollars and it only cost around \$8-10 thousand dollars.*

This appears to be a statement.

4. *What do all the office staff do with their time? (Didn't the council have a freeze on employment when the 100 or so new employees were appointed?)*

In November 2023, Council had 1,103 FTE (Full Time Equivalent) positions. With the new CEO in place, the headcount has dropped to 1,078 FTE in November 2024. This includes the 217 FTE employed by Shoalhaven Water, leaving 861 FTE being paid from Council's General Fund.

The process of recruitment is being strategically managed by Council's Executive Management Team (EMT) to determine the urgency and necessity of filling vacant positions and extend vacancies wherever possible to reduce wages costs.

As a result of this process, there is a notable decrease in the number of roles being advertised.

For example, from 1 February to 30 August 2023, 185 vacancies were advertised while from 1 February to 30 August 2024, 106 vacancies were advertised. This represents a 43% reduction in recruitment in 2024 compared with the same period last year.

There are a number of roles that Council is legally required to provide under NSW Government legislation that must be fulfilled as well as those needed to meet the expected services.

The workforce can change to meet adjustments to its service levels, (e.g. operating hours of administrative services, libraries, swimming pools and maintenance of parks, roads and facilities), however any changes are a decision of Councillors.

At any given time, Council has anywhere between 30 and 60 positions vacant as a result of resignations, retirement and maternity leave positions. Since November 2023, advertising and filling these positions have been delayed where possible.

5. *What do Rangers do?*

You can find information on what Rangers do including links to more information here -

<https://www.shoalhaven.nsw.gov.au/Council/Contact-us/Our-teams/Ranger-Services>

6. *I see people in the park near the boat ramp with old cars, trailer and rubbish. No one can use one of the BBQ areas because of a set up camp. There is also a bus parked on the grass near the road that has been there for months. The grass is growing up under it.*

You are welcome to lodge a 'Parking and vehicle complaint' via the link

<https://www.shoalhaven.nsw.gov.au/Services-and-requests-A-Z/Report-request-or-provide-feedback>

7. *Who Supervises the road crew and the parks and garden crew? Do the supervisors do spot checks? Do they work to KPI's? People sitting around*

8. *I see the crews all the time, sitting in their trucks, or standing around talking. Why does it take 5 or 6 people or more to trim the sides of roads?*



Please lodge a complaint or provide feedback via this link [Report, request or provide feedback | Shoalhaven City Council](#)

9. *Is this new council going to be accountable for all the money they spend? Is there any value for money appraisal done after works completed?*
10. *Will the council meet KPI's?*

Council reports on its KPIs every quarter along with an annual report. This is published on our website. <https://www.shoalhaven.nsw.gov.au/Council/Reports/Annual-report>  
Council also publishes annual financial statements on our website [Financial statements | Shoalhaven City Council](#)

To Shoalhaven Council,  
Thank you for your email.

I cannot comment on the proposal without knowing what the baseline budget is. This council appears to be going the right way, but without seeing where expenditure is being spent on real issues, I cannot suppose an increase.

**Response:**

Thank you for your question about Council's annual budget in connection with the current proposed special variation consultation.

Council's in NSW budget annually as part of the Integrated Planning and Reporting Framework, which includes a suite of strategic documents including the Delivery Program and annual Operational Plan, and the Long Term Financial Plan (as part of the Resourcing Strategy).

The Delivery Program and annual Operational Plan (DPOP) sets out Council's annual Budget (expected revenues and planned expenditure), Revenue Policy (annual Rates & Charges) and Fees & Charges for Council. This document is drafted around April each year ahead of a 28-day public exhibition (usually May), before being adopted by Council in late June, ready for the new financial year on 1 July.

Our current consultation on a proposed special variation also includes a consultation on our draft Resourcing Strategy which includes our Draft Long Term Financial Plan (LTFP). This is a key document in relation to Council's budgeting process.

Please consider these documents ahead of taking the time to submit your survey feedback. [reference to DPOP and draft LTFP were hyperlinked]

Dear Council,

Thank you for this information.

To provide constructive feedback, I'd need to see a detailed breakdown of how council's budget is spent. Where can I find this information?

**Response:**

Thank you for your question about Council's annual budget in connection with the current proposed special variation consultation.

Council's in NSW budget annually as part of the Integrated Planning and Reporting Framework, which includes a suite of strategic documents including the Delivery Program and annual Operational Plan, and the Long Term Financial Plan (as part of the Resourcing Strategy).

The Delivery Program and annual Operational Plan (DPOP) sets out Council's annual Budget (expected revenues and planned expenditure), Revenue Policy (annual Rates & Charges) and Fees & Charges for Council. This document is drafted around April each year ahead of a 28-day public exhibition (usually May), before being adopted by Council in late June, ready for the new financial year on 1 July.

Our current consultation on a proposed special variation also includes a consultation on our draft Resourcing Strategy which includes our Draft Long Term Financial Plan (LTFP). This is a key document in relation to Council's budgeting process.

Please consider these documents ahead of taking the time to submit your survey feedback. [reference to DPOP and draft LTFP were hyperlinked]

Do the proposed % increases (3.5, 8, 12) apply to the Residential Base Rate (RBR) as well as to the Ad Valorem Rate (AVR)? This is not clear in the rate calculator nor in the FAQs. E.g. my 24/25 rates included \$2,362 AVR and \$760 RBR; applying a 3.8% increase to both gives \$3,241 whereas the rate calculator shows \$3,199. Only a slight difference, but enough for me to request a check on the calculation methodology.

**Response:**

Thank you for your question about how a rate increase is applied, stemming from your use of our special variation calculator tool.

The calculator tool at this stage can only provide a best indication of future rates. Many events occur in the course of a normal rating year that culminate in the final calculation of rates that will be used in the next rating year, including the creation of new properties (from subdivision), consolidation of lots, changes to land values, changes to rating categories, and exemption from rates.

As you are aware Council's in NSW are restricted as to how much they are able to increase rates by each year. This restriction is either the rate-peg or an IPART approved special variation percentage. Councils are externally audited each year after the rates are levied to prove that no further increase was applied above the maximum allowed for that council.

The annual rates and charges are adopted by Council as part of the Delivery Program & Operational Plan (DPOP). At Shoalhaven City Council, the approach to determining the next years rates is to apply the known permissible increase e.g. rate-peg % to the whole rate base, increasing total rates income from last year, by the maximum it can be increased. And from there, ad valorem rates and base amounts are determined for each rating category (Residential, Business, Farmland, and their sub-categories).

Shoalhaven uses a base amount with Residential rates and this base amount is also regulated in that the income from a base amount must not yield any more than 50% of all the income for that rating category (section 500 of the Local Government Act 1993). So to answer your first question, no, the former year base amount is not simply indexed by the rate-peg (nor is the former year's ad valorem amount indexed directly), instead the overall yield is indexed first and then the base amount is determined (up to 50% of the total yield by the total number of properties for the category) and then finally the ad valorem is determined to raise the other 50% of total yield for the Residential category. The ad valorem (cents in dollar) is determined by dividing total Residential land value by the total remaining yield.

As to your second question, the comparison you have made to your Residential rates levied for this year 2024/25 is correct. The ~\$40 difference you have identified relates to the expiration of an IPART approved temporary special variation that was in place for 10-years (2015-2025),



relating to a special rate for specific infrastructure for a small number of properties. The rules that came with the special variation require that Council's total rates base must reduce by the original amount of the special levy + all the annual increases that Council was allowed during the period of the levy (indexed on that original year 1 amount). And in this case, the reduction to Council's rate base on the last day of this financial year 30 June 2025, will reduce the rates that can be applied to your property next year by ~\$40 before Council can levy next year's rates. You will not see this reduction as a line on any future rate notice because it will be accounted for in next year's increase, and you've observed it in your estimates now as we ensured it was built into our special variation calculator tool.

Essentially, the expiring special variation means that the rates increase options of 3.8%, 8%, and 12% for next year, are more like 2.31%, 6.51% and 10.51% for Residential ratepayers.

All Residential ratepayers will receive this benefit relative to their land value, \$19.52 is the average estimate per property, prior to the new rate levy for 2025/26. We have mentioned this on the calculator page.

I trust this information provides the clarity you are after.

You stated in your proposed rates letter that council as a short fall of 35 million dollars, now if we chose to take the 12% option an increase of \$3.46 a week

That will not cover the short fall, an increase of \$20 a week is needed, (approx.) .

Can you please explain way there is a short fall , also can you please supply a list of donations that council as given to organizations including all green projects

Council as increase rates now ... ( I think ) for the last 2or 3 years if council increasers again this year can we expect a reprieve for the next 2 years

I thank you for reading this email and await your response

**Response:**

Thank you for your recent queries regarding Council's proposed Special Rate Variations.

Please find attached a copy of the Council report from 5 November which outlines reasons behind the financial pressures on the General Fund and the underlying structural deficit of \$25-35 million. At this time, using the data available to Council, an SRV of 29.5% would be required to achieve an 85% renewal spend, and achieve operational surplus from 2027 onwards. However, this scenario would do little to address the significant infrastructure backlog Council faces. Due to extensive community feedback, Council is considering a more modest increase in general rate revenue – the 8% and 12% options.

In regard to donations, these are reported annually through [Council's Annual Reports](#) (Section 2).

Included below are the listings of the last 2 years of donations.

*(copy of 2023-24, 2022-23 Donations from annual reports provided)*

Could you please advise the Council staffing budget as a percentage of the total Council budget for this financial year and the previous financial year.

**Response:**

As reported in Councils audited financial statements for 30 June 2024, Councils employee expenses as a % of total expenditure was reported as follows:

FY2024

Employee Costs \$115.6M  
Total Expenses \$352M  
32.8%

FY2023  
Employee Costs \$112.7M  
Total Expenses \$345M  
32.6%

The original budget adopted for FY2025 (included in Council's Delivery Plan Operation Plan) includes the following:

Employee Costs \$127.7M  
Total Expenses \$363.8M  
35.1%

Whilst the budget is 35.1%, actual employee costs as a % of total expenditure is estimated to be around 32-33%. Council's reported that YTD salaries were \$2m behind budget at 30 September 2024 (included in the Quarterly Budget Review). This is due to the recruitment freeze that is currently in place.

Whatever explanations Council provides to ratepayers as to the reasons for proposed rates increases, such increases will happen regardless of feedback from the circular posted out.

My main concern as one who lives and owns property in the shadow of the proposed multi-story car park at the corner of Worrigea and Berry streets, is the fact that this ridiculously oversized structure is still 'on the table' so to speak. At last estimation, the cost would be in the vicinity of \$23 million plus.

How can such obscene expenditure be justified when council has found itself in such dire straits financially now and well into the future and expecting we ratepayers already suffering under cost of living stresses to agree to such rate rises regardless of Council's continuing desire to allow this structure to be built. I wonder where Council will find such gargantuan funding with the prospect of the building not generating any income as witnessed with the hospital carpark being relegated to free parking, the 'white elephant' it was when parking was initially charged.

I would like to see a clear undertaking that the MSCP is to be abandoned considering the abominable financial position Council now finds itself in and going forward and with no sign of alleviation to this distressing situation whatsoever.

I would appreciate a response to this alarming matter which I have now raised in this email.

**Response:**

While the Nowra CBD Multideck Carpark was earmarked in a previous 10-year Capital Works Program, Council has not budgeted for the construction of this carpark and does not intend to allocate funding to it in the short term.

However, the project does remain a resolution of the Council and any future funding for its development beyond what has been collected through the Contributions Plan for Nowra CBD, would be sought through grant funding.

Will any staff be retrenched to reduce the Council liabilities? Particularly any of the newly employed ones from the last few years?

**Response:**

An executive level restructure was completed in November that reduced the number of Directorates from 6 to 4, and 20 positions were disestablished. Under the financial sustainability program, we are reviewing services and Council priorities that may result in further refinements to the organisation's resourcing.

## Appendix D – Communications and Engagement Implementation Plan

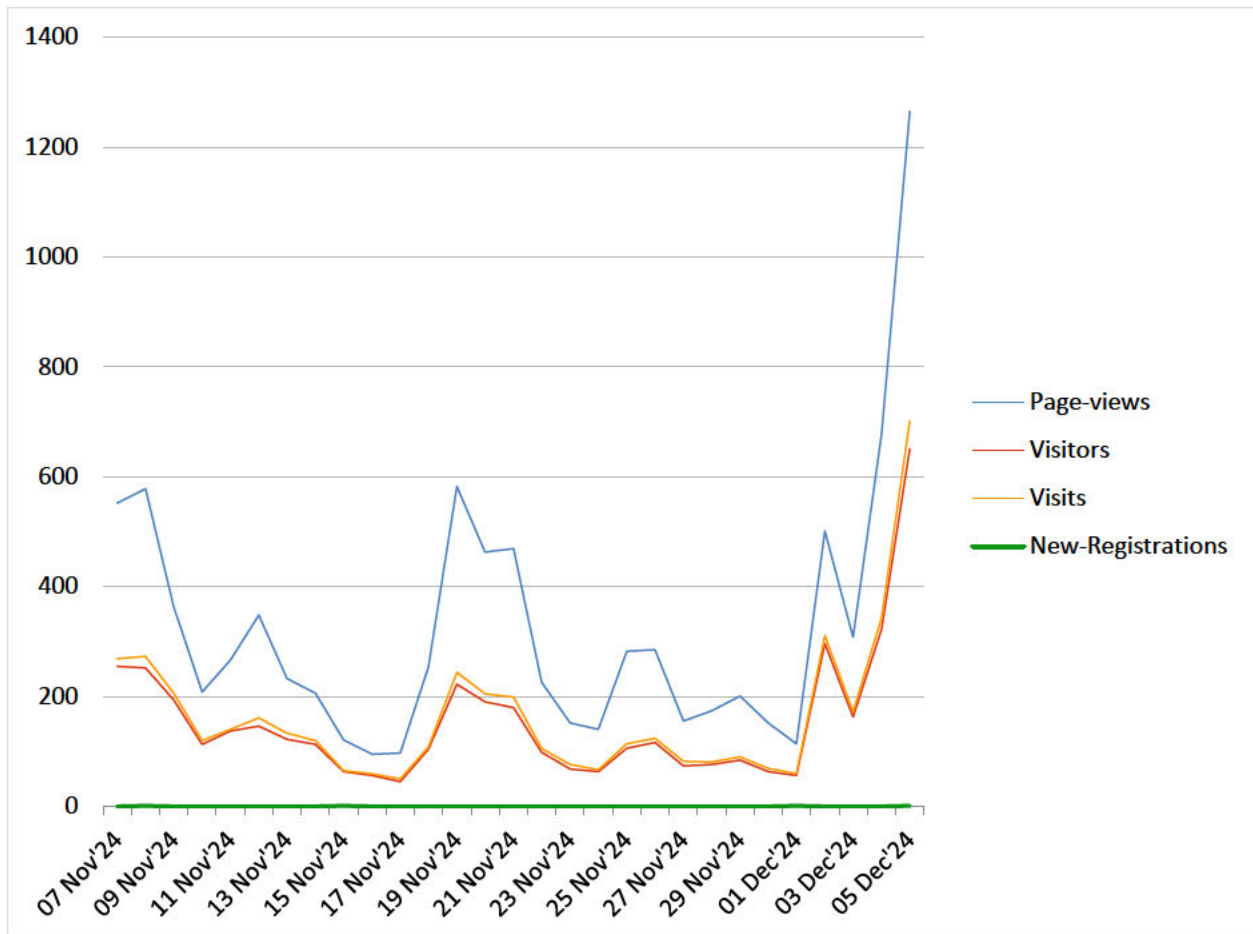
DATE	CHANNEL	AUDIENCE	DETAILS
31 October	Website	Community	Council meeting Business Paper published on website.
	Media Release	Journalists	Announce details of the report to Council and outlining proposed options for SRV to be considered by Council.
6 November	CEO Chat	Staff	CEO and CFO provide overview of decision of Council, SRV proposals and financial sustainability initiatives.
	Media Release	Journalists	Announcement of Report going to Council
7 November	Website – Get Involved	Community	Survey information and LTFP documents - exhibition
	Media release	Journalists	Promote outcome of Council meeting and opportunity for community feedback
	Email	All staff	Information about outcome of meeting and next steps
	DL Flyers	Community	Provide to staff at libraries, recreation facilities, outdoor staff.
	Social media	Community	Promote consultation of SRV.
	Digital screens	Community	Promote consultation of SRV.
	Email	CCBs.	Provide information and links to Get Involved page
10 November	Social Media	Community	Promote Ulladulla Wharf Pop-up Kiosk
	Pop-up Kiosk	Community	Pop-up Kiosk at Ulladulla Wharf – 9am to midday. Field questions, take enquiries, promote engagement and encourage participation.
11 - 30 November	In person	Staff	Director Town Halls: Directors host a townhall meeting to provide staff with more information about the SRV
12-26 November	Radio	Community	Advertisement promoting people have their say about proposed SRV options.

