IPART Independent Pricing and Regulatory Tribunal | NSW

Special Variation Application Form Part B

Blacktown City Council

Application Form

2026-27

Local Government »

Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

Contact details

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

The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from IPART's website.

Contents

Council Information

Please fill out the table below.

Council name	Blacktown City Council
Date submitted to IPART	2 February 2026

1 About this application form

This application form is to be completed by councils applying for a special variation (SV) to general income for 2026-27 under section 508(2) or 508A of the *Local Government Act 1993* (LG Act). The application form is in two parts:

1. Application Form Part A (separate Excel spreadsheet)
2. Special Variation Application Form Part B (this MS Word document)

The SV Application Form Part B collects:

- Description and Context information for the SV
- Evidence against:
  - Criterion 1: Need for the variation
  - Criterion 2: Community awareness and engagement
  - Criterion 3: Impact on ratepayers
  - Criterion 4: Integrated Planning & Reporting (IP&R) documents
  - Criterion 5: Productivity improvements and cost containment strategies
  - Criterion 6: Other relevant matters
- Council certification and contact information

It also provides a List of attachments and checklist to assist councils.

When completing this Application Form, councils should refer to:

- The 'Apply for a SV or minimum rates (MR) increase' page of IPART's website
- The Office of Local Government (OLG) Guidelines issued in November 2020
- IPART's SV Guidance Booklet – *Special Variations: How to prepare and apply* available on our website.

We encourage Councils to contact IPART early in their preparation to apply, or potentially apply, for an SV.

2 Description and Context

These questions seek information not tied to a specific criterion in the OLG guidelines.

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

In Table 1, please use the checkboxes to indicate the type of SV the council is applying for. In Table 2, please provide, rounded to **1 decimal place,** unless otherwise specified in Table 3:

- the total percentage increase (including the rate peg) and,
- for a section 508A SV, the cumulative percentage increase over the SV period.

The percentage increases applied for should match any percentages specified in the council resolution to apply for an SV. That is, the council resolution should be specified to 1 decimal place unless the council specifically wants a different number of decimal places.

Should an SV be approved, the instrument will list the approved percentage(s) and the maximum permitted cumulative increase. If the cumulative increase is not specified in the council resolution, we will use 1 decimal place unless a different number of decimal places is specifically requested in Table 3.

If applying for a Crown Land Adjustment (CLA), please **do not** include the CLA percentage in Table 2. Information about CLAs is collected in Question 2 below.

In Table 3, please explain if the council would like its instrument issued to a different number of decimal places and if it has used an assumed rate peg that is not 2.5%.

Our Guidance Booklet - Special variations: How to prepare and apply has an example of these questions completed.

Table 1 Type of special variation

What type of SV is this application for?	☐ Section 508(2)	☒ Section 508A	
Are you applying for Permanent or Temporary?	☒ Permanent	☐ Temporary	☐ Permanent + Temporary

Table 2 The council's proposed special variation

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Is this year in the SV period?	yes	yes	yes	no	no	no	no
Percentage increase **(including the rate peg)**	16.64%	8.53%	8.53%				
Rate peg	5.40%	5.00%	5.00%				

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
Cumulative percentage increase over the SV period for s 508A	16.64%	26.59%	37.39%				
Indicate which years are permanent or temporary	Permanent	Permanent	Permanent				

Table 3 Further questions

Question	The council's response
Does the council wish its potential SV instrument to be issued with a different number of decimal places?	Yes. Council would like its SV instrument to be issued to two (2) decimal places to be consistent and in-line with all its SV public consultation material.
If the council used an assumed rate peg that is not 2.5%, please briefly justify why it did so.	Under the new rate peg methodology, Council's rate peg for the 2024/25 rating year was 7.1%, with a 5.9% rate peg for the 2025/26 rating year and a 5.4% rate peg for the 2026/27 rating year. The 3 rate pegs included one-off increases that were made as an adjustment to the base level rate peg. Examples of these adjustments include an increase in the superannuation guarantee levy, the local government election costs, historical increases in Council's Emergency Services Levy that were previously subsidised by the NSW Government and a census 'true-up' for actual residential population figures. Projecting what Council's future rate peg will be for the years of our proposed SV (i.e. 2026/27 to 2028/29) is difficult to do so, we have taken a conservative approach to assume an annual average increase of 5% based on our understanding of the new methodology and the projected future population growth in Blacktown City.

Question 2: Is the council applying for a Crown Land Adjustment (CLA) in 2026-27?

Please fill out the table below if the council is also applying for a CLA, otherwise leave it blank.

Is the council also applying for a CLA?	No
If so, by what percentage?	n/a
What is the dollar ($) value for the CLA?	n/a
Who was the prior owner of the Crown Land?	n/a

Briefly outline the reason for the land becoming rateable.	n/a

Question 3: What is the key purpose of the requested SV?

In the text box below please summarise the key purpose(s) of the proposed SV.

Council has used the term Special Rate Variation or SRV, in its consultation and engagement with the community on the proposed Special Variation. Any references to Special Rate Variation or SRV in Council's responses and supporting documentation to the questions in this form, are taken to mean Special Variation or SV.

Council is seeking a cumulative increase to its general rates revenue of 37.39% over 3 years, for 3 key purposes (detailed below) - to fund the operational and maintenance costs of new facilities to be built using the NSW Government Western Sydney Infrastructure Grants program funds (10.06%), asset renewal and maintenance (4.14%) and a component to form part of the overall funding strategy for new office accommodation (4.50%).

Blacktown City Council has experienced rapid growth in its population, increasing from 332,424 in 2015 to 438,743 in 2024[1]. In the next 20 years, our population is expected to exceed more than 600,000, the same as the population of Tasmania.

The income Council receives from its growth is not enough to fund our ongoing, or future costs, to ensure current levels of service, adequately maintain current assets, operate and maintain new community shared spaces as well as upgrade and invest in new public administration centres.

In 2022, Council identified a shortfall of around $25 million a year in operational revenue capacity to sufficiently fund infrastructure asset maintenance and maintain services at current levels. This was documented in a funding strategy exhibited for public comment (Council report CS420148 – 28 September 2022), which identified the need for additional income. Council commenced community consultation on a proposed Special Variation in October 2022, however considering the economic climate at the time, including the financial impact of COVID-19, Council determined not to proceed with the proposed Special Variation.

In addition to Council's historical and current rate of growth, there are several challenges affecting Council's financial sustainability, detailed in pages 14 to 15 and 34 to 42 of Council's revised Long-Term Financial Plan 2025-2035, that support Council's need for an alternative source of revenue for the components of the Special Variation. This includes limitations on the revenue received from the rate peg and developer contributions, the progressive reduction in Council's annual Financial Assistance Grant allocation since 2012/13, and cost shifting in the sum of $41 million per annum from the Federal and State Governments.

Council's Special Variation will provide $90.5 million per year, by the end of year 3, in additional permanent income. Council will use $41.5 million, being the assumed rate peg amount of 5% (noting that during public exhibition on the proposed Special Variation, Council's rate peg of 5.4% was announced), of this income to continue current service and maintenance levels, covering rising costs from inflation and provide limited capacity for new projects or service improvements. To ensure the overall rate increase remains consistent with what is exhibited during Council's 6-week community and stakeholder engagement program, the additional 0.4% revenue (reflecting the actual rate peg) in 2026/27 will be allocated to asset renewal. This would be offset by a reduced allocation of 0.4% to other services in 2026/27.

The additional revenue of $49 million per annum from the Special Variation is to support the financial need for 3 components (noting an adjustment for the 2026/27 allocation due to the rate peg of 5.4% referred to above):

1. **Fund the operational and maintenance costs of new facilities Council will construct for the community from the NSW State Government Western Sydney Infrastructure Grants project funding**

   Council received $273.1 million in funding from the NSW State Government to construct 7 major new and upgraded community facilities and smaller community improvement projects in all 5 of its Wards and will carry out associated Mount Druitt public domain improvements. Council requires $28.15 million per annum (with this amount to be indexed annually in line with the presumed rate peg) to fund the operational and maintenance costs of these new facilities.

   In accepting the grant funding from the NSW State Government (formerly referred to as the WestInvest projects), Council at its Ordinary meeting on 24 May 2023 (report CT430024), acknowledged the impact to its operating budget, and that the operating costs of these new and upgraded community facilities could only be funded by a Special Variation.

2. **Reduce Council's asset renewal and maintenance backlogs**

   As at 30 June 2025 Council's infrastructure renewal backlog was estimated at $162 million. Our present LTFP estimate is that this backlog will reach approximately $285 million by 2034/35 and $706 million by 2042/43.

   As at 30 June 2025 Council's combined assets, including infrastructure assets, had a replacement value of over $7.751 billion. Council's Asset Management Strategy 2025-2035 identifies that our infrastructure asset value is projected to grow by $1.1 billion, and our Long-term financial plan 2025-2035 identifies that Council's asset renewal and asset maintenance requires increased funding beyond current projections.

   The component of the Special Variation of approximately $10 million per annum will be allocated predominately to asset renewal, with some funding towards asset maintenance, to reduce the continued deterioration in Council's building and infrastructure renewal ratio.

   With this additional funding, along with Council's established practice of allocating where practicable one-off budget favourable variances when they occur, it is projected that Council's asset renewal backlog of $706 million by 2042/43 would be reduced to $548 million.

3. **Part of the overall Office accommodation funding strategy for the construction of new public administration buildings**

The terms 'Office accommodation', 'Office buildings', 'Administration centre' and 'Public administration centres' are used throughout Council documents. For the purposes of this application, the terms are effectively interchangeable. Council's Office accommodation funding strategy in Council report CS450116 (Attachment 1.1) relies on a component of the Special Variation.

Council's current Administration centre is located at 62 Flushcombe Road, Blacktown. This building was originally constructed in the mid 1960's, and was extended in the mid 1980's and early 1990's. Since that time, staff numbers have continued to increase, and Council has needed to locate staff across 5 different offices as we have outgrown our current Administration centre.

Council's existing Administration centre was designed for a smaller organisation, a different service model and is no longer fit for purpose in terms of capacity, accessibility, technology, and workplace standards. These limitations constrain Council's ability to deliver efficient services, support a growing workforce, and meet contemporary expectations for customer access, digital service delivery, and integrated decision-making.

As a major employer and service provider, Council plays a vital role in the functioning of the local economy. Fit-for-purpose office and administration centres will support efficient service delivery, enable collaboration with businesses and government agencies, and signal confidence in the City's long-term growth. It will also contribute to daily economic activity in the CBD, supporting local retail, hospitality and professional services.

Council has planned the replacement of its current outgrown and outdated Administration centre for over a decade. This has included extensive and detailed land use planning, financial modelling, commercial negotiations and community consultation as outlined in the following sections.

Council sold its main Administration centre and adjacent sites in Blacktown CBD to Walker Corporation in 2023 and is currently leasing it back, with the expectation to transfer operations to a new building in the Council-owned Warrick Lane Precinct near Blacktown railway station. The existing administration building will be demolished when the new owner undertakes significant redevelopment in the Blacktown city centre. The proposed Council development ('Yan Willama' public administration centre) will complement the Walker Corporation development ('Blacktown Quarter') and help transform the future of Blacktown city.

Walker Corporation will invest $2.5 billion in the Blacktown Quarter project, and deliver 100,000 sqm of office space, a private hospital and medical research institute as part of a modern business district. Benefits of this development include an estimated $1 billion injection into the Blacktown economy and more than 4,500 permanent new jobs.

With over 2,400 staff employed by Council, including 450 based at the Rooty Hill depot, the construction of new, purpose-built offices, has become critical to ensure operational efficiency and collaboration in a way that accommodates Council's existing and future needs.

To facilitate the most efficient transfer of our organisation to new facilities, at a reduced cost, it is also proposed to build a new administration centre at Rooty Hill, on a Council-owned site adjacent to Rooty Hill station and Council's major works depot. This will also benefit the community in a key location.

Council has explored various options and undertaken studies to identify the most appropriate form of office accommodation to meet the needs of Blacktown's growing population and to provide a 'fit-for-purpose' contemporary workplace. Council's 2 office strategy addresses key office accommodation risks (timing, building costs and attracting workforce) and cultural and operational challenges, both for the present and the future.

Council has approximately 4.75 years remaining on the fixed term lease of our present Administration centre to establish new premises. There is no suitable accommodation in Blacktown City to rent. Council's strategy, established over several years of detailed consideration and analysis, is to construct 2 new Public administration centres on Council-owned sites in Blacktown city centre and Rooty Hill. These buildings will house civic facilities, community space and office accommodation for over 900 staff, including our anticipated organisational and service growth. Based on the NSW Government office standards, approximately 30,000sq.m of gross floor area is required.

The $10.9 million per annum income from the Special Variation will contribute to the overall funding strategy, by supporting the construction costs of $400 million and the repayment of external loan borrowings of up to $202.3 million. Further information on Council's office accommodation funding strategy is detailed in Attachment 1.1.

Council submitted to the Office of Local Government (OLG) on 22 January 2026 a Capital expenditure review report for the 2 proposed Public administration centres at Blacktown (Yan Willama Road, part of the Warrick Lane precinct) and Rooty Hill. The letter from Council's Chief Executive Officer to OLG and the relevant Council report with full Capital expenditure review documents are Attachment 1.2 to this application.

Subject to all relevant approvals, Council will undertake a 2-stage tender process during 2026 for the design and construction of the 2 Public administration centres, incorporating our long term civic, community, customer service and accommodation requirements.

Further details on the planning Council has undertaken for its new office accommodation, and the inclusion of this transformational project in Council's Integrated Planning & Reporting documents, is detailed in Question 3.2 below.

Question 4: Is the council proposing to increase minimum rates in conjunction with the special variation?

Complete Table 4 if the council proposes to increase minimum ordinary rates and/or Table 5 if the council proposes to increase special rates in conjunction with the SV for 2026-27. Otherwise, leave it blank. IPART will also use data provided in Application Form Part A to understand the details of the proposed SV and minimum amounts of rates.

In some situations, a minimum rates increase will be subject to IPART approval. In these cases, councils will need to also complete *Minimum Rate Increase Application Form Part B 2026-27* (Word document) available on our website. Please see Table 2.4 of the Guidance Booklet - Special variations: How to prepare and apply for further information on when an additional MR increase application may be required. Councils do not need to submit another Application form Part A (Excel document).

