



Community Engagement Outcomes Report

Proposed Special Rate Variation (SRV)

July 2024



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Executive Summary

This Community Engagement Outcomes Report details the outcomes of the community awareness and engagement strategy undertaken by Upper Hunter Shire Council (“Council”) in relation to a proposed application to the Independent Pricing and Regulatory Tribunal (“IPART”) for a Special Rate Variation (“SRV”), which was delivered from Monday, 3 June 2024 to Monday, 15 July 2024.

The engagement was planned with two key objectives:

1. **Inform:** to raise awareness of why an SRV is needed and inform the community of the options being considered and resulting impacts on service levels.
2. **Consult:** to publicly exhibit the draft Long-Term Financial Plan (“LTFP”) and seek community feedback on the proposed SRV options, being the introduction of a permanent SRV of cumulative 33.10 per cent over three years (10 per cent each year from 2025-26) or a permanent SRV of 33.55 per cent over four years (7.5 per cent each year from 2025-26).

Implementation of this engagement was carried out in accordance with the Community Engagement Action Plan considered by Council at its Ordinary Meeting held on Monday, 27 May 2024. Significant effort was made to effectively promote the engagement, with a wide range of communication tools and platforms utilised to inform the community of the engagement and explain how members of the community could participate and provide feedback on the two SRV options being considered by Council.

As part of the engagement, Council facilitated an online survey to gather community feedback on the proposed SRV, including the two SRV options detailed in the draft LTFP. The survey was made available via Council’s dedicated SRV webpage. In total, 176 responses to the survey were received. Self-initiated written feedback received by Council up until 15 July 2024 totalled 60 submissions, emails and letters.

Key findings

- Council’s communication and awareness efforts were successful, with most respondents to the online survey understanding why Council was proposing applying for an SRV. Of the 176 survey respondents, approximately two thirds - 59 per cent - indicated they understand why an SRV was under consideration, compared to only 15 per cent who did not (26 per cent of respondents did not provide a response).
- If Council does proceed in applying for an SRV, there is no clear preferred option. Of the 176 survey respondents, 50 per cent nominated Option 1 (three-year SRV) as their preferred option, while the remaining 50 per cent of respondents identified Option 2 (four-year SRV) as their preferred option.
- Approximately 40 per cent of respondents believe that Council needs to achieve further operational efficiencies, business improvements and cost savings rather than apply to IPART for an SRV. This was the most common objection to the proposed SRV. Suggestions included reviewing Council’s organisation structure, staffing levels and salary system; reducing Councillor remuneration; improving business systems and boosting productivity; and improving financial and budget management practices within the organisation.
- Council’s services and service levels were raised as an issue by approximately 22 per cent of respondents; however, views were mixed on whether service levels should be reduced or maintained (and potentially increased). While 11 per cent of respondents suggested that Council needs to review

non-core services and potentially reduce service levels (and discontinue some services); a further 11 per cent were opposed to services being reduced, suggesting that Council's current service levels were too low and need to be increased.

- Affordability was nominated as a concern by approximately 19 per cent of respondents. These respondents indicated that both proposed SRV options were unaffordable, with most objecting to the extent of the proposed rate increases. A small number of these respondents indicated that they agreed that an SRV was necessary, but that the increases proposed under the two SRV scenarios were too significant.
- Ongoing cost of living pressures were cited by 12 per cent of respondents as a reason for their opposition to the proposed SRV. These respondents tended to point to inflation, current interest rate levels, and recent increases in general costs of living as reasons for opposing the introduction of an SRV.

Next steps

Should Council proceed in applying to IPART for an SRV, it will need to prepare and submit an application to IPART in early 2025. IPART will publish the application (if any) and accompanying materials to its website and invite public submissions from members of the community via a community consultation process. IPART will review and consider all submissions it receives, prior to releasing its final decision in relation to the application (if any).

As at the time of this report being prepared, IPART was yet to publish its indicative timeline for the 2025-26 SRV application process. However, once finalised, the timeline – along with further information on the SRV process, including how IPART assesses SRV applications – will be made available from IPART's website at www.ipart.nsw.gov.au.

1 Introduction

1.1 Background and context

1.1.1 Principles of sound financial management

Section 8B of the *Local Government Act 1993* requires Council to apply sound financial management principles of being responsible and sustainable in aligning income, expenses and infrastructure investment, with effective financial and asset performance management.

1.1.2 Increasing costs of maintaining infrastructure

Over the past five years, severe climatic events, including both drought and floods, have severely affected road infrastructure throughout the Upper Hunter Shire. As a result, Council has had to fund increased maintenance to ensure the local road network meets community expectations and is safe for both domestic and heavy vehicle traffic. In turn, Council has had to reduce the funding allocated for other services, programs and priorities.

Fortunately, Council has been very successful in securing grant funding from the State and Federal Governments to assist in delivering these projects. In this five-year period, Council secured \$90.5 million in capital grant funds. However, this level of grant funding is not expected to continue in the years ahead, with both the State and Federal Governments having tightened their own budgets as they manage their own fiscal deficits. Council must therefore prepare to internally fund its asset renewal programs, rather than rely on external funding to do so. Over the next 10 years, Council's capital works program is forecast to total \$205.9 million.

1.1.3 Providing important community services

Council is also responsible for delivering a range of important services and programs to the Upper Hunter Shire community. In addition to its core services, Council provides various non-core (or discretionary) services within the community, where there is both a community need for service provision, and a gap in the market with no private operators providing these services. This includes an aged care facility, Gummun Place Hostel in Merriwa, and a childcare facility, Upper Hunter Early Learning Centre in Scone. Over the five-year period from 2019 to 2023, these services generated a combined deficit of approximately \$2.2 million.

The aged care and early childhood education sectors are heavily regulated by the State and Commonwealth Governments, and the costs of operating facilities such as the Gummun Place Hostel and Upper Hunter Early Learning Centre and complying with the respective regulatory requirements are considerable. Over the past three years, Council has unsuccessfully sought to secure private operators to assume responsibility for these facilities. Council has also reviewed the facilities' respective business structures with the aim of achieving operational savings; such opportunities are limited, however, due to the need to meet various regulatory requirements.

1.1.4 Cost-shifting from State and Commonwealth Governments

For some time, the NSW local government sector has also been under pressure from the State and Commonwealth Governments to assume responsibility for infrastructure, services and regulatory functions, without being provided sufficient funding to do so. Known as "cost shifting", this practice means that all local councils – including Upper Hunter Shire Council – are required to provide additional services, maintain

additional infrastructure, and meet additional compliance requirements, without the revenue to meet the additional cost imposition of doing so.

Research and analysis commissioned by Local Government NSW (“LGNSW”) suggests that the burden of cost-shifting is rising rapidly. Over the five-year period from 2018 to 2023, the burden increased by 78 per cent, from \$820 million in 2018 to \$1.36 billion in 2023. This amounts to an average \$460.67 paid by each NSW ratepayer per annum. Further information on the impact of cost-shifting on ratepayers is available from the [LGNSW website](#).

1.1.5 Need for a Special Rate Variation

The Upper Hunter Shire Community Strategic Plan (“CSP”) identifies a key strategic objective for Responsible Governance as the “effective financial and asset management to ensure Council’s long-term sustainability”. In executing this objective and considering the economic changes that have recently occurred, Council flagged in its 2022-26 Delivery Program and 2022-23 Operational Plan the anticipated need to seek a Special Rate Variation (SRV) within the next two to five years.

At its Ordinary Meeting held 29 January 2024, Council resolved to notify IPART of its intention to apply for an SRV in the 2025-26 financial year **[Res. 24/003]**.

Council subsequently reviewed and refined its LTFP, with the objective of progressing the organisation towards a position of financial sustainability in the long-term and increasing its ability to fund asset renewal requirements. The revised LTFP incorporates four scenarios, including accompanying financial forecasts, including two scenarios which model the introduction of a permanent SRV:

- **Scenario 2 – SRV Option 1:** Introduction from the 2025/2026 year of a permanent SRV of 10 per cent over three years with a cumulative effect of 33.10 per cent, and then reverting to rate pegging increments after the three-year period.
- **Scenario 3 – SRV Option 2:** Introduction from the 2025/2026 year of a permanent SRV of 7.5 per cent over four years with a cumulative effect of 33.55 per cent and then reverting to rate pegging increments after the four-year period.

At its Ordinary Meeting held 27 May 2024, Council resolved to endorse the revised draft LTFP for public exhibition, commencing Monday, 3 June and concluding Friday, 5 July 2024, and undertake community consultation on the draft LTFP **[Res. 24/094]**.

1.2 Proposed SRV options

The two options presented to the community were modelled on the two SRV scenarios contained in the revised LTFP (Scenario 2 and Scenario 3). Both options were for a relatively similar increase overall (36.83 per cent and 33.55 per cent, respectively), with the key difference being the number of years required to implement the full extent of the rate rise: Option 1 modelled an SRV over three years, whereas Option 2 modelled an SRV over four years. The two options are detailed in *Table 1*, below.

Table 1 SRV Options

SRV Option	2025-26	2026-27	2027-28	2028-29	Cumulative SRV Increase
Option 1 - Three-year SRV	10.00%	10.00%	10.00%	2.80%*	36.83%
Option 2 – Four-year SRV	7.50%	7.50%	7.50%	7.50%	33.55%

*The fourth year rate for Option 1 is the assumed rate peg for that year (2028-29).

1.2.1 Option 1 – Three-year SRV

This scenario models the introduction from the 2025/26 year of a permanent SRV of 10 per cent over three years with a cumulative effect of 33.10 per cent, and then reverting to rate pegging increments after the three-year period. The impact of Option 1 on annual rates is detailed in *Table 2*, below.

Table 2 Average annual rates: Option 1 – Three-year SRV

Rating Category	2024-25	2025-26	2026-27	2027-28	Cumulative SRV Increase
Residential	\$975.15	\$1,072.66	\$1,179.93	\$1,297.92	\$322.77
Business	\$1,197.69	\$1,317.46	\$1,449.21	\$1,594.13	\$396.44
Farmland	\$4,164.89	\$4,581.38	\$5,039.52	\$5,543.47	\$1,378.58
Mining	\$143,527.62	\$157,880.27	\$173,668.30	\$191,035.13	\$47,507.51

1.2.2 Option 2 – Four-year SRV

This scenario models the introduction from the 2025/26 year of a permanent SRV of 7.5 per cent over four years with a cumulative effect of 33.55 per cent, and then reverting to rate pegging increments after the four-year period. The impact of Option 2 on annual rates is detailed in *Table 3*, below.