13 November	In person workshop	Community	Nowra – World Café style engagement – Invite constructive participation and generate ideas to address Council’s financial position. Answer questions – help decide where funding needs to go or what doesn’t proceed if no SRV.
14 November	Social media	Community	Promote Ulladulla Leisure Centre Pop-up Kiosk.
	Pop-Up Kiosk	Community	Pop-up Kiosk at Ulladulla Leisure Centre 10am to 11am. Field questions, take enquiries, promote engagement and encourage participation.
18 November	Social media	Community	Promote Nowra Centre Plaza Pop-up Kiosk.
	Pop-Up Kiosk	Community	Pop-up Kiosk at Nowra Centre Plaza 10am to 12pm. Field questions, take enquiries, promote engagement and encourage participation.
20 November	In person workshop	Community	Ulladulla – World Café style engagement – Invite constructive participation and generate ideas to address Council’s financial position. Answer questions – help decide where funding needs to go or what doesn’t proceed if no SRV.
21 November	Social media	Community	Promote Bay and Basin Leisure Centre Pop-up Kiosk.
	Pop-up Kiosk	Community	Pop-up Kiosk at Bay and Basin Leisure Centre 10am to 11am. Field questions, take enquiries, promote engagement and encourage participation.
23 November	Social media	Community	Promote Nowra Showground Pop-up Kiosk.
	Pop-up Kiosk	Community	Pop-up Kiosk at Nowra Showground 8am to 1pm. Field questions, take enquiries, promote

			engagement and encourage participation.
24 November	Social media	Community	Promote Berry Markets Pop-up Kiosk.
	Pop-up Kiosk	Community	Pop-up Kiosk at Berry Markets 9am to 1pm. Field questions, take enquiries, promote engagement and encourage participation.
27 November	In person	CCBs	Presentation by directors to CCBs at Executive Meeting.
18 December	Media release	Journalists	Decision of Council

## Appendix E - Get Involved Shoalhaven page statistics

### Proposed Special Rate Variation 2024 Get Involved website visitors



### Engaged participants

Engaged participants – 1,967			
Engaged actions performed	Registered	Unverified	Anonymous
Participated in Surveys	154		1803
Asked Questions	3	7	

### Informed participants summary

Informed participants – 2,315	
Informed actions performed	Participants
Viewed a photo	128
Downloaded a document	64
Visited multiple project pages	416
Contributed to a tool (engaged)	1,967

*Informed participants summary*

Aware participants – 3,880	
Aware actions performed	Participants
Visited at least one page	3,880



## Appendix F – Communications and promotional materials



Address all correspondence to: The Chief Executive Officer,  
PO Box 42, Nowra NSW 2541 Australia  
[shoalhaven.nsw.gov.au/contact](http://shoalhaven.nsw.gov.au/contact) | 1300 293 111

[shoalhaven.nsw.gov.au](http://shoalhaven.nsw.gov.au)

Letter to  
ratepayers  
from the Mayor

Dear XXXX

RE: Have your say - Proposed rates increase

We are inviting you to provide feedback about proposed Special Rate Variation options under consideration by Council for next financial year, 2025-26.

Since receiving the findings of an independent review of Council's finances in November 2023 outlining that there is an annual shortfall in the General Fund of up to \$35 million, we have embarked on a number of initiatives to reduce costs and increase revenue where possible. So far, this has provided \$3.2 million in cost savings through a range of workforce initiatives such as cuts to overtime, reduced recruitment, budget control measures and changes to operating hours of services and facilities. Council is committed to doing more and will produce \$10 million efficiency measures by 2029.

While this is a significant amount, it's not enough to cover the costs to renew our roads, buildings, footpaths and other infrastructure across the city, as well as maintain our parks, sports fields, facilities and provide the ongoing services our communities need now and in the future.

Currently, we're conducting a thorough condition assessment of our roads and community buildings to understand the true cost of renewal. This information will be used to develop an evidence-based analysis of the amount of money required to address our infrastructure backlog during the next 10 years and beyond.

While this data is being gathered, an increase to income is needed to provide some additional funding to repair our roads and put some money in the bank, which is why a special variation to property rates for next financial year 2025-26, is being proposed. Once we have all the information next year, further conversations will be had with the elected Council about what's needed to invest in our assets, for the long term.

#### **Special Rate Variation options:**

- 8% including Rate Peg. Would provide \$2.2 million in savings (unrestricted cash) by 30 June 2026 and \$10.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with possible decrease to some services to achieve \$10 million efficiency target.
- 12% including Rate Peg. Would provide \$4 million in savings (unrestricted cash) as at end 30 June 2026 and \$12.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with possible decrease to some services to achieve \$10 million efficiency target.

#### **No special variation to rates:**

- 3.8% Rate Peg only. Would provide \$2.2 million in savings (unrestricted cash) as at end 30 June 2026 and \$6.79 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with possible decrease to some services to achieve \$10 million efficiency target.

### Proposed rate increase options and costs for average residential properties in 2025-26

Options	Savings (unrestricted cash)	Infrastructure renewal (Capital spend)	Average residential property annual rate 2025-26	Average residential property annual increase compared to 2024-25	Average residential property weekly increase compared to 2024-25
3.5% Rate Peg only (base case)	\$2.2m	\$6.79m	\$1,556.58	\$56.98	\$1.10 per week
8% includes Rate Peg	\$2.2m	\$10.7m	\$1,619.57	\$199.97	\$2.30 per week (\$1.20 above base case)
12% includes Rate Peg	\$4m	\$12.7m	\$1,679.55	\$179.95	\$3.46 per week (\$2.36 above base case)

### Financial actions taken by Council

So far this year, we've saved \$3.2 million in operational efficiency measures, including:

- Review of fleet and plant equipment: Sale of underutilised equipment already underway.
- Initiated land and property sales program: Two properties sold with an additional three currently on the market.
- Changes to operating hours of services and facilities: Reduction in hours of some facilities such as libraries, swimming pools and customer service.
- Increased fees and charges: 7.5% increase adopted as budget parameter.
- Assess recruitment needs: 43% reduction in recruitment against same time last year.
- Increased budget controls: Reduced overtime, leave in lieu, no discretionary spending.
- Proposed restructure of organisation: Would save \$1.6 million, annually.

### Learn more and have your say

Details of the measures and strategic actions that are underway by Council to improve the financial position can be viewed on our Get Involved Shoalhaven website. You can also use the online rates calculator tool to get an estimate of your 2025-26 rates for the proposed rate increase options.

The updated draft Long-Term Financial Plan is on exhibition as part of the suite of Resourcing Strategy 2022-26 documents. Hard copy versions will be available for viewing at Council's Administration centres and Library branches.

You can lodge submissions and provide feedback in the survey about the proposed rate increase options until 5pm Thursday 5 December 2024.

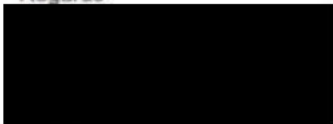
This information is all available on the [www.getinvolved.shoalhaven.nsw.gov.au](http://www.getinvolved.shoalhaven.nsw.gov.au) website.

### Next steps

A report will go to Council for its consideration about proposed rates variations on Tuesday 17 December 2024. If Councillors vote for the rates increase, an application will be lodged with IPART by 3 February 2025.

I strongly encourage you to head to our Get Involved page for in-person consultation times, detailed information and to complete the survey. You can also contact Council by phone on 1300 293 111 and someone can answer your questions.

Regards



Mayor of Shoalhaven City

## Proposed rate variation on agenda

31 October 2024

Proposed options for a special rate variation that would provide some additional funding for infrastructure renewal will be considered by Council at its meeting next week.

Since resolving to address its unsustainable financial position in January, Council has made efficiency savings in the General Fund of \$3.2 million through targeted efforts to increase revenue and minimise expenditure to reduce the annual projected operating deficit of up to \$35 million.

The report details the multiple factors impacting the organisation's current financial position including unbudgeted additional costs associated with COVID, 15 natural disasters during the last five years, sustained lower than average rates and a growing infrastructure maintenance backlog due to lack of investment over the long term.

"We are committed to pulling every lever at our disposal to reduce our costs and increase revenue as an organisation and will absolutely meet our efficiency target of \$10 million over four years," said CEO Robyn Stevens.

"The actions we are taking are comprehensive and while some have provided immediate financial benefit, other more strategic changes will take a slightly longer time to realise," Ms Stevens said.

"Central to enhancing our efficiencies for the long term has been the establishment of a robust project planning process that identifies the full life cycle costs of capital works," she said.

"Equally, we are collecting accurate data on the condition of our roads, buildings and other assets to determine the current and projected cost to address the infrastructure backlog across the city as a matter of priority. This information will then inform discussions next year about the amount of funding needed to repair and renew these assets.

"We have listened to the elected Council and the community and are proposing a small rate variation next financial year that would help to progress with some capital works and perhaps put some money in the bank if needed for future natural disasters."

While financial resources for natural disasters are provided through Disaster Recovery Funding, it requires an opt-in fee capped at approximately \$600,000, or 0.75% of our rating income, per event. Last financial year, Council required \$1.7 million to access the funding for three natural disaster events. The report to Councillors states that without available cash, Council is at considerable risk should another natural disaster occur.

To address its financial position for the short term, two options of 8% and 12% (including rate peg) Special Rate Variations are proposed in the report to Council, to determine if they will be presented to the community for feedback. If endorsed, community consultation would begin next week.

The full report is available on [Council's website](#).

\*\* End \*\*



Social media posts on Facebook

Post 1 – Launch of consultation

Shoalhaven City Council  
7 November at 13:36


Consultation has now started about proposed options for a special variation to rate 26.

So far this year, we've achieved \$3.2 million in efficiency savings and have a target of \$ over the next four years. Income is needed to fix our roads and put some money in the urgent repairs and natural disasters.

The proposed special variation options are 8% increase (including the 3.8% Rate Peg), 12% increase (including the 3.8% Rate Peg).

Both of these scenarios would provide some funding for road repairs, while we complete a comprehensive road condition assessment across the city to know the true cost of renewal for the long term.

Learn more and complete the survey to have your say before 5 December. You can also visit us at a pop-up stall or RSVP to attend a workshop. Details on the website. [bit.ly/3YDxPTF](https://bit.ly/3YDxPTF)



and 48 others 60 comments 26 shares

Like Share

Post 2 – Promotion of workshops

Shoalhaven City Council  
8 November at 10:25

Join us for an engaging in-person workshop

We're thrilled to invite you to our interactive Proposed Special Rate Variation workshop. Share your ideas, contribute to the consultation process, and connect with fellow community members.


We look forward to hearing your suggestions!

Session 1:  
 Nova Administration Building  
 Wednesday, 13 November  
 5:30 PM - 6:30 PM

Session 2:  
 Ulladulla Civic Centre  
 Wednesday, 20 November  
 5:30 PM - 6:30 PM

Register for Nova <https://bit.ly/4ehheda>  
 Register for Ulladulla <https://bit.ly/4fn8NN>

To learn more about the Proposed Special Rate Variation head to our webpage <https://bit.ly/3YDxPTF>



Participation workshops

Join us for an in-person workshop We invite you to an engaging and interact...

Book now

44 13 comments 11 shares

Like Comment Share

### Post 3 – Ulladulla Wharf markets pop-up



### Post 4 – Ulladulla Leisure Centre pop-up



## Post 5 – Nowra Central Plaza pop-up

Shoalhaven City Council  
18 November at 10:24 · 🌐

👉 Come down to the Nowra Centre Plaza this morning to learn more and have your say about the proposed Special Rate Variation options.  
We'll be here from 10am - 12pm.

👉 For other opportunities to speak with staff or to complete the online survey, visit our Get Involved page: <https://bit.ly/3YDaFTF>



👍👍👍 and 25 others  
1 comment · 4 shares  
Like Share

## Post 6 – Bay and Basin Leisure Centre pop-up

Shoalhaven City Council  
21 November at 10:25 · 🌐

👉 Come chat to us this morning about the proposed Special Rate Variation options.  
We're setting up a pop-up information stall at the Bay and Basin Leisure Centre where you can learn more about the proposal and have your say. We're here until 11am!

👉 For other opportunities to speak with staff or to complete the online survey, visit our Get Involved page: <https://bit.ly/3YDaFTF>



👍👍 17  
Like Share

### Post 7 – Nowra showground markets pop-up

Shoalhaven City Council  
23 November at 09:46

👉 Come down to the Nowra Showground this morning to learn more and have your say about the proposed Special Rate Variation options. We'll be here from 8am - 1pm.

👉 For other opportunities to speak with staff or to complete the online survey, visit our Get Involved page <https://bit.ly/3FDxFTF>



27 10 comments 3 shares

Like Comment Share

### Post 8 – Berry markets pop-up

Shoalhaven City Council  
24 November at 10:02

We're at Berry Markets today to share information about the proposed Special Rate Variation options. Pop us a visit if you're in the area and have any questions. We'll do our best to help you.



18 2 shares

Like Comment Share

### Post 9 – Video animation and final push for consultation

Shoalhaven City Council  
2 December at 10:48

Here's a really brief summary Local Government's financial context and some of the local influences on our budget to provide some context to the proposed increase to property rates. There's still time to have your say in the online survey until 5am Thursday 5 December. <https://getinvolved.shoalhaven.nsw.gov.au/proposed...>



VIMEO.COM

Brief summary of key financial factors  
A summary of some of the key factors that contribute to the costs o...

4 4 shares

Like Comment Share



# The bigger picture

## Have your say

Learn more and provide your feedback before  
5pm Thursday 5 December 2024.  
[getinvolved.shoalhaven.nsw.gov.au](http://getinvolved.shoalhaven.nsw.gov.au)



The costs to provide services and renew our roads, public buildings, footpaths and other infrastructure across the city, is far more than the income we receive.

We have a plan to address this in the short and long term, which includes a proposed special variation to rates for the 2025-26 financial year.

## Efficiency measures

We're taking action to improve our financial position through the way we work and what we do. It's through a range of cost cutting measures, strict budget controls and revenue generation that we are on track to save \$10 million over four years.

While this is a significant amount of money, we know that it's not enough to bridge the \$35 million gap between our annual income and costs of providing services for our community and maintaining open spaces, roads, buildings and other infrastructure.

