



SPECIAL VARIATION APPLICATION FORM PART B FOR 2021-22

TWEED SHIRE COUNCIL



Application Form

December 2020

Local Government

Enquiries regarding this document should be directed to a staff member:

Sheridan Rapmund (02) 9290 8430

Albert Jean (02) 9290 8413

Contents

| | |
|--|-----------|
| Council information | 1 |
| About this application form | 2 |
| Description and Context | 3 |
| 1 Criterion 1: Need for the variation | 8 |
| 1.1 Case for special variation – How did the council establish the need for the special variation? | 8 |
| 1.2 Financial sustainability of the council – What will be the impact of the proposed special variation? | 9 |
| 1.3 Financial indicators – What will be the impact of the proposed special variation on key financial indicators over the 10-year planning period? Error! Bookmark not defined. | |
| 2 Criterion 2: Community awareness and engagement | 12 |
| 2.1 How did the council engage with the community about the proposed special variation? | 12 |
| 2.2 How did the council present the impact of the proposed special variation in the consultation material? | 13 |
| 2.3 How effectively did the council's various consultation strategies engage the community about the proposed special variation? | 14 |
| 2.4 How did the council respond to feedback from community consultation | 15 |
| 3 Criterion 3: Impact on ratepayers | 17 |
| 3.1 What is the impact on rates of the proposed special variation? | 17 |
| 3.2 How has the council considered affordability and the community's capacity and willingness to pay? | 17 |
| 3.3 How does the council intend to address hardship? | 18 |
| 4 Criterion 4: Exhibition of IP&R documents | 20 |
| 4.1 What IP&R processes did the council use in determining to apply for a special variation? | 20 |
| 4.2 When did the council meet the formal requirements for all relevant IP&R documents? | 21 |
| 4.3 What, if any, relevant issues arose in the public exhibition of the IP&R documents? | 23 |
| 4.4 Where is the proposed special variation referred to in the council's IP&R documents? | 23 |
| 5 Criterion 5: Productivity improvements and cost containment strategies | 25 |
| 5.1 What is the council's strategic approach to improving productivity in its operations and asset management? | 25 |

| | | |
|----------|---|-----------|
| 5.2 | What outcomes has the council achieved from productivity improvements and cost containment strategies in past years? | 26 |
| 5.3 | What productivity improvements and cost containment strategies are planned for future years? | 26 |
| 5.4 | How have the council's levels of productivity and efficiency changed over time, and compare with those of similar councils? | 27 |
| 6 | Criterion 6: Other relevant matters | 28 |
| | Council certification and contact information | 31 |
| | List of attachments | 32 |

Council information

| | |
|---------------------------------------|----------------------------|
| Council name | Tweed Shire Council |
| Date submitted to IPART | 8 February 2021 |
| Primary Council contact person | Michael Chorlton |
| Primary Council contact phone | |
| Primary Council contact email | |

About this application form

IPART has revised the Application Form to be completed by councils applying to IPART for a special variation (SV) for 2021-22, either under s 508(2) or s 508A of the *Local Government Act 1993*. The application form is in two parts:

- ▼ Special Variation Application Form Part A (separate Excel spreadsheet)
- ▼ Special Variation Application Form Part B (this MS Word document)

The SV Application Form Part B consists of:

- ▼ Description and Context Questions
- ▼ Criterion 1: Need for the variation
- ▼ Criterion 2: Community awareness and engagement
- ▼ Criterion 3: Impact on ratepayers
- ▼ Criterion 4: IP&R documents
- ▼ Criterion 5: Productivity improvements and cost containment strategies
- ▼ Criterion 6: Other relevant matters
- ▼ Council certification and contact information
- ▼ List of attachments

When completing the SV Application Form for 2021-22, councils should refer to the following:

- ▼ [IPART's Application Guide for SV Application Form Part B.](#)
- ▼ [OLG's SV Guidelines issued in November 2020.](#)

Description and Context

To complete these questions, refer to the discussion in IPART's Application Guide for SV Application Form Part B, Description and Context.

Question 1: What is the type and size of the special variation the council is applying for?

Indicate the type of the proposed SV - s 508(2) or 508A the council is requesting, and specify the percentage increases in each of the years in which the SV is to apply, the cumulative increase for a s 508A SV, and whether the SV is to be permanent or temporary.

Provide the information **in the text box**, or alternatively, **complete Table 0.1**.

Council is applying for a 2.35% S508(2) increase to apply permanently.

Table 0.1 The council's proposed special variation

| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|---|-----------|---------|---------|---------|---------|---------|---------|
| Percentage increase | 2.35% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Cumulative percentage increase for s 508A | n/a | | | | | | |
| Permanent or temporary? | Permanent | | | | | | |

Question 2: What is the key purpose of the requested special variation?

In the text box summarise the key purpose (or purposes) of the SV the council is requesting.