Table 3 Average annual rates: Option 2 - Four-year SRV

Rating Category	2024-25	2025-26	2026-27	2027-28	2028-29	Cumulative SRV Increase
Residential	\$975.15	\$1,048.28	\$1,126.90	\$1,211.42	\$1,302.28	\$327.13
Business	\$1,197.69	\$1,287.52	\$1,384.08	\$1,487.89	\$1,599.48	\$401.79
Farmland	\$4,164.89	\$4,477.25	\$4,813.04	\$5,174.02	\$5,562.07	\$1,397.18
Mining	\$143,527.62	\$154,292.08	\$165,863.99	\$178,303.79	\$191,676.57	\$48,148.95

2 Engagement approach

2.1 Engagement purpose and objectives

The purpose of the engagement was to ensure that the Upper Hunter Shire community was adequately informed about the need for Council to pursue an SRV and the options being considered and consulted on the two options under consideration.

Specific objectives of the engagement included:

- to present the case for the proposed SRV options to the Upper Hunter Shire community
- to identify the impact of the proposed SRV on the average rates across each rating category
- to publicly exhibit a revised LTFP demonstrating the impact of the proposed SRV on Council's operating results from 2025-26 for feedback and final endorsement by Council
- to communicate the timeline and process for any potential SV application
- to gather and consider the Upper Hunter Shire community's feedback to inform Council's final decision on whether, and how, to proceed in making application to IPART for an SRV.


2.2 Engagement framework

A Community Engagement Action Plan ("the action plan") was developed to guide Council's engagement with the Upper Hunter Shire community. The action plan clearly set out the tools and methods to be used in engaging with the community on the proposed SRV, including how engagement opportunities would be communicated and the ways in which members of the community could provide feedback.

2.3 Engagement levels and tools

The Public Participation Spectrum developed by the International Association for Public Participation and reproduced in *Figure 1*, below, illustrates the different levels of participation that defines the public's role in an engagement process. Noting the aims and objectives of the engagement, Council designed the engagement process to align with the **Inform** and **Consult** levels.

Figure 1 IAP2 Public Participation Spectrum

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

As detailed in *Table 4*, below, consultation was carried out using three (3) channels, namely public information sessions, a survey, and self-initiated feedback.

Table 4 Engagement tools

Engagement tool	Summary	Engagements
Online survey	An online survey was facilitated via Council’s website for the duration of the engagement period, allowing respondents to provide feedback on the proposed SRV and identify their preferred SRV option. In total, 176 survey responses were received. A copy of the survey is included as <i>Appendix A</i> .	176
Community drop-in sessions	Community drop-in sessions were facilitated during the engagement to allow members of the community to discuss the proposed SRV and learn more about the SRV options. Three (3) sessions were held across Monday, 17 June, Tuesday, 18 June and Wednesday, 19 June 2024. In total, 27 people attended a public information session. Visual information resources used at these sessions have been included as <i>Appendix B</i> .	27
Written submissions	In addition to the online survey, Council invited written submissions throughout the consultation period via mail, email or in person at one of the organisation’s Administration Centres. In total, 60 written submissions were received.	60

2.4 Engagement promotion

Given the significance of the engagement and the likely impact of a proposed SRV on ratepayers throughout the Upper Hunter Shire local government area; Council designed and facilitated a survey which all members of the community were invited to complete.

As detailed above, Council designed and implemented a Community Engagement Action Plan to ensure that a wide range of communication tools were utilised to raise awareness of the need for an SRV and promote the engagement. Importantly, the avenues through which members of the community could contribute to the process and provide feedback for Council’s consideration, prior to a final decision being made in relation to making an application to IPART for an SRV, were also communicated.

The awareness and engagement strategy was promoted extensively via a combination of Council and third-party channels.

Table 5 Engagement promotion

Mechanism	Description	Reach
DP/OP Sessions	<p>Prior to the commencement of the engagement period, Council utilised its regular engagement forums on the Delivery Program and Operational Plan to promote the intention to commence an engagement on a potential SRV. These sessions were face to face with the community, with staff and councillors in attendance, at:</p> <ul style="list-style-type: none"> - Aberdeen on Tuesday, 7 May 2024 - Cassilis on Thursday, 9 May 2024 - Merriwa on Thursday, 9 May 2024 - Scone on Monday, 13 May 2024 - Murrurundi on Wednesday, 15 May 2024 - Moonan Flat on Monday, 20 May 2024 <p>In total, 46 members of the community attended a Delivery Program/Operational Plan session.</p>	46
Advertising – Print	<p>An advertisement was placed in the local newspaper, <i>Hunter River Times</i> (a fortnightly publication) on 7 June 2024. This was followed by the Mayor’s regular editorial column which discussed some of the regular frequently asked questions.</p> <p>The print advertisement is included as <i>Appendix C</i>.</p>	Consumers of <i>Hunter River Times</i>
Advertising – Radio	<p>Advertisements appeared across local radio channels between 3 June and 15 July 2024 promoting the engagement period, raising awareness of the proposed SRV and directing members of the public to access further information from Council’s SRV webpage.</p> <p>This was implemented by live reads promoting the drop in sessions. Regular 30 second advertisements appeared in local radio network, which includes PowerFM and 2NM.</p> <p>The radio advertisement script is included as <i>Appendix D</i>.</p>	Consumers of <i>PowerFM and 2NM</i>

Mechanism	Description	Reach
Community Mailout (Rates Insert)	<p>Council produced a community direct mailout fact sheet providing further information about the proposed SRV, including the:</p> <ul style="list-style-type: none"> - Need for an SRV - Details of the two SRV options - Purpose of the SRV, and - Means by which members of the community could provide feedback on the proposed SRV. <p>The fact sheet was mailed to all rate assessment properties, which is approximately 6,500 ratepayers.</p> <p>A sample of the mailout is included as <i>Appendix E</i>.</p>	Approx. 6,500
Facebook campaign	<p>Over the engagement period, 13 posts were published to Council’s Facebook page to raise awareness of the need for an SRV, promote opportunities to participate in the engagement, and advise members of the public on how they could access further information in relation to the proposal and provide feedback on the proposal.</p> <p>Further information, including specific posts and individual reach and engagement metrics, is included as <i>Appendix F</i>.</p>	Reach: 22,318 Engagement: 6,093
Media release	<p>On 3 June 2024, Council prepared and distributed a media release in relation to the engagement. The media release:</p> <ul style="list-style-type: none"> - Outlined the two SRV options under consideration - Advised details of the community drop-in sessions to be held between 17-19 June - Outlined how written submissions on the proposed SRVs could be provided - Advised members of the public to access further information in relation to the proposed SRV from Council’s website. <p>This led to several media interviews including:</p> <ul style="list-style-type: none"> - General Manager interviewed by PowerFM on 5 June 2024 - Contributed to Newcastle Herald article on 12 June 2024 - General Manager interviewed by ABC local radio on 18 June 2024 <p>The media release can be [REDACTED]</p>	All local media
SRV consultation webpage	<p>A dedicated page was published to Council’s website, available at upperhunter.nsw.gov.au, for the duration of the engagement and was the central point for all information and resources relating to the proposed SRV.</p> <p>This consultation page allowed members of the community to:</p> <ul style="list-style-type: none"> - Understand Council’s financial situation and the need for an SV - Learn more about the two options - Access various publications and materials, including the SRV background information paper, the draft LTFP, and Frequently Asked Questions (FAQs) - View the dates, times and venues of the community information sessions - Complete the survey 	Views: 1,026 Visitors: 718

Mechanism	Description	Reach
	<ul style="list-style-type: none"> - Understand how feedback and submissions could be provided. <p>Between the period commencing 3 June 2024 and 15 July 2024, the page achieved 1,026 views from 718 unique visitors.</p>	
<p>Printed communications collateral</p>	<p>Council produced supplementary printed communications collateral to raise awareness of the proposed SV, encourage community feedback and increase visitation to the website.</p> <p>Collateral included:</p> <ul style="list-style-type: none"> - SRV background information paper - LTFP document - Flyers/posters detailing the proposed options and where to go for more information and to provide feedback, including a QR code with a link to the website. <p>Copies of these were available for the community to review or take at the three council administrative locations in Scone, Merriwa and Murrurundi throughout the engagement period.</p> <p>Flyers were also available at all of Council’s libraries including in Scone, Merriwa, Murrurundi, Cassilis and Aberdeen.</p> <p>The flyer/poster is included as <i>Appendix G</i>.</p>	
<p>Community drop-in information sessions</p>	<p>Council conducted three (3) face-to-face drop-in information sessions, one in each of the three major townships in the Upper Hunter Shire local government area, as follows:</p> <ul style="list-style-type: none"> - Merriwa – 2.00pm to 6.00pm, 17 June 2024 - Scone – 2.00pm to 6.00pm, 18 June 2024 - Murrurundi – 2.00pm to 6.00pm, 19 June 2024 <p>Community members were encouraged to come by at any time in the consultation session window. At the session, community members were able to:</p> <ul style="list-style-type: none"> - View key information on the proposed SRV options - View the draft LTFP document - Ask Council’s senior staff any questions that they have on the proposed SRV options, impacts and the process - Ask Council’s staff to input their property information into a rates calculator to understand the impact of the proposed SRV options on their particular rates. <p>Attendance at the drop-in information sessions was as follows:</p> <ul style="list-style-type: none"> - Merriwa: 15 people - Scone: 5 people - Murrurundi: 7 people 	<p>27 people</p>