So far this year, we've saved \$3.2 million in operational efficiency measures, including:

- Review of fleet and plant equipment: Sale of underutilised equipment already underway.
- Initiated land and property sales program: Two properties sold with an additional three currently on the market.
- Changes to operating hours of services and facilities: Reduction in hours of some facilities such as libraries, swimming pools and customer service.
- Increased fees and charges: 7.5% increase adopted as budget parameter.
- Assess recruitment needs: 43% reduction in recruitment against same time last year.
- Increased budget controls: Reduced overtime, leave in lieu, no discretionary spending.
- Proposed restructure of organisation: Would save \$1.6 million, annually.

## Addressing our infrastructure backlog

We know that many of our roads and buildings are in poor condition, so we've embarked on a thorough condition assessment to understand the true cost to fix our assets, which will then be factored into financial models for the long term.

Once we have all the information next year, further conversations will be had with the elected Council about what's needed to repair our roads and buildings into the future. While this data is being gathered, an increase to income is needed to provide some additional funding to fix our assets and put some money in the bank, which is why a special variation to property rates for next financial year 2025-26, is being proposed.

## Proposed variation to rates

In addition to the rate peg increase of 3.8%, two other options are being proposed as Special Rate Variations.

### Proposed rate increase options and costs for average residential properties in 2025-26

Options	Savings (unrestricted cash)	Infrastructure renewal (Capital spend)	Average residential property annual rate 2025-26	Average residential property annual increase compared to 2024-25	Average residential property weekly increase compared to 2024-25
3.8% Rate Peg only (base case)	\$2.2m	\$6.79m	\$1,556.58	\$56.98	\$110 per week
8% Includes Rate Peg	\$2.2m	\$10.7m	\$1,619.57	\$119.97	\$2.30 per week (\$1.20 above base case)
12% Includes Rate Peg	\$4m	\$12.7m	\$1,679.55	\$179.95	\$3.46 per week (\$2.36 above base case)

Online rates calculator: Get an estimate of your 2025-26 rates for each of the proposed options [shoalhaven.nsw.gov.au/special-rates-calculator](http://shoalhaven.nsw.gov.au/special-rates-calculator)

# The bigger *picture*

Poster and  
Community  
Information Hub  
Screen

The costs to provide services and fix our roads, public buildings, footpaths and other infrastructure across the city, is far more than the income we receive. We have a plan to address this in the short and long term, which includes a proposed increase to rates from 1 July 2025.

Learn more and have your say about proposed rate variation options.  
Consultation closes 5pm 5 December 2024.



Contact us	Attend a Council meeting	Recycling and waste	<b>Financial Sustainability</b>	Make a payment online	Request a certificate
Track a DA	Lodge a DA submission	Documents on exhibition	Book a facility online	View current road works	View current projects

**Council's website with homepage banner & Financial Sustainability tile**

Feedback (staff only)

**Mayor's message** →

Read the Mayor's message for updates on all the news and issues affecting the Shoalhaven

Latest news Have your say Upcoming events What's nearby

**Discover your perfect beach!**

Published on 04 December 2024

Take our 100 Beach Challenge Quiz to discover your 'beach personality' and your perfect day out along our gorgeous coastline.

**Sign up to receive eNotices for a chance to win a \$500 credit**

Published on 04 December 2024

Residents are being encouraged to sign up for eNotices this month to go in the running to win \$500 credit towards their water account.

**Refurbished Huskisson Boardwalk unlocks Currumbene Creek mangroves**

Published on 03 December 2024

Access to the magnificent mangroves of Currumbene Creek at Huskisson has been significantly improved following the major refurbishment of the nearly 40-year-old Huskisson Mangrove Boardwalk.

[View more news](#)







Project page for the Proposed Special Rate Variation 2024 – survey, written submissions and question tool

Home / Proposed Special Rate Variation 2024 / Proposed Special Rate Variation

### Proposed Special Rate Variation



To work towards being our assets, it is proposed that we increase our rates above the Rate Peg (3.8%) in 2025-26. In addition to the rate peg increase of 3.8%, for other options are being prepared for community feedback and then Council's consideration for an IPMT application.

These options are:

- 4% includes Rate Peg (3.8%). Would provide \$2.2 million in savings (unrestricted cash) by 30 June 2026 and \$10.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with possible decrease to some services to achieve \$10 million efficiency target. Average residential rates increase of \$3.59 per week in 2025-26.
- 12% includes Rate Peg (3.8%). Would provide \$4 million in savings (unrestricted cash) as at end 30 June 2025 and \$12.7 million for infrastructure renewal next financial year 2025-26. Continued efficiencies with possible decrease to some services to achieve \$10 million efficiency target. Average residential rates increase of \$3.44 per week.

The 3.8% Rate Peg only (base case) would provide \$2.2 million in savings (unrestricted cash) as at end 30 June 2025 and \$6.75 million for infrastructure renewal next financial year 2025-26. Likely reduction in service to achieve \$10 million efficiency target. Average residential rates increase of \$1.16 per week.

Complete the survey to have your say about the proposed rate increase options.

#### Proposed rate increase options and costs for average residential properties in 2025-26

Option	Energy (unrestricted cash)	Infrastructure (unrestricted cash)	Long term infrastructure property investment (unrestricted cash)	Infrastructure property asset management (unrestricted cash)	Energy efficiency property asset management (unrestricted cash)
10% Rate Peg only (base case)	\$2.2M	\$6.75M	\$2,200,000	\$10.7M	\$1.16 per week
4% includes Rate Peg	\$2.2M	\$6.75M	\$2,200,000	\$10.7M	\$3.59 per week (\$3.39 after base case)
12% includes Rate Peg	\$4M	\$6.75M	\$4,000,000	\$12.7M	\$3.44 per week (\$3.24 after base case)

See the full list of categories and options in the photo library on this page.

Calculate your rates estimate here

#### Updated Resourcing Strategy

The Resourcing Strategy outlines how Council will manage its financial assets and people to achieve the community's vision and goals. The updated draft components of the strategy currently on exhibition are:

- Workforce Management Planning Strategy – planning for the workforce needed to deliver services to our community
- Asset Management Strategy – how we manage the assets (like buildings and infrastructure) that Council owns
- Information Communications Technology Strategy – making sure Council's systems and technologies provide exceptional customer service.
- Long Term Financial Plan 2025-2034 – outlines how Council aims to provide services and infrastructure over the long term while agreeing towards financial sustainability for current and future generations.

Council has made changes to our Resourcing Strategy based on the updated draft Long Term Financial Plan, the Financial Sustainability Program and the special rate variation options. These updates include addressing asset maturity in our workforce and ICT systems.

The Draft Resourcing Strategy is currently on exhibition, and you can provide feedback [here](#).

#### Survey Questions

#### Survey - Proposed Special Rate Variation options

Council wants to hear from the community about the proposed rate variation options, we are interested in your feedback that will be considered in the decision-making process.

The survey closes at 5pm, Thursday 5 December 2024.

To provide feedback on the Draft Resourcing Strategy, please make a submission through the [Make a Submission Form](#) on this web page.

TAKE SURVEY



#### Make a submission on the Draft Resourcing Strategy

Council invites the community to provide feedback on our [Draft Resourcing Strategy](#).

Please view the draft documents in the Document Library on this web page prior to providing your submission.

Please upload your submissions no later than **5pm Thursday 5 December 2024**.

You can also provide your feedback by:

Emailing [GDAB03@shearwater.co.nz](mailto:GDAB03@shearwater.co.nz)

Post to CEO, Shearwater City Council, PO Box 42, Niwera 2941.

MAKE A SUBMISSION



Page last updated: 28 Nov 2024, 12:04 PM

[Home](#) / [Who we are](#) / [Planning for the future](#) / [Financial sustainability](#)

## Addressing our financial challenges

### Background

- In 2023 a review identified that Council needed to increase revenue and decrease costs to be able to sustain and continue our works and services.
- On 31 January 2024, Councillors resolved not to proceed with a rate increase above the rate peg known as a [Special Rate Variation \(SRV\)](#), so we moved our focus to budgeting, asset management and selling underperforming property and assets.

### Update

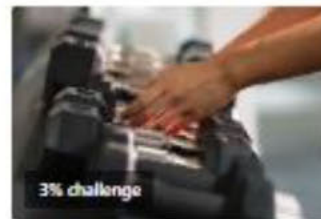
On Tuesday 5 November 2024, our newly-elected Council decided to consult with the community on an SRV - read the report [here](#). The community will now be consulted on an SRV through a range of engagement options - letter, survey, workshops and pop-ups at markets.



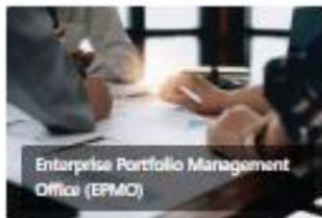
Latest news and updates about what's happening and what's next for Council here.



Answers to common questions about the proposed SRV and actions we need to take. Anything we've missed? Email us at: [FinancialSustainability@shoalhaven.nsw.gov.au](mailto:FinancialSustainability@shoalhaven.nsw.gov.au)



The challenge has been set for everyone and anyone to come up with ideas to achieve a 3% savings target. Email your idea to us at: [FinancialSustainability@shoalhaven.nsw.gov.au](mailto:FinancialSustainability@shoalhaven.nsw.gov.au)



Learn about the EPMO's role within Council here.



Read all the reports that have come up to Council this year.



Learn about what actions Council is taking to manage service delivery here.



Learn about what actions Council is taking to improve asset management planning here.



Access resources and letter templates to help with keeping the community informed.

[Read the Financial Sustainability Review here](#)

[View the report](#)



Radio script

*"Shoalhaven City Council is working to improve its finances.... and they want to hear from you about proposed options to increase rates.*

*The options include a 12 per cent OR an 8 per cent rise, including the rate peg.*

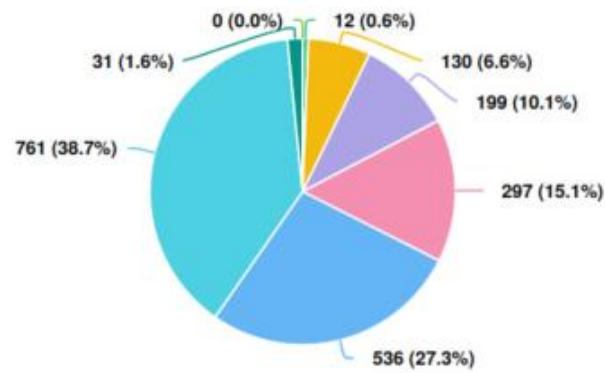
*Learn more about what Council is doing to cut costs and generate revenue AND have your say about the rate rise proposals.*

*All you have to do is head to the Get Involved Shoalhaven web page before the 5th of December."*



## Appendix G – Full survey results

Q3 What is your age group?

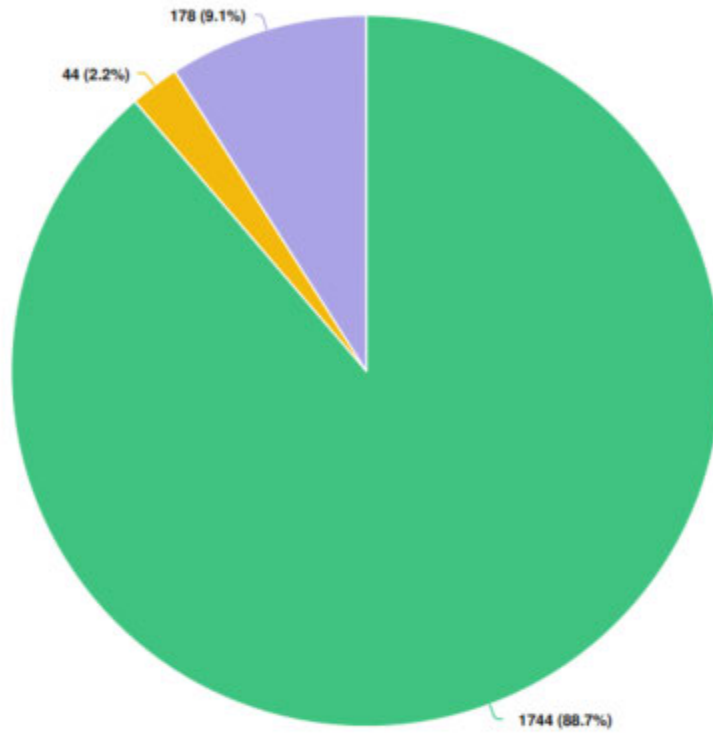


### Question options

- 18 to 24
- 25 to 34
- 35 to 44
- 45 to 54
- 55 to 64
- Over 65
- Prefer not to answer
- Under 18

Mandatory Question (1966 response(s))  
Question type: Dropdown Question

Q4 What is your association with the Shoalhaven?

