

SHOALHAVEN COUNCIL PROPOSED RATE INCREASE

Important Facts & Questions for Council

1

Rates in 2026 if the proposed Special Rate Variation (SRV) of 44% is passed

Below is a sample of what Shoalhaven ratepayers can expect:

Address	Current Annual Rates	Proposed 2026 Rates
Bunberra St, Bomaderry	\$1,053	\$1,516
Greville Ave, Sanctuary Point	\$1,346	\$1,938
North St, Ulladulla	\$1,143	\$1,646

In 2026, total rates (including \$2034 for waste, water and sewerage) for the sample address in Bomaderry will be \$3,550. This represents 11% of a single pensioner's income.

Question

How did Council allow this position to eventuate? Why has it not presented ratepayers with any viable alternatives to a rate rise of this magnitude? Is this really the only way to address Council's financial problems?

2

Annual rates revenue rise exceeds inflation

Since 2015, Council annual rates have increased by 60%. This increase, compared to an absolute inflation rate of 26%, generated an additional \$100m in revenue for Council to spend on roads, waste management and other services over the past eight years.

Question

Has the Council honoured the reasoning and undertakings behind these significant rate increases?

3

Significant increase in Council employee costs

Since 2015 Council's annual spend on wages and on-costs has risen 83%, three times the rate of inflation. This equates to an extra \$140 million spent on employee costs over the past eight years. Council's employee numbers increased from 792 in 2017 to 1200 in November 2023.

Question

What have these increased employee costs actually delivered for the residents of the Shoalhaven and is Council considering a staff reduction program via natural attrition?

4

Proposed rate increase unaffordable

The percentage of the Shoalhaven workforce in part-time or casual work is much higher than the national average and this is reflected in much lower average weekly earnings.

Question

Can residents already dealing with a cost-of-living crisis afford to pay a 44% rate increase?

5

Significant cash losses at the Aquatic Centres and the Shoalhaven Entertainment Centre

Shoalhaven Entertainment Centre has cash losses of \$37,000 per week (\$1.9 million annually) and the Aquatic Centres lose \$89,000 per week (\$4.6 million annually)

Question

Does Council have a plan to reduce these losses and place these and other business units in a sustainable financial position?

6

200% Council debt increase since 2015

In 2015 the General Fund Debt was \$39.4 million and by 2023 it had grown threefold to \$118.1million, or \$2,111 for each residential ratepayer.

Question

How will Council pay this debt off?

7

Councillors voted for a General Fund deficit of \$61.4 million in the 2023-24 Budget

The Mayor and seven Councillors approved a General Fund deficit of \$61.4 million. This decision means that there will only be \$2.4 million available in June 2024, which is insufficient to cover a week's worth of wages for council employees.

Question

Why did a majority of Councillors vote for the 23/24 Budget deficit when they were aware of Council's dire financial situation?

8

Councillors statutory duty to prepare financial statements for Shoalhaven ratepayers

Councillors have not met NSW Legislative reporting deadlines for the past two years.

Question

Why aren't the Auditor General and Minister for Local Government demanding Council comply with its statutory obligations?

9

Council spending less on roads as a percentage of rates each year

A decade ago Council spent \$15 million annually on sealed road maintenance. This represented 24% of General Fund Rates and Charges. By 2023 the annual expenditure had dropped to \$10.6 million, or 9.3% of Rates and Charges. This is despite Councillors voting for a special rate increase in 2017/18 to cover extra expenditure on roads.

Question

Does Council have a viable plan to address the essential increase in funding for basic required road maintenance? Is it time to stop non-essential capital projects and spend the rates income on roads?

Message your Councillors today and ask them to vote no

Ward 1	John Wells	0412 676 159	Matthew Norris	0417 868 250
	Serena Copley	0417 864 708	Tonia Gray	0417 913 899
Ward 2	John Kotlash	0417 943 393	Paul Ell	0417 981 536
	Evan Christen	0417 861 625	Greg Watson	0412 210 979
Ward 3	Gillian Boyd	0439 907 507	Mark Kitchener	0478 882 649
	Moo D'Ath	0417 819 847	Patricia White	0447 416 319

Please be respectful. Don't be abusive.

**Data and information quoted herein sourced from Shoalhaven Council Audited Financial Statements 2015-2023, Annual Report 2023, and Delivery Plan 2023-24, and the Australian Bureau of Statistics.*

This Statement prepared by a collective of Shoalhaven ratepayer financial professionals.