To fund the ongoing management of environmental protection land that is to be dedicated to Council as a result of an estate development.

Question 3: Is the council proposing to increase minimum rates in conjunction with the special variation?

Refer to OLG's SV Guidelines Attachment 4 – Increasing minimum rates, and OLG's Guidelines for a Minimum Rate Increase.

If the increase applies to an ordinary rate, complete this section

Does the council have an ordinary rate(s) subject to a minimum amount? Yes ☒ No ☐

Does the council propose to increase the minimum amount of its ordinary rate(s) above the statutory limit for the first time? Yes ☐ No ☒

Which rates will the increases apply to? Residential ☒ Business ☐ Farmland ☐

If the increase will apply to only some subcategories, specify which _____

Does the council propose to increase the minimum amount of its ordinary rate(s) by:

▼ The rate peg percentage ☒

▼ The special variation percentage ☐

▼ A different percentage ☐ _____(%)

What will the minimum amount of the ordinary rate(s) be after the proposed increase? \$1,124.70

Has the council submitted an application for a minimum rate increase? Yes ☐ No ☒

If the increase applies to a special rate, complete this section

Does the council propose to increase the minimum amount of a special rate above the statutory limit? Yes ☐ No ☒

What will the minimum amount of the special rate be after the proposed increase? \$_n/a_____

Has the council submitted an application for minimum rate increase? Yes ☐ No ☒

The council must ensure that it has submitted Minimum Rate (MR) Increase Application Form Parts A and Part B, if required.

Question 4: Does the council have an expiring special variation?

Refer to OLG's SV Guidelines Attachment 1 – Calculation of expiring special variations.

Does the council have an SV which is due to expire on 30 June 2021? Yes ☐ No ☒

Does the council have an SV which is due to expire at some time during the period for which the new SV is being requested? Yes ☐ No ☒

If Yes to either question:

a) When does the SV expire? _____

b) What is the percentage to be removed from the council's general income? _____

c) What is the dollar amount to be removed from the council's general income? _____

Does the council have an SV which it proposes to terminate before the date which the instrument specifies as the date on which it expires? Yes ☐ No ☒

If Yes:

- a) When does the council propose it be terminated? _____
- b) What is the percentage to be removed from the council's general income? _____
- c) What is the dollar amount to be removed from the council's general income? _____

Has OLG confirmed the calculation of the amount to be removed? Yes ☐ No ☐



Attachments required:

- ▼ Copy of the relevant instrument
- ▼ Copy of OLG advice confirming calculation of amount to be removed from the council's general income.

Question 5: Does the council have an existing (ongoing) s 508A special variation which applies in 2021-22?

Refer to:

- ▼ OLG's SV Guidelines Section 5.2.
- ▼ IPART Fact sheet – *The Year Ahead – Special Variations in 2021-22*.

Does the council have a s 508A multi-year SV instrument that applies in 2021-22? Yes ☐ No ☒

In the text box:

- ▼ Specify the percentage increase(s) and duration of the SV.
- ▼ Outline the council's actions in complying with conditions in the instrument approving the original SV.
- ▼ Describe any significant changes of relevance to the conditions in its instrument since it was issued.

Click here to enter text.

**Attachments required:**

- ▼ Copy of the relevant instrument(s)
- ▼ Declaration by the General Manager as to the council's compliance with the conditions applying to the SV included in the instrument of approval issued by IPART
- ▼ Any supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s).

Question 6: Has IPART approved a special variation for the council in the past five years?

Refer also to OLG's SV Guidelines Section 6.

You do not need to respond to this question if all the relevant information has been provided in council's response to Question 5.

Does the council have a s 508(2) or s 508A SV which IPART has approved in the past five years? Yes ☒ No ☐

In the text box, for each SV approved in the past five years, briefly:

- ▼ Specify the type of SV and the increase to general income approved.
- ▼ Outline the council's actions in complying with conditions in the instrument approving the original SV.
- ▼ Describe any *significant* changes of relevance to the conditions in its instrument since it was issued.

Cobaki Lakes Special Rate - a special variation for 2016-17 of 2.77%, to remain permanently in the rate base was approved by IPART. The decision enables the council to fund the long term maintenance and management of environmental protection lands, and ongoing minor restoration works within a development at Cobaki Lakes.

As required by the instrument, Council has reported, in its annual report for each Year from Year 2016-17 to date:

- a) the scope of the proposed improvements, maintenance and management activities for the environmental lands within the Cobaki Lakes Development agreed between the Council and the developer of the Cobaki Lakes Development;
- b) the program of expenditure that was actually funded by the Special Variation;

- c) any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Special Variation and the reasons for those differences; and
- d) the outcomes achieved as a result of the Special Variation.

**Attachments required:**

- ▼ Copy of the relevant instrument(s)
- ▼ Declaration by the General Manager as to the council's compliance with the conditions applying to the SV included in the instrument of approval issued by IPART
- ▼ Any supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s).