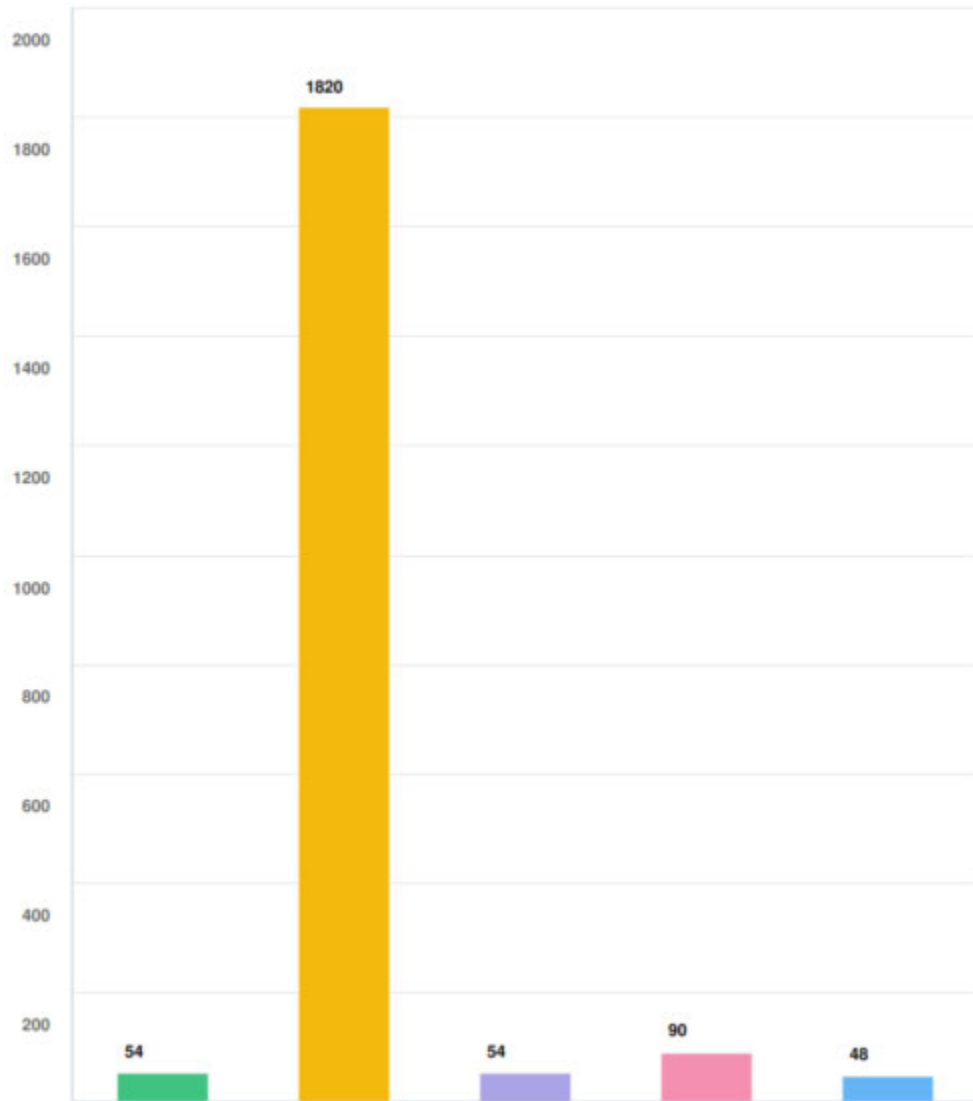


**Question options**

- I live in the Shoalhaven
- I work in the Shoalhaven
- I visit the Shoalhaven

Mandatory Question (1966 response(s))  
Question type: Radio Button Question

**Q5 Do you own a property in the Shoalhaven? (tick all that apply)**



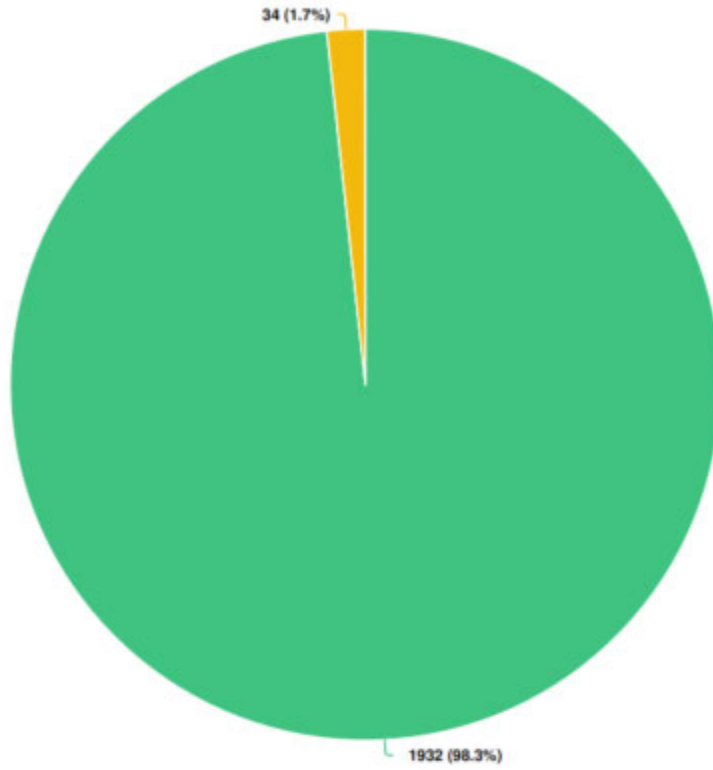
**Question options**

- No
- Residential
- Business
- Farmland
- Other (please specify)

Mandatory Question (1966 response(s))

Question type: Checkbox Question

Q6 Are you aware of the financial position of Council?

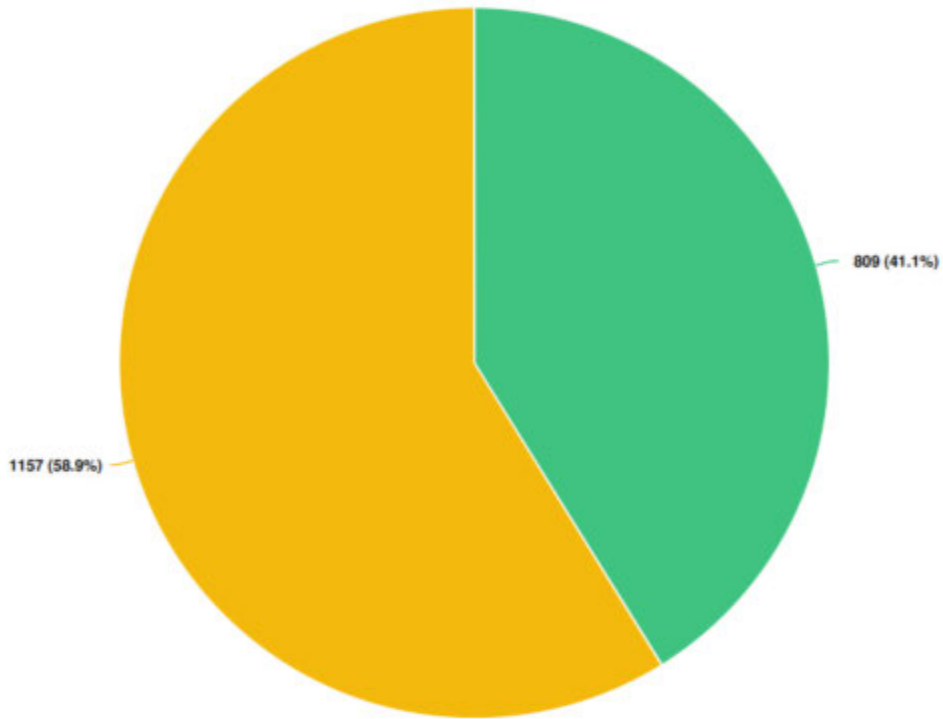


**Question options**

- Yes
- No

Mandatory Question (1966 response(s))  
Question type: Dropdown Question

Q7 Do you agree that in addition to operational savings and productivity improvements, an increase in rates is necessary?

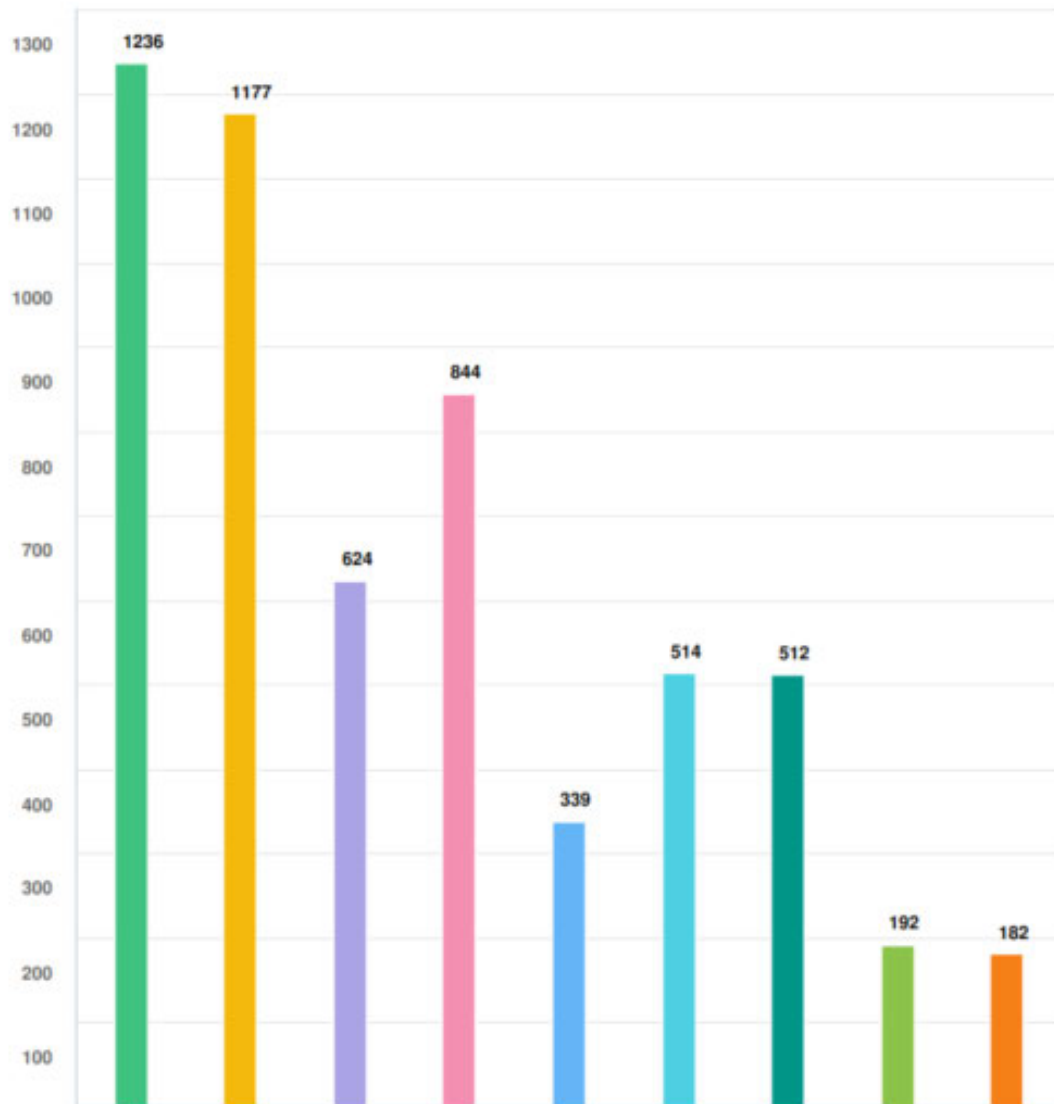


**Question options**

● Yes ● No

Mandatory Question (1966 response(s))  
Question type: Dropdown Question

Q8 Which of the following assets do you think Council needs to invest in more? (tick all that apply)

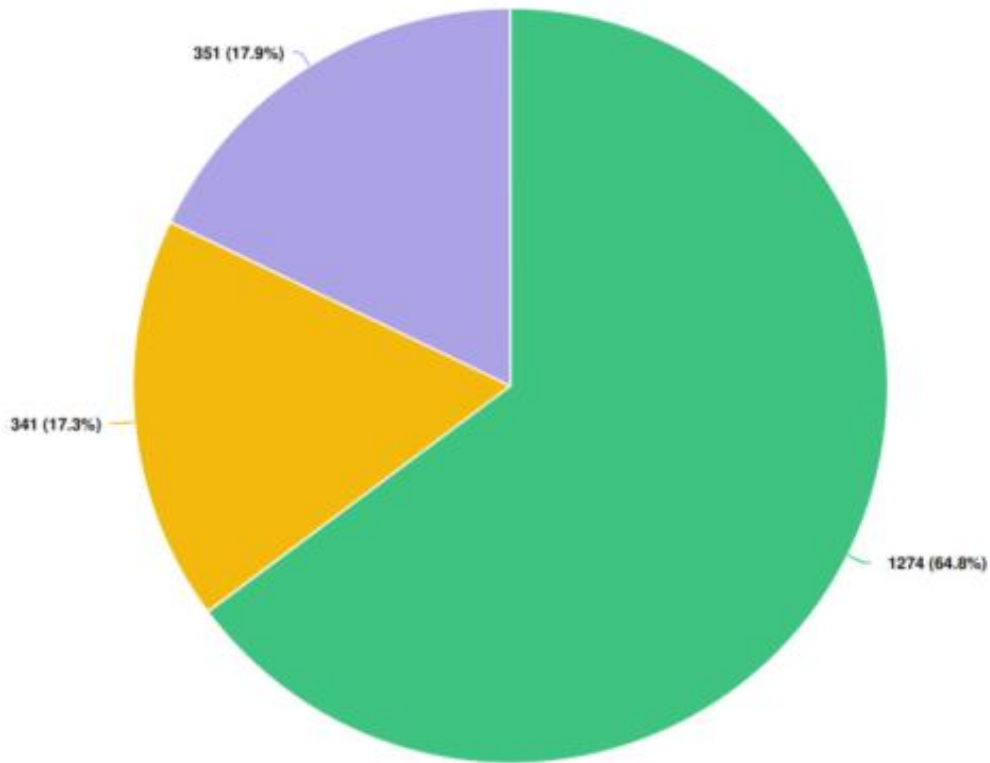


**Question options**

- Urban Roads
- Rural Roads
- Footpaths and Cycleways
- Stormwater/Drainage
- Community Buildings and Facilities
- Parks and Recreational Facilities
- Coastal Facilities (e.g. beach access and protection)
- None (Council does not need to invest any more in assets)
- Other (please specify)

Mandatory Question (1966 response(s))  
Question type: Checkbox Question

Q9 Please select which rate option Council should consider for 2025-26



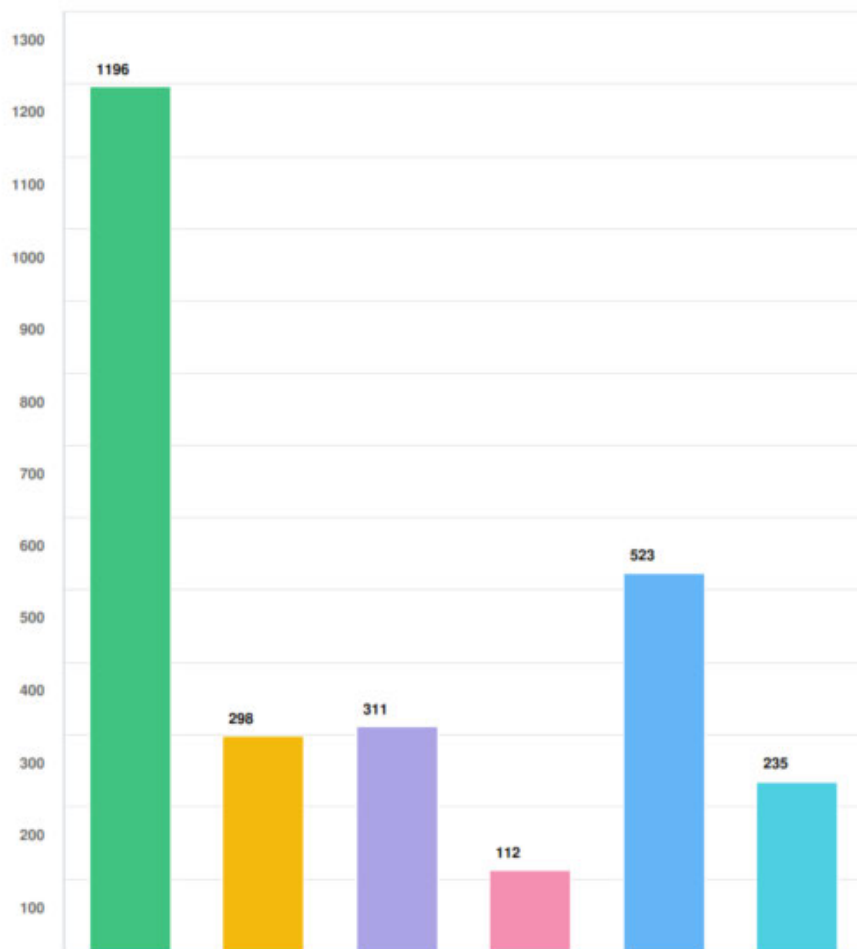
**Question options**

- Base Case - no increase above rate peg (3.8%)
- Option 1 - 8% (including rate peg of 3.8%)
- Option 2 - 12% (including rate peg of 3.8%)

Mandatory Question (1966 response(s))  
Question type: Radio Button Question



**Q10** How were you informed of the Proposed Special Rate Variation? (tick all that apply)



**Question options**

- Letter from the Mayor
- Council's website
- Newspaper or radio advertising
- Newsletter
- Social media
- Other (please specify)

Mandatory Question (1966 response(s))  
Question type: Checkbox Question

## Appendix H – SRV Survey - essay question response segmentation

NB: Many respondents covered several subjects in their response. These responses were given additional tags to effectively capture ALL community concerns.

**Agree** – Responses agreed with a proposed rate increase with no additional comments.

**Alternative Revenue Generation** – Responses that suggested other ways of revenue generation including tourism levy, paid parking and additional State and Commonwealth funding.

**Asset Management** – Responses that specifically cited the management and costs associated with built infrastructure owned by Council.

**Better Communication** – Responses that felt that with more information they would be better placed to decide on the necessity of the proposed rate increase.

**Concentrate on Core Services** – Responses that believed that Council should only be focusing on the provision of core services such as roads and waste management.