Table 4 Minimum rates increase for ordinary rates

Does the council have an ordinary rate(s) subject to a minimum amount?	Yes
Does the council propose to increase the minimum rate(s) above the statutory limit for the first time? (If yes, you must complete a separate minimum rate increase application form.)	No
Does the council propose to increase the minimum rate(s) above the proposed SV percentage(s)? (If yes, you must complete a separate minimum rate increase application form, even if the council has been approved to increase its minimum rate above the statutory limit in the past.)	No
Has the council submitted an application for a minimum rate increase?	No

In the text box below, provide the council's proposed minimum rates increase (both in percentage and dollar terms) and to which rating category (or sub-category) the increase is to apply for each year (this can be in table form).

Council's minimum rates for all categories are proposed to be increased by 15% in 2026/27, then by assumed rate peg of 5% in 2027/28, and by 5% in 2028/29, as shown in the table below.

These percentage increases to the minimum rates are below the headline SV percentage increases for those years which are 16.64%, 8.53% and 8.53% respectively.

	Current Minimum Rate	Minimum Rate Year 1	Minimum Rate Year 2	Minimum Rate Year 3
	2025-26	**2026-27**	**2027-28**	**2028-29**
Residential				
Ordinary Residential General	$1,140	$1,311	$1,377	$1,446
Ordinary Residential General Rate - Vacant Land	$514	$591	$621	$652
Ordinary Residential Postponed	$1,140	$1,311	$1,377	$1,446
Ordinary Residential Scheduled Lands	$1,140	$1,311	$1,377	$1,446
Ordinary Residential Scheduled Lands - Vacant	$257	$296	$311	$326
MDAF Residential Rate	$1,140	$1,311	$1,377	$1,446
Farmland				
Ordinary Farmland General	$1,221	$1,404	$1,474	$1,548
Ordinary Farmland General - Vacant Land	$552	$632	$663	$697
Ordinary Farmland Postponed	$1,221	$1,404	$1,474	$1,548
MDAF Farmland Rate	$1,221	$1,404	$1,474	$1,548
Business				
Ordinary Business General Rate	$1,221	$1,404	$1,474	$1,548
Ordinary Business General Rate - Vacant Land	$552	$635	$667	$700
MDAF Business Rate	$1,221	$1,404	$1,474	$1,548
Ordinary Business Blacktown CBD North	$1,432	$1,647	$1,729	$1,815
Ordinary Business Blacktown CBD North Vacant	$646	$743	$780	$819
Ordinary Business Blacktown CBD South	$1,432	$1,647	$1,729	$1,815
Ordinary Business Blacktown CBD South Vacant	$646	$743	$780	$819
Ordinary Business Mount Druitt CBD	$1,432	$1,647	$1,729	$1,815
Ordinary Business Blacktown North	$1,432	$1,647	$1,729	$1,815
Ordinary Business Blacktown North - Vacant	$646	$743	$780	$819
Ordinary Business M4 Corridor	$1,432	$1,647	$1,729	$1,815
Ordinary Business M4 Corridor - Vacant	$646	$743	$780	$819
Ordinary Business Marsden Park	$1,432	$1,647	$1,729	$1,815
Ordinary Business Marsden Park - Vacant	$646	$743	$780	$819
Ordinary Business Mount Druitt	$1,432	$1,647	$1,729	$1,815
Ordinary Business Mount Druitt - Vacant	$646	$743	$780	$819
Ordinary Business Rooty Hill/Glendenning	$1,432	$1,647	$1,729	$1,815
Ordinary Business Rooty Hill/Glendenning - Vacant	$646	$743	$780	$819
Ordinary Business Riverstone	$1,432	$1,647	$1,729	$1,815
Ordinary Business Riverstone - Vacant	$646	$743	$780	$819
Ordinary Business Seven Hills	$1,432	$1,647	$1,729	$1,815
Ordinary Business Seven Hills - Vacant	$646	$743	$780	$819
Shopping Mall - Mt Druitt	$1,432	$1,647	$1,729	$1,815
Shopping Mall - CBD	$1,432	$1,647	$1,729	$1,815

Worksheets 4, 5 and 7 (WS 4, 5 and 7) of the Part A application form collects more detailed information about the proposed minimum rates increase.

Table 5 Minimum rates increase for special rates

Does the council propose to increase the minimum amount of a special rate above the statutory limit?	No
What will the minimum amount of the special rate(s) be after the proposed increase?	$Click to enter amount
Has the council submitted an application for a minimum rate increase?	No

The council must ensure that it has submitted MR Increase Application Form Part B, if required. No separate Part A is required.

Question 5: Does the council have an expiring SV?

Complete the table below if the council has a temporary SV which is due to expire:

- on 30 June 2026, or
- at the end of any year in the period the requested SV would apply.

To calculate the amount to be removed from general income when the SV expires, councils must follow the terms of the relevant condition in the SV instrument. Councils may find the example in Attachment 1 to the OLG SV Guidelines useful. The OLG's SV Guidelines also specify that councils must contact the OLG to confirm the calculation of this amount.

Does the council have an SV which is due to expire on 30 June 2026?	No
Does the council have one or more SV/s due to expire during the proposed SV period?	No
If Yes to either question: a. When does the SV expire?	Click or tap here to enter text.
b. What is the percentage to be removed from the council's general income?	Click or tap here to enter text.
c. What is the dollar amount to be removed from the council's general income?	Click or tap here to enter text.
Has OLG confirmed the calculation of the amount to be removed?	Choose an item.

Attachments required:

- Instrument(s) approving any SV which expires at 30 June 2026 or during the period covered by the proposed SV.
- OLG advice confirming calculation of the dollar amount to be removed from general income as a result of the expiring SV.

Question 6: Does the council have an existing (ongoing) section 508A special variation which applies in 2026-27?

Complete this question if the council has an existing section 508A multi-year SV instrument which approves an increase to general income above the rate peg for 2026-27 and future years within the period covered by the council's SV application.

If the council has an ongoing section 508A SV and is seeking additional changes to general income during the term of that existing SV, IPART will need to vary the original instrument if the application is approved, rather than issuing a separate SV instrument to apply for 2026-27 (or later years).

Does the council have a section 508A multi-year SV instrument that applies in 2026-27?	No

If yes to the above question, in the text box below:

- 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 relevant to the conditions in the instrument since it was issued.

Supporting documents could include extracts from annual reports or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

Click here to enter text.

Attachments required:

- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument on the council's official letterhead.

- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument. For example, extracts from annual reports or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

Question 7: Has IPART *ever* approved a special variation (including additional special variations in 2022-23)?

Complete this question if IPART has ever approved an SV for the council.

You **do not need** to complete the text box for this question if the relevant information has been provided in the council's response to Question 6.

Does the council have a section 508(2) or 508A SV which IPART has approved?	Yes

If yes, in the text box below, for each SV approved by IPART, briefly:

- Specify the type of SV and the increase to general income approved.
- Outline the council's actions in complying with conditions in the SV instrument(s) or where the council has failed to comply with the conditions, provide reasons and list the corrective actions undertaken.
- Describe any *significant* changes relevant to the conditions in the SV instrument(s) since it was issued.

Supporting documents could include extracts from annual reports (or webpage hyperlinks to them) or any other publications in which compliance with the terms of the SV has been reported to ratepayers.

1. In June 2014 IPART approved Council's application for a Special Variation. Council's instrument of approval under section 508A(1) permitted a cumulative increase to Council's general income for the period from 2014/15 to 2015/16, of 12.15% for infrastructure renewal. This included a 6.70% increase in 2014/15 and a 5.11% increase in 2015/16.

   In compliance with this instrument, Council reported the program of expenditure in its annual report for each rating year over the period from 2014/15 to 2023/24. Refer to Attachment M2 (declaration of compliance and supporting evidence).

   Over the 10-year period the SRV was expected to generate a total of $93.2 million. In addition to this amount Council committed a further $30 million over the 10 years. These amounts combined offered to provide ratepayers with $123.2 million to be used for allocated asset renewal spending.

For the duration of the reporting period of 2014/15 to 2023/24, Council has complied with this condition. Over the life of the reporting period the SRV generated $98.63 million, being $5.43 million more than initially estimated. The entirety of this amount was allocated to asset renewal spending.

Council has funded a further $39.82 million, $9.82 million more than the $30.0 million originally estimated. The total additional spending on asset renewal totalled $138.45 million over the reporting period, $15.25 million more than the $123.2 million originally anticipated.

2. Council also has an approved Additional Special Variation instrument under section 508(2) to permanently increase its general income by 1.6% in 2022/23 (including the rate peg) as our rate peg for the year was 0.7%. This percentage increase was subject to the following conditions:

   a. The Council report, in its annual report for the Year 2022-23, on the following for that Year:

      i the Council's actual revenues, expenses and operating results against the projected revenues, expenses and operating results specified in its Application;

      ii any significant differences between the Council's actual revenues, expenses and operating results and the projected revenues, expenses and operating results specified in its Application and the reasons for those differences; and

      iii. the Additional Income raised by this additional special variation.

In compliance with this instrument, Council reported on these matters in its audited financial statement for the 2022/23 financial year which was included as part of Council's 2022/23 annual report. Refer to Attachment M3 (declaration of compliance and supporting evidence).

Attachments required:

- A declaration by the General Manager as to the council's compliance with the conditions specified in the SV instrument(s).
- Supporting documents providing evidence of the council's actions to comply with the conditions in the instrument(s). For example, extracts from annual reports or any other publications in which compliance with the conditions of the SV instrument has been reported to ratepayers.
- If applicable, supporting documents providing evidence of the corrective actions undertaken in the event of a failure to comply with the conditions in the SV instrument(s).

Question 8: Does the council have deferred general income increases available to it?

Complete the question box below if the council has decided not to apply the full percentage increases to general income available to it in one or more previous years under sections 506, 508(2) or 508A of the LG Act.

Does the council have deferred general income increases available to it from one or more previous years under section 511 of the LG Act?	No
If *Yes*, has the collection of this additional income been included in the Council's Long Term Financial Plan (LTFP)?	Choose an item.

In the text boxes also explain:

a. The quantum, rationale and timing of any deferred increases in general income. Click here to enter text.
b. When council plans to catch up on the deferred general income through the catch-up provisions and whether this been included in the LTFP. Click here to enter text.
c. How does this deferred income impact on the council's need for the SV and its cumulative impact on ratepayers' capacity to pay? The council may also wish to further expand on this question in Table 6 in the OLG Criterion 1 section below. Click here to enter text.

3 OLG SV Criterion 1 – Financial need

Refer to the OLG SV Guidelines as needed, and section 3 of IPART's Guidance Booklet - Special variations: How to prepare and apply when preparing consultation strategy and material for completing this section.

In Table 6 below, please explain how the council met each component of Criterion 1. Please also provide a reference to evidence in the IP&R documents.

The Part A application form also collects information for this criterion in Worksheets 9 (WS 9 - Financial), 10 (WS 10 - LTFP) and 11 (WS 11 - Ratios).

Table 6 OLG Criterion 1 components

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
The need for, and purpose of, a different revenue path for the council's General Fund (as requested through the SV) is clearly articulated and identified in the council's IP&R documents	Blacktown City Council is the largest Council by population in NSW, with our 2024 population of 438,743 expected to exceed more than 600,000 in the next 20 years, equal to the population of Tasmania. Most of Blacktown City's high rate of growth will occur in the North West Growth Area (Council is responsible for three quarters of this precinct), and in defined urban renewal precincts around key transport nodes and centres. The NSW Government's Draft Sydney Plan (December 2025) forecasts a growth of 23% in the metropolitan population from 2025-2045, from 5.3 million to 6.5 million, over this 20-year period. This is consistent with Blacktown's current 5-year housing target set by the Government of 21,400 additional dwellings from 2024-2029. Such continued high growth creates a major challenge for Council to ensure it balances the needs of established areas with those of new release areas. The demand for, and cost of, Council services increase as our population grows, particularly provision of additional subsidised services to support this population growth such as libraries and pools, and maintenance costs for roads, footpaths, drainage, parks and reserves and water management infrastructure. The annual operational costs to service more residents exceeds the additional revenue generated from an increase in rateable properties, resulting in Council having to compromise on maintenance and service levels to remain within budget. For example, when a parcel of land is subdivided, our rates per capita is reduced to service the growth in population, only partly offset by the additional rates from new lots created.	The need for, and purpose of, the Special Variation to fund the 3 essential priorities is detailed on pages 9 to 15 in Council's revised Long-Term Financial Plan 2025-2035 (LTFP) (Attachment 4.3). Financial challenges are detailed on pages 34 to 42 of the LTFP. Council's revised Delivery Program 2025-2029 identified the need for, and purpose of, the Special Variation on pages 17 to 18 and 29 to 33 (Attachment 4.2).