3 Engagement findings

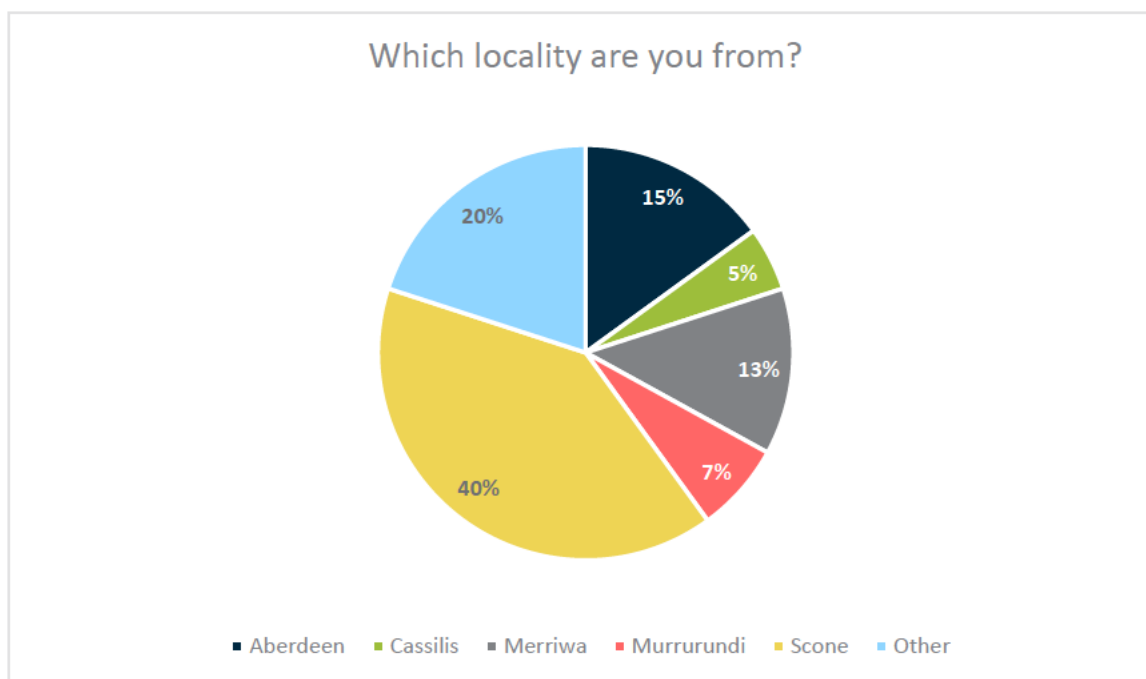
3.1 Online survey

An online survey was facilitated to understand community awareness of the need for the proposed SRV, as well as public sentiment towards the two SRV options proposed by Council. The survey was open from Monday, 3 June 2024 to Monday, 15 July 2024. Council received 176 responses to the survey.

3.1.1 Respondent demographics

Of the 176 respondents to the online survey, most respondents (40 per cent) live in Scone, followed by Aberdeen (15 per cent), Merriwa (13 per cent), and Murrurundi (7 per cent). The remaining 20 per cent of respondents identified as living in another locality or village.

Figure 2 Survey results: Which locality are you from?

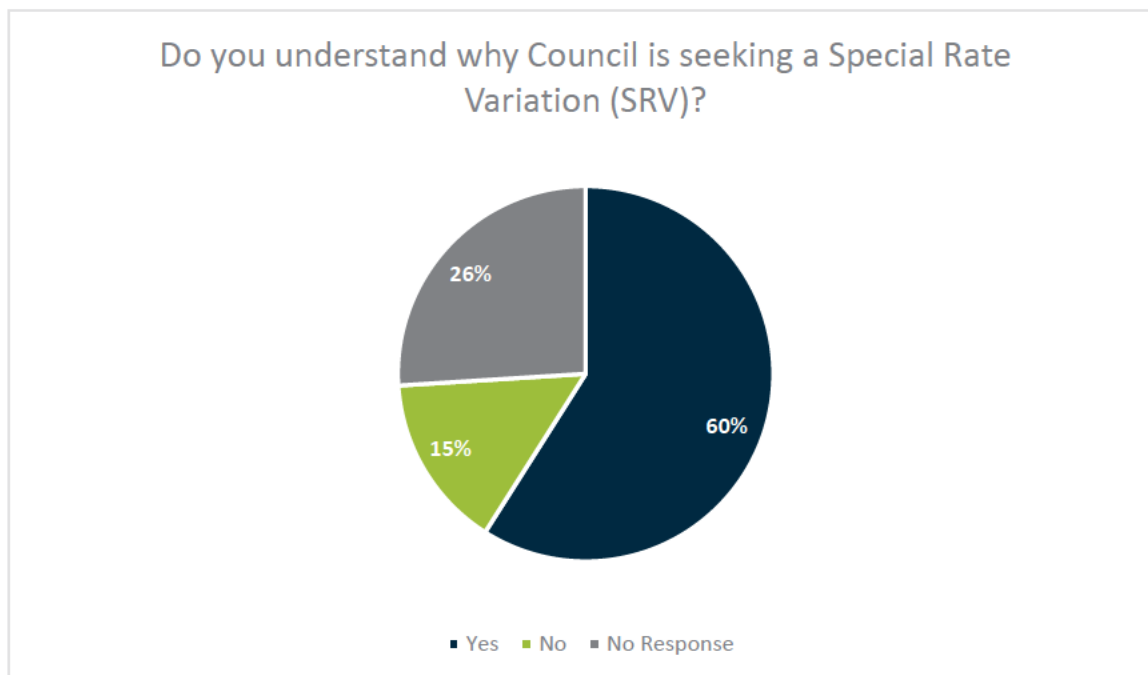


3.1.2 Overview of results

Understanding of the need for SRV

In assessing SRV applications, IPART considers whether or not the community is aware of the need for, and extent of, a rate rise. As such, respondents to the survey were asked if they understood why Council was proposing to seek an SRV. Of the 176 survey respondents, 105 (representing 60 per cent) indicated they understood why Council was proposing to seek an SRV, compared to 26 (representing 15 per cent) who indicated that they did not understand. Forty-five respondents (representing 25 per cent) did not answer this question.

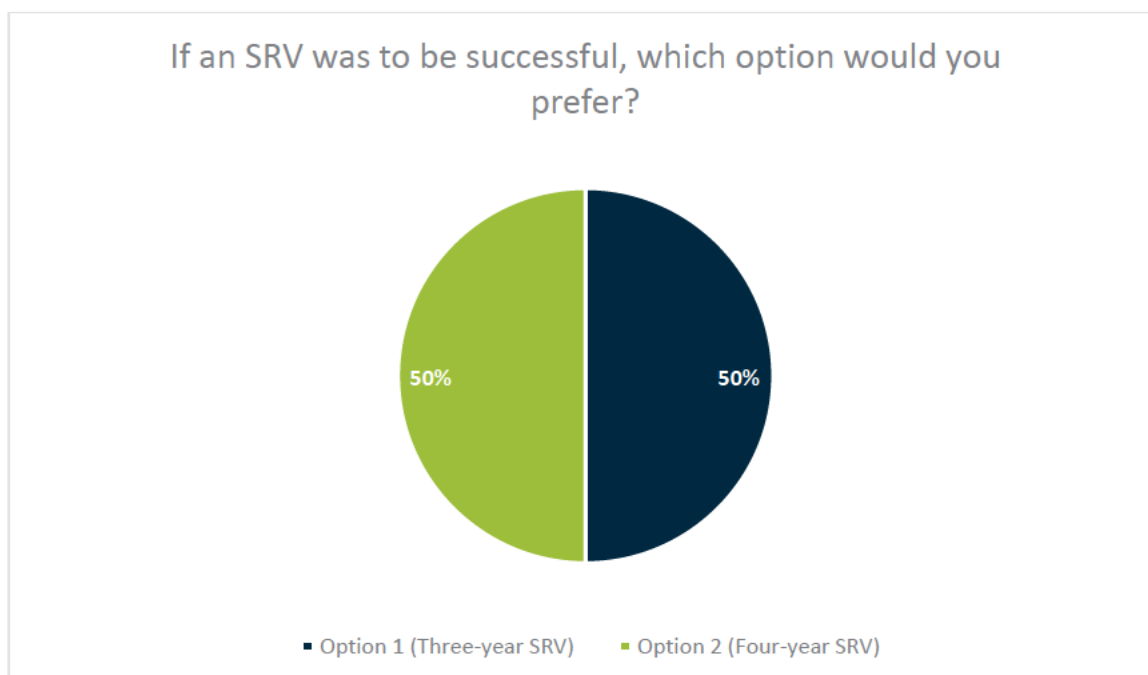
Figure 3 Survey Results: Do you understand why Council is seeking a Special Rate Variation (SRV)?



Preferred SRV option

Council requested respondents to nominate their preferred SRV option of the two options presented. Of the 176 respondents, 88 respondents (representing 50 per cent) nominated Option 1 (three-year SRV) as their preferred option whereas 88 respondents nominated Option 2 (four-year SRV) as their preferred option.

Figure 4 Survey Results: If an SRV was to be successful, which option would you prefer?



Priority review areas if SRV is not successful

Respondents were asked to identify priority areas for review, should Council not apply for or secure an SRV. Of the five options provided:

- 64 respondents (representing 36 per cent) nominated adjustments in maintenance schedules for roads and bridges as the most important priority area,
- 38 respondents (representing 22 per cent) nominated streamlining non-core Council services as the most important priority area,
- 38 respondents (representing 22 per cent) nominated adjusting operating hours for Council services as the most important priority area,
- 24 respondents (representing 13 per cent) nominated reviewing public facilities (e.g. swimming pools, libraries) as the most important priority area, and
- 12 respondents (representing 7 per cent) nominated optimising community programs (e.g. youth centres, early intervention services) as the most important priority area.

Figure 5 Survey results: If an SRV was not successful, which areas would you prioritise?



3.2 Written submissions

In addition to completing the online survey, Council invited members of the community to provide written submissions in relation to the proposed SRV. Written submissions could be submitted via post, email or in-person at one of Council's Administration Centres at Merriwa, Murrurundi or Scone, respectively. A total of 60 written submissions received.

Themes and issues raised in the written submissions were largely consistent with those raised in the online survey. Some members of the community who provided written submissions also provided feedback via the online survey.

4 Key themes and issues

4.1 Data collection

Data handling and analysis was carried out using Council's online survey software and spreadsheets. All open-ended responses were read and then coded by theme. A guide on how each theme was coded has been included as *Annexure H*.

Where open-ended responses have raised more than one theme or issue, they have been coded to multiple issues.

4.2 Themes and issues

4.2.1 Affordability and hardship

Approximately 19 per cent of respondents raised affordability and hardship as an issue. Many respondents indicated that the proposed SRV options were unaffordable, and questioned whether they would be able to pay their rates if either SRV option was implemented. Several respondents identified as pensioners.