**Consultants/Contractors** – Responses that believed that too many contractors or consultants rather than Council staff.

**Cost Management** – Responses that mentioned the need to be more rigorous in managing the tender process and costs of sourcing goods and services.

**Councillors** – Responses that specifically mentioned past and present Councillor costs and motivations in relation to financial issues.

**Disagree** – Responses against any proposed rate increase with no additional comments.

**Economic Pressures** – Responses that cited that current cost of living crisis and lack of disposable income as a reason for no rate increase at this time.

**Excessive Land Values** – Responses that mentioned that the recent change in land values by the Valuer General had already increased their rates significantly.

**Financial Management** – Responses where comments were focused solely on general financial management issues.

**Financial & Staff Management** – Responses that mentioned both financial management and staffing issues.

**Increased Services** – Responses that contained comments requesting that any rate increase would or should result in increased Council services.

**Public Works** – Responses that specifically mentioned on issues such as drainage, kerb and gutters, vegetation management, coastal management etc.

**Road Repair** – Responses that specifically mentioned the condition of local roads.

### Examples of essay question response by theme

Agree	<p><i>Let's go for the maximum increase and improve the council's position and amenity of Shoalhaven.</i> <i>Anonymous User, 19 Nov 2024</i></p> <p><i>We need to bite the bullet and get it done. The sooner the council's debt is paid down, and ratepayers can see improvements in the infrastructure, the happier we will be. Also, we are a tourist town, and poor roads are a disincentive to visit.</i> <i>Anonymous User, 21 Nov 2024, 03:55 PM</i></p>
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	<p><i>In order to provide the services necessary for the Shoalhaven, if the councillors were being realistic, the rate increase should be more, around 25%.</i></p> <p><i>Anonymous User, 05 Dec 2024, 08:59 AM</i></p>
<p>Alternative Revenue Generation</p>	<p><i>I'd like to see visitors to this region contributing to the upkeep of infrastructure and facilities, either by paid parking for non-residents or a bed tax for the many short-term holiday lets in the area. Culburra Beach is overrun with visitors at various times of the year, particularly Easter and the Christmas holidays, as are many other towns. This puts a tremendous strain on facilities, in particular waste disposal and wear and tear on roads; while the owners of those properties already pay rates, it would be good to see those visitors helping to pay for what they use (and often abuse). This would be preferable to a larger rate increase that would put further strain on young families with a mortgage.</i></p> <p><i>Anonymous User, 08 Nov 2024</i></p> <p><i>Use the money or make money that the Shoalhaven gets from tourism. Surely there are ways that we can utilise tourism which grows every year to pay for upgrades to our facilities they also use and benefit. We residents already contribute Get your heads together and do the hard work finding ways to do this instead of going down the easy path and slugging rate Payers</i></p> <p><i>Anonymous User, 07 Nov 2024, 03:38 PM</i></p>
<p>Asset Management</p>	<p><i>Please consider conducting a financial analysis of all property owned by council. There are commercial properties in the Nowra CBD, owned by council that have sat vacant for years. Has council considered selling property that does not bring in sufficient revenue and is not available for community use?</i></p> <p><i>Anonymous User, 24 Nov 2024, 10:32 PM</i></p> <p><i>Council needs to stop increasing number of assets at the whim of the community and Councillors. Council needs to adopt a sustainable asset register that reflects financial status, taking into account long term maintenance requirements.</i></p> <p><i>Anonymous User, 25 Nov 2024, 02:52 PM</i></p>
<p>Better Communication</p>	<p><i>The information provided now is significantly greater than when the council originally proposed an increase. But it's still not clear enough what additional savings can be generated. The summary felt tokenistic. If this was a corporate entity the board would be bringing in new management to deliver the required turnaround.</i></p> <p><i>Anonymous User, 08 Nov 2024, 08:08 AM</i></p> <p><i>It will be important that Council keeps the community informed of what it is doing with the increased rates if it wants to build the community's trust in Council becoming a more efficient and effective user of rates income.</i></p> <p><i>Anonymous User, 08 Nov 2024, 08:58 PM</i></p>
<p>Concentrate on Core Services</p>	<p><i>I will pay more if Council focuses on delivering basic services at a good standard. No more grandiose capital works which drain the maintenance budgets.</i></p> <p><i>Anonymous User, 19 Nov 2024</i></p>

	<p><i>Do not fund anything other than basic council functions - back to basics.</i></p> <p><i>Anonymous User, 05 Dec 2024, 07:39 AM</i></p>
Consultants/Contractors	<p><i>Stop wasting money on consultants to cost plans and draw plans, get council staff to do the job they were employed to do.</i></p> <p><i>Anonymous User, 07 Nov 2024, 03:15 PM</i></p> <p><i>Please wait until interest rates are lower before you increase rates. Employ tradespeople to work as permanent employees of the council rather than using contractors who charge a fortune.</i></p> <p><i>Anonymous User, 27 Nov 2024, 09:47 PM</i></p>
Councillors	<p><i>Perhaps council should look at the money being spent on allowances, unnecessarily, by some of their councillors.</i></p> <p><i>Anonymous User, 16 Nov 2024, 08:21 AM</i></p> <p><i>Stop increasing council members wages and manage the Shoalhaven</i></p> <p><i>Anonymous User, 29 Nov 2024, 02:07 PM</i></p> <p><i>It's unfortunate that the new Counsellors have to fix the mess left by previous Mayoral decisions but we the residents should not have to be continually paying for past mistakes.</i></p> <p><i>Anonymous User, 05 Dec 2024, 08:06 AM</i></p>
Disagree	<p><i>Council rates are already well above market rates for other LGA's, a further increase would impact liveability within this LGA.</i></p> <p><i>Anonymous User, 08 Nov 2024, 03:22 PM</i></p> <p><i>I consider my rates are already very high in comparison to the services we receive in our area.</i></p> <p><i>Anonymous User, 05 Dec 2024, 07:32 AM</i></p>
Economic Pressures	<p><i>I know we need a higher rate rise but I personally can barely afford my rates as it is now. It is a tricky situation for council and families alike.</i></p> <p><i>Anonymous User, 07 Nov 2024</i></p>
Excessive Land Values	<p><i>Council needs to focus its efforts on reducing unnecessary spending and being more efficient with the funds spent on critical resources. Residential ratepayers like us are still absorbing the huge rate increase, in our case a 23% hike, which occurred when new land values were used to determine rates from 23/24 financial year.</i></p> <p><i>Anonymous User, 29 Nov 2024</i></p>
Financial Management	<p><i>I am a self-funded retiree and in personal and business life have always managed expenses in line with income/revenue. I am unable to pay significantly increased rates as I have a fixed income. The Council must apply the same philosophy. Reduce expenses by reducing wages bill and non-essential expenditure.</i></p> <p><i>Anonymous User, 03 Dec 2024</i></p>

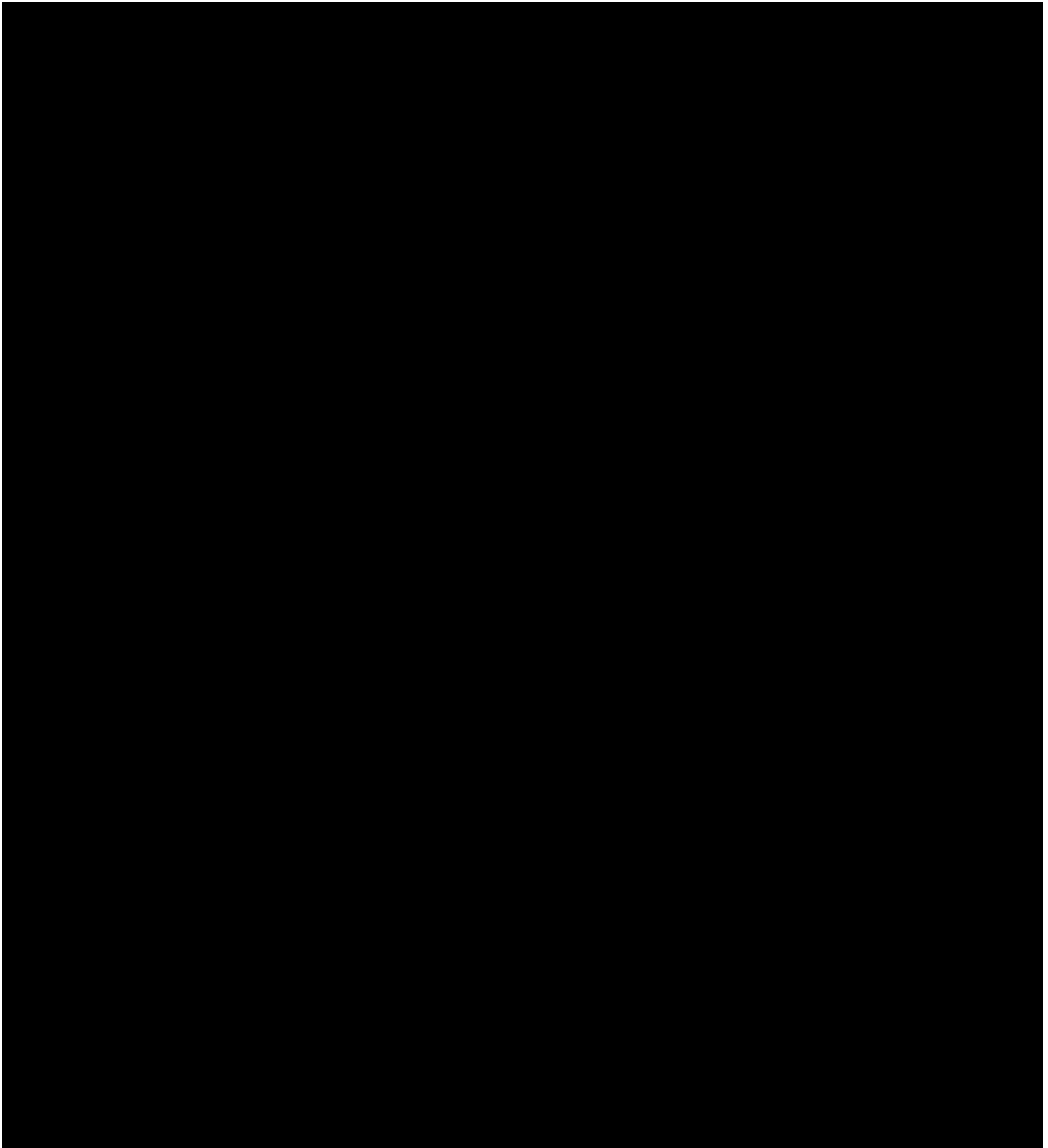
	<p><i>I would like to seek reassurance that our hard-earned money will be monitored and used wisely. I feel that there has been financial mismanagement in the last 10 years.</i>  <i>Anonymous User, 29 Nov 2024</i></p> <p><i>As long as we can see that the Council is making an effort to save money, meaning they have to take a look at each department and consider if there are any places they can improve on or delete jobs for savings. None of these problems were caused by us, the ratepayer, but we have to pay to fix them. The Council should be run like a business and should be making a profit, not jobs for the boys.</i>  <i>Anonymous User, 18 Nov 2024</i></p>
<p>Financial and Staff Management</p>	<p><i>Efficiency above all.....increase productivity in the way things are managed and run, decrease excess spending and unnecessary bureaucratic departments</i>  <i>Anonymous User, 03 Dec 2024</i></p> <p><i>You need to manage your budget better. How about downsizing your staffing and making them more efficient, not buying so many vehicles and equipment, and fixing roads properly the first time. we are already over governed and overtaxed, and the Reserve Bank increases have nearly broken many families.</i>  <i>Anonymous User, 07 Nov 2024, 02:25 PM</i></p>
<p>Increased Services</p>	<p><i>I would like to see the introduction of the Green Garden Waste bin and I would be happy to pay an additional annual fee for the collection off garden waste included in the annual rates bill</i>  <i>Anonymous User, 08 Nov 2024, 04:52 PM</i></p> <p><i>Callala Beach has no footpass or curb and gutter in front of or house and no green bin our place in Sydney has all does and the land value twice that of Callala and the rates are \$400 cheaper. I cannot see any reason to increase the rates. Reduce the council overheads</i>  <i>Anonymous User, 22 Nov 2024, 06:29 AM</i></p>
<p>Public Works</p>	<p><i>I urge council to invest in paths and cycle trails. Too many residents are using their cars for local commutes, cluttering up the centre of town. Walking accessibility should be a key feature of Ulladulla.</i>  <i>Anonymous User, 18 Nov 2024, 03:05 PM</i></p> <p><i>I would like you to fix my kerb and guttering witch i have complained about for 10 years thank you.</i>  <i>Anonymous User, 20 Nov 2024, 01:40 PM</i></p>
<p>Road Repair</p>	<p><i>The 12% increase is less than the cost of replacing a tyre and a wheel damaged by the rotten state of repair of Shoalhaven roads.</i>  <i>Anonymous User, 11 Nov 2024, 04:24 PM</i></p> <p><i>I strongly disagree with the rate rise as being a residential living here in the Shoalhaven for many years. Council should consider putting money where it Needs it like fixing roads footpaths ect.</i>  <i>Anonymous User, 05 Dec 2024, 08:58 AM</i></p> <p><i>Councils should focus on the 3 R's - Roads, Rates and Rubbish. My rates have increased almost 300% in 3 years due to</i></p>

	<p><i>increased land values. I see too much money wasted on low priority projects that are poorly run or road maintenance that only last until the next rains. The roads in Culburra Beach are a disgrace. I see better roads and drainage in third-world countries</i> <i>Anonymous User, 26 Nov 2024, 10:30 AM</i></p>
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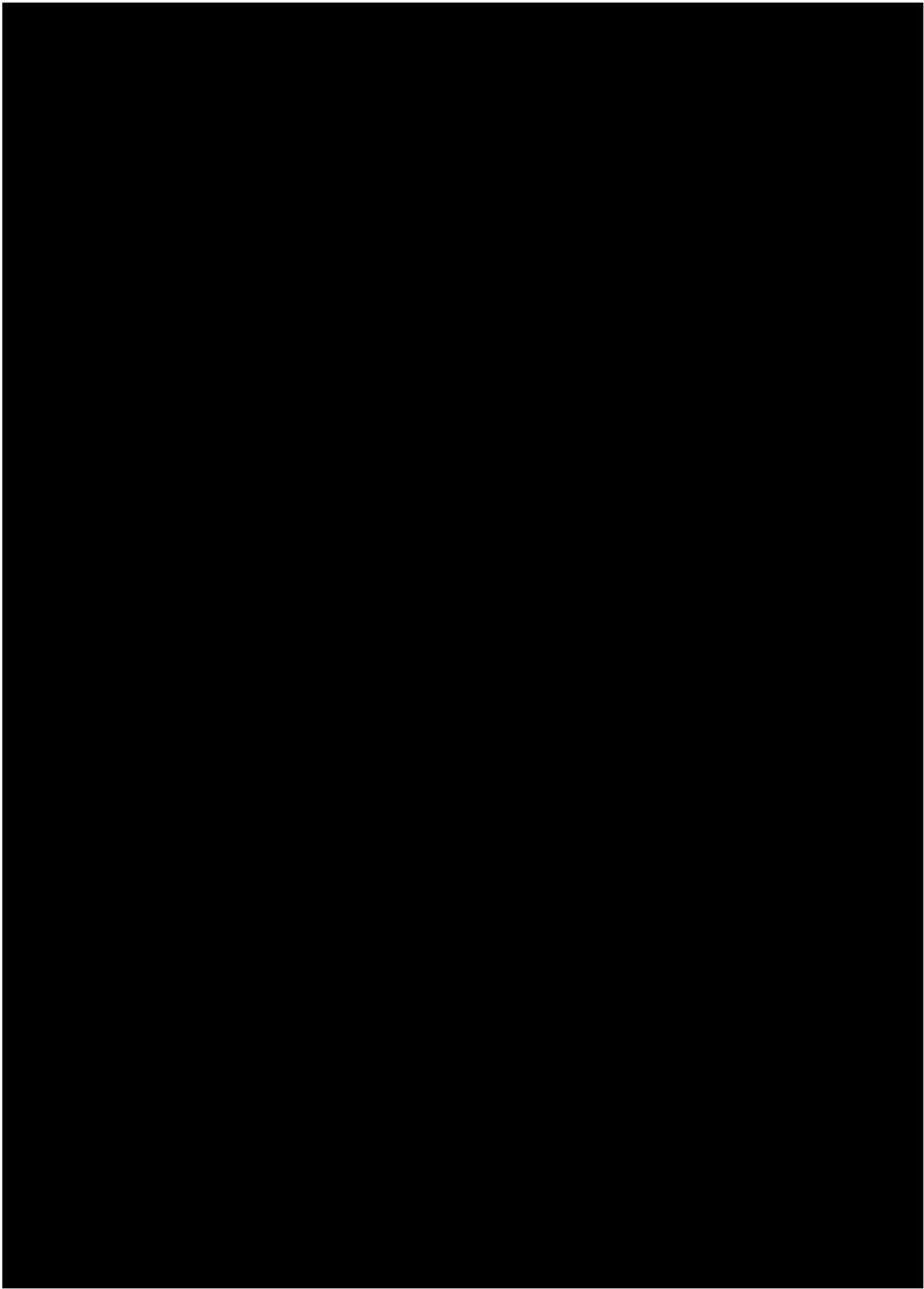
**Appendix I – Media and promotional coverage**