Question 7: Does a project to be funded by the special variation require a capital expenditure review?

| | | |
|--|------------------------------|--|
| Does the proposed SV require the council to do a capital expenditure review in accordance with OLG Circular to Councils, Circular No 10-34 dated 20 December 2010? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| If Yes, has a review been done and submitted to OLG? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Question 8: Is the council a new council created by merger in 2016?

Refer also to OLG's SV Guidelines Section 4.

| | | |
|---|------------------------------|--|
| Is the council a new council created by merger in 2016? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
|---|------------------------------|--|

Question 9: Does the council have deferred rate increases available to it?

| | | |
|---|------------------------------|--|
| Does the council have deferred rate increases available to it from one or more previous years under section 511 of the Local Government Act | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| If Yes, has the collection of these additional rates been included in the Council's LTFP | Yes <input type="checkbox"/> | No <input type="checkbox"/> |



Criterion 1

Need for the variation

Criterion 1 in the SV Guidelines is:

The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the special variation) is clearly articulated and identified in the council's IP&R documents, in particular its Delivery Program, Long Term Financial Plan and Asset Management Plan where appropriate. In establishing need for the special variation, the relevant IP&R documents should canvass alternatives to the rate rise. In demonstrating this need councils must indicate the financial impact in their Long Term Financial Plan applying the following two scenarios:

- Baseline scenario – General Fund revenue and expenditure forecasts which reflect the business as usual model, and exclude the special variation, and
- Special variation scenario – the result of implementing the special variation in full is shown and reflected in the General Fund revenue forecast with the additional expenditure levels intended to be funded by the special variation.

The IP&R documents and the council's application should provide evidence to establish this criterion. This could include evidence of community need /desire for service levels/projects and limited council resourcing alternatives.

Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies.

To complete the questions for Criterion 1: Financial need refer to IPART's Application Guide for SV Application Form Part B.

Refer also to IPART Fact sheet – *The Year Ahead – Special Variations in 2021-22* and Information Paper – Special Variations in 2021-22 in relation to the interaction of financial need and willingness to pay.

In the response to this criterion, you should include extracts from, or references to, the IP&R document(s) that demonstrate how the council meets this criterion.

1.1 Case for special variation – How did the council establish the need for the special variation?

In the text box explain how the council developed the proposal to apply for the proposed SV in the context of its IP&R processes.

On 16 July 2020, a Section 4.55(1A) application was lodged seeking to modify conditions associated with Project Approval No. 08_0194 for Kings Forest Stage 1.

It was noted that there are no conditions of the approvals which specifically nominates that funding arrangements need to be made for environmental land dedicated to Council.

Council and the developer (LEDA) have been working closely together to advance the Kings Forest development. A funding proposal which involves a Special Rate Levy specifically for future Kings Forest land owners to fund the requirements of the associated Environmental Protection lands is preferred. In order to advance such a proposal, Council needs to obtain approval from IPART to proceed with the levy of the Special Rate for the 2021/22 financial year.

1.2 Financial sustainability of the council – What will be the impact of the proposed special variation?

In the text box explain how the proposed SV will:

a) Improve the council's underlying financial position for the General Fund

It will ensure that general ratepayers are not out of pocket as a result of Council taking on the ongoing liability to maintain the environmental protection land upon its dedication to Council.

b) Fund specific projects or programs of expenditure, or

The Special Rate will fund the maintenance of environmental protection land upon its dedication to Council.

c) Achieve both outcomes

As stated above.

1.3 Financial indicators – What will be the impact of the proposed special variation on key financial indicators over the 10-year planning period?

- ▼ **In the text box** provide details on the council's key financial indicators and indicate if the proposed SV has been included in the Long Term Financial Plan.
 - ▼ You may **also/alternatively** provide the information for part a) by **populating Table 1.1**, for as many years as relevant for the council's proposed SV.
-

a) Explain how the proposed SV would affect the council's key financial indicators (General Fund) over the 10-year planning period.

The proposed SV will have minimal impact on Council's key financial indicators (General Fund) over the 10 year planning period as the income received from the special rate and the associated expenditure are planned to be of equal amounts both contained within the operating statement.

b) Indicate if this information has been included in the council's Long Term Financial Plan. Relevant key indicators could include those listed in Question 1.1.

The income received from the special rate and the associated expenditure (planned to be of equal amounts) have been shown in Council's Long Term Plan with a zero net impact on the forecast position.

