

Objection: Proposed SRV of 7.5% from 2019 2020

This submission is **against** the 7.5% SRV proposal to be applied for by Port Stephens Council effective from the 2019_2020 financial year.

Despite great community objection to this SRV proposal, Council has proceeded to apply for one of the highest rates that was to be considered by ratepayers. Council spends money on surveys, but then does not listen to what the ratepayers are saying. The majority of ratepayers will find the impact of this SRV unreasonable and it could also have serious negative impacts on businesses across Port Stephens.

There have already been sharp increases in power prices, petrol prices, health insurance, food and housing, all contributing to a family budget squeeze, whereas wages have remained relatively flat over recent years.

Following on from the recent devastation of flooding in Queensland and bushfires in Northern New South Wales, fruit, vegetable & meat prices will again soar.

Approx. 40% of Port Stephens residents are unemployed or only work part time; assuming some are renters - any rate increase will be passed on to them via an increase in weekly rent ... according to Census 2016 figures the median rent for Port Stephens was \$305.00, in 2018 most rentals for 3-4 bedroom homes are advertised at \$470-500.00 (or more) per week ... how will they manage? It has been reported that Port Stephens renters are spending more than a third of their weekly income on rent. Those that are home owners with a mortgage; it's only a few years ago that Port Stephens was listed among the highest mortgage defaulters in the state ... with these proposed rate increases many could be forced into that situation again.

My partner & I, like many others are on a limited/fixed income, have both been made redundant from our jobs in recent years (& the redundancy payments received were not at all large by any means). I have been fortunate enough to find a part-time position in Newcastle; the pay rate is not great plus fuel costs are not cheap, my partner has not been so lucky - he has been forced to access his superannuation early. We still have a mortgage & the only concession we receive is a low-income health care card which enables us to save a few dollars each month on medication costs. I am concerned how we would afford the proposed increases. As we've already been forced to access our superannuation early, we will have little with which to supplement an aged pension when we become eligible.

In 2010 Council had a \$30 million infrastructure backlog which was reduced to \$14.1 million by improving internal efficiencies and continual improvement to processes - all achieved without any special rate variations.

As Council was able to reduce the infrastructure backlog by \$16 million over 7 to 8 years without any special rate variations why is one, especially one such as has been applied for necessary now? Why can't there be continual improvement to processes and efficiencies to reduce waste even more? Eg. resealing of roads - there has been recent resealing of some roads; with little or no preparation before the tar was poured & gravel/blue metal spread on top - as you drive you can still feel the imperfections beneath the reseal - so they will need to be done again in the near future as the foundation has not been repaired.

This proposed SRV increase will affect small businesses - the "trickle down" effect; landlords will pass on increases to tenants, businesses will pass their increased costs to customers (& not all customers are cashed up tourists!) - some businesses may not be able to absorb these costs & may end up closing - this will be in direct opposition to other proposals designed to assist small businesses (ie increase building height levels in Nelson Bay to attract development to increase the number of permanent residents which will increase trade for local businesses - & given the number of 'lifestyle village' developments that have been approved, the percentage of permanent residents in high rise in Nelson Bay will more than likely not change much if at all).

The lifestyle villages are all advertised as “no council rates to pay” – obviously the operator/owner would pass on any increase in council rates through the weekly service fee BUT these residents will not be impacted by a 7.5% SRV anywhere near as much as the average rate payer. At least one of the villages has been approved for just under 200 dwellings which will increase road traffic and wear & tear on local roads – which the average rate payer is contributing towards.

Council does have a financial hardship policy - which as it stands, seems to be extremely difficult to qualify for any assistance at all; there is a rate concession for pensioners which at \$250.00 has not changed for years.

The council's information booklet on the SRV states that Port Stephens LGA rates are 30% lower than Maitland and Newcastle LGA's. What isn't mentioned is that those LGA's have both previously been granted SRV's in 2014_15 and 2015_16 respectively which helps account for the variation, and also the residents of Maitland and Newcastle have a 9 to 13% higher average yearly income than those in Port Stephens which increases their ability to absorb an SRV.

Despite lower rates being charged, Port Stephens Council spent 6% more on Administration than Maitland & 9% more on "Other Services" whatever they may be - perhaps some savings can be made in these two areas?

Council states that this proposed increase would place Port Stephens on a par with Lake Macquarie, and below Maitland and Newcastle – why do we have to be on a par with Lake Macquarie?

The fact that Port Stephens Council has been one of the lowest rate charging Councils for several/many years is something to be proud of - applying for an SRV of 7.5% over 7 years and to retain it afterwards, which carries with it the strong possibility of forcing many ratepayers into financial hardship is not.