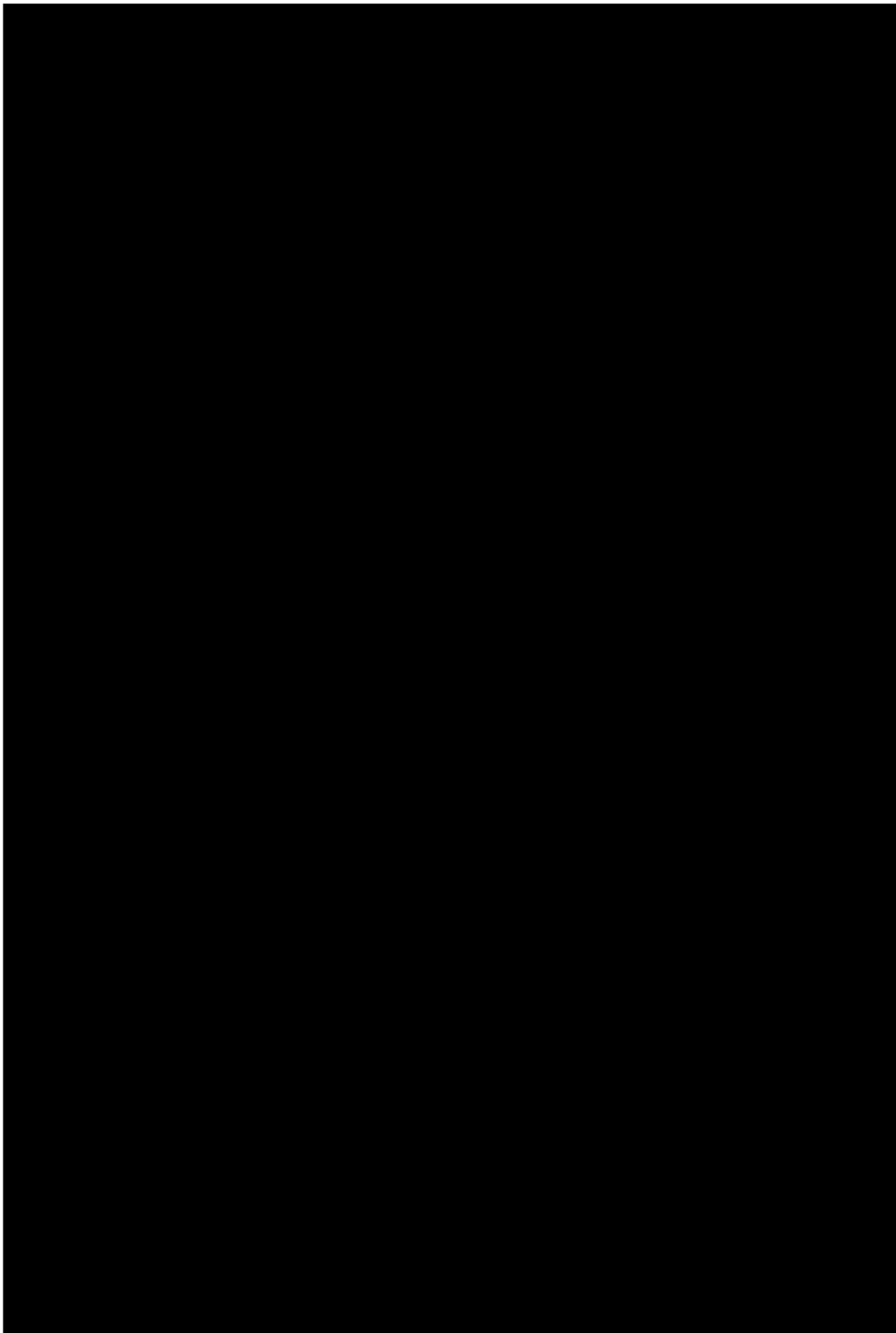
*South Coast Register – 4 November 2024*

**Extract from the South Coast  
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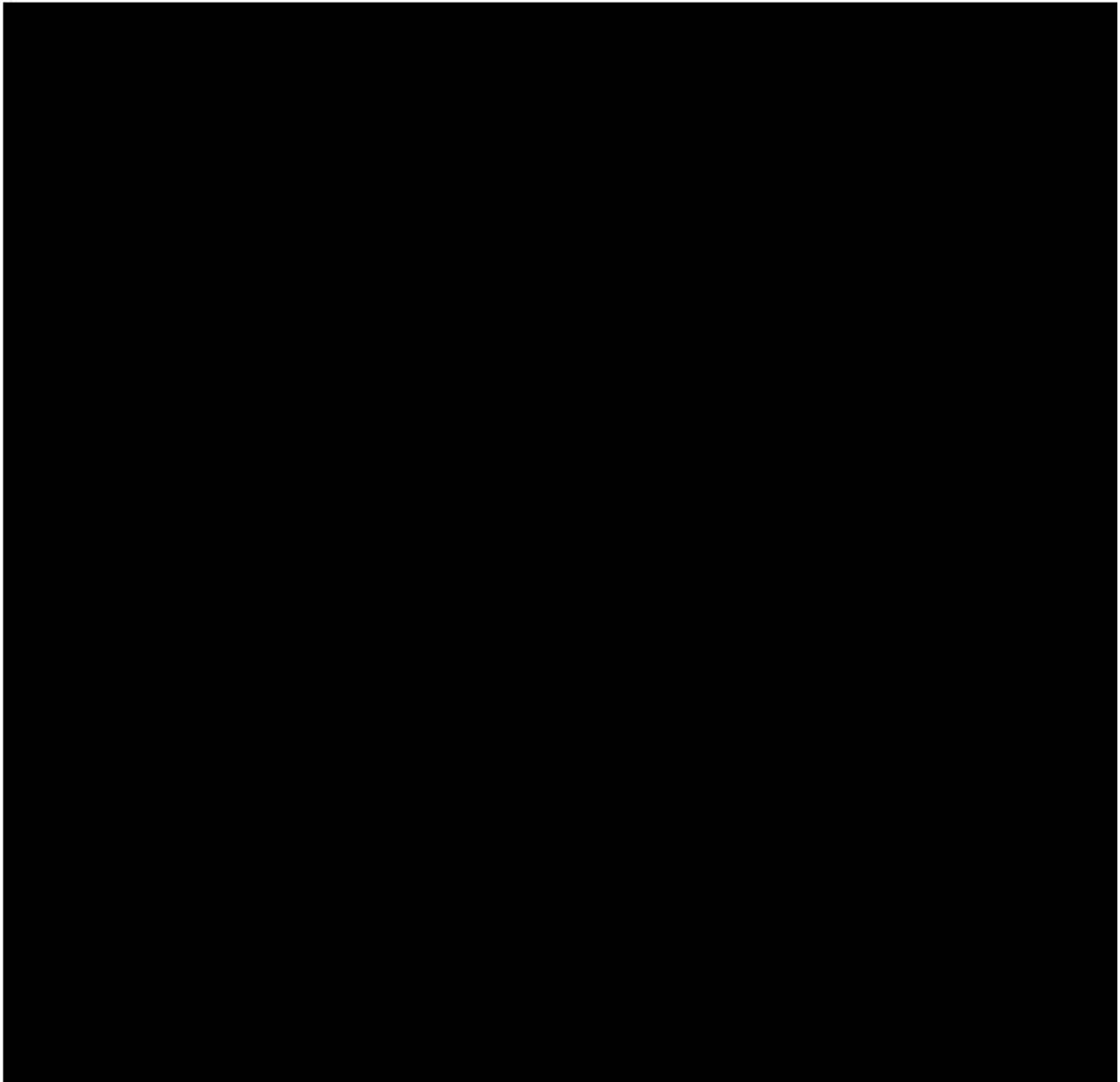




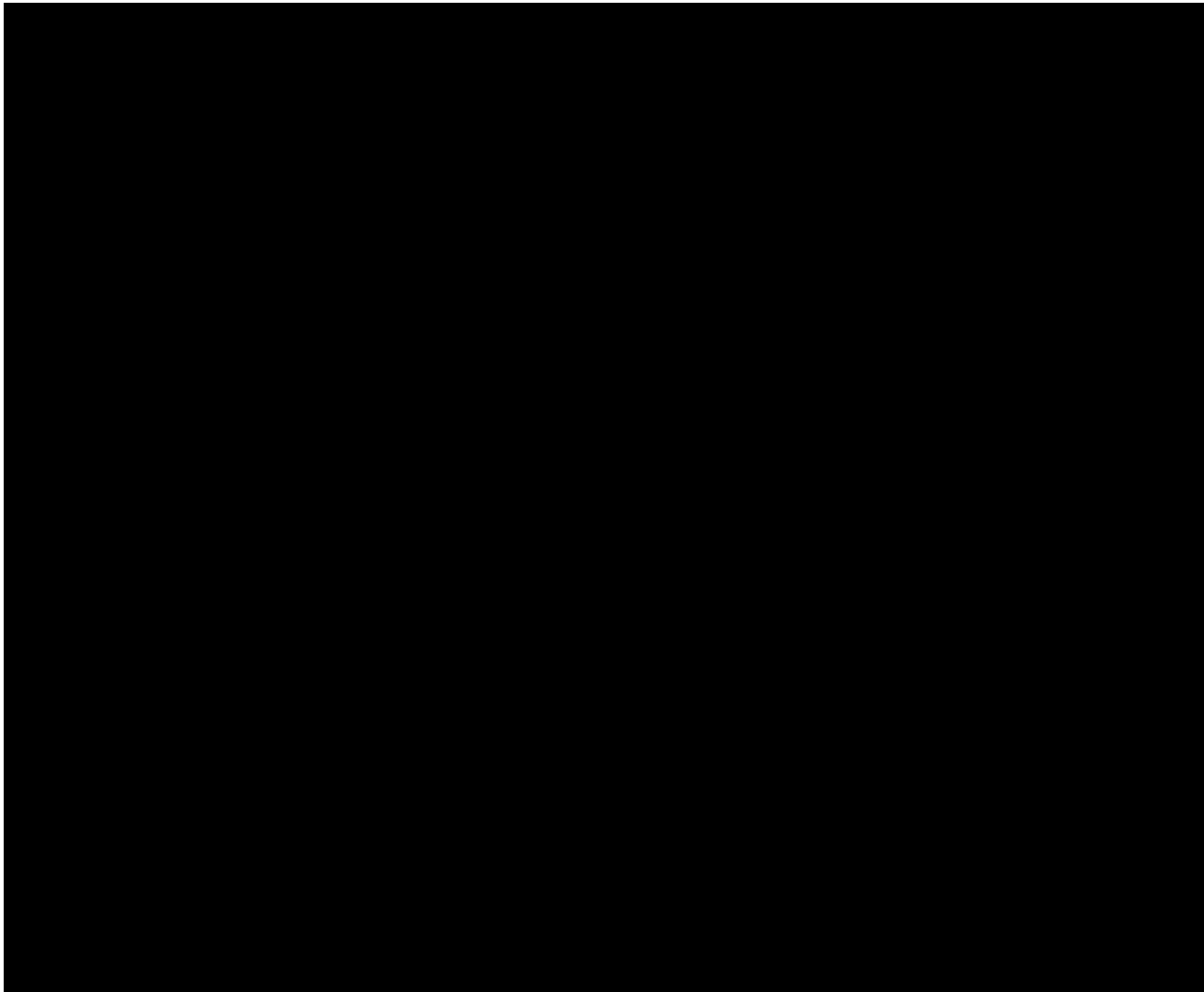


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*Ten Illawarra – 6 November 2024*