Table 1.1 Council's key financial indicators (General Fund)

| Ratio | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---|---------|---------|---------|---------|---------|---------|
| Operating performance ratio excluding capital items | 4.74% | | | | | |
| Own source revenue ratio | 73.53% | | | | | |
| Building and asset renewal ratio | 67.67% | | | | | |
| Infrastructure backlog ratio | 1.73% | | | | | |
| Asset maintenance ratio | 157.92% | | | | | |
| Debt service ratio | 2.84x | | | | | |
| Unrestricted current ratio | 2.29x | | | | | |
| Rates and annual charges ratio | 4.42% | | | | | |

1.4 Deferred rate increases available under section 511 of the Local Government Act

In the text box explain:

a) The quantum, rationale and timing of any deferred rates the council has incurred.

As per the 2020-21 Permissible Income Return, Council has a negligible carry forward balance of \$3,794.

b) When council plans to include these deferred rates through the catch up provisions and whether this has been included in the LTFP.

Not applicable.

c) How do these deferred rates impact on the council's need for the special variation and its cumulative impact on ratepayers' capacity to pay

Not applicable.



Attachments for Criterion 1

List attachments relevant to your response for Criterion 1 in **Table 1.2**. Use the council assigned number shown in Table 8.1.

Table 1.2 Attachments relevant to response for Criterion 1

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
| | | |
| | | |
| | | |
| | | |

a If document only relevant in part.



Criterion 2

Community engagement and awareness

Criterion 2 in the SV Guidelines is:

Evidence that the community is aware of the need for and extent of a rate rise. The Delivery Program and Long Term Financial Plan should clearly set out the extent of the General Fund rate rise under the special variation. In particular, councils need to communicate the full cumulative increase of the proposed special variation in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category. The council's community engagement strategy for the special variation must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur. The IPART fact sheet includes guidance to councils on the community awareness and engagement criterion for special variations.

To complete the questions for Criterion 2: Community awareness and engagement refer to IPART's Application Guide for SV Application Form Part B.

Refer also to the IPART publications:

- ▼ *The Year Ahead – Special Variations in 2021-22 – Fact sheet*
- ▼ *Special Variations in 2021-22 – Information Paper*
- ▼ *Community awareness and engagement for special variations – Fact sheet*

Provide relevant extracts of the IP&R documents that set out the rate rises under the proposed SV and **attach** relevant samples of the council's consultation material.

2.1 How did the council engage with the community about the proposed special variation?

In the text box:

a) Outline the council's consultation strategy and timing.

At its meeting of 10 December 2020, Council resolved to:

1. Amend its Resourcing Strategy (including the Long Term Financial Plan) supporting the Community Strategic Plan to include the proposed Special Rate;
2. Amend its Delivery Program 2017/2021 - Operational Plan 2019/2020 to include the proposed Special Rate; and
3. Place these amended documents on public exhibition until the close of business on 29 January 2021."

The amended documentation and notification of the proposed Special Rate Variation application were advertised for public comment until the close of business on 29 January 2021.

b) Indicate the different methods the council employed to make the community aware of the proposed SV and seek their feedback, and why these were selected.

The amended documentation and notification of the proposed Special Rate Variation application were advertised for public comment until the close of business on 29 January 2021.

Information on the proposed special rate and copies of the amended documents were placed on the Council web site "On Exhibition" section and on the "Your Say Tweed" web site.

The proposed Special Rate Variation also received additional media attention with Tweed Shire Council being one of ten councils indicating to IPART that they intend applying for a Special Rate Variation.

2.2 How did the council present the impact of the proposed special variation in the consultation material?

- ▼ **In the text box** provide details of the information made available to the community during consultation about the proposed rate increases.
- ▼ **Attach** representative examples of the consultation material.

The amended documentation changes were highlighted in red to clearly emphasise the changes related to the special rate e.g.



Proposed Kings Forest Special Rate

Council is proposing to prepare a Special Rate Variation (SRV) application to the Independent Pricing and Regulatory Tribunal (IPART) to fund the long term maintenance and management of environmental protection lands within the Kings Forest development. The proposed SRV is aimed at raising an additional \$1,540,000 in 2021/22 and indexed with annual rate pegging in subsequent years. This will equate to approximately 2.35% above the approved rate pegging increase of 2.0% for 2021/22 i.e. the SRV application will be for a total rating increase of approximately 4.35%. The proposed on-going Special Rate is to be levied solely on properties associated with the Kings Forest subdivision and all funds raised from the special rate levy will be allocated to the management of the environmental protection land.

2.3 How effectively did the council's various consultation strategies engage the community about the proposed special variation?

- ▼ **In the text box** provide details on the level of community involvement, consultation strategies used and feedback from the community.
 - ▼ **Attach** survey results and other examples of feedback from the community.
-

a) Indicate the level of community involvement in, and response to, the various consultation strategies the council used, eg, number of participants in meetings, number of submissions received.

The page on "Your Say Tweed" recorded 42 visits, with 5 of these downloading documents and 6 participating in a survey to provide their comments.

b) Outline the nature of the feedback the community provided on the proposed SV.

6 submissions/comments were received in relation to the Kings Forest proposed Special Rate Variation via Council's "Your Say Tweed" web site.