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Council's costs to support its growth, as well as increased costs to fund new risks such as cyber security and improved technology systems, environmental challenges and rising community expectations, along with several key external factors including the rate peg, limitations on developer contributions, cost shifting and reduced allocation from the Federal Government in the Financial Assistance Grant, are impacting Council's financial sustainability. Council's revised Long-Term Financial Plan 2025-2035 (LTFP) details Council's financial challenges in the 'Strategic considerations' section on pages 34 to 42, and the need to either increase our current revenue base, or to significantly reduce our existing range and quality of services to the community. The 2024 Inquiry on the ability of local governments to fund infrastructure and services, carried out by the NSW Legislative Council Standing Committee on State Development (the Committee), also highlighted that the local government sector is facing the challenge of financial sustainability. Recent changes to the rate peg model, now better reflect Council's cost increases, due to the introduction of the 'population factor' in 2022/23 to address growth in population, and the new rate peg methodology introduced in 2024/25. However, the rate peg does not capture Council's actual historical and ongoing operational and capital costs of its rapid growth. The historical and structural impact created by the rate peg on Council's ability to fund its population growth is detailed in Attachment 5.1 – Productivity and cost containment report. Limitations on developer contributions have also resulted in a shortfall of around $1.5 billion in the expected funding for essential community facilities in our North West Growth Area suburbs, due to changes in the developer contribution system made by the NSW Government without recompense to Council. These limitations include, Council not being permitted to levy for the cost of constructing community buildings (current shortall of $731 million), unpaid funding from the previous Local Infrastructure Growth Scheme ($250.1 million), and the amount of contribution revenue being capped below actual costs. Council's Financial Assistance Grant allocation from the Federal Government has continued to decrease and is, overall, reduced (in real terms) by around $940,000 per annum since 2012/13. This has reduced Council's capacity to adequately fund asset renewal and maintenance costs and meet community expectations for improved services and quality of infrastructure. The Federal and State Governments continue to transfer the responsibility of funding infrastructure and services to councils, including the waste levy, development assessment and regulatory functions, public library operations and emergency services levy. The current value of this cost shifting is estimated to cost Council over $41 million per annum.	The need for additional revenue for Asset renewal funding is detailed on pages 39 to 42 of the LTFP (Attachment 4.3) and in Council's Asset Management Strategy 2025-2035 (Attachment 4.4) and draft Asset Management Plans (Attachments 4.5 to 4.8) Council's Asset management strategy (Attachment 4.4) forms part of Council's Resourcing Strategy adopted by Council on 23 June 2025 and is supported by draft Asset management plans for key asset classes (Attachments 4.5 to 4.8). Further information on the need for funding required for the Western Sydney Infrastructure Grants (WSIG) program and Office accommodation is detailed on pages 43 to 47 of the revised LTFP (Attachment 4.3). Council's funding strategy for new office accommodation is detailed in pages 12 to 14, 43 to 44 and 71 to 75 of the revised LTFP (Attachment 4.3). Council's Community Strategic Plan 2025-2050 *Blacktown City: one community building a brighter future* – pages 18-21 (WSIG & office transformational projects) and page 32 on Council's financial challenges). (Attachment 4.1).

<table>
<tr><th>Criteria</th><th>Evidence of meeting this criterion from the council's IP&R documents</th><th>Reference to IP&R documents</th></tr>
<tr><td></td><td>
Council previously commenced community consultation on a proposed Special Variation (SV) in 2022, to address a $25 million a year shortfall in our operational revenue capacity to sufficiently fund infrastructure asset maintenance and maintain current service levels. Given the economic climate at the time, including the impact of COVID-19, Council determined not to proceed with an SV application.
Attachment 4 – Base case scenario on page 62 of the revised LTFP, details that without the proposed SV (including depreciation), Council's operating deficit is projected to increase over the next 4 years, as follows:
<table>
<tr><th>2025/26
$'000</th><th>2026/27
$'000</th><th>2027/28
$'000</th><th>2028/29
$'000</th></tr>
<tr><td>$32,804</td><td>$45,632</td><td>$48,687</td><td>$56,988</td></tr>
</table>
This deficit is reflected in Council's Operating performance ratio detailed in Attachment 3 – Financial indicators (refer to page 58 of the revised LTFP) as follows:
<table>
<tr><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th></tr>
<tr><td>-6.7%</td><td>-9.5%</td><td>-10.0%</td><td>-11.5%</td></tr>
</table>
Council's revised LTFP and revised Delivery Program 2025-2029 identified the need for a funding source for the following 3 essential priorities:

$28.15 million per year for the operational and maintenance costs of new facilities Council will construct for the community from the NSW State Government Western Sydney Infrastructure Grants (WSIG) projects funding
$10 million per year for additional asset renewal and maintenance to reduce backlogs
$10.9 million per year towards the overall funding strategy for the construction of new public administration buildings.

The revised LTFP includes projected revenues and expenditures for Council's Transformational projects, the Western Sydney Infrastructure Grants program (WSIG), and the Council office accommodation project. The modelling shows that the inclusion of these projects, based on Council's adopted funding strategies and business model, will have significant impact in terms of increased operating costs including depreciation costs and interest costs for external borrowings. These additional costs, along with other financial challenges, will impact Council's ability to continue to maintain existing service levels without a Special Variation.
Purpose 1 – WSIG operational & maintenance costs
In accepting the $273.1 million of NSW Government WSIG program funds, Council has committed to fully funding the operation and maintenance of the new and upgraded facilities for the benefit of our community. It is noted that if Council did not do this, it would be required to repay the grant funds to the NSW Government, the amount of $29.58 million of which has already been expended as of 31 December 2025, as well as deny the community these new facilities and the services they will provide.
</td><td>
Financial indicators are detailed in pages 57 to 61 of the revised LTFP (Attachment 4.3).
Productivity and cost containment report (Attachment 5.1) – pages 8 to 17 on the impact of the rate peg.
</td></tr>
</table>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents

	Council at its Ordinary meeting on 24 May 2023 (report CT430024) acknowledged the impact to Council's operating budget, as the WSIG grants provided capital expenditure only, and did not include any provision for operational funding (including maintenance, renewal, staffing, operations and necessary resources). Council resolved in consideration of report CT430024 that the operating costs of these new and upgraded community facilities can only be funded by a Special Variation.
	
	Approximately $28.15 million (with this amount to be indexed annually in line with the presumed rate peg) is required to fund the operational subsidy for the following 13 projects:
	• 8 transformational projects that include 7 grant-funded projects and complementary Council-funded Mount Druitt public domain works
	  o Blacktown Arts and Cultural Centre - $40 million
	  o Blacktown Aquatic Centre - $77.2 million
	  o First Nations Cultural Hub - $19.6 million
	  o Mount Druitt Swimming Centre - $40.6 million
	  o Mount Druitt Hub and public domain - $26.8 million
	  o Police Citizens Youth Club facility in Shalvey - $25.4 million
	  o Seven Hills Community Hub - $35.8 million
	• 5 smaller grant-funded community improvement projects across all wards - $7.7 million.
	When considering report CT430024, the operational subsidy required to support the programs Council received funding for was estimated at $30 million per annum for the initial years of operation. Since that time, and following detailed project definition, design development and operational planning, Council has undertaken a review of the future operating requirements of the WSIG funded facilities.
	
	This review assessed the full range of ongoing costs associated with bringing the assets into service, including staffing and service delivery requirements, maintenance and running costs, utilities, security, technology, indirect staffing costs and the cumulative impact of multiple major facilities becoming operational over a relatively short timeframe. The review also considered the capacity for some facilities to generate operating revenue, with these revenues offset against costs to determine the net operational impact. Council will continue to refine this analysis as projects progress through delivery and become more defined as facilities near completion. Any changes will be managed through Council's Long Term Financial Plan and annual budget processes.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	As summarised in Part A of this application, the outcome of this analysis is an identified ongoing annual net operating and asset lifecycle funding requirement of approximately $31 million per annum by year 5 (2030/31), across all 13 WSIG related projects, including major transformational facilities, Mount Druitt public domain works and smaller grant-funded community improvement projects across all wards. The additional income sought through this Special Variation is detailed in Part A of the application. This income will be applied to meeting these ongoing operating costs and to fund the long-term renewal of the assets. Renewal funding has been allocated at a level aligned to estimated depreciation and indexed over time to reflect increases in asset values arising from periodic financial statement revaluations, ensuring the assets can be sustainably operated, maintained and renewed over their full lifecycle without placing undue pressure on existing services or future ratepayers. For Council to fully fund, on a recurrent basis, the costs of the operation of the new and upgraded WSIG facilities without a Special Variation providing the required recurrent funding source and without severely cutting existing services, the ongoing operating costs could not be met from Council's existing cash reserves. The amounts held in these reserves are finite and are primarily set aside for one-off purposes, future liabilities, asset renewal and risk management, not to support permanent annual commitments such as staffing, utilities, maintenance and lifecycle costs. There is no budgeted recurrent funding towards many of these reserves. Attempting to fund ongoing operations from cash reserves would very quickly result in an unsustainable drawdown of Council's financial buffers, eventually leading to their depletion. Once exhausted, Council would face a larger structural funding gap, creating a much more significant problem in the future and potentially burdening future ratepayers with the need for a much higher rate increase to restore financial sustainability. To do so would be effectively acting in opposition to the intent of *Section 8b* of the *Local Government Act, 1993*, which is shown below: **8B Principles of sound financial management** The following principles of sound financial management apply to councils— a. Council spending should be responsible and sustainable, aligning general revenue and expenses. b. Councils should invest in responsible and sustainable infrastructure for the benefit of the local community. c. Councils should have effective financial and asset management, including sound policies and processes for the following: i. performance management and reporting, ii. asset maintenance and enhancement, iii. funding decisions, iv. risk management practices. d. Councils should have regard to achieving intergenerational equity, including ensuring the following:	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	i. policy decisions are made after considering their financial effects on future generations, ii. the current generation funds the cost of its services. **Purpose 2 – Reduce asset maintenance & renewal backlog** Council's revised LTFP details that Council's core priorities such as asset renewal, asset maintenance and open space maintenance, require funding beyond current projections. Without additional funding, Council will need to prioritise core services, likely resulting in a significant reduction in some other community services. Critically, the condition and remaining life of our existing infrastructure assets, along with new assets to be built in the future, would be adversely impacted. Council's Asset Management Strategy 2025 - 2035 (Attachment 4.4) and supporting draft Asset Management Plans (Attachments 4.5 to 4.8) highlight that our ageing infrastructure, and the requirements of future infrastructure, will progressively exceed current available funding. Our Asset Management Strategy 2025-2035 identifies that Council's infrastructure asset value is projected to grow by $1.1 billion by 2035. This will require a significant increase in funding for maintenance and renewal of our infrastructure, which is not available from the current rate pegging system without significant cuts to other existing services on which the community depends. The 4 draft Asset Management Plans analyse this challenge in greater detail for the key asset classes of Transport, Buildings, Open Space and Stormwater infrastructure assets. As at 30 June 2025, Council's infrastructure renewal backlog was estimated at $162 million. Present LTFP estimates are that this backlog will reach approximately $285 million by 2034/35 and $706 million by 2042/43. The additional $10 million per annum income from the Special Variation will enable Council to fund additional asset renewal ($7.5 million annual capital expenditure) to address our infrastructure backlog. It is also proposed to fund some additional asset maintenance ($2.5 million annual operational expenditure) where it will enhance the longevity of assets by extending the period of time until the asset is required to be replaced. With the additional funding from the Special Variation, Council's projected asset renewal backlog of $706 million by 2042/43 would be reduced by 22% to $548 million. The only realistic alternative to the Special Variation in achieving this level of backlog reduction is significant cuts to other existing Council services. Given population growth and the increasing service expectations reflected in our community survey and customer experience research, this alternative is not endorsed by Council.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Blacktown City adds approximately $220 million in new infrastructure each year to its asset base. This amount is largely a consequence of Council's need to provide new infrastructure for newly developed areas of Blacktown City. This new infrastructure is primarily funded from Section 7.11 developer contributions, levied on new development. These contributions can only be used to fund the initial capital cost of the new infrastructure, not the future operating (maintenance) cost for the infrastructure. As at 30 June 2025 Council's combined assets, including infrastructure assets, had a replacement value of over $7.751 billion. Council's 'Building and infrastructure assets renewal ratio' without the proposed SV is well below the benchmark of 100%. Attachment 3 – Financial indicators detail the projected ratio over the next 4 years (refer to page 59 of the revised LTFP) to be: 2025/26: 24.5% | 2026/27: 24.4% | 2027/28: 24.1% | 2028/29: 22.8% **Purpose 3 – Part of the overall funding strategy for new public administration buildings** Council's current Administration centre is located at 62 Flushcombe Road, Blacktown. This building was originally constructed in the mid 1960's, and was extended in the mid 1980's and again the early 1990's. Since that time, as our staff numbers have increased, Council has needed to locate staff across 5 different offices, as we have outgrown our current Administration centre. Council has explored various options and undertaken studies to identify the most appropriate form of office accommodation to meet the needs of Blacktown's growing population and to provide a 'fit-for-purpose' contemporary workplace and service centre, as well as civic facilities. In 2022, Council endorsed investigating options for 2 new buildings to replace the current Administration centre (now owned by Walker Corporation), and other existing ancillary Council offices. This growth in the organisation to service a rapidly growing community, along with the sale of Council's present CBD site (including the Administration centre, WSROC building and The Leo Kelly Blacktown Arts Centre) to Walker Corporation in 2023, requires Council to build new office accommodation. The sale of the present CBD site was an essential part of Council's strategy to redevelop the Blacktown CBD to drive the economic growth of the City through private sector investment and job creation. Council is leasing our present Administration centre until new buildings are constructed. The need for new office accommodation is 1 of the transformational projects identified in Council's *Community Strategic Plan 2025-2050 Blacktown City: one community building a brighter future*, adopted on 23 June 2025 (Attachment 4.1) and Council's revised *Delivery program 2025-2029 and Operational plan 2025/26* including proposed Special Rate Variation (Attachment 4.2) adopted on 15 December 2025.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	This transformational project has been recognised in Council's Integrated Planning & Reporting documents since it was first added to Council's Community Strategic Plan in 2018. Further details on the steps taken by Council in planning for new office accommodation is included in response to Question 3.2 below. Council has approved a funding strategy for its future office accommodation (Attachment 1.1). This strategy is reflected in the revised Long term financial plan 2025-2035 (Attachment 4.3) on pages 12 to 14, 43 to 44 and 71 to 75. These documents specify the expenditure and income sources required for the 2 new proposed Public administration centres, and the essential contribution of 4.50% rate increase from the SV. Council's funding strategy was developed to fund estimated construction costs of $400 million and annual projected additional operating and maintenance costs of $3.389 million, for new buildings at Rooty Hill (including a carpark) and a Blacktown CBD location, that would be sufficient to fund any of the 3 proposed CBD locations Council considered. Estimated constructions costs were informed by significant work on the design and scope of the buildings on several potential CBD locations, provided by experienced and registered quantity surveyors, and included project management costs. Further details on the analysis of the component of the SV (4.50%) required to support the office accommodation is set out in Key reasons paragraph 5 of report CS450116 (Attachment 1.1). The funding strategy detailed in report CS450116 and Council's revised LTFP, is made up of several sources of funding, including long term external loan borrowings of up to $202.3 million. The $10.9 million a year from the proposed SV is required to support the construction costs and repayment of the required external loan borrowings over a 20-year loan period. Once borrowings have been repaid, the SV revenue will fund operational & maintenance costs of the new buildings and help fund their future renewal costs. Council submitted to the Office of Local Government (OLG) on 22 January 2026 a Capital expenditure review report for the 2 proposed Public administration centres at Blacktown (Yan Willama Road, part of the Warrick Lane precinct) and Rooty Hill. The letter from Council's Chief Executive Officer to OLG and the relevant Council report with full Capital expenditure review documents are Attachments 1.2 to this application. Council has met the OLG capital expenditure guidelines for its proposed construction of 2 Public administration centres. The capital expenditure review reports: • Demonstrate a clear relationship between the projects and Council's Integrated Planning and Reporting documents (as evidenced above) • Summarise the alternatives that Council has investigated for future accommodation, civic and service centres • Demonstrate the delivery of the new centres at Rooty Hill and in the Blacktown city centre on the Yan Willama site, achieve superior results to alternatives and the strongest alignment with Council's Community Strategic Plan and other key strategic priorities • Outline the costs and the economic benefits of pursuing the projects	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	• Analyse how the projects address the community's needs and expectations informed by the community consultation process conducted September – October 2025. The preliminary business cases for the 2 proposed buildings (exhibited and available at https://haveyoursay.blacktown.nsw.gov.au/srv) considered various alternatives, including: • continued rental of premises (albeit in a different location and most likely outside of the local government area of Blacktown) as ultimately Council will be required to vacate the existing civic centre as Walker Corporation own the current Administration centre building • one single new building in the Blacktown city centre • various sites for the 2 buildings within both the Rooty Hill town centre and the Blacktown city centre. The preliminary business cases considered the potential risks involved in the 2 office projects and outlined comprehensive plans to mitigate and manage the risks. Subject to all relevant approvals, Council will undertake a 2-stage tender process during 2026 for the design and construction of the 2 Public administration centres, incorporating our long term civic, community, customer service and accommodation requirements. Council communicated its financial challenges and the need to increase our current revenue base for the above 3 purposes, to the community between the 15 September to 26 October 2025. Refer Attachments 2.1 - Community and stakeholder engagement report for the engagement activities undertaken, Attachments 2.2 to 2.6 for evidence of the engagement collateral and Attachments 2.7 and 2.8 for evidence of the community feedback and results considered by Council. In practical terms, the SRV would provide a stable, recurring revenue stream that enables Council to fund the ongoing operating and maintenance costs associated with new WSIG community infrastructure, increase investment in asset renewal and maintenance to address the existing backlog and slow further deterioration, and strengthen organisational capacity required to support a growing population.	
In establishing need for the SV, the relevant IP&R documents should canvass alternatives to the rate rise.	Council continues to work on improving its financial sustainability through operational efficiencies to provide appropriate service levels in a sustainable manner. Council's long-term commitment to effective strategic planning, and our comprehensive Better Practice Reviews program, will continue to be an important part of achieving these goals (refer to Attachment 5.1 – Productivity and cost containment report). Council's revised LTFP identifies the challenges in increasing Council's revenue via means other than an SV on pages 23 to 27. Further detail on these challenges, including the active pursuit of grants as alternative revenue sources, is provided below.	Revised LTFP section on 'Revenue' pages 23 to 27, page 28 and 'Current financial position' pages 31 to 33 (Attachment 4.3). Cash reserves portfolio report (Attachment 1.3).

