



08 March 2019

Dear IPART,
Special Rate Variation Submission: Dungog Shire Council

These comments are in relation to the Council's submission for a 97.8% rate increase (including rate peg). We oppose this high amount because of the following reasons:

1. At the last election, 54% of voters said they wanted an amalgamation with Port Stephens. This was many years in the making. Then a survey was sent to ratepayers. We were asked whether we supported the 97.8% or only the rate peg. No other choices were given. The results showed nearly 50% wanted the rate peg. No indication was given as to what the Shire would look like under the two options. We were asked to nominate things to give up or change. No feedback was ever received about these suggestions.
2. A random telephone survey was then conducted, presumably because Council didn't like the results of the other survey. We can't see that much difference in results to the above.
3. Between these 2 surveys and the plebiscite at election, it is clear that around 50% of the Shire does not want an increase of the proposed amount. This shows the community is not willing pay to or capable of paying such a large increase. Therefore the proposed amount is unreasonable.
4. The Strategic & Operational Plans have been changed to reflect the 97.8% increase. However please note that there are no outcome measures to show the difference in deliveries between now and in 7 years time. For example, x% of roads are in poor condition now and in 7 years time x% less y% will be the case. You will see that all measures chosen are process type indicators or general statements, e.g. SRV achieved and applied. If outcome measures and indicators are not used how can we see how things will improve over time? How can we hold Council accountable without proper indicators in year 1,2, etc? This is unreasonable having regard to section 7.1 of your guidelines and our expectations.
5. Productivity improvements over the 7 years have not been quantified. This is unreasonable.
6. Council has not taken into account and analysed the demographics or income distribution across the Shire to determine whether the 97.8% is reasonable, having regard to capacity to pay. Overall, the Shire is growing quite slowly, has a relatively older population and a relatively low average (or median, we are not sure) income. This is unreasonable.
They have said that they have a hardship policy whereby people can apply for exemption or reduction. That may be fine for some people but there will an increasing burden on those that are left. Without this analysis Council has no idea of the capacity of the community to pay such a large increase. This is unreasonable.
7. The Planned rating increase is unfair to large lot holders (residential) such as ourselves. Whilst we have 25 acres, we receive no better benefits (service deliveries) than a ratepayer in the village. This is unreasonable.

8. For residential rates, the current amount levied is almost exactly what Singleton and Upper Hunter pay. It is unreasonable to compare us to Maitland and Mid North Coast as they have a completely different infrastructure to us and much better facilities.

9. Should the Shire continue to stand alone, it is obvious to us that special assistance from government is required because of the size, population characteristics, road & bridge system, and most importantly, the one dimensional nature of the rating base. This Shire is predominantly rural in nature, without much of a commercial/business presence. There is no high rise residential. To stay as a stand alone Council and be sustainable can only mean unfair rises in rates like the one Council is proposing. This is unreasonable.

Overall we think that the increase applied for is unreasonable. However, some rating increase over and above the rate peg may be reasonable. We are unable to quantify this in scientific terms. The above factors need to be addressed before that could be done. In the meantime, it may be reasonable to allow some further increase of say 20% of the Council proposal whilst work in earnest is done to seek help from government for this unique Shire. Even then it would mean paying, for residential, a higher rate than Shires close of a somewhat similar nature. But, if only given the choice between rate peg and the 97.8%, we vote for the rate peg.

Finally, should you not get too many submissions, it's only because a lot of people have just given up after providing so much feedback and seeing the opposite or nothing happening over at least the last 10 years (refer 1 to 3 above as examples).

