



## Introduction

In 2019, the Independent Pricing and Regulatory Tribunal (IPART) approved a five-year Special Rate Variation (SRV), to help support critical infrastructure projects across our shire.

Thanks to your contribution over the past five years, we have been able to deliver several projects that will enhance our community's safety and amenity well into the future.

Asking ratepayers to contribute more is never easy, especially with the cost of living never being so high. However, with such a small rate-payer base and limited funding provided by the state and federal governments, our ability to fund services and community infrastructure projects would not have been possible without your SRV input.

On the following pages you will find more information on the SRV, how it has been spent and what we plan to deliver as we embark on a works program post the SRV. If you would like to know even more, please refer to our current and previous years' annual reports on our website, which provide a thorough update on SRV projects and outcomes.

**Our ability to deliver services and community infrastructure projects is thanks to your SRV contributions.**

### Will the SRV continue?

No, the SRV final year is 2023/24. Council has not applied for another Special Rate Variation. If there was to be another SRV, Dungog Shire Council would need to carry out detailed research and community consultation before making a new application to IPART.

### How can I find out more?

Please visit our website. Our Annual Reports from the past five years feature a section on the Special Rate Variations and what has been delivered each year.

**The cost of maintaining roads is crippling Dungog Shire Council's ability to invest in local government services, community infrastructure, and long-term planning. SRV revenue helps that.**

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



# SPECIAL RATE VARIATION (SRV)

**> 2023/24 Update**

**Supporting critical infrastructure**

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

## What is the SRV?

Council was granted a Special Rate Variation to increase its general income above the rate peg for five years. The purpose of an SRV is to provide local councils with the flexibility to fund important projects or address financial challenges that go beyond the standard rate pegging limits.

The SRV has been broken down over each of the five years as follows:

| Year         | IPART approved percentage increase in rates | Cumulative SRV Revenue* |
|--------------|---|-------------------------|
| 2019/20      | 15%   | \$700,384               |
| 2020/21      | 15%   | \$1,518,845             |
| 2021/22      | 10%   | \$2,129,996             |
| 2022/23      | 10%   | \$2,770,860             |
| 2023/24      | 10%   | \$3,294,172             |
| <b>TOTAL</b> |   | <b>\$10,414,256</b>     |

\*Cumulative SRV increase in Permissible General Income above the rate peg

The last year of the SRV finished in June 2024, rates will only increase by the rate peg announced each year by IPART and will continue to be used to fund projects and services endorsed by Council and outlined each year in our annual budget.

## Where have the funds been spent?

The SRV has been spent as follows (to mid June 2024):

- Roads and Infrastructure – \$4,432,086
- Loan repayments for four ageing timber bridges – \$1,137,745

In 2024/25, Council has identified proposed budget expenditure of \$1,600,000 for roads and infrastructure and \$267,686 towards loan repayments on four concrete bridges to replace the ageing timber bridges.

“The additional revenue has allowed Council to fund operating and capital expenditure for key assets including the road network, timber bridges and community facilities, enhancing financial sustainability and beginning to reduce Council’s infrastructure backlog”.



Duke St, Clarence Town



Wheelabout Bridge

## Where has the additional income specifically been spent?

| Projects   | SRV Budget         | Total Project Cost  | Total SRV Funds Spent |
|--|--------------------|---------------------|-----------------------|
| Torryburn Road* Rehabilitation – 2019/2021                     | \$529,000          | \$570,221           | \$529,000             |
| Queen Street Clarence Town – 2021/2024                         | \$188,925          | \$755,700           | \$188,925             |
| Paterson River Road* – 2020/2022                               | \$550,000          | \$2,421,327         | \$560,711             |
| Black Rock Road – 2020/2022                                    | \$650,000          | \$719,421           | \$719,421             |
| Summerhill Road* – 2021/2022                                   | \$425,000          | \$1,498,188         | \$425,000             |
| Salisbury Road* – 2021/2022                                    | \$522,500          | \$2,123,812         | \$522,500             |
| Flat Tops Road* – 2021/2022                                    | \$308,000          | \$1,133,919         | \$308,000             |
| Duke Street*, Clarence Town – 2022/2024                        | \$214,500          | \$857,066           | \$214,500             |
| Webbers Creek Road – 2022/2023                                 | \$286,989          | \$286,989           | \$286,989             |
| Park Street/Allyn River Road* – 2023/2024                      | \$425,000          | \$1,370,000         | \$425,000             |
| Allyn River Road* – 2023/2025                                  | \$660,000          | \$3,340,000         | \$34,196              |
| Maintenance of existing assets and Sustainability Improvements | \$217,844          | \$217,844           | \$217,844             |
| <b>TOTAL ROADS &amp; INFRASTRUCTURE</b>                        | <b>\$4,977,758</b> | <b>\$15,294,487</b> | <b>\$4,432,086</b>    |

|  |             |             |             |
|--|-------------|-------------|-------------|
| Loan repayments for four concrete bridges to replace ageing timber bridges – (Bullockeys**, Wheelabout**, Coulston**, Spooner**) | \$1,137,745 | \$3,720,000 | \$1,137,745 |
|--|-------------|-------------|-------------|

\*These eight projects have benefited from Council using SRV funding to secure additional external grant funding from the government which has enabled over \$15 million dollars to be spent on council roads and infrastructure even before the final year has begun. This would not have been available without the SRV contribution.

\*\*These four bridges pre-date the ‘Fixing Country Bridges Program’ which covered the full funding for the replacement of 23 timber bridges across the Shire.

\*\*\*Residents should note that the SRV works program will continue to ensure the full cumulative revenue is expended on the roads & infrastructure program.