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Grant funding Grant funding from the Commonwealth and NSW Governments is an essential component of Council's overall income sources, which we continuously seek to maximise, but is limited by Government policy and allocations. Operational grant funding to Council from both levels of government is steadily decreasing in real terms. Most grants that Council is eligible to apply for are discretionary not guaranteed grants (with a competitive application process) and require the funds to be spent on a specific purpose, often require us to match the amount funded, and to take on additional maintenance costs for assets which cannot be projected as the outcomes are unpredictable. Council's predominant source of untied operational grant funding is the annual Financial Assistance Grant (FAG) from the Federal Government through the NSW Grants Commission. Our 2025/26 FAG is $20,738,384, which is a significant but declining element of our operational budget. Due to the amended formula for this grant, and the freeze on CPI indexation of the grant from 2014-2017, our FAG has declined in real terms by around $940,000 per annum since 2012/13, when compared to our growing population. At present, FAG represents around 0.55% of total Commonwealth taxation revenue, compared to the historic benchmark of 1.0%. The Australian Local Government Association has identified restoration of FAG to 1.0% of Commonwealth tax revenue as critical to the financial sustainability of the sector. The annual Commonwealth Roads to Recovery grant (presently $18,821,755 to Blacktown City) is a key funding source for our road maintenance and renewal program. The program operates on a 5-year funding period, providing a predictable source of funding for all councils. Recipients are able to decide on the roads projects that deliver on local priorities but must maintain their own-source expenditure levels to be eligible for the grant. A number of specific-purpose annual operational grants are received from the Federal and NSW Governments, detailed in the following table. These grants are significant to various key Council services, including Childcare, Libraries, Arts and Cultural Development, Community Development and Road Maintenance. However, even where based on legislation such as the annual Library subsidy, the proportion of State funding to local government services has generally declined from its original Government commitment. Other grants such as Arts and Community development subsidies are unreliable, and subject to sudden cuts or cancellation (e.g. the recent removal of the NSW 'Strengthening communities' grant to local government), leaving Council to reduce services and staff, or increase our own-source expenditure.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Standing Grants	

Grant	Funding agency	Funding 2024/25 $,000
Strengthening communities - community builders salary subsidy	NSW Department of Communities and Justice	141
Library subsidy	Library Council NSW	1,221
Childcare benefit	Department of Human Services - Child Care Subsidy	16,339
Special needs subsidy scheme	NSW Department of Education	291
Operational assistance – DOCS	NSW Department of Education	902
Operational assistance – preschools	NSW Department of Education	3,089
RFS contribution to general running costs	NSW Rural Fire Service	283
Fuel tax credit rebate - Australian Taxation Office	Federal Government	141
Commonwealth immunisation rebate	NSW Health	3
Apprentice/traineeship training scheme	NSW Department of Education	81
Street lighting subsidy	Transport for NSW	1,371
Bus route subsidy (now called public vehicle weight tax subsidy)	Transport for NSW	176
Regional roadblock grant including ex 3x3 component	Transport for NSW	880
Traffic facilities grant	Transport for NSW	923
Total		**$25,840,911**

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Council is proactive and often successful in pursuing grant revenue from competitive programs, especially capital grants to fund community facilities. The scale of our activity and grants secured from 2018-2025 is evidenced by the table below. Funding from mainly capital grants over this 7-year period totals $777 million (noting that this includes $273.1 million from the Western Sydney Infrastructure Grants program).	

Competitive grants

Year	Grant applications	Grants received	Applications successful %	Total value of grants secured $,000
2018/18	119	64	54%	67,061
2019/20	68	47	69%	51,978
2020/21	169	142	84%	132,656
2021/22	92	72	78%	79,798
2022/23	124	88	71%	329,604
2023/24	84	67	80%	89,738
2024/25	70	42	47%	26,086
Total	**726**	**522**	**72%**	**776,921**

While often essential to the provision of new and upgraded community facilities and therefore the services that Council can provide, very few capital grants available to local government provide any component for the operation, maintenance or renewal of the assets created. Therefore, each capital grant secured typically adds to our maintenance, renewal and depreciation funding challenges.

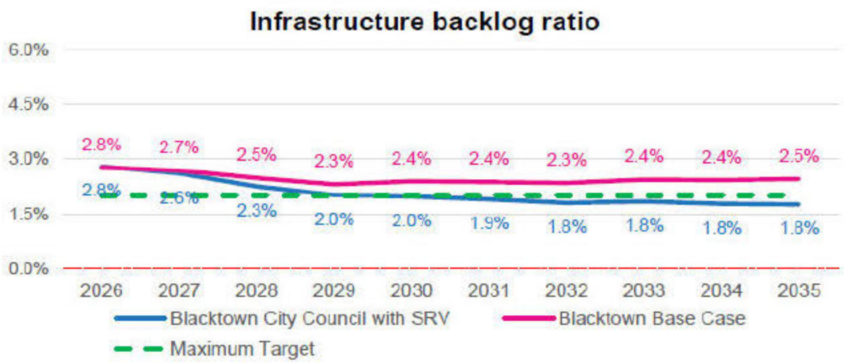
Blacktown City was the largest recipient of Western Sydney Infrastructure Grant program funding ($273.1 million). The operational, maintenance and renewal funding requirement of the facilities built with this State grant totals some $28.15 million per annum (with this amount to be indexed annually in line with the presumed rate peg) and forms the largest component of our SV. The requirement for an SV to fund this essential purpose was known to Council in applying for this funding (refer to commentary above), and is a logical consequence of the program funding, rather than a discretionary decision. This quantum of additional operational costs to meet the grant could not otherwise be met without significant cuts to existing services, which would counteract the Government's stated intent of community benefit and regional transformation.

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	Council continues to advocate that capital grants to councils should be augmented by an allocation of operational funding sufficient to maintain and operate new facilities established through the grant for an appropriate period. This was recognised in the recent Inquiry on the ability of local governments to fund infrastructure and services, carried out by the NSW Legislative Council Standing Committee on State Development, that recommended that the NSW Government consider grant models that provide councils with greater discretion in relation to how funding is spent. **Other alternative revenue sources** • Increase in fees and charges - around half of Council's fees and charges are regulated by the State Government. If we were to increase the remaining fees, it may result in the services we provide being no longer affordable for our community or not being competitive with other providers. For e.g. approximately 58% of Council's total user fees and charges are attributable to our childcare centres and leisure centres (comprising health and fitness facilities and swimming pools). Whilst these fees are considered discretionary, revenue growth in these areas is limited due to Council seeking to provide services that are accessible to the wider community and market competition. • Use of cash reserves and investments – as at 30 June 2025, Council had a total of $832 million in cash and investments. While this balance may be considered high, approximately 93% of this amount is either externally restricted or internally restricted (via Council resolution). This leaves only a relatively small balance of unrestricted cash which roughly equates to 3 months of cashflow which is needed to meet general operational obligations and liquidity requirements. Externally restricted cash refers to funds received for specific purposes as determined by legislation or external agreements (e.g. developer contributions, grants, domestic waste charges, etc) and must only be used for those purposes. Internal reserves are created by Council resolution to set aside funds for specific current or future needs such as asset renewal, plant and equipment replacement, IT lifecycle costs, contingencies, and future liabilities. Council maintains these reserves to manage timing differences between revenue and expenditure and to smooth out fluctuations in expenditure demands as often the expenditure for various purposes involves large payments made over a short period of time which do not align with our annual budget cycle.	

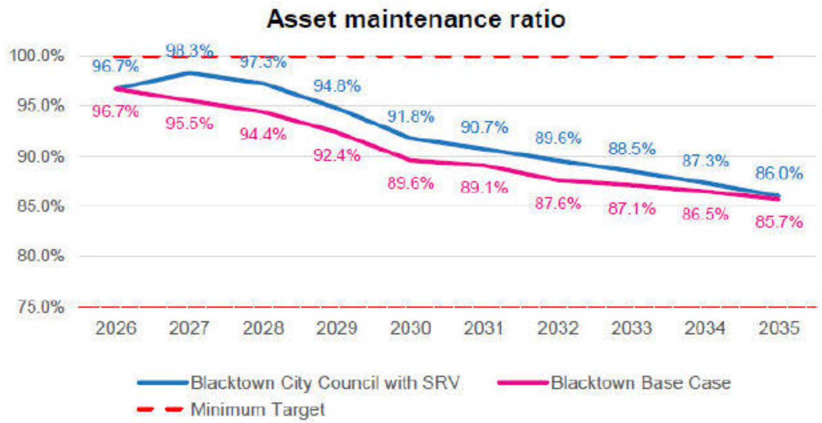
Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	For this reason, Council's cash reserves cannot be used to recurrently fund the ongoing operational costs of the WSIG facilities or ongoing asset renewal and maintenance, as these represent recurrent and permanent annual expenditure commitments. It is not financially prudent to fund ongoing operating obligations from cash reserves because reserves are finite, typically set aside for specific one-off purposes, risk mitigation or future liabilities, and once depleted cannot sustainably support continuing costs. Using reserves in this way would only provide a short-term solution while creating a larger structural funding gap in future years, increasing financial risk and reducing Council's capacity to respond to unforeseen events or invest in strategic priorities. Recurrent expenditure must instead be supported by stable, ongoing revenue sources to ensure long-term financial sustainability. It should be noted, however, that Council's office accommodation funding strategy does include the use of certain internally restricted reserves as part of the overall project funding mix. These reserves have been accumulated and earmarked specifically for office accommodation purposes. The proposed SRV is required to fund the remaining portion of the project that cannot be met from these repurposed internal reserves, without reducing the level of funding needed to support the original purposes of other reserves or compromising Council's broader financial resilience. Further detail can be found in Attachment 1.3 - Cash reserves portfolio report. • Interest and investment revenue - the level of interest revenue earned by Council will vary based on the total amount held in Council's investment portfolio and prevailing market rates. Interest revenue is also subject to external factors such as monetary policy decisions, and economic and investment market conditions. • Section 7.11 developer contributions - can only be used for public amenities and services required because of development. They cannot be used to fund the WSIG operational costs, the lifecycle costs of infrastructure assets or new public administration buildings. • External borrowings and land sales - borrowings are not considered a suitable option to fund recurrent costs, and this has never formed part of Council's financial strategy. Borrowing has been used effectively in recent years to enable the provision of new and transformational community facilities, as detailed on page 28 of Council's revised LTFP. External borrowings and Council's land development strategy (page 33 of the revised LTFP) are a large component of Council's funding strategy for new office accommodation, with both components maximised to support delivery of the office accommodation, whilst remaining within the required Debt service ratio benchmark and minimising the percentage of SV required (4.50%) as a component of the funding strategy.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	The 3 purposes of the SV are unable to be funded by the above alternative revenue sources. Council would need to reduce our services to the community and the condition of our infrastructure, which Council and the community do not support. For example, each year we spend over $98 million delivering the following 5 services: parks and reserves maintenance, property maintenance, transport infrastructure maintenance, libraries and street cleaning. To generate the $10 million p.a. for asset renewal and maintenance that the SRV is proposing to fund, would require Council to reduce these services by 10%. This would result in a significant decline in service levels which would adversely impact on the community.	
In demonstrating this need, councils must indicate the financial impact in their LTFP by applying the baseline and special variation scenarios.	The 'Long-term financial projections' section of the revised LTFP on pages 48 to 56 and Attachment 4 on pages 62 to 64, detail the financial impact of a base case scenario without an SV. Attachment 7 on pages 71 to 75 of the revised LTFP details the financial impact with the proposed SV. **Financial Indicators** The Operating Performance Ratio (OPR) is one of the NSW Office of Local Government's (OLG) core indicators of financial sustainability. It measures whether a council's ongoing operating revenue is sufficient to cover its ongoing operating expenses, after excluding capital grants and contributions. These capital revenues are excluded because they are generally one-off and tied to asset delivery, not available to fund day-to-day services. The OLG benchmark for this ratio is 0% or greater. A result at or above zero indicates that a council is living within its means from an operating perspective — that is, it can fund the cost of providing services, maintaining assets, and supporting its organisation without relying on reserves, asset sales or additional debt. A sustained negative result indicates structural operating deficits, which are not financially sustainable over the long term. The graph below is extracted from Councils revised LTFP and shows OPR under the base case and SRV scenarios.	Attachment 7 of the revised LTFP (pages 71-75) details the base case scenario and Special Variation scenario. Refer to pages 48 to 75 in the Long-Term Financial Plan 2025-2035 (Attachment 4.3)