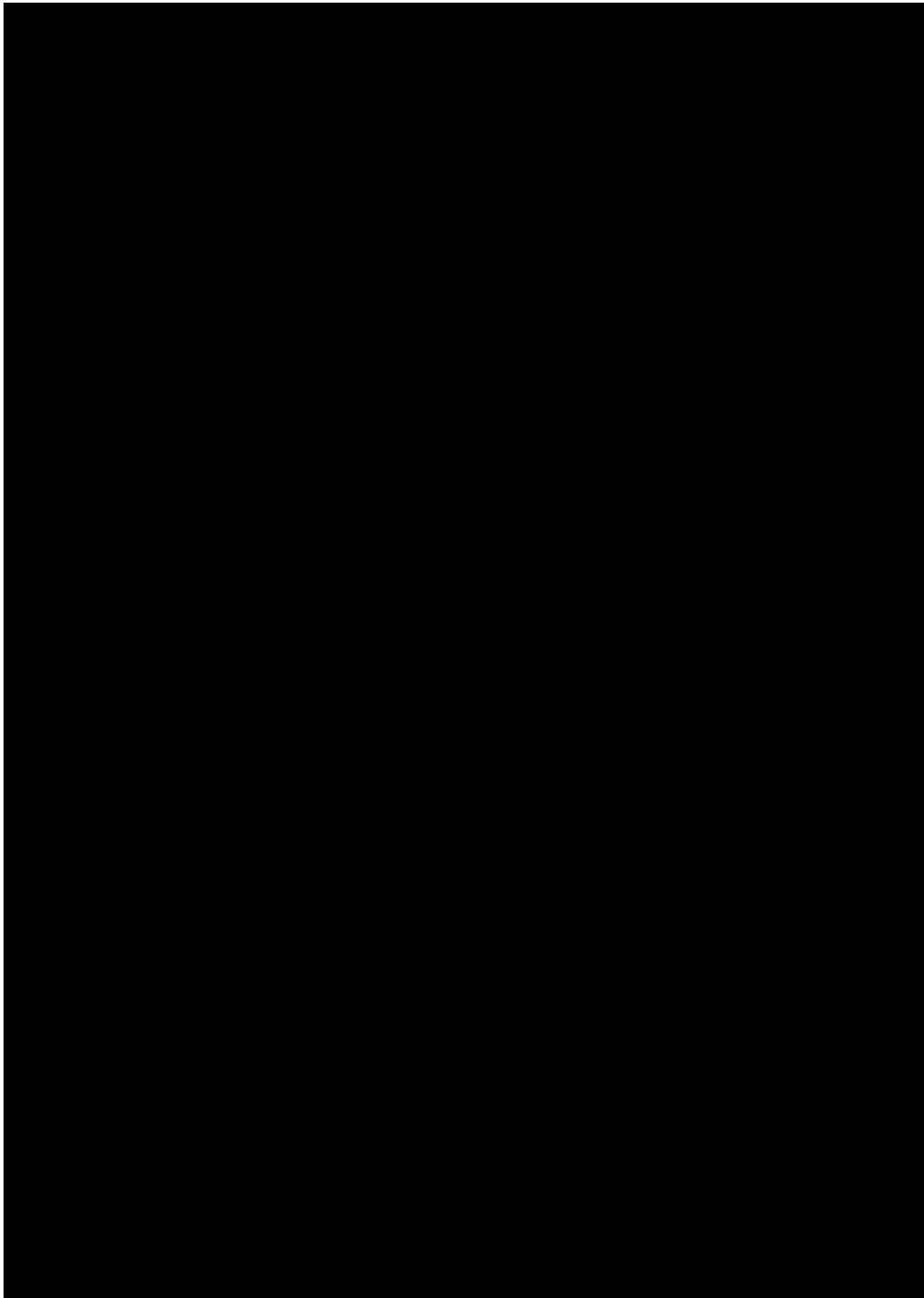


*South Coast Register – 6 November 2024*



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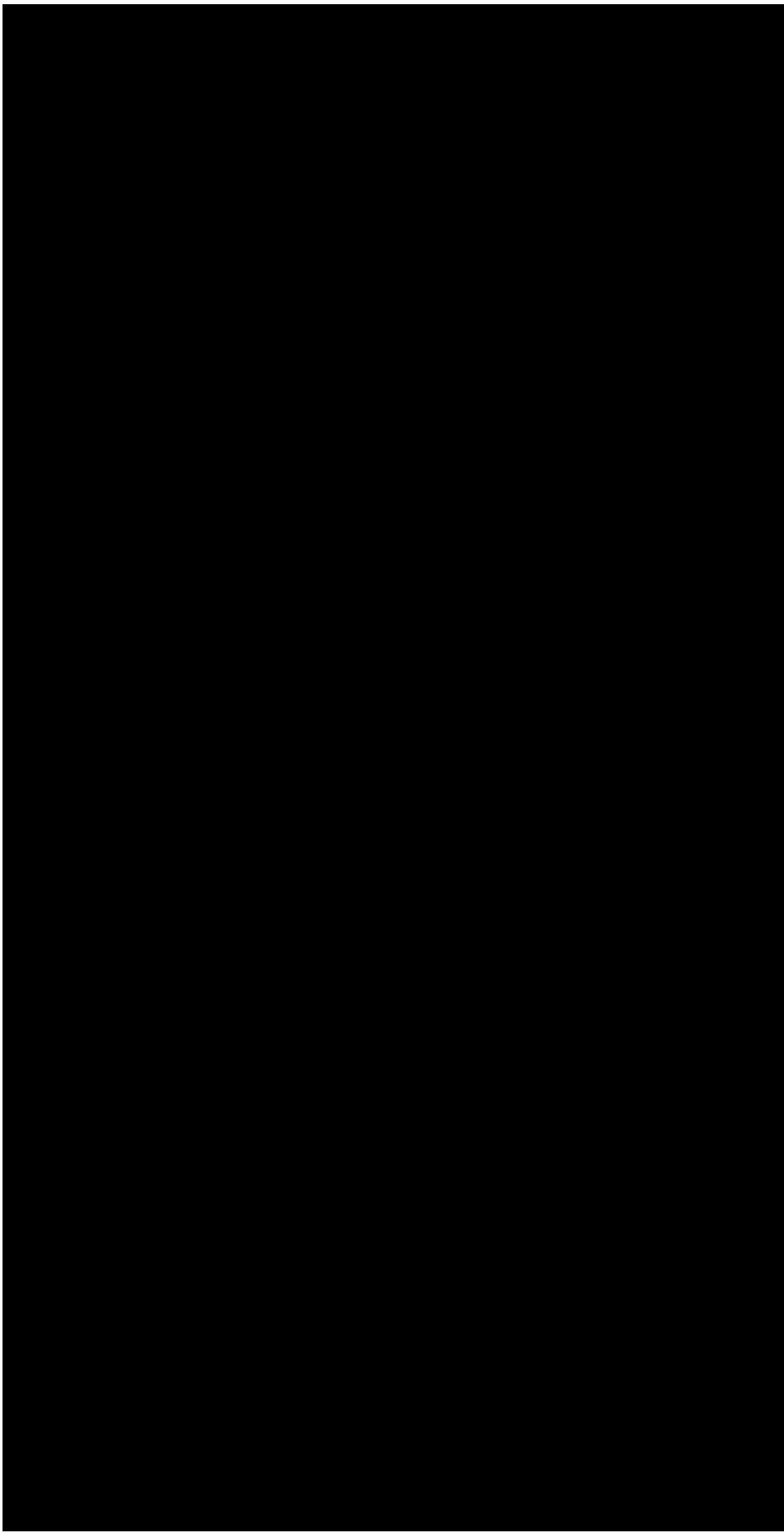


*Milton Ulladulla Times – 7 November 2024*

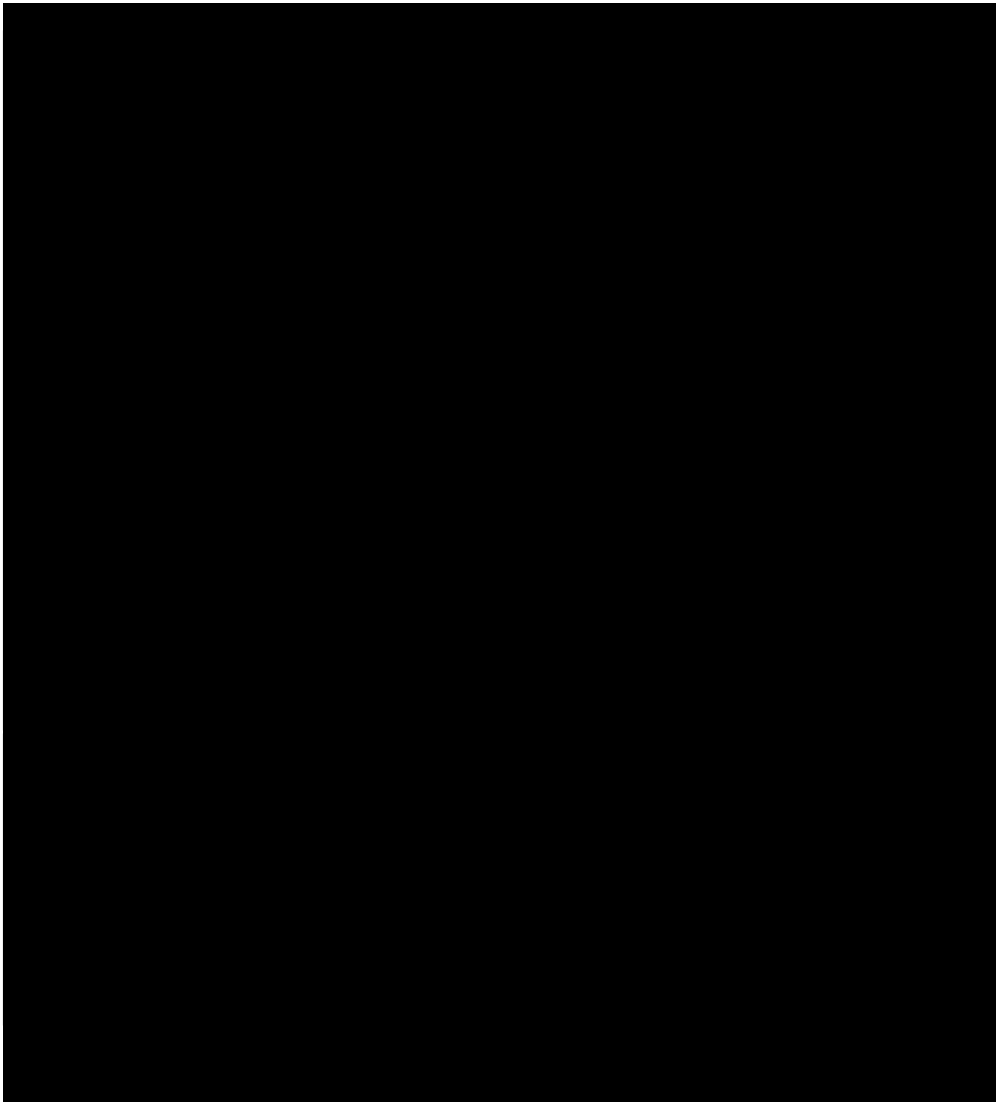
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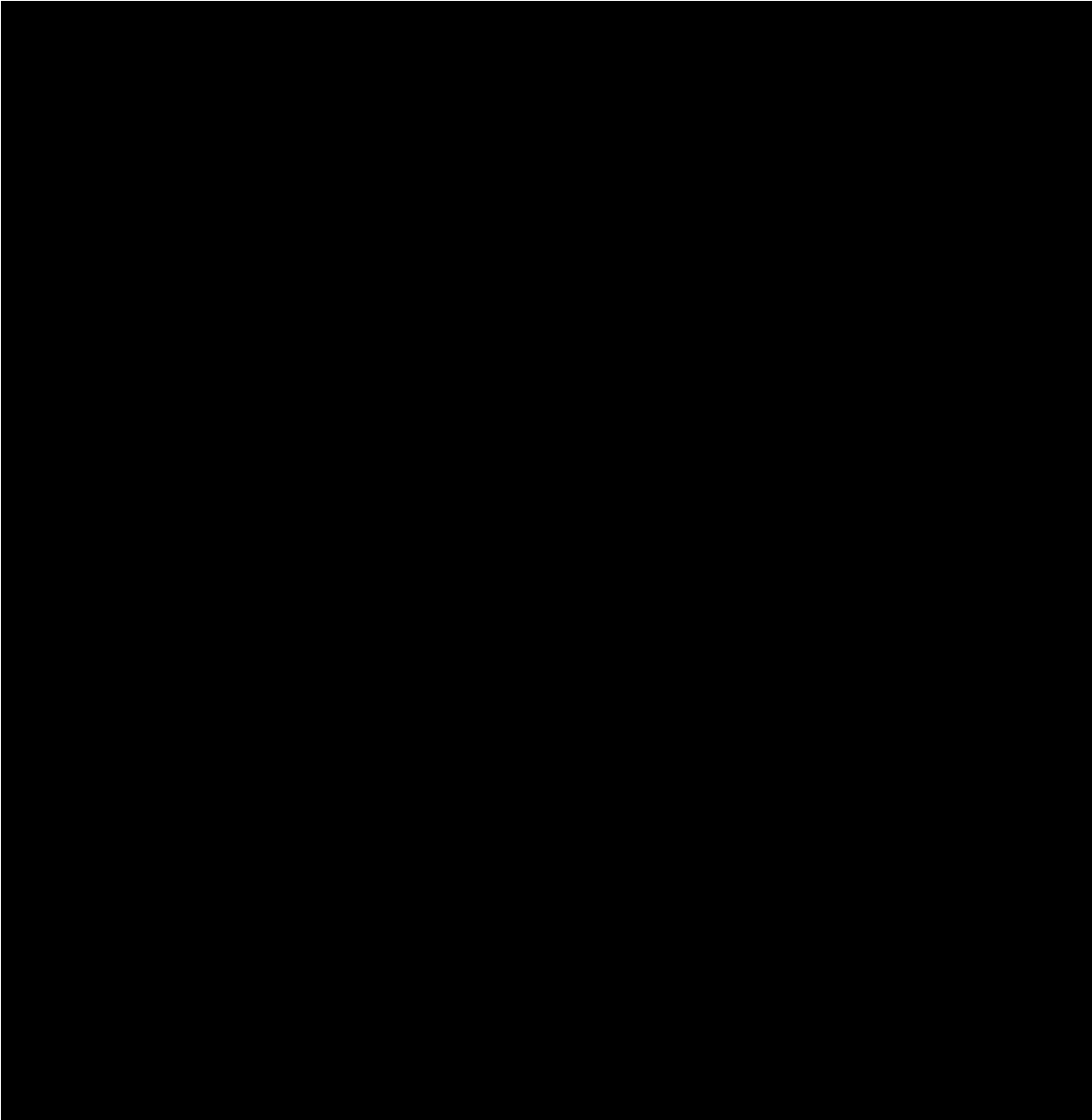