4 of the submissions/comments were in favour of the special rate and 1 was against. The remaining submission/comment incorrectly assumed that the revenue raised from the rate would not be applied entirely towards the Kings Forest environmental land.

The comments received are outlined below:

In Favour

I, as a member of the community, have long supported the adoption of a Koala Plan of Management for the Kings Forest development. Within the plan are tree plantings and wildlife corridors all needing long term maintenance. We also need to know how the wildlife is faring within the land set aside to protect and sustain them and what can be done to ensure their survival. Therefore, it is important to fund the long-term maintenance and management of environmental protection lands within the Kings Forest development. Future residents will benefit from the closeness to nature and the joy and comfort wildlife in your backyard can bring.

Areas that support significant biodiversity and will be impacted by a housing estate must have a special levy paid by all future landowner to ensure that the biodiversity values are protected in perpetuity and to help offset their impact.

It seems fair that the community benefiting most from the environmental land within the Kings Forest development should be the ones to pay a small levy on their rates

TSC Special Rate Variation is proposed that rate payers/developer of the Kings Forest development will be the only ones to the variation and not 'all' of the rate payers of the TSC? If Kings Forest are the TSC Special Rate Variation, then I totally agree to the variation. If 'all' rate payers are to be part of the TSC Special Rate Variation for Kings forest then I strongly object.

Against

While I support the intent of the special rate there is no evidence to show that a special rate maintains or improves the environment surrounding the development. Until Council assesses the effectiveness of 20 years of special rate funding in the Koala Beach Estate there is no justification for imposing an additional rate.

Other

The proposal sees raised rates for the Kings Forest subdivision only, but the revenue is applied to works/ services in other suburbs within the Tweed Shire area, which is manifestly unfair to the future Kings Forest residents (when the development is eventually realized and land released for sale).

2.4 How did the council respond to feedback from community consultation?

In the text box explain the action, if any, the council took in response to feedback from the community.

Council considered the responses at its meeting held on 4 February 2021 and resolved to:

1. Adopt the revised Resourcing Strategy (including the Long Term Financial Plan) supporting the Community Strategic Plan including the proposed Special Rate;
-

2. Adopt the revised Delivery Program 2017/2021 - Operational Plan 2020/2021; and
3. Lodge, in accordance with the publicly exhibited proposal, a Special Rate Variation application with the Independent Pricing and Regulatory Tribunal (IPART) for the funding of the management and maintenance of the environmental protection lands associated with the Kings Forest development.

**Attachments for Criterion 2**

List attachments relevant to your response for Criterion 2 in **Table 2.1**. Use the council assigned number shown in Table 8.1.

Table 2.11 Attachments relevant to response for Criterion 2

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
| | | |
| | | |
| | | |
| | | |

^a If document only relevant in part.



Criterion 3

Impact on ratepayers

Criterion 3 in the SV Guidelines is:

The impact on affected ratepayers must be reasonable, having regard to both the current rate levels, existing ratepayer base and the proposed purpose of the variation. The Delivery Program and Long Term Financial Plan should:

- clearly show the impact of any rises upon the community
- include the council's consideration of the community's capacity and willingness to pay rates and
- establish that the proposed rate increases are affordable having regard to the community's capacity to pay.

To complete the questions for Criterion 3: Impact on ratepayers refer to IPART's Application Guide for SV Application Form Part B.

Refer also to the IPART publications:

- ▼ *The Year Ahead – Special Variations in 2021-22* – Fact sheet
- ▼ *Special Variations in 2021-22* – Information Paper
- ▼ *Community awareness and engagement for special variations* – Information Paper

3.1 What is the impact on rates of the proposed special variation?

In the text box provide information about the impact on rates of all affected ratepayer categories.

The proposed variation will have no impact on General Rates. The variation will enable the creation of a Special Rate that will initially impact a single ratepayer (the developer) and subsequently, the purchasers of the developed lots.

3.2 How has the council considered affordability and the community's capacity and willingness to pay?

In the text box explain how the council considered whether the rate increases would be affordable for the community, including any socioeconomic data referred to in making its assessment.

Prospective purchasers of land within the development will be alerted to the existence of the Special Rate and this cost should therefore be taken into consideration by them prior to any decision to purchase the property.

3.3 How does the council intend to address hardship?

| | | |
|--|------------------------------|--|
| Does the council have a Hardship Policy? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| If Yes, is an interest charge applied to late rate payments? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

In the text box:

a) Explain the measures the council proposes to use to reduce the impact of the proposed SV on vulnerable ratepayers, or alternatively, explain why no measures are proposed.

Prospective purchasers of land within the development will be alerted to the existence of the Special Rate and this cost should therefore be taken into consideration by them prior to any decision to purchase the property.

b) Indicate whether the hardship policy or other measures are referenced in the council's IP&R documents (with relevant page reference or extract provided).