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	 What the graph shows: • **Both scenarios remain below the OLG benchmark** In all years, the OPR is negative, meaning operating expenses exceed operating revenue. This confirms that, under current cost and service settings, Council faces a structural operating gap. This means Council will need to continue with its prudent financial management and focus on achieving future operational efficiencies, However, this alone cannot avoid a future significant deterioration in the OPR. • **The SRV materially improves the ratio** With the SRV, the OPR improves from around -6.7% in 2026 to a range of approximately -3.4% to -5.9% over the following years. While still below the benchmark, the deficit is significantly reduced compared with the Base Case. • **Without the SRV, the position deteriorates further** In the Base Case, the OPR ranges from approximately -9.5% to -11.6% across the period. This represents a substantially larger structural operating deficit, indicating a much greater reliance on reserves or future service reductions. The OPR is a forward-looking test of whether Council can sustainably fund: • The ongoing maintenance of its growing asset base • The operation of new community facilities • Core services to a rapidly expanding population • Organisational support costs, including staffing, systems and compliance	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	As Blacktown's asset base expands and facilities delivered through programs such as WSIG come online, operating and maintenance costs rise permanently. If operating revenue does not increase in line with these costs, the OPR declines further, signalling increasing financial risk. The SRV is a critical mechanism to address this structural gap. Without the SRV, the OPR remains deeply negative, reflecting a level of operating deficit that would ultimately require significant service reductions, deferral of maintenance, or increased financial risk. With the SRV, the operating deficit is substantially reduced. Although the ratio does not immediately reach the 0% benchmark, the SRV moves Council materially closer to long-term operating sustainability and slows the deterioration that would otherwise occur. In addition to Council's 'Operating performance ratio' referred to above, the graph below on Council's Infrastructure backlog ratio, extracted from Councils revised LTFP, shows the backlog is currently above the 2% OLG benchmark, and is forecast to improve in the medium term as a significant proportion of Council's existing community assets are renewed and expanded with the WSIG funded projects and new office accommodation. In the SRV scenario, the asset renewal backlog is forecast to reach $209 million by 2034/35, an improvement on the previously projected $285 million, due to the additional SRV investment in renewal. However, beyond this point (2035–2043) the backlog is projected to grow significantly as large portions of Council's road network reach end of life, with the total backlog forecast to rise to around $547 million by 2042/43.  Given the current levels of annual renewal funding and our long-term forecasts, Council will face increasing difficulty meeting the renewal ratio benchmark in the longer term.	

<table>
<tr><th>Criteria</th><th>Evidence of meeting this criterion from the council's IP&R documents</th><th>Reference to IP&R documents</th></tr>
<tr><td></td><td>
Further to this, the graph below on Council's Asset maintenance ratio, extracted from Councils revised LTFP, demonstrates that the ratio is projected to remain below the 100% benchmark set by the OLG across the full LTFP period.



While the additional SRV funding provides an initial uplift, the ongoing levels of annual maintenance funding and long-term forecasts indicate that sustaining this benchmark will become increasingly challenging over the medium to longer term. The shortfall commences at 3.3% and, without adjustments to funding levels, is projected to widen to around 14% by 2033/34.
</td><td></td></tr>
<tr><td>Evidence of community need/desire for service levels/projects and limited council resourcing alternatives.</td><td>
The community's need and desire to see improvements in Council's maintenance levels and infrastructure, including expanded facilities, has been consistently expressed in the results of Council's biennial Community Satisfaction Survey (conducted since 2011) and other previous community and customer research, including focus groups conducted in 2024.

These findings are consistent with the views expressed through community engagement activities on the Western Sydney Infrastructure Grants (WSIG) program (refer Attachment 2.9) and the community survey conducted as part of our engagement on the proposed SV (refer Attachments 2.1 and 2.7).

Micromex Research conducted community research for Blacktown City Council between September and October 2025 to assess resident attitudes toward the proposed Special Rate Variation, general satisfaction with Council's performance, and awareness of Council seeking feedback on the proposal (refer attachment 2.7).
</td><td>
Community survey – Micromex pages 7, 9 to 10, 12 to 22 (Attachment 2.7).

Community and stakeholder engagement report (Attachment 2.1).

Western Sydney Infrastructure Grants (WSIG) program consultation report (Attachment 2.9).
</td></tr>
</table>

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	The key findings and outcome of the survey were: • Strong overall satisfaction with Council performance — 89% of residents were at least somewhat satisfied, consistent with our 2023 Community Satisfaction Survey and 2024 Customer Experience research results. • Residents continue to place very high importance on infrastructure renewal, with 96% rating it important or very important. • When asked about two rate options, 72% somewhat supported the standard rate peg only while 53% were at least somewhat supportive of the proposed Special Rate Variation. • On a comparison basis, 65% of residents chose the rate peg only option over the Special Rate Variation. • Although only 35% preferred the Special Rate Variation option, 65% of respondents supported Council investment in key priorities such as roads, parks, sports fields, and waste services. Overall, the research highlights a community that is largely satisfied with Council performance, recognises the importance of maintaining and renewing infrastructure, and expresses mixed but moderate support for a Special Rate Variation increase to achieve these goals. **WSIG program community consultation** Community consultation on the WSIG projects commenced in 2023, with broad consultation on the program, followed by additional specific consultation activities carried out at appropriate milestones for each project. A range of engagement activities were carried out to consult the community and provide information about all the WSIG projects. In keeping with Council's Community Strategic Plan and Community Engagement Strategy, the consultation program has included culturally appropriate engagement of our First Nations communities, as well as consideration of our multicultural and diverse communities. A summary of engagement activities and results is provided at attachment 2.9. The engagement activities on the overall WSIG program included: • meetings with stakeholder advisory groups in November – December 2023 • establishment in 2023 of a 7 member Dharug-led design panel with skills in design, strategy and infrastructure • 21 pop-up and various other forums over the period from August 2023 to December 2025. Community consultation was also carried out on individual projects through a variety of online and in-person engagement activities, including in-person community information sessions, social media posts, website visits, forums and meetings.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	The feedback from the community on the 7 transformational projects included: • Seven Hills Community Hub – a total of 3,247 people engaged with Council during the consultation. The general feedback supported the need for library services for young children, more spaces for people to work and having a community space available for hire. It was also raised that there is a need in the local area to have a facility bringing a positive impact to Seven Hills town centre to improve behaviour, increase public surveillance and improve the social environment of the busy transport and commercial zone. • The Mount Druitt Hub - a total of 1,584 people engaged with Council during the consultation. The general feedback supported greater spaces for study and meetings, and the need for improved security and public surveillance in the local area and parking and improvements to the general Dawson Mall area. • Expanded Mount Druitt Police Citizens Youth Club (PCYC) - a total of 527 people engaged with Council during the consultation. The general feedback supported there is a need for a youth hub and modernisation to the facility, and expanding the use of the facility through multi-purpose courts, with improved security and lighting. • Renewed Mount Druitt swimming pool - a total of 2,068 people engaged with Council during the consultation. The general feedback was mostly positive and considered the facilities to be included, programs and fees and providing additional space for youths. Community members had questions about the broader development of Mount Druitt and the security in the area which will form part of a broader masterplan for the Mount Druitt town centre that is being designed including street work near the surrounding Dawson Mall. • Renewed Blacktown Aquatic Centre – a total of 3,675 people engaged with Council during the consultation. The general feedback provided was excitement for the addition of a program pool, with requests on facilities to be included. • Additional consultation on the new Leo Lelly Blacktown Arts Centre and the First Nations Cultural Hub will be undertaken during 2026, based on proposed designs to be considered by Council and discussed with the community. **Community consultation on the sale of the current Administration centre site and new office accommodation** Council's *Our Blacktown 2036 Community Strategic Plan* adopted in June 2017, identified the need for new Council office accommodation as a 'transformational project' for both the organisation and Blacktown city centre.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	The vision for this project was: • 2036 Statement – Where we will be. Blacktown City Council is an 'anchor tenant' in the heart of the city centre. Our large and highly skilled organisation will be appropriately accommodated to attract and retain staff and provide high quality local government services to the community through latest technologies. In September 2018, Council entered a Memorandum of Understanding to explore the development of the Blacktown Brain and Spinal Institute (BBSI) in Blacktown city centre. The proposed BBSI development was added as a 'transformational project' in Council's Community Strategic Plan and Delivery Program 2017-2022. An extensive community consultation on the proposed sale of Council's present CBD site (including the Administration centre, WSROC building and The Leo Kelly Blacktown Arts Centre) to facilitate the proposed BBSI development, was undertaken in January –February 2021. This included 28 days' exhibition of information on the proposed land sale and the BBSI project, together with amended IP&R documents (Long Term Financial Plan and Delivery Program). The communication program included emails to the 4,500 recipients of Council's community e-newsletter and the nearly 40,000 subscribers to our business e-newsletter, media promotion, and social media posts with an estimated reach of 42,000 users. A total of 2,125 hits were recorded on the relevant pages of Council's website. In broad terms, public response to the project was favourable. Together with other informal feedback, a total of 231 written submissions were received on the proposed land sale, with 77.5% of submissions supporting the project and 13.4% being opposed (9.1% of submissions raised issues or asked for further information, without stating a position). Of the submissions supporting the proposal, 79 were from local residents and business ratepayers, while 100 additional submissions in support were received from outside Blacktown City. In 2022, Council endorsed investigating options for 2 new buildings to replace the current Administration Centre in Flushcombe Road, Blacktown (now owned by Walker Corporation), and other existing ancillary Council offices. Council's proposal is for a new Blacktown city centre public administration centre (on a Council-owned site, Yan Willama Road) and a new Rooty Hill public administration centre. Refer to Attachment 1.2 on the Capital expenditure review report for full details. Council's community consultation on the proposed SV included exhibition of the preliminary business cases for the 2 proposed buildings at Rooty Hill town centre and the Blacktown City Centre. In endorsing a 2-office strategy, Council addressed key office accommodation risks and cultural and operational challenges. These include: • Timing risk - the risk of not having alternate office space when the lease for our current civic centre expires. The 2-office strategy addresses a key risk of not knowing the exact timing of when Council will be required to vacate the existing Administration Centre at 62 Flushcombe Road but knowing that we will need to move within 18 months of a notice to vacate being issued by Walker Corporation.	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	The 2-office strategy enables us to better manage this timing risk. Council is not reliant on a single major building being completed or needing to relocate all staff at once. The smaller Rooty Hill office is intended to be delivered earlier than the Blacktown office. This strategy provides greater flexibility to handle movement of staff and mitigate or reduce temporary relocation costs. • Minimising the new buildings cost – construction in the city centre, especially basement parking has a much higher construction cost than stacked or at grade parking in a suburban centre. The city centre options analysis identified that the additional cost of constructing 1 consolidated building in the city centre versus the 2 buildings proposed, is in the order of $40 million. This is largely due to the additional basement levels required to accommodate staff and visitor parking. These additional costs include (but are not limited to) excavation, disposal of fill and construction of the basements. In addition, the bill of quantities and specifically contingencies adopted for a consolidated city centre public administration centre would be calculated as a proportion of construction costs. As the construction costs increase with the size of the building, the adopted contingencies and preliminaries would commensurately compound resulting in escalating increased costs. • Workforce risk – attracting staff. There is a significant disparity in the standard of the existing council office accommodation. Council office staff are dispersed amongst 5 sites, and the quality of these offices varies. None of them exceed a 'C' class office standard. Other Western Sydney councils (e.g. Parramatta, The Hills, Camden and Liverpool) have much higher quality contemporary offices. Quality working environments assist in attracting and retaining quality staff to local government (which is a significant challenge). There are also many studies which demonstrate that a quality working environment has a positive impact on organisational culture, productiveness and retention. Great access to public transport to travel to work is becoming increasingly important in metropolitan Sydney. Both new offices are located on the T1 North Shore and Western rail line. Staff from across Sydney can conveniently travel to these workplaces. The train ride between the 2 new offices is only 6 minutes, with short walking time to each building, thereby encouraging sustainable transport options. • Customer experience - Council conducted a comprehensive market research program to inform the 2025 adoption of our Customer Experience Strategy. The key to providing a good customer experience is to meet both the functional needs and emotional expectations of our customers. For Council, the research indicated a potential 54% improvement in meeting functional needs and 40% improvement in meeting emotional needs. Functional needs of our customers are sentiments of simple, quick, and convenient, whilst emotional expectations such as, acting with empathy, are provided through in person or face to face contact. Two new offices provide for greater ability to meet the needs of more customers across our city, particularly those who live in the western precincts. Specifically, through the convenience of 2 full-service customer service centres and greater access to Council staff to deal with more complex customer issues. • Consolidation and productivity of our workforce - The sale of our existing Administration Centre at 62 Flushcombe Road, Blacktown to Walker Corporation has provided an opportunity to consolidate Council's	