Response:

- Council has undertaken an assessment of the Upper Hunter Shire community's capacity to pay for the proposed SRV. Based on this assessment for an average residential household, SRV Option 1 (10 per cent for three years) and SRV Option 2 (7.5 per cent for four years) are expected to produce increases in the general rate of \$6.21 per week and \$6.29 per week, respectively, by the final year of the SRV.
- Council has adopted a *Rates and Valuations Hardship Policy* which provides a framework for ratepayers suffering genuine financial hardship to request and receive relief with the payment of their rates, annual charges and fees. This policy extends to all applications for waiving and writing off rates, fees, annual charges and interest accrued on such debts, and outlines the process and criteria for submitting and assessing such applications. This policy is available from [Council's website](#).

4.2.2 Cost of living

Approximately 12 per cent of respondents cited current cost of living pressures - including rising inflation and increasing costs of everyday items such as groceries, fuel and energy - as a reason for their opposition to the introduction of an SRV.

Response:

- As with any other business, Council is also operating in an uncertain economic climate and feeling the impacts of a highly volatile inflationary environment. Over the past three years, costs have grown much faster than the IPART-recommended rate peg, which has placed Council's financial position under further strain. While Council has achieved a number of cost savings and realised new income sources; the savings and additional revenue are not enough to keep up with the increase in materials, contracts and workforce/labour costs. This is further explained in Council's draft LTFP, available from [Council's website](#).

4.2.3 Council management and operational efficiencies

Approximately 40 per cent of respondents suggested that Council needs to achieve further operational efficiencies and cost savings prior to seeking an SRV. Suggestions included reducing the organisation's staffing levels, achieving efficiency improvements, reviewing the organisation's salary structure and reducing Councillor fees.

Response:

- Prior to commencing consultation on the proposed SRV, Council reviewed its organisation structure to achieve cost savings totalling approximately \$624,000 per annum. Cost savings included the removal of three senior management roles from Council's organisation structure, as well as the redesign of a further two positions within the structure. Further information on these savings, as well as other business improvement and efficiency measures, is set out in the *SRV Background Paper* (refer pages 11-15), available from [Council's website](#).
- While Council has been able to achieve ongoing savings through reviewing its organisation structure and staffing arrangements, it is still facing further financial burdens via cost shifting from the State and Federal Governments. This practice sees Council needing to provide additional services, maintain additional infrastructure and meet additional compliance requirements, without being provided the revenue to meet the additional cost imposition of doing so. Further information on cost shifting and its effect on local councils is available from the [LGNSW website](#).
- As with most other local government employees in NSW, Council's staff are employed under the *Local Government (State) Award* ("the LG Award"). The LG Award establishes the minimum entitlements and employment conditions for local government employees and sets out the minimum rates of pay which local councils – including Upper Hunter Shire Council – must pay their staff. Council's salary system is aligned with the provisions of the LG Award.
- The *Local Government Act 1993* requires all Councillors in NSW to be remunerated. Councillor fees are largely determined by the Local Government Remuneration Tribunal ("the LGRT"), which is an independent statutory tribunal. Each year, the LGRT is required to make an annual determination on the fees payable to Mayors and Councillors. In making its determination, the LGRT considers a range of factors such as economic data, including the Consumer Price Index, Wage Price Index, full-time adult average weekly ordinary time earnings, NSW Public Sector increases, and LG Award increases.

4.2.4 Alternative income streams

Approximately 1 per cent of respondents suggested that Council needs to explore opportunities to achieve additional revenue via alternative income streams.

Response:

- Council is in the process of facilitating an organisational business service review with a focus on achieving additional revenue streams, along with cost savings and operating efficiencies. Several measures already undertaken have generated an additional revenue of \$200,000 per annum. Several other potential revenue generation measures have been identified but require further investigation before they can be implemented. Further information on these initiatives is set out in the *SRV Background Paper* (refer pages 11-14), available from [Council's website](#).

4.2.5 Social and economic impact

Approximately 3 per cent of respondents expressed concern in relation to the potential impact of an SRV on the Upper Hunter Shire's economy and community, specifically via business closures or population decline due to residents and families needing to relocate to other areas.

Response:

- Census data for 2021 identified that the median total household weekly income for the Upper Hunter Shire is \$1,429. As noted above, based on this assessment for an average residential household, SRV Option 1 (10 per cent for three years) and SRV Option 2 (7.5 per cent for four years) are expected to produce increases in the general rate of \$6.21 per week and \$6.29 per week, respectively, by the final year of the SRV. Further information regarding the community's capacity to pay is set out in the *SRV Background Paper* (refer pages 21-23), available from [Council's website](#).
- Business rates in the Upper Hunter Shire are currently lower than those in other similar regions, including the Dungog Shire, Liverpool Plains, Mid Western Region, Muswellbrook Shire, Singleton and Warrumbungle Shire local government areas. Under either of the proposed SRV options, business rates in the Upper Hunter Shire would still be lower than comparable rates in these other areas. A comparison of the proposed rates with those of other councils is available from [Council's website](#) and also set out in the *SRV Background Paper* (refer page 21).

4.2.6 Existing service levels

Approximately 11 per cent of respondents believe Council's existing service levels are too low and need to potentially increase. Several respondents cited household waste collection service levels as an issue, specifically collection frequency, whereas others raised the quality of local roads as an issue.

Response:

- Council cannot maintain, let alone increase, service levels without an SRV.
- Council acknowledges that local road infrastructure has been severely impacted by weather events such as drought and floods. The objective of the proposed SRV is to generate the revenue required to meet the costs of maintaining our road network and ensuring roads, water and sewer networks, and public facilities remain safe and functional.
- Since the introduction of a kerbside Food Organics and Garden Organics ("FOGO") waste collection service in 2022; residents' green bins (FOGO) are collected and emptied weekly, with red (waste) and yellow (recycling) bins picked up on alternating fortnights. This collection configuration is based on the NSW Environmental Protection Agency ("EPA") best practice model for maximising food recycling and reducing landfill. It is also consistent with how most other councils operate their three-bin collection service. Further information on Council's waste collection service is available from [Council's website](#).

4.2.7 Service level reduction

Approximately 11 per cent of respondents believe Council should reduce existing service levels and review (or discontinue) non-core services, rather than seek an SRV. Some respondents suggested that service levels should be reviewed and potentially reduced, whereas others indicated that its non-core services should be discontinued. Suggestions included discontinuing provision of aged care and early childhood learning services, reducing the number of community facilities (e.g. swimming pools, libraries, youth centres), and

reviewing operating hours for customer-facing services.

Response:

- Council has identified that if it does not pursue or achieve an SRV, services will need to be reduced by about \$1 million per year.
- Council provides a wide range of services to the Upper Hunter Shire community, most of which are considered core (or mandatory) services under the *Local Government Act 1993* and other legislation. Council provides several non-core (or discretionary) services, which are in response to there being a demonstrated community need for such services and an insufficiently profitable market for private operators to provide such services. Council's non-core services include an aged care facility, Gummun Place Hostel in Merriwa, and a childcare facility, Upper Hunter Early Learning Centre in Scone.
- Both the Gumman Place Hostel and Upper Hunter Early Learning Centre tend to generate losses for Council and are essentially subsidised by ratepayers. Prior to commencing consultation on the proposed SRV, Council made representations to seek the possibility of other skilled parties to operate these businesses, without any success. Council also reviewed the business structures for both facilities with the objective of achieving some cost savings; the potential to achieve savings, however, is limited due to Council being required to meet various regulatory compliance obligations in relation to operating the facilities.
- While not considered core (or mandatory) services; provision of aged care and early childhood education services is consistent with the Upper Hunter Shire's current Community Strategic Plan ("CSP") and supports the achievement of our community's priorities as expressed in the CSP. Specifically, Objective 1.5 of the CSP provides: "Advocate for, support and provide services and facilities for the community". While Council has a role to play in advocating for and supporting service delivery to the community; Council also has a critical role to play as a service provider, especially when – as noted above – there are no private service providers operating in the local market to deliver those services.

4.2.8 Service level maintenance and increase

Approximately 3 per cent of respondents expressed support for Council's current services and service levels, and potentially increasing service levels.

Response:

- Council can only maintain current services and accompanying service levels if it applies for, and achieves, an SRV. As noted above, Council has identified that if it does not pursue or achieve an SRV; services will need to be reduced by about \$1 million per year.

5 Conclusion

Council extends its appreciation to all members of the public who took the opportunity to learn more about the proposed SRV, attend one of the three community drop-in information sessions, and provide feedback on the proposed SRV, be that through completing the online survey or making a written submission.

At the commencement of the engagement period, Council published a page on its corporate website, available at www.upperhunter.nsw.gov.au. As noted previously, various information resources and materials – including background documents and responses to Frequently Asked Questions – were made available to ratepayers and other members of the community via this webpage. Council will continue to maintain this webpage and ensure that up-to-date information on the progress and status of the proposed SRV application (if any) is provided to the community.

Should Council determine to progress with an SRV application, it must do so at a Council meeting. Council meeting business papers, including agendas and minutes, are published to Council's website and can be accessed here.

Should Council proceed in applying to IPART for an SRV, it will need to prepare and submit an application to IPART in early 2025. If an application is made, IPART will publish the application – along with accompanying materials and supporting documentation – to its website, available at www.ipart.nsw.gov.au. IPART will invite public submissions from members of the community via a consultation process, and will review and consider all submissions it receives prior to making its final decision.

Appendices

Appendix A: Online survey



Online form

If you require assistance, please contact Customer Service on 6540 1100

Upper Hunter Shire Council Public Consultation Survey on Special Rate Variation (SRV)

Full name:*

Which locality are you from?*

Do you understand why Council is seeking a Special Rate Variation (SRV)?* Yes No

If an SRV was to be successful, which option would you prefer?*

Option 1: A cumulative permanent increase of 33.10% over three years

Option 2: A cumulative permanent increase of 33.55% over four years

If an SRV was not successful, which areas would you prioritise?*

Adjustments in maintenance schedules for roads and bridges

Re-evaluation of operating hours for public facilities (e.g., swimming pools, libraries)

Optimisation of community programs (e.g., youth centres, early intervention services)

Streamlining non-core Council services (e.g., childcare, aged care)

Adjustments to operating hours for council services

Other (Please specify)

Do you have any specific comments or suggestions regarding the proposed SRV or potential service reductions?

Stay informed? Yes, I would like to subscribe to Council's general promotional newsletter to stay informed about Council activities, news, and events

We appreciate your participation in this survey. Your feedback is crucial in helping the Upper Hunter Shire Council make informed decisions to maintain essential services and infrastructure.



Privacy Statement:

The personal information that Council is collecting from you is personal information for the purposes of the Privacy and Personal Information Protection Act 1998. Any personal information supplied or collected will only be stored and processed for lawful purposes directly related to the functions and activities of Upper Hunter Shire Council.