Not Applicable.



Attachments for Criterion 3

List attachments relevant to your response for Criterion 3 in **Table 3.1**. Use the council assigned number shown in Table 8.1.

Table 3.11 Attachments relevant to response for Criterion 3

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
| | | |
| | | |
| | | |
| | | |

^a If document only relevant in part.



Criterion 4

Exhibition of IP&R documents

Criterion 4 in the SV Guidelines is:

The relevant IP&R documents must be exhibited (where required), approved and adopted by the council before the council applies to IPART for a special variation to its general revenue.

To complete the questions for Criterion 4: Exhibition of IP&R documents refer to IPART's Application Guide for SV Application Form Part B.

Refer also to the IPART Information Paper – *Special Variations in 2021-22*.

4.1 What IP&R processes did the council use in determining to apply for a special variation?

In the text box outline the council's IP&R processes as they relate to public exhibition and adoption of the IP&R documents relevant to the council's application for the SV.

On 16 July 2020, a Section 4.55(1A) application was lodged seeking to modify conditions associated with Project Approval No. 08_0194 for Kings Forest Stage 1.

It was noted that there are no conditions of the approvals which specifically nominates that funding arrangements need to be made for environmental land dedicated to Council. Council and the developer (LEDA) have been working closely together to advance the Kings Forest development. A funding proposal which involves a Special Rate Levy specifically for future Kings Forest land owners to fund the requirements of the associated Environmental Protection lands is preferred. In order to advance such a proposal, Council needs to obtain approval from IPART to proceed with the levy of the Special Rate for the 2021/22 financial year.

At its meeting of 10 December 2020, Council resolved to:

1. Amend its Resourcing Strategy (including the Long Term Financial Plan) supporting the Community Strategic Plan to include the proposed Special Rate;
2. Amend its Delivery Program 2017/2021 - Operational Plan 2019/2020 to include the proposed Special Rate; and
3. Place these amended documents on public exhibition until the close of business on 29 January 2021."

The amended documentation and notification of the proposed Special Rate Variation application were advertised for public comment until the close of business on 29 January

2021. Council considered the responses at its meeting held on 4 February 2021 and resolved to:

1. Adopt the revised Resourcing Strategy (including the Long Term Financial Plan) supporting the Community Strategic Plan including the proposed Special Rate;
 2. Adopt the revised Delivery Program 2017/2021 - Operational Plan 2020/2021; and
 3. Lodge, in accordance with the publicly exhibited proposal, a Special Rate Variation application with the Independent Pricing and Regulatory Tribunal (IPART) for the funding of the management and maintenance of the environmental protection lands associated with the Kings Forest development.
-

4.2 When did the council meet the formal requirements for all relevant IP&R documents?

Complete Table 4.1 for the mandatory IP&R documents. If other IP&R documents are relevant to the council's application, also complete Table 4.2.

As required by Section 7 of the SV Guidelines, councils should provide web links to all relevant IP&R documents in Table 4.3.

Table 4.1 Mandatory IP&R documents

| Document | Date(s) |
|----------------------------------|--|
| Community Strategic Plan | |
| Exhibition | 2 January 2017 to 25 February 2017 |
| Adoption by council | 6 April 2017 |
| Placed on council website | April 2017 |
| Delivery Program | |
| Exhibition | 20 April 2020 to 18 May 2020 (and 18 December 2020 to 29 January 2021) |
| Adoption by council | 18 June 2020 (and 4 February 2021) |
| Placed on council website | 24 June 2020 (and 8 February 2021) |
| Long Term Financial Plan | |
| Revised LTFP endorsed by council | 18 June 2020 (and 4 February 2021) |
| Placed on council website | 24 June 2020 (and 8 February 2021) |

Table 4.1 Other IP&R documents(if relevant)

| Document | Date(s) |
|--|---------|
| Asset Management Strategy / Plan(s) | |
| Exhibition | |
| Adoption by council | |
| Placed on council website | |
| Operational Plan for 2020-21 | |
| Endorsed by council | |
| Placed on council website | |
| | |
| Endorsed by council | |
| Placed on council website | |
| | |
| Endorsed by council | |
| Placed on council website | |

Table 4.2 Website links for council's IP&R documents

| Document | Website link |
|-------------------------------------|---|
| Community Strategic Plan | https://www.tweed.nsw.gov.au/IPRF |
| Delivery Program | https://www.tweed.nsw.gov.au/IPRF |
| Long Term Financial Plan | https://www.tweed.nsw.gov.au/IPRF |
| Asset Management Strategy / Plan(s) | https://www.tweed.nsw.gov.au/IPRF |

4.3 What, if any, relevant issues arose in the public exhibition of the IP&R documents?

In the text box explain any issues arising from the council's IP&R processes and documentation associated with the proposed SV which you consider are relevant factors for IPART to take into account in assessing the council's application, including responses to public exhibition.