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	office-based workforce from 5 different venues into 2 strategically located offices that complement each other. Analysis in our capital expenditure review estimates an organisational productivity increase of 5% - 10% from this outcome. The new Blacktown city centre building retains the key governance elements (Council Chamber, Councillor facilities, civic function centre and executive suite), service centre including call centre, and a public-use community hub. The Rooty Hill public administration centre will be adjacent to both Rooty Hill railway station and our existing major works depot. Council already has a substantial outdoor and smaller indoor workforce at our Rooty Hill depot. Accordingly, there are operational efficiencies in co-locating an office and service centre adjacent to the existing depot. Parramatta City Council has a similar setup at Rydalmere, where office and outdoor staff are co-located, lessening the 'white' versus 'blue' collar perceptions and cultural barriers. Along with customer service centre, the new Rooty Hill administration building will have a training centre that serves all Council staff, encouraging greater collaboration and interface in the organisation. This will also have dual use capability as Council's Emergency Operations Centre.	
Evidence could also include the analysis of the council's financial sustainability conducted by Government agencies	Financial sustainability is a challenge facing the local government sector. This was highlighted in the NSW Audit Office's Local government 2024 report on the financial audits of council's 30 June 2024 financial statements, identifying that there were 35 councils that met just 1 or none of the 3 key financial sustainability indicators. Forty-one (41%) percent of metropolitan councils did not meet the operating performance benchmark, and 47% of metropolitan councils did not meet the unaudited infrastructure renewal benchmark, with Blacktown Council being 1 of those councils. The 2024 Inquiry on the ability of local governments to fund infrastructure and services, carried out by the NSW Legislative Council Standing Committee on State Development (the Committee), also highlighted in its final report, that the local government sector is facing the challenge of financial sustainability. The Committee made 17 recommendations aimed at providing councils with the revenue needed to adequately meet the needs of their communities and acknowledged that the evidence showed councils financial challenges cannot be managed through fiscal discipline alone. Many of the recommendations address the matters raised above in Council's response to the challenges faced in increasing Council's revenue as an alternative to an SV, including that the NSW Government: • conduct an audit of, and seek to update, the statutory fees and limits that apply to local government annual charges and user fees, to reflect reasonable service costs and CPI increases • advocate to the Federal Government to increase the revenue distributed through the Financial Assistance Grants • consider grant models that provide councils with greater discretion in how funding can be spent	Click or tap here to enter text.

Criteria	Evidence of meeting this criterion from the council's IP&R documents	Reference to IP&R documents
	• implement changes to the developer contributions framework to fund the ongoing costs at the completion of new infrastructure and works deemed essential to support development including community facilities • identify opportunities to reduce cost shifting. Whilst the NSW Government in its response, agreed with the views of the sector that financial sustainability is a serious concern for many councils and supported many of the recommendations, the local government sector has yet to see an improvement in financial sustainability from the implementation of the recommendations. The impact of cost shifting has also been recognised by Local Government NSW who commissioned a report The *'2025 LGNSW Cost Shifting Report – How State Costs Consume Council Rates for the financial year ending 30 June 2024'*, that highlighted the financial sustainability of councils across NSW is at a critical point, with cost shifting being 1 of the most significant contributors. The report identified that cost shifting amounts to an average annual cost of $497.40 to each ratepayer that councils cannot invest in services or infrastructure for the community.	
If applicable, has the council not applied the full percentage increases available to it in one or more previous years under section 511 of the Local Government Act? If a council has a large amount of revenue yet to be caught up over the next several years, it should explain in its application how that impacts on its need for the SV.	N/A	Click or tap here to enter text.

3.1 Additional information required for councils with an existing SV applying for an additional percentage increase

If the council has **an existing SV**, then explain the need for **a variation to that SV** to increase the annual percentage increases.

N/A

3.2 Any other factors that demonstrate the council's financial need (optional)

In the text box please give a brief explanation of any other factors not already mentioned that may be relevant to demonstrate the council's need.

For instance, the council may wish to discuss the impact of **non-rateable** properties.

Further detail on the growth of Council's population and economy that have driven the financial need for the 3 purposes of the SV, is detailed in Attachment 5.1 - Productivity and efficiency report. A summary is provided below.

Blacktown City Council's growth

Blacktown City is the largest local government area in NSW, with an estimated population of 438,843 residents and a projected population of over 600,000 by 2050.

Since the previous year, our population has grown by 3.00%. Comparatively, population growth in Greater Sydney was 1.97%.

Listed below are some key statistics:

- 54 suburbs with over 247 km2 land area
- Estimated resident population in 2024 is 438,843 (growth of 61% since 2007).
- Projected population by 2041 is 540,000 (growth of 94% since 2007).
- 1 in 63 Australians live in Blacktown.
- 32% of residents work in Blacktown.
- 2,249 full-time, temporary and casual staff in 2024/25.

Over the past 5 years, Blacktown's population has increased by 13.8%. When compared to other metropolitan inner and established infill council areas that have experienced flat or declining population growth, Blacktown has recorded strong increases. Blacktown stands out with the highest population growth over the period, reflecting its role as a key destination for people relocating from across Sydney.

This movement is primarily driven by immigration as well as households leaving higher-density inner areas, including apartment dwellers, couples and early-career households, to access more affordable housing opportunities in Blacktown. Many are first-home buyers and young families seeking space, amenity and long-term stability. As a result, Blacktown is accommodating a significant share of Sydney's population growth and is effectively housing Sydney's next generation.

This rapid and sustained growth is changing the profile of the community and increasing demand for infrastructure, services and facilities. Investment through programs such as the Western Sydney Infrastructure Grants is helping to respond to this demand by delivering new and upgraded community assets. Blacktown continues to evolve as a vibrant, diverse and culturally rich city, with growth that must be matched by ongoing investment to support liveability and community wellbeing.

Servicing a rapidly growing population requires more than residential development and community facilities; it also demands a modern, well-functioning public administration centre. As Blacktown continues to accommodate a significant share of Sydney's population growth, the scale and complexity of services provided by Council are increasing. This growth places sustained pressure on customer service functions, regulatory services, planning, community programs, and corporate support activities that underpin the delivery of services for the community.

Sale of Council Administration centre site to drive and support economic growth and new Council's office accommodation strategy

In 2014 Council commissioned a study of its future accommodation requirements by consultants PwC. This project was branded as 'B500' referring to our need to cater for the future growth of Blacktown City to over 500,000 residents, with a Council organisation to service a community as large as that of Tasmania. The study examined alternatives for a centralised, decentralised or hybrid model of service delivery. Organisational projections updated in 2019 and in 2021 were identified as 'B600', as future population forecasts by that time exceeded 600,000.

In 2016 a draft future accommodation strategy was developed by consultants JLL and Greenbox Architects for consideration by Council.

In 2018 discussions with the Blacktown Brain and Spinal Institute (BBSI) Group on a proposed world-leading medical institute in Blacktown city centre led to the addition to Council's Community Strategic Plan and Delivery Program 2017-2022 of a 'transformational project' to facilitate the Blacktown Brain and Spinal Institute development. This foreshadowed necessary land acquisitions in Blacktown city centre by BBSI Group, including the site of Council's existing Administration centre and Arts centre.

The proposed BBSI aligned with Council's Community Strategic Plan intent and identified projects to transform the future of Blacktown CBD and the opportunities for our people and businesses.

Blacktown City has a large and fast-growing economy, which presently surpasses more than 60 world nations in economic output. As of 30 June 2024, this included:

- 33,878 businesses
- $26.43 billion in gross regional product (growth of 44% since 2014).
- 151,039 jobs (growth of 32% since 2014).
- Since 2024 there have been over 27,000 net GST registrations[a]

Blacktown City's economic scale and growth trajectory clearly justify the need for a stronger, more vibrant Central Business District (CBD). The City now supports one of the largest local economies in Australia. This is not only a residential growth area, but also a major and expanding economic centre within Greater Sydney.

Between 2018 – 2025 a series of nearly 30 reports were considered by Council relating to its future accommodation needs and the transformation of the Blacktown city centre with a new Council build as an 'anchor' for such development. A new Administration centre on Council-owned land at Rooty Hill was also considered, to allow organisational flexibility and as a quicker build with accompanying financial and community benefits.

As detailed above in Table 6, in 2021 a major community consultation was conducted by Council on the proposed land sale to the BBSI Group. Following consideration of all feedback received, Council's determination was that this process should proceed. A Deed for the land sale and future arrangements was entered into with BBSI Group. This required Council to vacate the existing Administration centre at a future point, and therefore to secure or build new accommodation for its organisation.

In 2022, with Council's concurrence, the Deed was transferred by BBSI Group to Walker Corporation, Australia's largest private developer with outstanding credentials including the recent Parramatta CBD redevelopment. Walker Corporation committed to transform Blacktown city centre to 'Blacktown Quarter' (for details, refer to https://www.blacktownquarter.com.au).

The sale of Council's city centre sites to Walker Corporation was completed in 2023. The strategy for development of a commercial core in the CBD was based on the need to create a better economic future for the residents of Blacktown City. Importantly if Council had sold the land for residential development, this economic development and the creation of long-term employment opportunities would not have been generated. The land sale was based on the value of commercial use, including at its core, a medical research institute and private hospital.

[a] New GST registrations less cancelled GST registrations.

The development by Walker Corporation in Blacktown's CBD will deliver over 1,000 construction jobs over 5 years and will permanently add 4,500 jobs and generate $1 billion per annum economic benefit, providing a huge boost to Blacktown CBD businesses and the economy of the City.

Worksheet 12 (WS 12) in the Part A Excel application form can also be used to provide additional data.

4 OLG SV Criterion 2 – Community awareness and engagement

Refer to the OLG SV Guidelines as needed, and section 4 of IPART's Guidance Booklet - Special variations: How to prepare and apply when preparing consultation strategy and materials for completing this section. Please also note that section 4 of IPART's Guidance Booklet - Special variations: How to prepare and apply is the IPART fact sheet referred to in the OLG SV Guidelines under Criterion 2 that provides guidance to councils on the community awareness and engagement criterion for special variations.

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

In Table 7 please provide evidence as to how the councils community engagement met Criterion 2.

Table 7 Evidence of the council's community engagement demonstrating Criterion 2

Criteria	Evidence of meeting this criterion	Reference to application supporting documents
Evidence that the community is aware of the need for and extent of a rate rise.	Council carried out an extensive community and stakeholder engagement program over a 6-week period from Monday 15 September 2025 to Sunday 26 October 2025. The program set out a wide mix of communication and engagement activities designed to reach as many residents and business ratepayers as possible. The engagement program consisted of the below activities: • Direct mail notification to 150,496 ratepayers including a tailored Mayoral letter and detailed 'Building a better community' information brochure on the proposed SV and a Quick Response (QR) code to the 'Have Your Say' project page. • Council sent 2 E-newsletters with information on the proposed SV and link to the project page to a community database of over 87,000. • Council sent an E-newsletter with information on the proposed SV and link to the project page to a business database of over 40,000	The Community and stakeholder engagement report - Attachment 2.1 and Attachment 2.2 provides the evidence of the communication program and collateral provided to the community on the proposed SV. Tailored Mayoral letters to ratepayer categories (Attachment 2.3) 'Building a better community' information brochure (Attachment 2.4) FAQs and Fact sheets (Attachment 2.5) Presentations to community and business forums (Attachment 2.6) Community feedback – Micromex research survey (Attachment 2.7) Community feedback - Community submissions report (Attachment 2.8)

	• A dedicated project page on the 'Have Your Say' community engagement platform located on Councils website at https://haveyoursay.blacktown.nsw.gov.au/srv The page included the 'Building a better community' brochure (in 11 languages), videos, fact sheets, presentations, a rates calculator, Council reports, exhibited IP&R documents, a comprehensive Frequently Asked Questions (FAQ) document, a feedback form to make a submission and the 2 Preliminary business cases for construction of public administration centres at Rooty Hill and Blacktown City. • A multi-channel communications campaign directed people to the project page, using social media, print advertising, electronic direct mail, direct mail, and earned media coverage to reach residential and business ratepayers and other key stakeholders, including renters and non-ratepaying residents, businesses and workers. More than 14,600 people accessed the project page through QR code, click throughs from Council electronic direct mails, and via social media. In total, the platform recorded over 20,400 page views and over 2,200 documents were downloaded. • The use of QR codes was deployed across collateral at all public exhibitions, printed collateral and print advertising to promote easy access to the project page. • Copies of documents on public exhibition including the revised Long-Term Financial Plan (LTFP) and revised Delivery Program (DP), and the brochure and submission form, were available at Council's Customer Information Centre in Blacktown and major libraries at Blacktown, Stanhope Gardens and Mount Druitt during the 6-week exhibition period. A total of 894 brochures were collected at exhibition points. • An independent research survey was utilised to also obtain community and ratepayer feedback through both random telephone survey and an online survey embedded into the 'Have Your Say' project page. • Council made 11 social media posts promoting the proposal and 'Have Your Say' opportunities and Mayoral messages, with 32,584 views. • Council issued 9 social media posts promoting the program of consultation - pop-up forums, community information sessions with 86,070 views. • Council held 7 pop-up community information sessions conducted across each of the 5 Council wards with a total of 1,641 interactions, The awareness through social media of each pop-up session reached between 8,800 to 20,840 people. • Council held 2 community information sessions, 1 focused on residents and community with 70,080 people reached via Council's email database, and 1 focused on business with 69,280 people reached via Council's email database. • The Mayor and a Council officer attended 2 business chamber forums to present on the proposed SV.	