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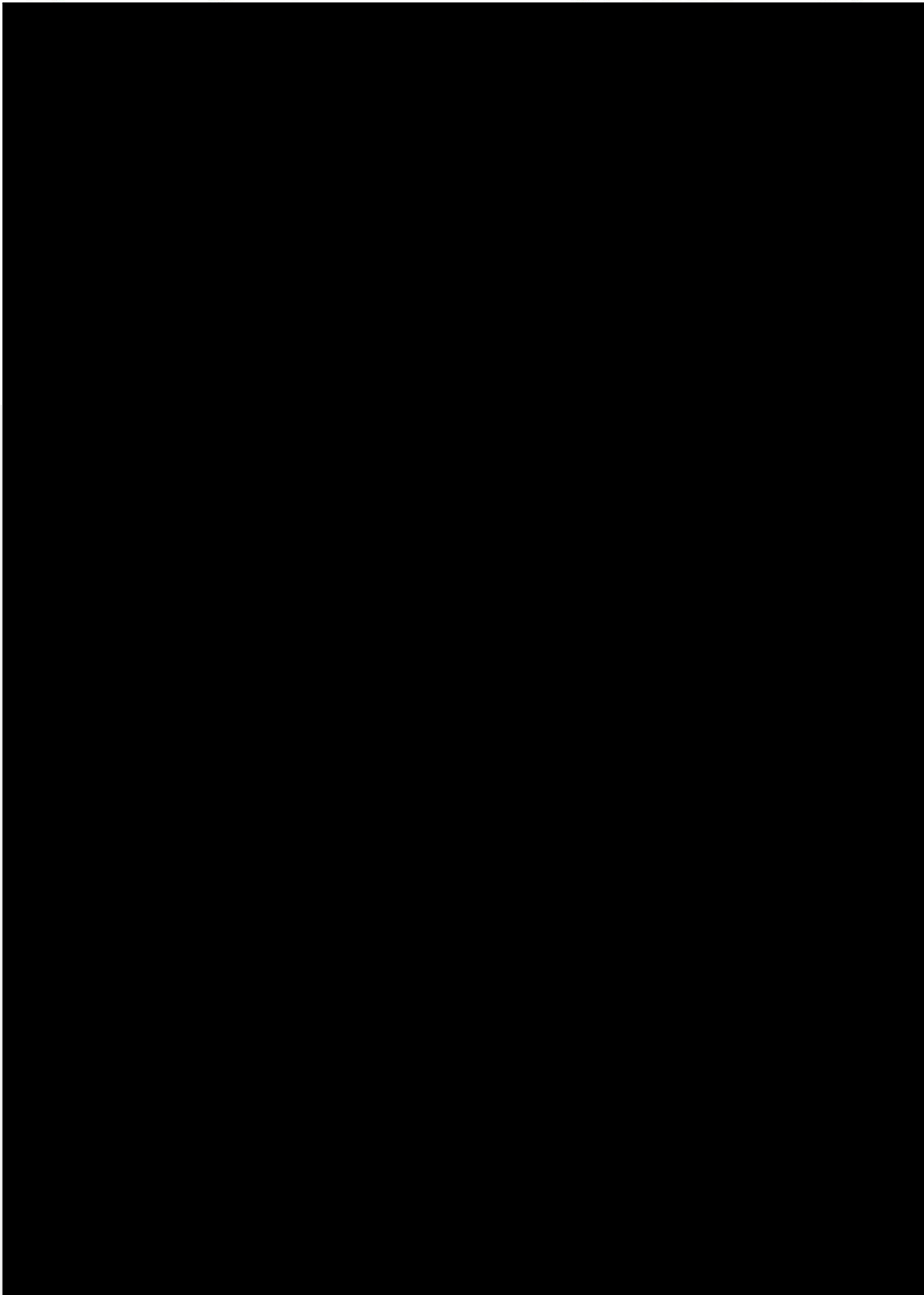
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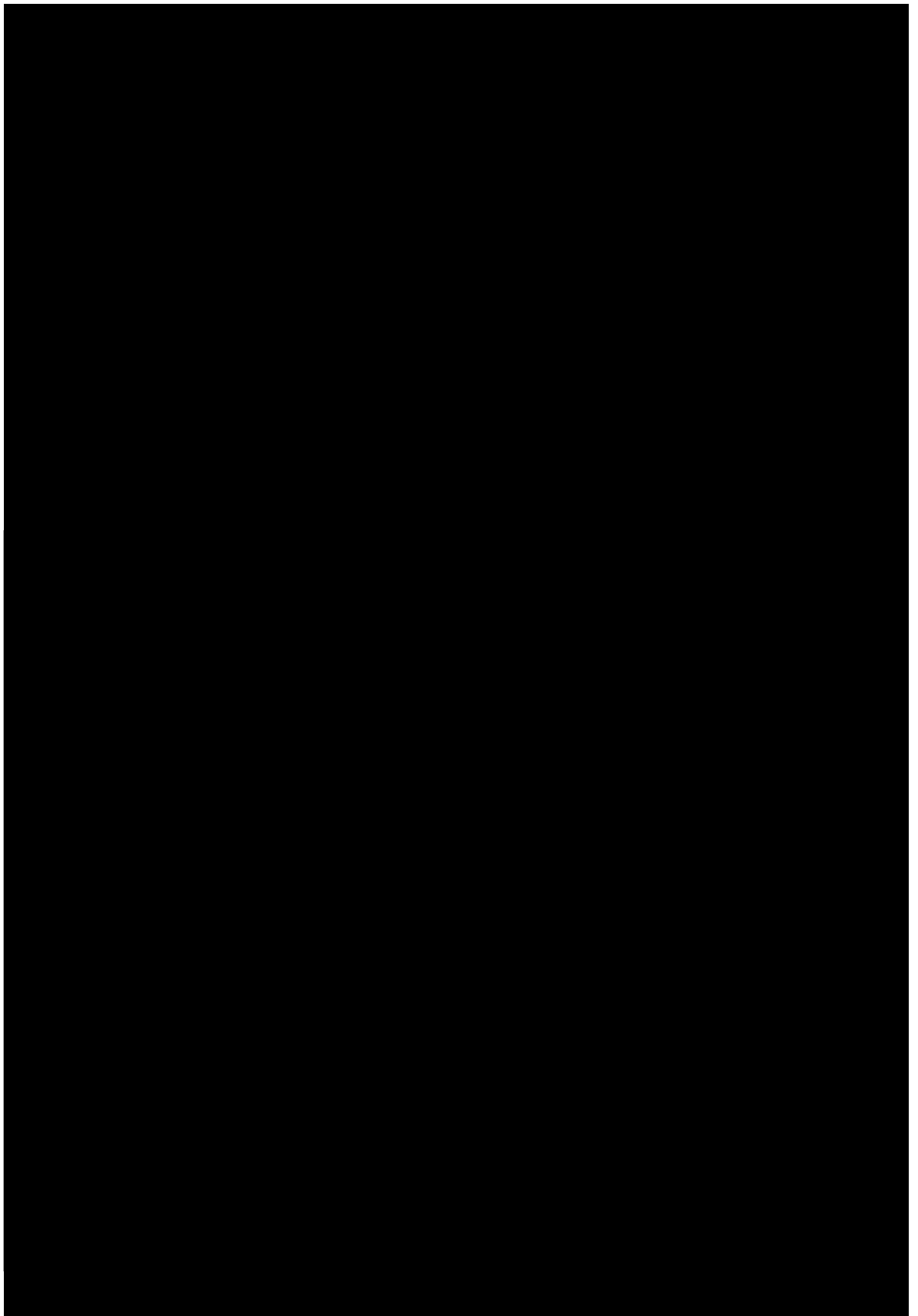
*Channel 10 News – 4 November 2024*

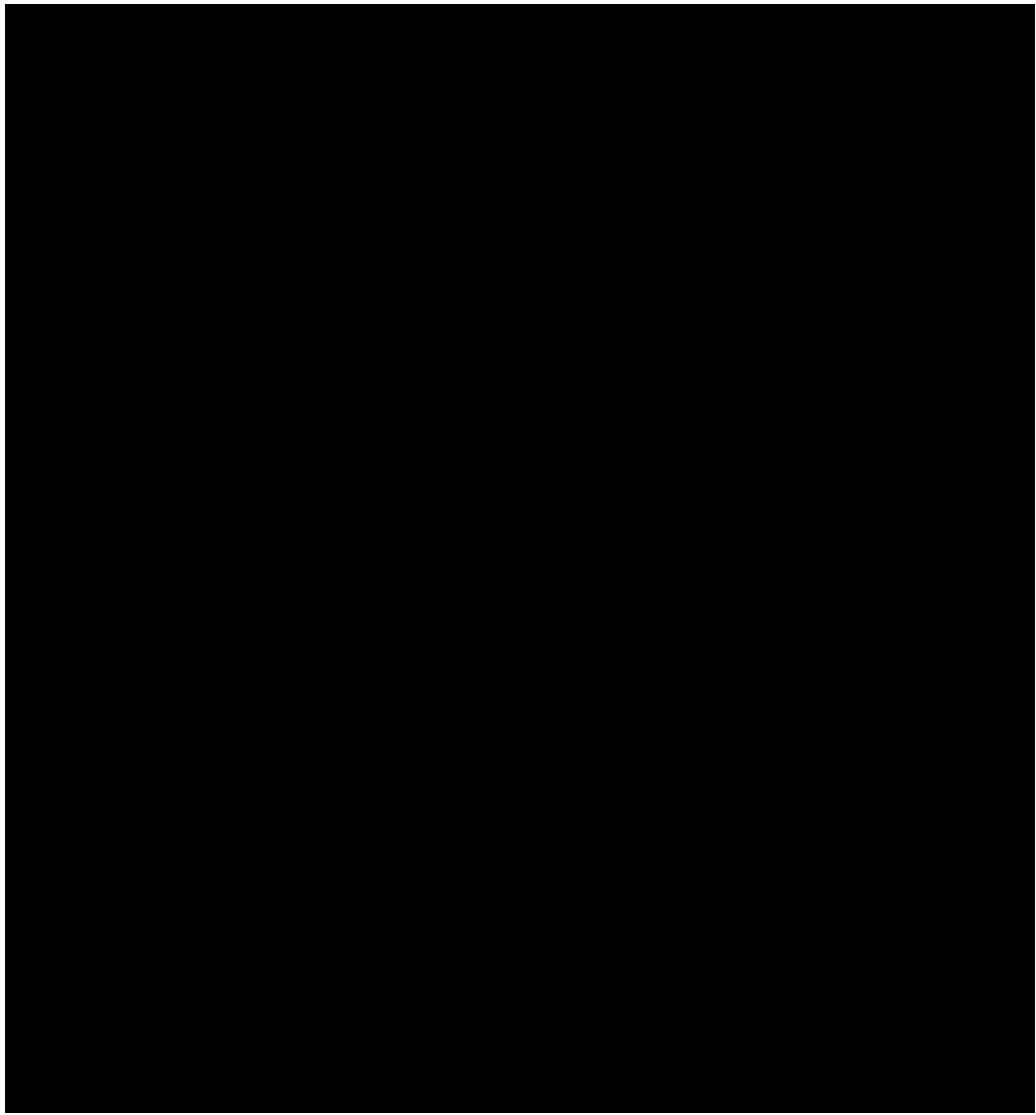


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*Sydney Morning Herald and WA Today – 11 November 2024*

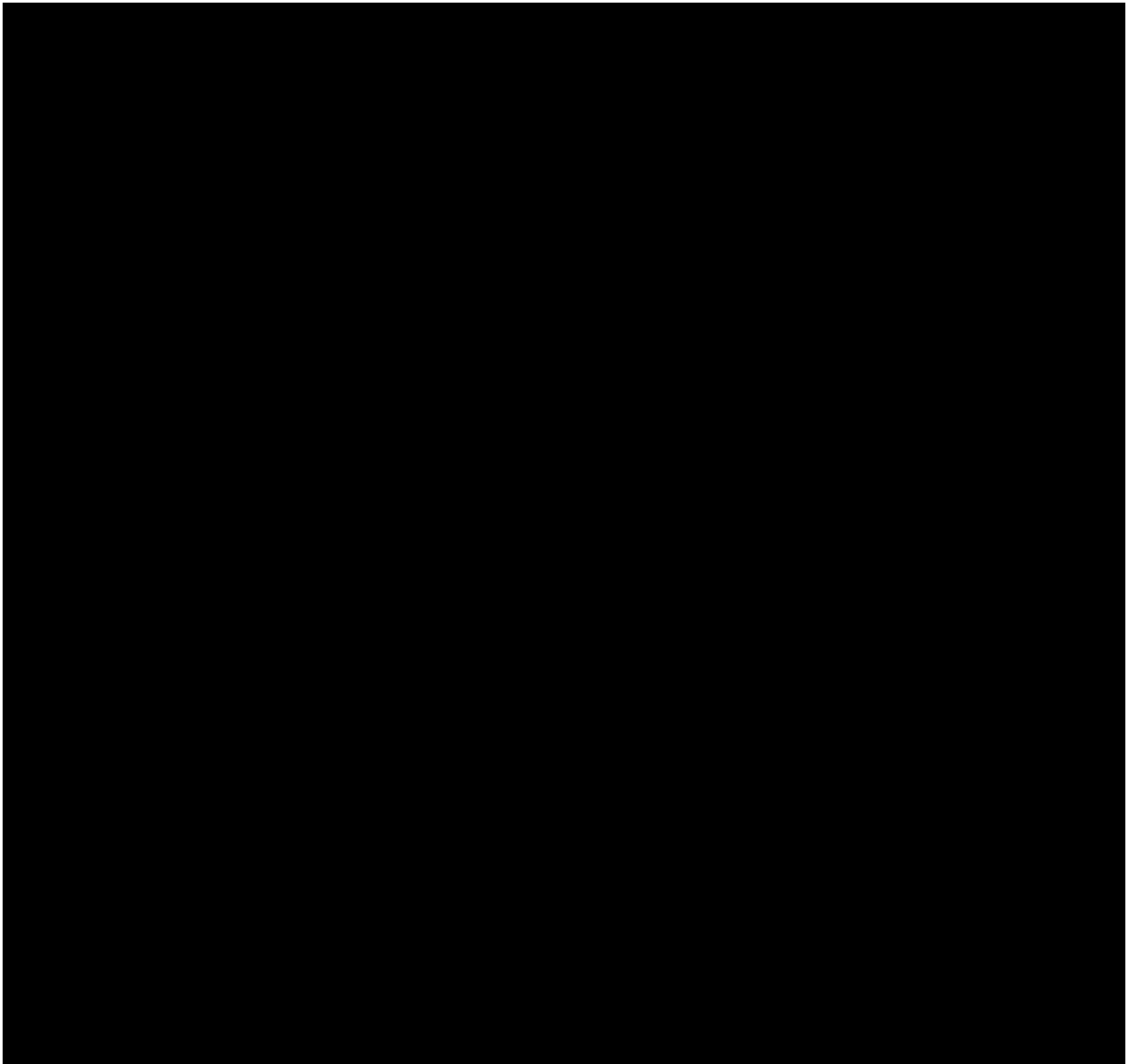


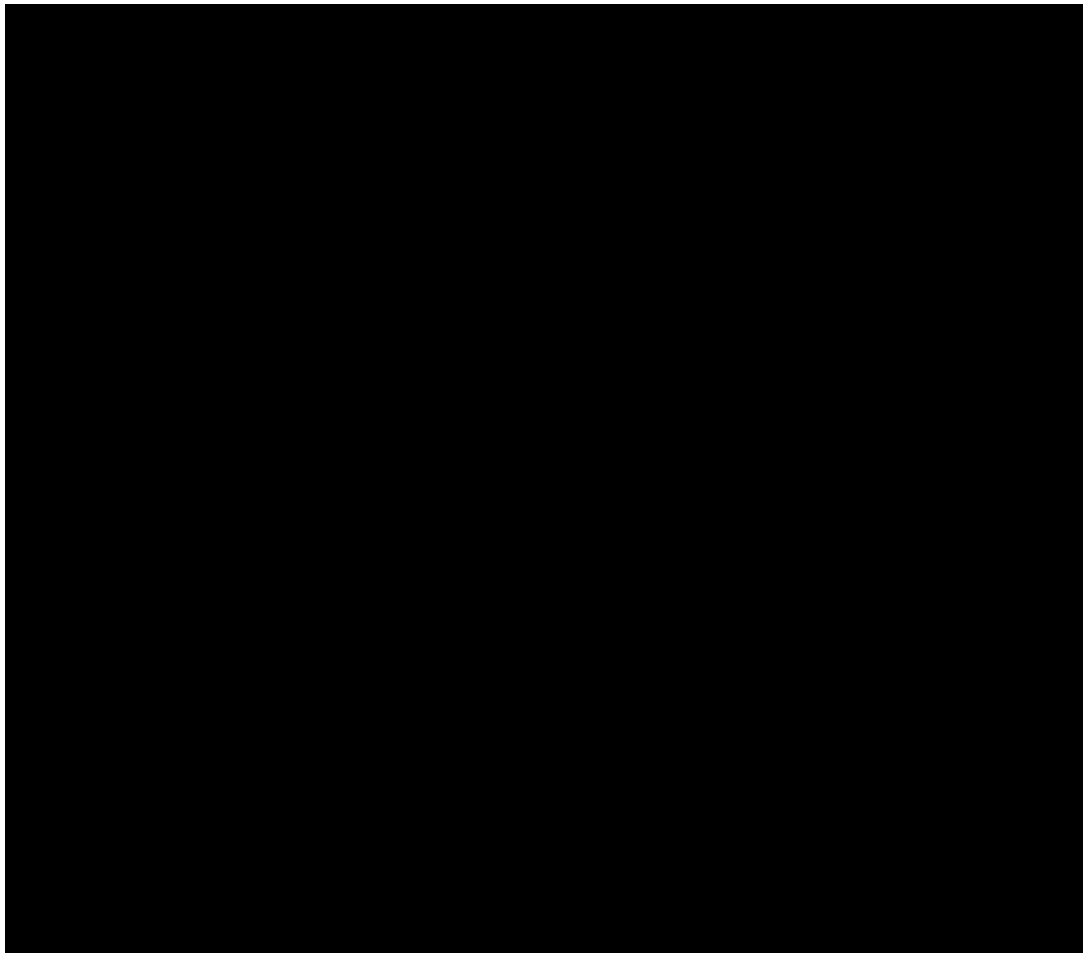












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