Not applicable.

4.4 Where is the proposed special variation referred to in the council's IP&R documents?

Complete Table 4.4 with all relevant page (or section) references in the mandatory IP&R documents for material related to each criterion. Add rows for other IP&R documents if necessary.

| IP&R document | Page reference(s) |
|--|-------------------|
| Criterion 1: Financial need | |
| Delivery Program 2017–2021/Operational Plan 2020–2021 | 2, 27 |
| Long Term Financial Plan | 40, 44 |
| Criterion 2: Community awareness and engagement | |
| Delivery Program 2017–2021/Operational Plan 2020–2021 | Cover, 2 |
| Criterion 3: Impact on ratepayers | |
| Delivery Program 2017–2021/Operational Plan 2020–2021 | 2 |

**Attachments for Criterion 4**

List attachments relevant to your response for Criterion 4 in **Table 4.5**. Use the council assigned number shown in Table 8.1.

Table 4.35 Attachments relevant to response for Criterion 4

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
| | | |
| | | |
| | | |
| | | |

a If document only relevant in part.



Criterion 5

Productivity improvements and cost containment strategies

Criterion 5 in the SV Guidelines is:

The IP&R documents or the council's application must explain the productivity improvements and cost containment strategies the council has realised in past years, and plans to realise over the proposed special variation period.

To complete the questions for Criterion 5: Productivity improvements and cost containment strategies refer to IPART's Application Guide for SV Application Form Part B.

Refer also to the IPART publication *Special Variations in 2021-22* – Information Paper

5.1 What is the council's strategic approach to improving productivity in its operations and asset management?

In the text box explain the council's overall approach to improving productivity, containing costs, increasing own source revenue in the context of its operations and IP&R resource planning.

Council is constantly seeking productivity improvements and cost containment strategies. This is evidenced by the "Productivity Awards" that have been in place since 2014 which are aimed at identifying and rewarding staff that carry out their roles in a way that exemplifies Council's values and delivers efficient and effective outcomes for the Council and the community. The Productivity Awards were designed around the central idea that engaged, motivated and innovative staff, are the key to business improvement. Five award categories were created, each focussing on different aspects of productivity and employee engagement:

- Process improvement and efficiency
- Innovation
- Cross unit collaboration
- Customer focus
- Sustainability

Council has also introduced a framework for service delivery process improvements by establishing a cultural change program to support staff in embracing the service delivery framework as a new way of integrating continuous improvement.

These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

5.2 What outcomes has the council achieved from productivity improvements and cost containment strategies in past years?

In the text box:

a) Explain initiatives undertaken in the past few years to improve productivity and contain costs.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

b) Outline the outcomes which have been achieved.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

c) Where possible, quantify the gains these past initiatives have realised.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

5.3 What productivity improvements and cost containment strategies are planned for future years?

In the text box summarise the council's ongoing efficiency measures.

a) Explain the initiatives which the council intends to implement.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

b) Estimate their financial impact.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

c) Indicate whether these have been incorporated in the council's Long Term Financial Plan.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.

5.4 How have the council's levels of productivity and efficiency changed over time, and compare with those of similar councils?

In the text box summarise data which demonstrates how the council has improved productivity over time, and indicates its performance against that of comparable councils.

Not applicable. These improvements will have little or no impact upon the environmental lands maintenance costs which are the subject of this application.



Attachments for Criterion 5

List attachments relevant to your response for Criterion 5 in **Table 5.1**. Use the council assigned number shown in Table 8.1.

Table 5.11 Attachments relevant to response for Criterion 5

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
|-----------------------------|------------------|---------------------------------|

^a If document only relevant in part.



Criterion 6

Other relevant matters

Criterion 6 in the SV Guidelines is:

Any other matter that IPART considers relevant.

6.1 Reporting requirements SV compliance

In the text box propose additional SV compliance community awareness in addition to the requirements in the IP&R documentation.

Annual Report to contain information in relation to:

- a) the scope of the proposed improvements, maintenance and management activities for the environmental lands within the Development agreed between the Council and the developer;
- b) the program of expenditure that was actually funded by the Special Variation;
- c) any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Special Variation and the reasons for those differences; and
- d) the outcomes achieved as a result of the Special Variation

The Guidelines provide further that:

IPART will assess each application based on its merits against the assessment criteria. In doing so, IPART may consider:

- size of the council
- resources of a council
- size (both actual \$ and %) of increase requested
- current rate levels and previous rate rises
- purpose of the special variation
- compliance with this or any other applicable guideline
- compliance with the conditions of any previous special variations, and
- any other matter considered relevant in the assessment of a special variation application.

To complete the question for Criterion 6: Other relevant matters refer to IPART's Application Guide for SV Application Form Part B.

In the text box the council **may** provide information in addition to that provided elsewhere in the Application Form which it would like IPART to consider when assessing its proposed SV.