Appendix B: Community drop-in information session resources

SRV

Why do we need an SRV?

Financial Sustainability

Rising costs and economic pressures necessitate a Special Rate Variation (SRV) to help Upper Hunter Shire Council bridge the gap between revenue and expenses. This will ensure we can continue to operate sustainably and maintain essential services.



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SRV

Why do we need an SRV?

Disaster Recovery

Severe weather events like droughts and floods have heavily impacted our road infrastructure. Upper Hunter Shire Council is proposing a Special Rate Variation (SRV) to fund repairs and maintain safe roads for our community.



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SRV Cost Shifting & Compliance

Councils are restricted in raising revenue to match increasing costs, often required to fund State or Federal services without control over cost increases.

Emergency Services Levy

Councils must pay the State Government for services like Rural Fire Services (RFS), Fire and Rescue, and State Emergency Services (SES). Despite a new rate peg factor for ESL cost increases from 2024-25, historical cost increases remain a burden. The levy rose from \$538,431 in 2017-18 to \$901,979 in 2024-25, representing 6.95% of Council's total general rate.

Waste Levy

Council pays a waste levy to the State Government for landfill waste. Although attempts are made to recover this levy through fees, full recovery is unlikely. Since implementation, \$9.79 million has been remitted, with only \$1.68 million received in grants, resulting in an \$8.11 million shortfall.

Other Cost Shifting

In the last five years, Council has absorbed additional services or costs previously managed by the State Government, including:

- NSW Planning Portal
- Regulation of Underground Petroleum Storage Systems (UPSS)
- Crown Land Management
- ARTC Rail Road Interface Agreement
- Maintenance of Transport for NSW corridor in New England Bypass of Scone
- Cemeteries & Crematoria NSW Licence Fee and Interment Services Levy from 2024

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SRV

Frequently Asked Questions

How much will it cost me?



The average residential general rate increase is about \$6 per week, in the final year, with \$2 due to IPART increases and \$4 due to the SRV.

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SRV

Frequently Asked Questions

My rates are higher than other Councils.

Our rates include annual waste, water, and sewer access charges. Compare land rates only to get a true comparison.



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SRV Council Services & Infrastructure

- Road network length of 1,770km**
 - 124km of urban and other roads
 - 319km of sealed rural roads
 - 1,153km of unsealed rural roads
 - 174km of regional state roads
- 89 bridges and major culverts**
 - 66 concrete structures
 - 23 timber structures
- Water network**
 - 28km of pipe work
 - 7 water treatment plants
 - 14 pump stations
 - 23 reservoirs
 - 11 bores and wells
 - 7 water filling standpipe stations
- Sewer network**
 - 16km of pipe work
 - 4 sewer treatment plants
 - 17 pump stations
- Waste Facilities**
 - 4 main landfill sites
 - 1 transfer station
- 3 Council Administration Offices**
- 10 Community & Public Halls**
- 5 Public Library Branches**
- 3 Public Swimming Pools**
- 3 Youth Centres involving**
 - Youth drop-in centre
 - Early intervention services including: Family and youth support, skills groups counselling
- 2 Approved Children's Education and Care Services**
 - Early Learning Centre (ELC) Long Day Care
 - Family Day Care (FDC)
- An aged care facility with 16 resident beds**
- 17 Independent Living Units**
- 2 Low Income Units**
- 1 Emergency Housing premises**
- 3 Animal Shelters**
- Approx. 20 Emergency Services buildings**
- Regional Airport**
- Hunter Warbirds Aviation Attraction**
- White Park Arena**
- Tourism, community events and programs**
- Sporting and recreation programs and events**
- Numerous commercial properties including Campbells Corner**
- Caravan Park and camping grounds**
- Visitor information centres and Community Connect Service**
- Services Australia and Service NSW agencies**
- Numerous public conveniences**
- More than 119 hectares of recreational open spaces**
- Planning, building and regulatory services including** development application assessments, building certification and inspections, footpath trading approvals, animal control, food shop inspections, onsite sewage management inspections, public health and environmental compliance.
- Emergency management**
- Floodplain management including flood warning systems**
- Waste education and sustainability programs and activities.**

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SRV

Why do we need an SRV?

Infrastructure Renewal & Maintenance

To ensure our roads, bridges, water and sewer networks, and public facilities remain safe and functional, Upper Hunter Shire Council is proposing a Special Rate Variation (SRV). This funding is crucial for ongoing maintenance and renewal of our infrastructure.



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SRV

Why do we need an SRV?

Maintaining Current Services

Upper Hunter Shire Council is proposing a Special Rate Variation (SRV) to maintain essential services such as road maintenance and community facilities.

Without additional funding, these services risk reductions or closures.



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SRV

Frequently Asked Questions

Council is just inefficient and needs to cut its costs.

We've cut operational costs by \$1 million annually.



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SRV

	Savings
Director Corporate Service	\$246,100
<small>×Removed</small>	
Manager Business Services	\$144,062
<small>×Removed</small>	
Manager Governance & Risk	\$14,547
<small>∨Downgraded</small>	
Manager Strategic Projects	\$130,360
<small>×Removed</small>	
Airport Reporting Officer	\$88,991
<small>∧Combined two roles into one</small>	
Total	\$624,060

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SRV Options

Option 1



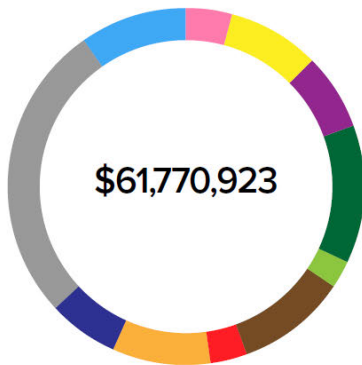
Option 2



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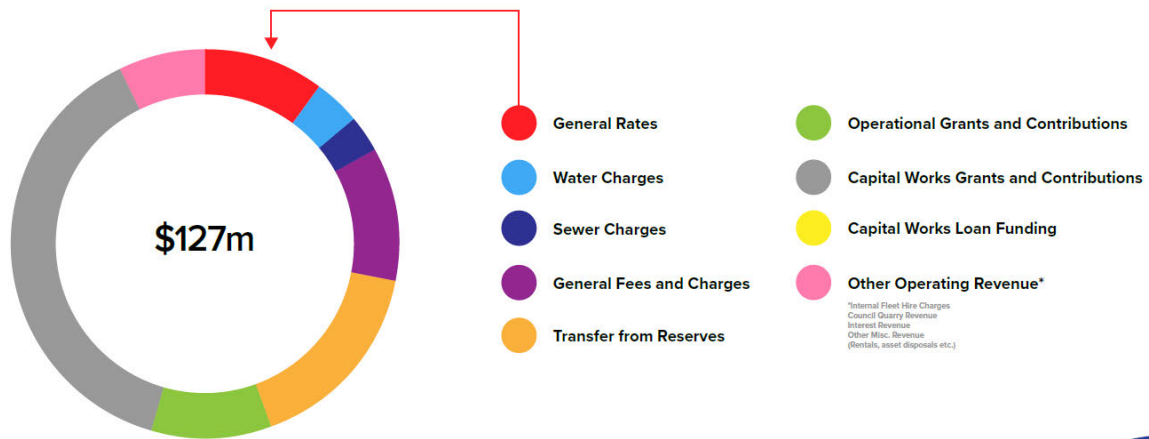
SRV Operational Spend Only



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SRV Total Revenue



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SRV Rate Comparison

Rating Category	UHSC	Singleton	Muswellbrook	Dungog	Liverpool Plains	Warrumbungle	Mid Western
Option 1							
Residential	\$1,297.92	\$1,443.26	\$1,153.12	\$1,778.75	\$1,125.07	\$767.18	\$1,191.77
Business	\$1,594.13	\$2,978.50	\$3,346.81	\$1,843.89	\$1,969.25	\$2,107.91	\$2,650.94
Farmland	\$5,543.47	\$2,961.52	\$3,743.66	\$4,548.26	\$6,558.71	\$3,912.32	\$3,102.82
Mining	\$191,035.13	\$298,443.14	\$1,393,847.46	N/A	\$163,150.06	N/A	\$1,869,881.89
Option 2							
Residential	\$1,302.28	\$1,483.67	\$1,185.41	\$1,828.55	\$1,156.57	\$788.66	\$1,225.14
Business	\$1,599.48	\$3,061.90	\$3,440.52	\$1,895.51	\$2,024.38	\$2,166.93	\$2,725.16
Farmland	\$5,562.07	\$3,044.44	\$3,848.48	\$4,675.61	\$6,742.36	\$4,021.87	\$3,189.70
Mining	\$191,676.57	\$306,799.54	\$1,432,875.19	N/A	\$167,718.26	N/A	\$1,922,238.59

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SRV What other councils have applied for an SRV

	SRV #	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26
Cessnock	1		9.45												
	2			9.55											
Dungog	1								15	15	10	10			
Lake Macquarie	2	10.44	10.34	9.77	7.95	7.29	6.75	4.75							
Liverpool Plains	1			12.5											
Maitland	1			7.25	7.25	7.25	7.25	7.25	7.25	7.25					
	2		13.92												
Mid Coast (Great Lakes)	1			2.32											
	2						4.25	4.25	4.25						
	3														
Mid Coast (Taree)	1			7.3											
	2					6.9	6.9	6.9	6.9	6.9	6.9				
Mid Coast (Gloucester)	1				13	13	13								
Port Stephens	1		3.47												
	2			2.34											
	3				2.44										
	4												9.5	9.5	9.5
Muswellbrook	1	7.6													
	2							14.73							
	3								15.13						
Newcastle	1	8.6													
	2			3.05											
	3				8	8	8	8	8						
Singleton	1			7.3											
	2					9.75	9.75	9.75	9.75						
Upper Hunter	1		5.9	5.5	5.5										
	2														

Unsuccessful Application

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SRV Cost cutting measures • Business Improvements

Business service function	Measure undertaken	Estimated annual costs saving	Estimated additional annual revenue
Regional Saleyards	Fee Structure		\$80,000
Scone Airport	Fee Structure		\$20,000
Sporting Grounds	Fee Structure		\$20,000
White Park	Signage Sponsorship		\$10,000
Commercial Property	New Leases		\$50,000
Hunter Warbirds & Scone Visitor Information Centre	Combining Operations and staffing restructure	\$125,000	
Hunter Warbirds	Lease of Café and Parking Spot		\$20,000
Totals		\$125,000	\$200,000

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SRV Cost cutting measures • Future Improvements

Road construction

Efficiency Gain to deliver additional works for same cost. Efficiency gains from the methodology for sealing of the reduced pavement is approximately \$7,000 per kilometre. In addition, Council's road maintenance program will be based on actual condition rather than frequency based.