	• Council staff attended 3 meetings with representatives from business sub-category properties, including Westfield and Westpoint as Council is proposing a new separate rating category for both Shopping Centres. • Media advertising of the Mayor's message with 2 insertions in the Western News (an awareness of 25,000 print and 4,000 digital circulation), 2 insertions in the Blacktown City Independent (an awareness of 17,000 print circulation), and 2 insertions in the Blacktown News (an awareness of 5,500 print and 10,000 digital circulation). • A total of 66 media items were recorded between July and October 2025, including 12 AM radio items, 1 FM radio item, 8 newspaper (print) items,38 online items and 4 television items reaching an estimated cumulative audience of more than 3 million people. • Council issued 6 media releases announcing the proposed SV and community consultation engagement program. • Western Sydney Infrastructure Grant program leaflets were distributed at pop-up sessions and dedicated banners were used at points of consultation. The dedicated project page on the 'Have Your Say' community engagement platform located on Councils website at https://haveyoursay.blacktown.nsw.gov.au/srv included a Translation service that offered to arrange interpreter services to assist with reading and understanding of documents, and the 'Building a better community' brochure was published in 11 languages. The project page included a fact sheet on each of the 3 purposes of the SV to explain the need for the additional revenue – titled 'Asset maintenance and renewal', 'Western Sydney Infrastructure Grants Program' and 'Public administration centres'. A further fact sheet was published on 'Why the SRV is part of the funding strategy' for new office accommodation. The 2 Preliminary business cases for a public administration centre at Rooty Hill and Blacktown City were also published on the project page. Council received 3,817 submissions, with the 'Have Your Say' online feedback form the primary channel, with 3,663 submitted responses. Another 154 submissions came via email, face to face or written correspondence, bringing the total to 3,817, one of the highest response volumes to a Council engagement in recent years. (Refer to Attachment 2.8) Council engaged Micromex to conduct independent community research between September and October 2025 to assess resident attitudes toward the proposed Special Rate Variation, general satisfaction with Council's performance, and awareness of Council seeking feedback on the proposal.	

	Awareness of Council's seeking feedback on the Special Rate Variation, resulting from the telephone survey, reached 29%, improving over the consultation period to 38% for the final wave of field work. The main information source for residents to know about the consultation was the mail-out to ratepayers (61%), followed by social media (38%), word of mouth (37%), and email newsletters (35%). Awareness of the proposed SRV from the opt-in survey was 50%. The key findings and outcome from the independent research survey conducted by Micromex were: • Residents continue to place very high importance on infrastructure renewal, with 96% rating it important or very important. • When asked about two rate options, 72% somewhat supported the standard rate peg only while 53% were at least somewhat supportive of the proposed Special Rate Variation. • On a comparison basis, 65% of residents chose the rate peg only option over the Special Rate Variation. • Although only 35% preferred the Special Rate Variation option, 65% of respondents supported Council investment in key priorities such as roads, parks, sports fields, and waste services. The 'Building a better community' brochure, exhibited revised LTFP and revised DP, FAQ's, Council reports and fact sheets on the project page, detailed why the SV was required for the 3 purposes and how Council intends to allocate the additional revenue. It also included information to promote understanding about Council's current and forecast financial position, savings, and efficiencies already achieved and ongoing.	
The council need to communicate the full cumulative increase of the proposed SV in percentage terms, and the total increase in dollar terms for the average ratepayer, by rating category.	As outlined above, Council carried out an extensive community engagement program that detailed the proposed permanent SV, including the amount of the proposed increase in both percentage and dollar terms. As Council is proposing an SV that is allocated proportionally differently across our residential and business rating categories, the 'Building a better community' information brochure included the: • proposed overall cumulative increase to Council's revenue of 37.39% over the 3-year period • proposed cumulative increase for each rating category (residential, business-general and business-subcategory) including the rate peg in both percentage and dollar terms • annual (year-on-year) increase in average rates for each rating category (residential, business-general and business-subcategory) in both percentage and dollar terms • permanent nature of the increase • rate increase that would apply under the assumed rate peg without the SV. For residential properties, a 1-year 15% increase is proposed with the assumed rate peg to apply in years 2 & 3. As more than 70% of residents pay minimum rates, the weekly and annual increase for minimum ratepayers for Year 1 was also included in the 'Building a better community' brochure.	'Building a better community' information brochure (Attachment 2.4). FAQs and SRV Business Rates Fact Sheet and SRV Farmland Rates Fact Sheet (Attachment 2.5) Rates calculator – dedicated project page Presentations to community and business forums (Attachment 2.6).

	As a different increase is proposed for the Business-general and Business-subcategory properties, a table with the average increase for these 2 rating categories on the above bullet points was also included in the 'Building a better community' brochure. The impact of the proposed SV was also detailed in fact sheets on the project page at https://haveyoursay.blacktown.nsw.gov.au/srv The fact sheet on Farmland rates included the above bullet points to communicate the cumulative and average annual increase of the proposed SV in both percentage and dollar terms. The proposed SV average weekly and annual increase in both percentage and dollars terms was also detailed in the SRV Business Rates Fact Sheet. The fact sheet provided the average increase for both business-general properties and each of the 10 business sub-categories. The project page also included a rates calculator that ratepayers could use to show the amount of the proposed increase. The calculator showed the annual increase in both percentage and dollars, and the estimated weekly increase in dollars over the 3 years. Council's FAQs published on the project page also included the proposed average annual increase in percentage and dollars, and the weekly increase in dollars for the residential, business-general and the 10 business-subcategory, rating categories. It also included the rate increase that would apply under the assumed rate peg without the SV for residential ratepayers. Presentations to the 2 community information sessions, that were also published on the project page, included the cumulative and annual increase of the proposed SV in both percentage and dollar terms. Council Reports CS450101 – Proposed Special Rate Variation application and CS450170 – Results of community consultation on proposed Special Rate Variation, also detailed that the proposed SV sought a permanent overall cumulative increase in council's revenue of 37.39% over a 3-year period. It also included the annual (year-on-year) increase in both percentage and dollar terms. Both reports were published on the project page.	
The Delivery Program and LTFP should clearly set out the extent of the General Fund rate rise under the SV, for the average ratepayer, by rating category.	Council's revised LTFP included a new section titled 'Update to the Long-term financial plan' that detailed the proposed SV increase in percentage and dollars for the average ratepayer, by rating category on pages 6 to 9. The proposal to create 2 new Business subcategories (based on the centre of activity) for Westpoint Blacktown and Westfield Mount Druitt, being Shopping mall – Blacktown CBD and Shopping mall – Mount Druitt is detailed on page 8. The impact of the proposed SV to Council's rates revenue is detailed on pages 71 to 75.	Revised LTFP – Pages 6 to 9 and 71 to 75 (Attachment 4.3). Revised Delivery Program pages ii to v. and page 16 (Attachment 4.2).

	Council's revised Delivery Program detailed the proposed SV, the additional revenue for each rating category and the cumulative increase on pages ii to v (prior to the Introduction) and page 16.	
Council should include an overview of its ongoing efficiency measures and briefly discuss its progress against these measures, in its explanation of the need for the proposed SV.	Council's productivity, efficiency and cost containment framework, and the efficiency and productivity improvements Council has achieved, are detailed in Attachment 5.1. Council's revised LTFP details the need for the SV, and that Council continues to work on improving its financial sustainability through operational efficiencies to provide appropriate service levels in a sustainable manner. Council's long-term commitment to effective strategic planning, and comprehensive Better Practice Reviews program, will continue to be an important part of achieving these goals. Page 15 of the revised LTFP details savings and efficiencies achieved across services, through contract negotiations, energy efficient initiatives, reduced operational expenditure, limiting growth in staffing levels, Council's comprehensive Better Practice Review program and budget discipline. Requests for additional funds to the budget are prioritised by council resolutions for increase funding, requests to meet new legal requirements and initiatives that improve customer service, safety or operational efficiencies. Council's revised LTFP on pages 23 to 27 and Table 3.2 in OLG Criteria 1 above, detail Council's challenges in increasing its revenue via means other than an SV. Council has a longstanding commitment to adopting balanced budgets which has become increasingly challenging given Council's numerous financial challenges detailed in the 'Strategic considerations' section of the revised LTFP on pages 34 to 42. The section titled 'Financial planning framework' on page 19 of the revised LTFP, describes Council's objectives including its longstanding commitment to adopting balanced budgets, through efficiency improvements whilst maintaining affordable and acceptable levels of service to the community. One of the ways Council has achieved efficiencies is from its long-standing practice of not indexing operating costs, other than employee related costs, when preparing annual budgets. This has generated estimated savings of approximately $3.8 million per annum (2025/26) by preventing cost escalation that would otherwise occur through automatic indexation (refer to Attachment 5.1). This requires business units to operate within their existing base allocations, absorbing inflationary pressures through changes to service delivery, sourcing strategies and internal processes. Any request for additional operating funding has been required to be submitted through the formal budget bid process, ensuring that increases are considered only where there is a clear and demonstrable need.	Council's revised LTFP on pages 15, 19, 23 to 27, and 33 to 42 (Attachment 4.3). Productivity and cost containment report (Attachment 5.1). 'Building a better community' information brochure (Attachment 2.4). FAQ's (Attachment 2.5). Presentations to community and business forums (Attachment 2.6).

	All new operating budget bids are subject to rigorous review by the Executive Committee, including assessment of affordability, alignment with strategic priorities, and consideration of alternative options such as reprioritisation or efficiency offsets. This ensures that additional funding is not treated as an automatic response to rising costs, but as a targeted and justified exception. The 'Building a better community' information brochure outlines why Council needs the SV and why savings and efficiency improvements alone are not enough to meet future demands. Council's financial challenges and the limited ways to permanently increase its revenue have also been detailed in the FAQs on the project page, to explain the need for Council's proposed SV. Council's presentation at the 2 community forums, and published on the project page, outlined the productivity and cost management strategies Council has in place including: • over 2,700 service improvements and efficiencies identified by our Better Practice Review program • an increase in our full-time employee numbers from 2014 to 2023 of only 10%, whilst our population has increased by 28% • cost savings through contract negotiations, reducing operational expenditure and holding staff levels • prioritising front line services to balance the budget and use of internal reserves to support consumer services • Council's long-established policy of adopting a balanced annual capital and operational budget • built in focus on productivity improvements to achieve savings and efficiencies across our services. Whilst Council will continue to find productivity gains to partially offset rising costs, the 3 purposes of the SV are unable to be recurrently funded by existing revenue sources and Council would need to instead reduce our services to the community and the condition of our infrastructure.	
The council's community engagement strategy for the SV must demonstrate an appropriate variety of engagement methods to ensure community awareness and input occur.	As detailed above, Council carried out an extensive community and stakeholder engagement program over a 6-week period from Monday 15 September 2025 to Sunday 26 October 2025. The program set out a wide mix of communication and engagement activities designed to reach as many residents and business ratepayers as possible. The various engagement methods to ensure community awareness included: • Direct mail notification to 150,496 ratepayers. • E-newsletters to a community database of over 87,000. • A dedicated project page on the 'Have Your Say' community engagement platform located on Councils website at https://haveyoursay.blacktown.nsw.gov.au/srv • Translation services provided and arranged by Council	Community and stakeholder engagement report (Attachment 2.1) and consultation materials (Attachment 2.2). Consultation feedback – Community submissions report (Attachment 2.8).

	• 'Building a better community' information brochure published in 11 languages • Social media, print advertising, electronic direct mail, direct mail, and earned media coverage to reach residential and business ratepayers and other key stakeholders, including renters and non-ratepaying residents, businesses and workers. • The use of QR codes deployed across collateral at all public exhibitions, printed collateral and print advertising to promote easy access to the project page. • Exhibition and display of documents on public exhibition including the revised Long-Term Financial Plan (LTFP) and revised Delivery Program (DP), and the brochure and submission form, at Council's Customer Information Centre in Blacktown and major libraries at Blacktown, Stanhope Gardens and Mount Druitt • An independent research survey through both random telephone survey and an online survey embedded into the Have Your Say project page. • Social media posts promoting the proposal and 'Have Your Say' opportunities and promoting the program of consultation - pop-up forums, community information sessions and targeted business and renter messages. • Pop-up community consultations conducted across each of the 5 Council wards, 7 in total and held at varying times on a Saturday and Thursday evening • 2 Community information forums and presentations held in the evening • Media advertising in the Western News, Blacktown City Independent and Blacktown News. • Media items between July and October 2025, including AM radio items, FM radio item, 8 newspaper (print) items, online items and television items reaching an estimated cumulative audience of more than 3 million people. • Council issued media releases. • Western Sydney Infrastructure Grant program leaflets distributed at pop-up sessions and dedicated banners were used at points of consultation. • Staff representatives available to attend to any in person or telephone enquiries. • Multiple methods to make a submission including an online form, by email, mail, telephone or in person. As a higher increase was proposed for our business ratepayers, additional engagement was undertaken including: • Direct mail notification to Westfields and Westpoint to advise of the proposed SV increase and creation of new rate subcategory of Shopping Mall – Mount Druitt and Shopping Mall – CBD. • Meetings with representatives of Westfields and Westpoint. • E-newsletter with information on the proposed SV and link to the project page to a business database of over 40,000	

	• The Mayor and a Council staff member attended 2 business chamber forums to present on the proposed SV. • Council staff held a meeting with 9 representatives from business sub-category properties. • Community information session and presentation focused on business, held in the evening. The multi-channel communications campaign directed people to dedicated project page on the 'Have Your Say' community engagement platform located on Councils website at https://haveyoursay.blacktown.nsw.gov.au/srv The project page included: • 'Building a better community' information brochure • Various videos • Fact sheets on; the 3 purposes of the SV, Business and Farmland rate increases, why the SV is part of the office funding strategy, how rates are calculated, cost shifting to local government and Council's response to feedback • Community and business presentations • rates calculator for people to see the actual impact based on their property • Council reports and supporting revised IP&R documents • a comprehensive Frequently Asked Questions (FAQ) document • key dates of pop-ups forums and community information sessions • feedback form to make a submission • 2 Preliminary business cases for construction of public administration centres at Rooty Hill and Blacktown CBD's. Of the 3,817 submissions received, the online feedback form was the primary channel, with 3,663 submitted responses. Another 154 submissions came via email, face to face or written correspondence. Of the submissions received, 94% were from residential ratepayers, 5% from business ratepayers and 1% from organisations including the Urban Taskforce Australia, the United Service Union, the Property Council of Australia, and non-resident/investors with an interest in Blacktown.	
Explain the action, if any, the council took in response to feedback from the community	During the 6-week community and stakeholder engagement program, Council issued a Mayor message by E-newsletter acknowledging the feedback received to date on the proposed SV, and providing further information to respond to some of the key themes raised in the submissions. This E-newsletter was also published on the project page. Council then considered the key issues raised in all submissions, and the results of the community and stakeholder engagement including the independent survey, at its Ordinary meeting on 26 November 2025 and Extraordinary meeting on 15 December 2025 (report CS450170). There was extensive discussion on the consultation feedback, and that affordability and cost of living pressures were the main reasons identified in submissions opposing the proposed SV from both residential and business ratepayers.	Community feedback - Community submission report (Attachment 2.8). Community and stakeholder engagement report (Attachment 2.1) and Community feedback – Micromex research survey (Attachment 2.7).