Click here to enter text.



Attachments for Criterion 6

List attachments relevant to your response for Criterion 6 in **Table 6.1**. Use the council assigned number shown in Table 8.1.

Table 6.11 Attachments relevant to response for Criterion 6

| Council- assigned number | Name of document | Page references ^a |
|-----------------------------|------------------|---------------------------------|
| | | |
| | | |
| | | |
| | | |

a If document only relevant in part.

Council certification and contact information

To prepare the Council certification and provide council information refer to IPART's Application Guide for SV Application Form Part B.

Certification of application

Prepare a document in the form indicated below, sign, scan and attach as a public supporting document.

Application for a Special Rate Variation

To be completed by General Manager and Responsible Accounting Office

Name of council: Tweed Shire Council

We certify that to the best of our knowledge the information provided in this application is correct and complete.

General Manager (name): Troy Green

Signature and Date: X

Responsible Accounting Officer (name): Michael Chorlton

Signature and Date: X

Council contact information

Complete Table 7.1.

Table 6.2 Council contact information

| General Manager | |
|---|----------------------|
| General Manager contact phone | |
| General Manager contact email | |
| Primary council contact | |
| Council contact phone | |
| Council contact email | |
| Council email for inquiries about the SV application | tsc@tweed.nsw.gov.au |

List of attachments

To prepare the List of attachments refer to IPART's Application Guide for SV Application Form Part B.

Table 8.1 is the list of all attachments to the council's SV Application Form Part B.

To complete Table 8.1 (adding rows as necessary):

1. Assign an identifying number and/or letter to each document.
2. Name each document.
3. Check the box to indicate that it is being submitted with the application.

Table 6.3 List of Attachments to the council's application

| Council-assigned number | Name of Attachment | Is the document included in the application as submitted? |
|--|--|---|
| Mandatory forms/attachments | | |
| | Application Form Part A (Excel spreadsheet) | <input checked="" type="checkbox"/> |
| | Application Form Part B (this Word document) | <input checked="" type="checkbox"/> |
| | Council resolution to apply for the proposed special variation | <input checked="" type="checkbox"/> |
| | Certification | |
| If applicable for Description and Context Question 4 | | |
| | Instrument for expiring special variation | <input type="checkbox"/> |
| | OLG advice confirming calculation of amount to be removed from the council's general income | <input type="checkbox"/> |
| If applicable for Description and Context Questions 5 and 6 | | |
| | Declaration of compliance with conditions in past instruments (if applicable) | <input checked="" type="checkbox"/> |
| | Relevant instrument(s) for past special variations (if applicable) | <input checked="" type="checkbox"/> |
| | Evidence of compliance with conditions in past instruments (if applicable) | <input checked="" type="checkbox"/> |
| Mandatory public supporting material (ie, to be published on IPART's website) | | |
| | Community Strategic Plan – Relevant extracts | <input checked="" type="checkbox"/> |
| | Delivery Program – Relevant extracts | <input checked="" type="checkbox"/> |
| | Long Term Financial Plan with projected (General Fund) financial statements (Income, Cash Flow and Financial Position) in Excel format | <input checked="" type="checkbox"/> |

| Council- assigned number | Name of Attachment | Is the document included in the application as submitted? |
|--------------------------------|---|--|
| | Consultation material, eg copies of media releases, notices of public meetings, newspaper articles, fact sheets used to consult on rate increase and proposed special variation | <input checked="" type="checkbox"/> |
| | Community feedback (including surveys and results if applicable) | <input checked="" type="checkbox"/> |
| | Willingness to pay study (if applicable) | <input type="checkbox"/> |
| | Hardship Policy | <input type="checkbox"/> |
| | Other public supporting material | |
| | Asset Management Strategy / Plan(s) (if applicable) | <input type="checkbox"/> |
| | Operational Plan for 2020-21 (ie, not for 2021-22) (if applicable) | <input type="checkbox"/> |
| | NSW Treasury Corporation report on financial sustainability (if applicable) | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | Confidential supporting material (ie, not to be published on IPART's website) | |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |

Important information for completing and submitting Special Variation Application Form Part B for 2021-22

Submitting the application online

Applications must be submitted through the Council portal by Monday, 8 February 2021.

- ▼ A file size limit of 10MB applies to the Part B Application Form.
- ▼ For supporting documents (Attachments) a file size limit of 70MB applies to public documents, and another 50MB to confidential documents.

Confidential content in applications

IPART will post all applications (excluding confidential content) on the IPART website. Examples of confidential content are those parts of a document which disclose the personal identity or other personal information pertaining to a member of the public, a document such as a council working document that does not have formal status, or document which includes commercial-in-confidence content.

Councils should ensure supporting documents are redacted to remove confidential content where possible, or clearly marked as CONFIDENTIAL.

Publishing the council's application

Councils should also post their application on their own website for the community to access.