Property development

Develop and/or dispose of Council's excess land holding. Additional revenue streams from either sale or leasing opportunities.

Internal fleet utilisation and productivity

Optimise internal fleet held by Council through review of specified needs and current utilisation of existing fleet items. Disposal of underutilised fleet items providing funds to replace aging fleet with new technology to increase productivity.

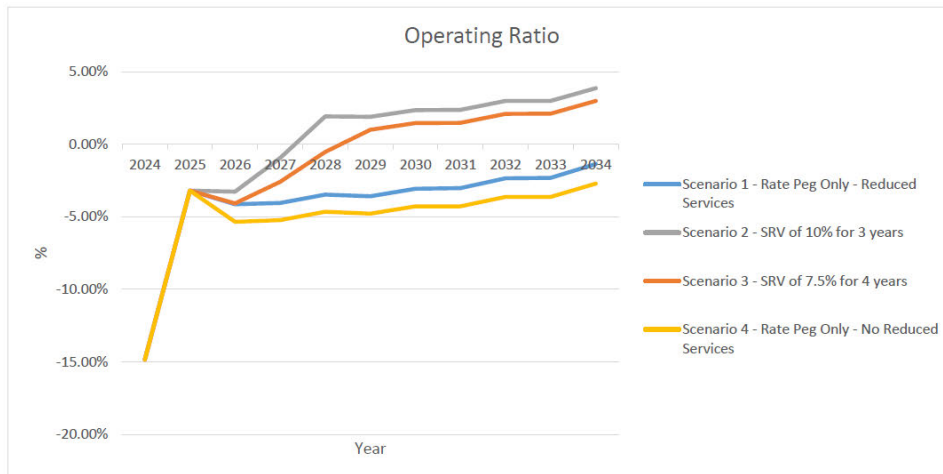
Business enterprises

Constant review of user fees and charges and reduction on costs for associated business through efficiencies and business hours. Saleyards increased revenue \$70,000 for 2024/25 then CPI. Other increases will only have minimal effect on overall revenue.

upperhunter.nsw.gov.au/srv



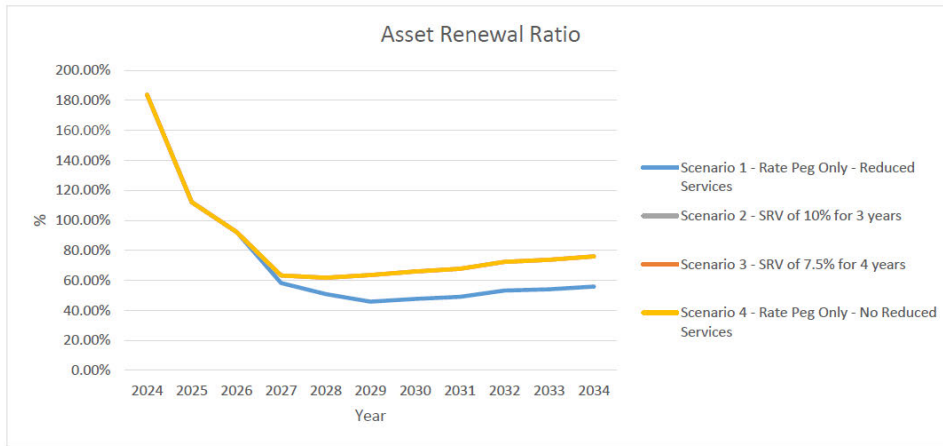
SRV



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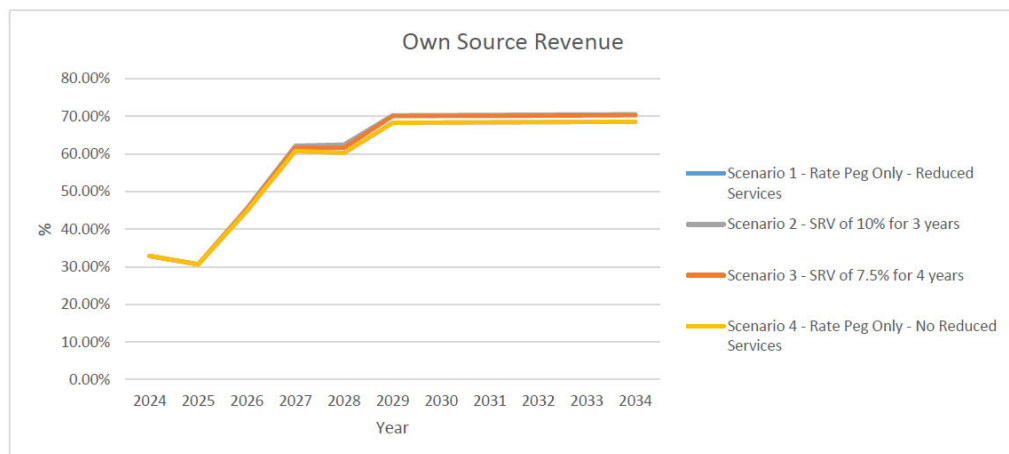


It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for asset renewal ratio, therefore both are on the same yellow line in the graph.

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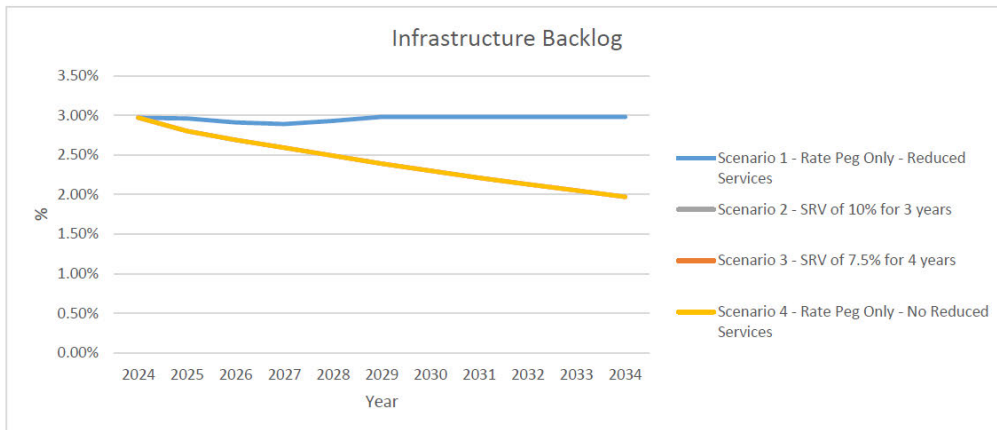
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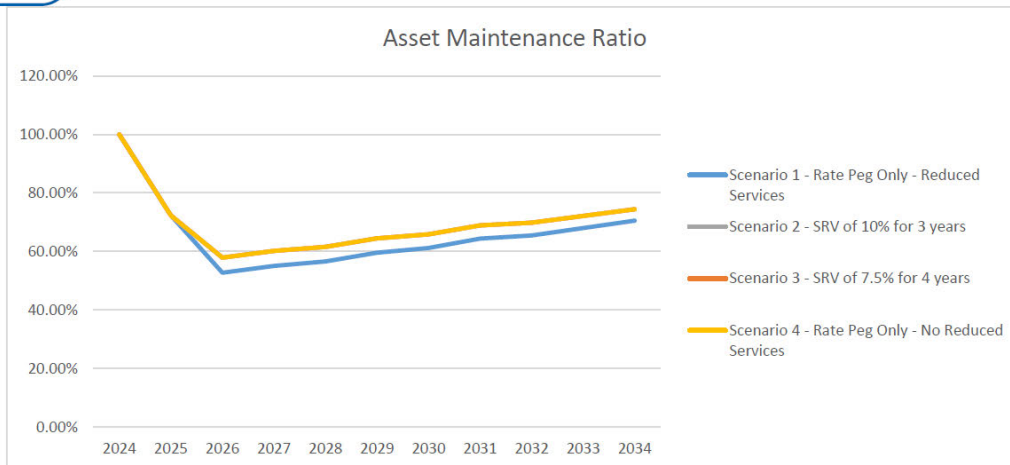


It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for infrastructure backlog, therefore both are on the same yellow line in the graph.

upperhunter.nsw.gov.au/srv



SRV

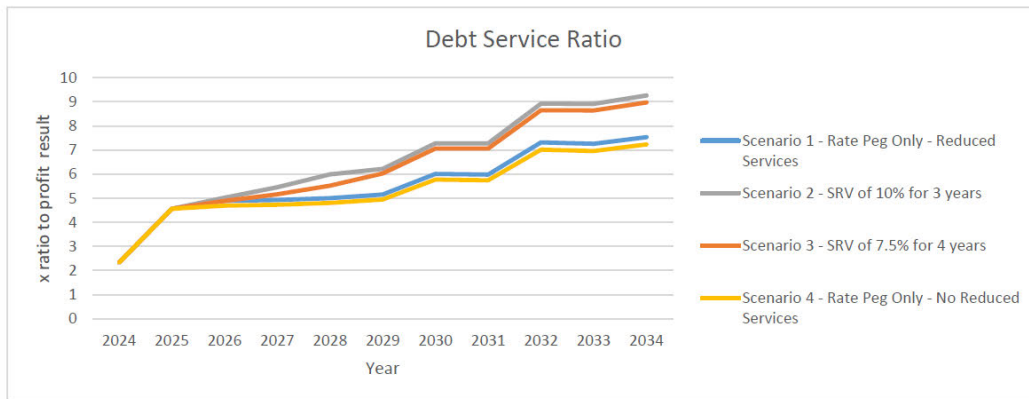


It was noted that for Scenario 2 (grey), 3 (orange) and 4 (yellow) run on the same line trajectory for asset maintenance ratio, therefore both are on the same yellow line in the graph.

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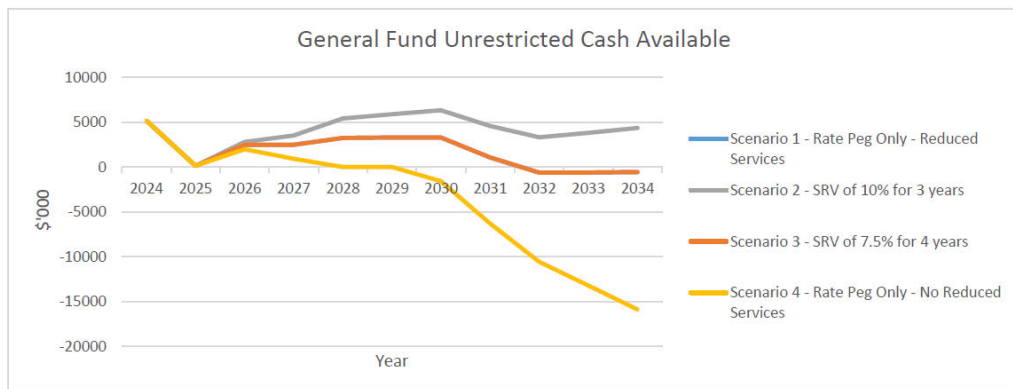
SRV



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SRV



It was noted that for Scenario 1 (blue) and 3 (orange) run on the same line trajectory for cash availability, therefore both are on the same orange line in the graph.

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Appendix C: Print advertisement

An aerial photograph of a town street, showing buildings, a road with cars, and a bridge in the distance. The image is overlaid with a dark blue semi-transparent box containing text and graphics.

Have Your Say

Special Rate Variation

Securing our future

Consultation closes July 15

Upper Hunter Shire Council is seeking your feedback on a proposed Special Rate Variation (SRV) to secure the financial future of our community. The SRV will help maintain essential services and infrastructure.

Proposed Options:

SRV of 10% over 3 years - A cumulative permanent increase of 33.10% over three years

SRV of 7.5% over 4 years - A cumulative permanent increase of 33.55% over four years

For the average residential household, the proposed SRV will amount to approximately \$4 extra per week, above normal rating increases, by the final year of the SRV.

To learn more and to provide feedback, visit the below link or call us on (02) 6540 1100 to find out more

upperhunter.nsw.gov.au/srv

The logo for Upper Hunter Shire Council, featuring a stylized horse head in white and green on a dark blue background, with the text 'UPPER HUNTER SHIRE COUNCIL' in white below it.

Appendix D: Radio advertisement script

“Upper Hunter Shire Council is proposing a Special Rate Variation – or SRV – to ensure we can maintain essential services like road maintenance, community facilities and infrastructure, now and into the future.

And we need your input on two available options.

Join us at one of our drop-in information sessions to learn more and share your thoughts.

Visit upperhunter.nsw.gov.au/srv.

Together, we can secure a sustainable and prosperous Upper Hunter Shire.

Consultation closes Monday, July 15.”

Appendix E: Community mailout (Rates insert)



The poster features a background image of a suburban neighborhood with houses and trees, set against a backdrop of rolling hills under a clear blue sky. In the top left corner is the Upper Hunter Shire Council logo, which includes a stylized map of the region. In the top right corner, a white rounded rectangle contains a calendar icon and the text 'Consultation closes July 15'. A large white rectangular box is positioned in the upper middle section of the poster. The main title 'Special Rate Variation' is written in large, bold, white sans-serif font across the center. Below the title, a white rounded rectangle contains the subtitle 'Securing our future' in blue text. A paragraph of white text is located below the subtitle, explaining the council's proposal for a Special Rate Variation (SRV) to fund essential services and infrastructure. In the bottom left corner, the website address 'upperhunter.nsw.gov.au/srv' is displayed in white. In the bottom right corner, there is a large white QR code.

 **UPPER HUNTER SHIRE COUNCIL**

 **Consultation closes July 15**

Special Rate Variation

Securing our future

Upper Hunter Shire Council is proposing a Special Rate Variation (SRV) to secure additional funding for essential services and infrastructure. As our community grows and costs rise, it's crucial that we take steps to ensure the continued delivery of vital services such as road maintenance, community facilities, and infrastructure upkeep.

upperhunter.nsw.gov.au/srv

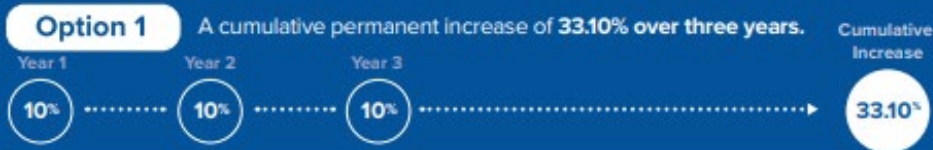


Why We Need an SRV

📅 Consultation closes July 15

Upper Hunter Shire Council is proposing a Special Rate Variation (SRV) to secure additional funding for essential services and infrastructure. Rising costs and economic pressures mean we must consider additional funding to maintain the services you rely on.

Proposed SRV Options



✳️ For the average residential household Option 1 of the SRV will amount to an increase in general rate of \$6.21 and for Option 2 an amount of \$6.29 by the final year of the SRV options. This will amount to approximately \$4 extra per week, above normal IPART rating increases.

Purpose of the SRV

- ✓ **Maintain Essential Services:**
Ensures the continuation of vital services such as road maintenance and community facilities.
- ✓ **Address Rising Costs:**
Covers the increasing costs of delivering these services.
- ✓ **Ensure Financial Sustainability:**
Provides a stable financial foundation for the future.

Have Your Say!

We value your input and encourage you to participate in the consultation process.

Online Survey: Visit upperhunter.nsw.gov.au/srv

Email: council@upperhunter.nsw.gov.au

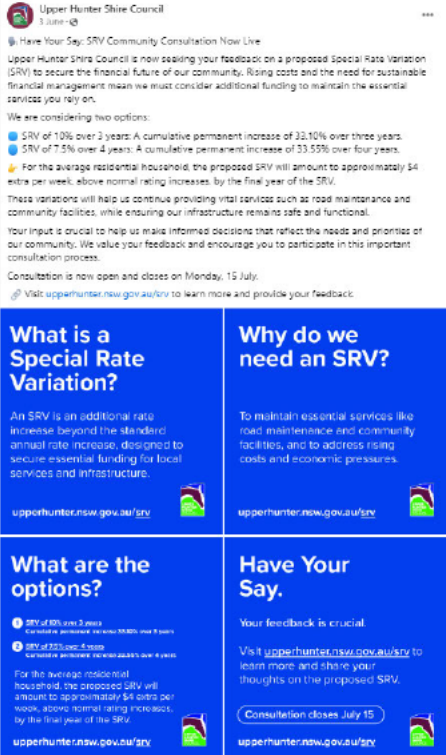

Written Submissions: Provide your feedback via mail at the following address:

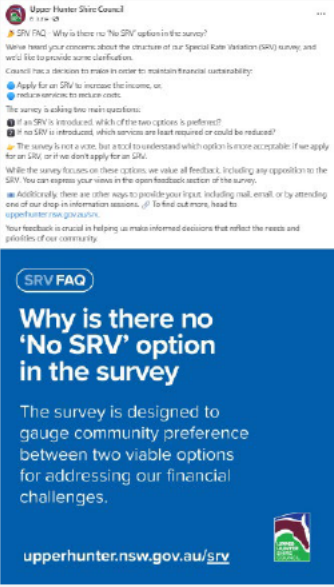
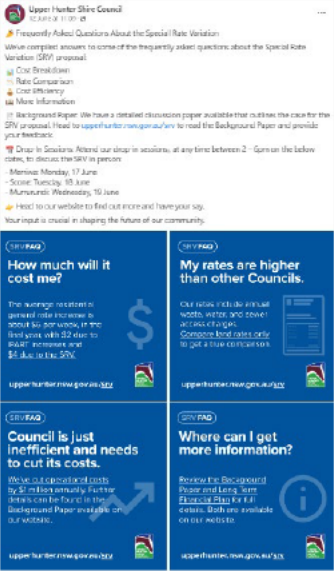
The General Manager
Upper Hunter Shire Council
PO Box 208
SCONE, NSW 2337



Or deliver in person at one of our Administration Centres.






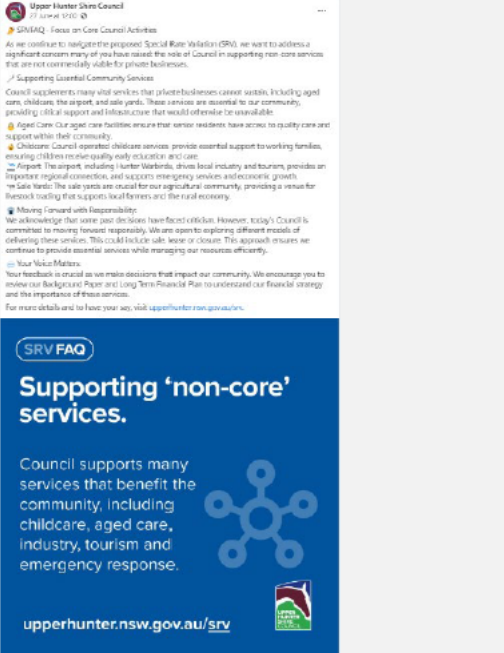

Appendix F: Facebook Campaign

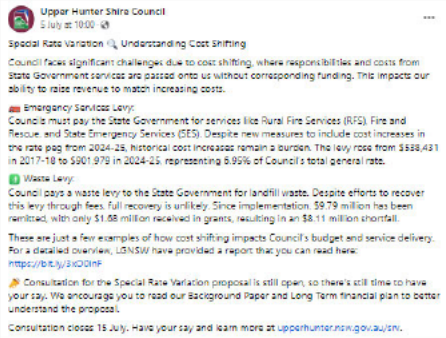

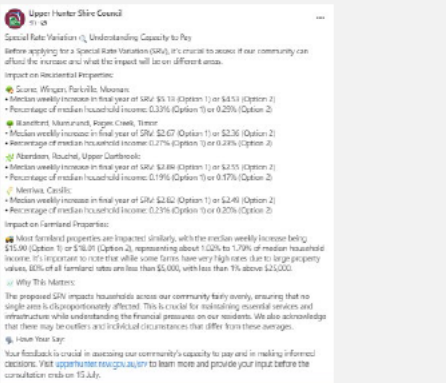
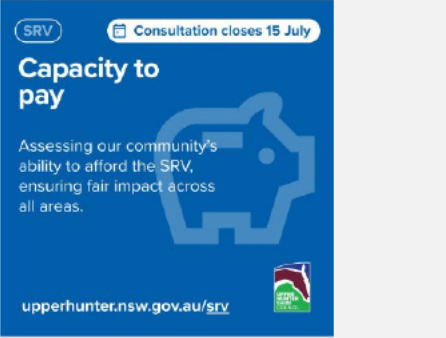
Date	Post	Engagement
<p>03 June 2024</p>		<p>Reach: 5,562</p> <p>Engagement: 1,958</p>
<p>05 June 2024</p>		<p>Reach: 418</p> <p>Engagement: 7</p>

Date	Post	Engagement
<p>06 June 2024</p>	 <p>SRV FAQ</p> <p>Why is there no 'No SRV' option in the survey?</p> <p>The survey is designed to gauge community preference between two viable options for addressing our financial challenges.</p> <p>upperhunter.nsw.gov.au/srv</p>	<p>Reach: 7,338</p> <p>Engagement: 2,914</p>
<p>12 June 2024</p>	 <p>SRV FAQ</p> <p>How much will it cost me?</p> <p>The average resident is granted rate increases in 2024 to 2026, in the level year, with 32 rate to meet expenses and \$5.4m to the SRV.</p> <p>SRV FAQ</p> <p>My rates are higher than other Councils.</p> <p>Our rates include annual costs, water and sewer charges, and other services. Compare local rates only to get a true comparison.</p> <p>SRV FAQ</p> <p>Council is just inefficient and needs to cut its costs.</p> <p>We've cut a number of costs by 25 million annually. Further items can be found in the Background Paper available on our website.</p> <p>SRV FAQ</p> <p>Where can I get more information?</p> <p>Review the Background Paper and visit our Financial Statements for KPI details. Both are available on our website.</p>	<p>Reach: 1,811</p> <p>Engagement: 415</p>

Date	Post	Engagement
<p>13 June 2024</p>		<p>Reach: 2,819</p> <p>Engagement: 311</p>
<p>17 June 2024</p>		<p>Reach: 0</p> <p>Engagement: 0</p>

Date	Post	Engagement
<p>18 June 2024</p>	<p>Upper Hunter Shire Council 18 June at 10:14</p> <p>Reminder: Special Rate Variation (SRV) drop in session is on today in Scone! Tuesday, 18 June, Upper Hunter Shire Council Building.</p> <p>Please feel free to drop in at any time between 2pm and 6pm to have your say and engage directly with your Council. For more information, visit upperhunter.nsw.gov.au/srv.</p>  <p>Upper Hunter Shire Council 18 June at 12:00</p> <p>Special Rate Variation Drop-In Sessions: Have Your Say!</p> <p>Upper Hunter Shire Council is hosting drop-in sessions to discuss the proposed Special Rate Variation ... See more</p>	<p>Reach: 0</p> <p>Engagement: 0</p>
<p>19 June 2024</p>	<p>Upper Hunter Shire Council 19 June at 09:06</p> <p>Reminder: Special Rate Variation (SRV) drop in session is on today in Murrurundi! Wednesday, 19 June, CWA Hall, Mayne Street.</p> <p>Please feel free to drop in at any time between 2pm and 6pm to have your say and engage directly with your Council.</p> <p>If you were unable to make the sessions, all the information is available online, via our dedicated SRV webpage. Head to upperhunter.nsw.gov.au/srv to find out more, and to have your say.</p>  <p>Upper Hunter Shire Council 19 June at 12:00</p> <p>Special Rate Variation Drop-In Sessions: Have Your Say!</p> <p>Upper Hunter Shire Council is hosting drop-in sessions to discuss the proposed Special Rate Variation ... See more</p>	<p>Reach: 0</p> <p>Engagement: 0</p>

Date	Post	Engagement
<p>26 June 2024</p>	 <p>Upper Hunter Shire Council 26 June at 10:00</p> <p>Have Your Say on the Long-Term Financial Plan</p> <p>Upper Hunter Shire Council's Long Term Financial Plan (LTFF) is still open for community consultation. This plan outlines our financial strategies and scenarios, including the proposed Special Rate Variation (SRV), to ensure a sustainable future for our community.</p> <p>Consultation Period closes 5 July</p> <p>See more</p> <p>UPPERHUNTER.NSW.GOV.AU Long Term Financial Plan We invite community members to review and provide feedback on the Long Term Financial Plan.</p>	<p>Reach: 296</p> <p>Engagement: 7</p>
<p>27 June 2024</p>	 <p>Upper Hunter Shire Council 27 June at 10:00</p> <p>Have Your Say on the Long-Term Financial Plan</p> <p>As we continue to navigate the proposed Special Rate Variation (SRV), we want to address a significant concern many of you have raised: the role of Council in supporting non-core services that are not commercially viable for private businesses.</p> <p>Supporting Essential Community Services</p> <p>Council supports many vital services that protect businesses, ensure safety, including aged care, childcare, the airport, and sale yards. These services are essential to our community, providing critical support and infrastructure that would otherwise be unavailable.</p> <p>Aged Care: Our aged care facilities ensure that senior residents have access to quality care and support within their community.</p> <p>Childcare: Council operated childcare services provide essential support to working families, ensuring children receive quality early education and care.</p> <p>Airport: The airport, including Hunter Warbirds, drives local industry and tourism, provides an important regional connector, and supports emergency services and economic growth.</p> <p>Sale Yards: The sale yards are crucial for our agricultural community, providing a venue for livestock trading that supports local farmers and the rural economy.</p> <p>Moving Forward with Responsibility</p> <p>We acknowledge that some past decisions have faced criticism. However, today's Council is committed to moving forward responsibly. We are open to exploring different models of delivering these services. This could include sale lease or closure. This approach ensures we continue to provide essential services while managing our resources efficiently.</p> <p>Your Voice Matters</p> <p>Your feedback is crucial as we make decisions that impact our community. We encourage you to review our Background Paper and Long Term Financial Plan to understand our financial strategy and the importance of these services.</p> <p>For more details and to have your say, visit upperhunter.nsw.gov.au/srv.</p> <p>SRV FAQ</p> <p>Supporting 'non-core' services.</p> <p>Council supports many services that benefit the community, including childcare, aged care, industry, tourism and emergency response.</p> <p>upperhunter.nsw.gov.au/srv</p>	<p>Reach: 1,140</p> <p>Engagement: 112</p>
<p>04 July 2024</p>	 <p>Upper Hunter Shire Council 4 July at 10:00</p> <p>Have Your Say on the Long-Term Financial Plan closes 5 July</p> <p>Upper Hunter Shire Council's Long Term Financial Plan (LTFF) consultation period closes tomorrow 5 July. This plan outlines our financial strategies and scenarios, including the proposed Special Rate Variation (SRV), to ensure a sustainable future for our community.</p> <p>What's inside the LTFF?</p> <p>See more</p> <p>UPPERHUNTER.NSW.GOV.AU Long Term Financial Plan We invite community members to review and provide feedback on the Long Term Financial Plan.</p>	<p>Reach: 943</p> <p>Engagement: 158</p>

Date	Post	Engagement
<p>05 July 2024</p>	 	<p>Reach: 807</p> <p>Engagement: 136</p>
<p>11 July 2024</p>	 	<p>Reach: 1,185</p> <p>Engagement: 75</p>

Appendix G: Flyer/Poster





📅 Consultation closes July 15

Special Rate Variation

Securing our future

To ensure we can continue providing essential services and maintaining our infrastructure, Upper Hunter Shire Council is proposing a Special Rate Variation (SRV). Your input is crucial in shaping the future of our community.

Option 1 A cumulative permanent increase of 33.10% over three years.

Year	Rate Increase
Year 1	10%
Year 2	10%
Year 3	10%
Cumulative Increase	33.10%

Option 2 A cumulative permanent increase of 33.55% over four years.

Year	Rate Increase
Year 1	7.5%
Year 2	7.5%
Year 3	7.5%
Year 4	7.5%
Cumulative Increase	33.55%

➔ Visit upperhunter.nsw.gov.au/srv to learn more about the proposed SRV options and provide your feedback.



Appendix H: Open-ended survey response coding guide

Coded theme	Example comments
Affordability and hardship	<ul style="list-style-type: none"> - Unaffordable for average income earners - When you're on a pension or disability pension, this is seriously unaffordable - I don't agree with either option, our rates are so expensive here compared to elsewhere - I am an aged pensioner and the pension does not increase by this much per year - Rates are quite high as it is, increasing by a third (even gradually over a 3-4 year period) is just cruel
Cost of living	<ul style="list-style-type: none"> - In today's economic climate, no one can afford higher bills. - Not happy about the increase, as a young person with a home loan and cost of living increase, this is altogether unfair - My household bills have gone up by a third and I am already having trouble buying food and medicine as it is - While a 3.33% increase per household does not sound a great deal, in the current economic crisis it's just adding another cost burden to families - Do not increase rates by this ridiculous amount, everyone is already struggling with everyday living
Council management and operational efficiencies	<ul style="list-style-type: none"> - Council needs to live within your means and manage what you are collecting from ratepayers now - Council needs to be run far more efficiently than it is now so that it doesn't need to be grabbing at money via rates increases to the ratepayers - Get control of your spending - Before the SRV is considered a full review of Council's staffing levels, salary structures and overall operating costs needs to be considered - Council needs better money managers, better project managers and better advisers - Councillors and staff should cut their wages by the required % increase
Alternative income streams	<ul style="list-style-type: none"> - Council should look for other productive incomes from its own ventures to gain income
Social and economic impact	<ul style="list-style-type: none"> - This type of action is a deterrent from living in the Upper Hunter - Rates are too high already, you are killing the area and driving people out - Scone retail is on life support and constant rate increases will drive

Coded theme	Example comments
	<p>operators away from Scone and surrounding towns</p>
Existing service levels too low	<ul style="list-style-type: none"> - Council has reduced services already - I don't see nearly enough for what I already pay in rates - I am already very concerned about the lack of services the Council provides in the streets of Murrurundi - I'm a lifestyle property owner and I receive no value in relation to my rates
Reduce service levels and non-core services	<ul style="list-style-type: none"> - An effort needs to be made to divest the non-core services to appropriate alternatives - Any unnecessary services that are not breaking even financially and costing ratepayers should be shut down - I would prefer to see no SRV and that services be reduced to highlight to cost shifting caused by State Government - Council should limit itself to roads and rubbish, leave business ventures to businesses
Maintain services and increase service levels	<ul style="list-style-type: none"> - Don't take away any services - No reductions in services, better Council budgeting - Extend swimming pool opening times