	Council's determination to proceed with the proposed SV acknowledged that there are some parts of our community that are more vulnerable, with Council committing to supporting ratepayers who will be impacted by an increase through its hardship policy and support measures, including payment plans or deferrals. Council also provides, in addition to the mandatory pensioner rate rebate, a voluntary rebate of $200 per annum rebate to pensioners who have resided in Blacktown City for 5 or more consecutive years (the largest voluntary rebate in Western Sydney). There were 8 overarching themes identified in the 3,817 submissions received on the proposed SV. For each of the issues identified within these themes, Council provided a response that formed part of report CS450170 and also published on the project page at https://haveyoursay.blacktown.nsw.gov.au/srv . (Refer to Attachment 2.8). Council has sought to minimise the impact of the SV on residential ratepayers by allocating the increase proportionally differently across its residential and business rating categories, with a smaller increase to residential ratepayers applying over 1 year, with the assumed rate peg to apply for the remaining 2 years, and a smaller increase to Business general properties over 2 years, compared to a larger increase to Business subcategory properties applied over 3 years. This carefully structured approach to the impact of the variation was reflected in some adverse submissions from businesses, noting however the relatively low impact of Council rates in business costs, and the overall modest proportion of business ratepayer submissions.	

In the text box below, provide any other details about the council's consultation strategy, timing or materials that were not captured in Table 7.

4.2 Proposed average rates outlined in the council's community consultation materials

Are the average rates provided in the council's community consultation materials the same as what has been inputted into Table 7.2, Worksheet 7 (WS 7) of the Part A application form?	Yes
If no, please explain why.	As outlined in Table 7.2, Council applies a range of rating sub-categories across its residential, business and farmland categories. Within the residential and farmland categories, sub-categories are based on whether land is vacant or non-vacant. Business rates are further differentiated by centres of activity, with each of these also split between vacant and non-vacant land. For the purpose of community consultation, Council presented average rates for each major category using the sub-category that is most representative of the majority of ratepayers: • **Residential:** The average rate shown for non-vacant residential properties was based on the Ordinary Residential General sub-category, which represents approximately 98% of residential assessments. • **Business:** The average rate shown for non-vacant business properties was based on the Ordinary Business General sub-category, which represents approximately 96% of business assessments. • **Business sub-categories (centres of activity): For simplicity, a single average non-vacant business sub-category rate was presented across all business** centre sub-categories rather than showing separate averages for each individual centre. This represented 97% of all business subcategory ratepayers.

	This approach ensured that the averages presented were clear, practical and broadly representative of the rates paid by most properties within each category. It also avoided distortion that would arise from including vacant land assessments, which are generally subject to lower minimum rates than non-vacant properties. Including those lower vacant land rates would have reduced the calculated averages and understated the typical rates paid by the majority of ratepayers with developed properties.

4.3 Additional information (optional)

In the text box below, please provide any other details about the community's involvement in, engagement with or support of or opposition to the proposed SV not captured in Table 7.

As detailed in OLG SV criterion 1, Table 6, an extensive community consultation on the proposed sale of Council's present CBD site (including the Administration centre, WSROC building and The Leo Kelly Blacktown Arts Centre) to facilitate the proposed BBSI development, was undertaken in the period 27 January – 24 February 2021. This included 28 days' exhibition of information on the proposed land sale and the BBSI project, together with amended IP&R documents (Long Term Financial Plan and Delivery Program). As a result of this consultation, the BBSI was project was added as a transformational project in Council's *Our Blacktown 2036* Community Strategic Plan and Council's Delivery Program 2017-2022.

The communication program included emails to the 4,500 recipients of Council's community e-newsletter and the nearly 40,000 subscribers to our business e-newsletter, media promotion, and social media posts with an estimated reach of 42,000 users. A total of 2,125 hits were recorded on the relevant pages of Council's website.

In broad terms, public response to the project was favourable. Together with other informal feedback, a total of 231 written submissions were received on the proposed land sale, with 77.5% of submissions supporting the project and 13.4% being opposed (9.1% of submissions raised issues or asked for further information, without stating a position). Of the submissions supporting the proposal, 79 were from local residents and business ratepayers, while 100 additional submissions in support were received from outside Blacktown City.

Community consultation was also carried out on the WSIG projects which commenced in 2023, with additional specific consultation activities carried out during project milestones. A range of engagement activities were carried out to consult the community and provide information about all the WSIG projects (detailed in the WSIG project engagement report).

The engagement activities on the overall WSIG program included:

- meetings with stakeholder advisory groups between 1 November 2023 and 18 December 2023
- establishment in 2023 of a 7 member Dharug-led design panel with skills in design, strategy and infrastructure
- 21 pop-up and various other forums over the period from August 2023 to 4 December 2025.

Community consultation was also carried out on individual projects through a variety of online and in-person engagement activities, including in-person community information sessions, social media posts, website visits, forums and meetings. The engagement activities and their outcomes are detailed in section 11 – Appendices of the Western Sydney Infrastructure Grants (WSIG) program consultation report (refer to Attachment 2.9).

The feedback from the community on the 7 transformational projects is detailed in OLG SV Criterion 1 – Table 6 above.

Please list out any other attachments in Table 8 that the council has relied on to respond to Criterion 2 that was not otherwise outlined in Table 7.

Table 8 Other Criterion 2 attachments

Attachment number	Name of document	Page references
	2.1 - Community and stakeholder engagement report	
	2.2 – Consultation materials - Communications collateral and engagement activities report	
	2.3 – Mayoral letters	
	2.4 – Building a better community information brochure	
	2.5 – FAQs and Factsheets	
	2.6 – Presentations to community and business forums	
	2.7 – Community feedback – Micromex research survey	
	2.8 – Community feedback - Community submissions report	
	2.9 – Consultation report – Western Sydney Infrastructure Grants (WSIG) program	

5 OLG SV Criterion 3 – Impact on ratepayers

Refer to the OLG SV Guidelines as needed, and section 5 of IPART's Guidance Booklet - Special variations: How to prepare and apply when preparing consultation strategy and material for completing this section. The Part A application form also collects information for this criterion in Worksheet 7 (WS 7 - Impact on Rates).

5.1 How did the council clearly show the impact of any rate rises on the community?

Please articulate in the text box below how the council demonstrated this question.

In your response, please include references to the Delivery Program, LTFP and relevant community consultation materials to support the council's claims.

As outlined in Question 4 and Table 7 above, Council undertook an extensive 6-week community and stakeholder engagement program to inform the community of the proposed Special Variation (SV) and the financial impact of the increase on ratepayers.

As Council is proposing an SV that is allocated proportionally differently across its residential and business rating categories, Council communicated the impact of the proposed SV for each rating category in several ways.

The proposed Special Variation and the impact on ratepayers is detailed on pages iv to v of Council's revised Delivery Program 2025-2029. It included the differing permanent percentage increase proposed across the 4 rating categories of residential, farmland, business general and business sub-categories over the 3 years in percentage and dollar terms, including the total additional revenue generated over the 3 years both with and without the SV. It also detailed the annual and cumulative increase in both percentage and dollar terms for each of the 3 purposes of the SV.

The revised LTFP at pages 7 to 8 also details the overall permanent cumulative increase to Councils revenue of 37.39% over 3 years and the differing annual percentage increase for all rating categories across the 3 years. For residential ratepayers, tables were included to show the average annual increase proposed by the SV as well as the increase for residential property owners paying the minimum rate, as this represents 73% of residential ratepayers. The table showed the annual increase in both percentage and dollar terms.

Other community consultation materials that detailed the impact of the proposed increase included:

- The 'Building a better community' brochure that was sent by direct mail to 150,496 ratepayers and included a link to our dedicated website project page, it detailed the:
    - proposed overall cumulative increase to Council's revenue of 37.39% over the 3-year period

- proposed cumulative increase of 26.8% for residential ratepayers, 31.0% for business – general ratepayers and 66.0% for business-subcategory ratepayers including the rate peg in both percentage and dollar terms
- annual (year-on-year) increase in average rates for each rating category (residential, business-general and business-subcategory) in both percentage and dollar terms
- permanent nature of the increase
- rate increase that would apply under the assumed rate peg without the SV.

The impact of the proposed SV was also detailed in fact sheets on the project page at https://haveyoursay.blacktown.nsw.gov.au/srv. The fact sheet on Farmland rates included the above bullet points to communicate the cumulative and average annual increase of the proposed SV in both percentage and dollar terms.

The proposed SV average weekly and annual increase in both percentage and dollars terms was also detailed in the SRV Business Rates Fact Sheet. The fact sheet provided the average increase for both business-general properties and each of the 10 business sub-categories.

The project page also included a rates calculator that ratepayers could use to work out the actual increase for their property. The calculator showed the annual increase in both percentage and dollars, and the estimated weekly increase in dollars across the 3 years.

Council's FAQs published on the project page also included the proposed average annual increase in percentage and dollars, and the weekly increase in dollars for the residential, business-general and the 10 business-subcategory, rating categories. It also included the rate increase that would apply under the assumed rate peg without the SV for residential ratepayers.

Presentations to the 2 community information sessions, that were also published on the project page, included the cumulative and average annual increase of the proposed SV in both percentage and dollar terms, the weekly increase and the annual increase without the SV for residential and business general rating categories.

Council Reports CS450101 – Proposed Special Rate Variation application and CS450170 – Results of community consultation on proposed Special Rate Variation, also detailed that the proposed SV sought a permanent overall cumulative increase in council's revenue of 37.39% over a 3-year period and the differing percentage increase over the 3 years for each rating category. Report CS450101 also included an attachment that detailed the cumulative percentage increase and the minimum and average annual and weekly increase in dollars for each rating category including the 10 business subcategories. Both reports were published on the project page.

Council's revised LTFP on page 8 explains the increase is to be allocated proportionally differently across the residential, business general and business – subcategory rating categories. To minimise the impact to residential ratepayers, noting there are some areas of our community that are more vulnerable to financial pressures, a smaller overall cumulative increase of 26.79% over 3 years is proposed, with a 15% increase in Year 1 and the 5% assumed rate peg in Years 2 & 3.

Council's Business general category consists of smaller retail and commercial businesses and the 10 Business sub-categories, generally consist of larger businesses, such as warehouses, located in the industrial and CBD areas of Blacktown City.

To minimise the impact of the SV on smaller businesses, the SV increase is proposed over 2 years for Business general properties with the assumed rate peg to apply in Year 3, and a higher increase will apply to the 10 Business sub-category properties over the 3 years.

Council considered the following in determining to portion a higher percentage increase to its business rating categories:

- Business growth and economic performance, both of which indicate strong investment confidence in Blacktown.
- Business rates make up 28% of total rates in Blacktown, when compared with 40% or more in Sydney and Fairfield. After the SV, our business share would rise only modestly to about 31.5% by 2029, keeping us competitive within Greater Sydney.
- Over the past decade, the number of active businesses in Blacktown has grown 49% — nearly 10,400 new businesses in 6 years (noting this does not reflect the number of business properties that pay rates). That is the second-highest growth in NSW, after the City of Sydney.
- Blacktown's Gross Regional Product now stands at $26.4 billion, up from $18.3 billion ten years ago, growth of 44%. During the same period, GRP for the Greater Sydney grew by 28%.

Council is also proposing to create 2 new Business subcategories to assist in reducing the impact of the SV. Currently the 2 largest shopping centres in Blacktown City (Westpoint Blacktown and Westfield Mount Druitt) are levied business rates at the same rate in the dollar multiplied by their land value, as other businesses in their existing rating subcategories.

The rates presently paid by the 2 major shopping centres are well below the comparable rates of many other large shopping malls in metropolitan Sydney.

In line with Section 529(2)(d) of the *Local Government Act 1993* Council will also create a new business subcategory based on their centre of activity. Both Westpoint Blacktown and Westfield Mount Druitt, take up a large area of land, that attracts people from both inside and outside the local area, and uses more council services than most other businesses.

Council is proposing to create separate rating subcategories for Westpoint Blacktown and Westfield Mount Druitt, being Shopping mall – Blacktown CBD and Shopping mall – Mount Druitt, based on the bellow reasons, and will levy a higher rate compared to general business.

1. High Economic and Social Activity

- These centres attract many visitors every day—shoppers, diners, service users, and workers.
- They act as regional hubs, serving not just local residents but people from nearby local government areas.

2. Heavy Traffic and Transport Use

- They cause more car and foot traffic, which affects local roads and parking. This impacts traffic control, signs, and road maintenance.

3. Greater Demand on Council Services

- More bins, more waste collection, and more public space maintenance (e.g. cleaning, graffiti removal, lighting).
- More council resources needed for things like rangers, CCTV, and parking officers.

4. Used by People Outside the LGA

- Many people using the centre don't live in the council area.
- These users still put pressure on local services, but Council can't charge them directly.

Council directly notified Westpoint Blacktown and Westfield Mount Druitt of the proposed SV increase and the creation of the new business subcategory, and meetings were held with representatives of both businesses.

Having regard for the proposed rate increases compared with that of other comparable councils and noting that businesses can claim a tax deduction for payment of Council rates as a business expense, the increase is considered to have a reasonable impact.

For ratepayers that may struggle to pay the proposed increase, Council has a hardship policy and support measures in place to help ratepayers. These measures include payment plans or deferrals.

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

Please articulate in the text box below how the council demonstrated this question.

In your response, please provide references to the Delivery Program, LTFP and community consultation materials where the council has considered the affordability and the community's capacity and willingness to pay.

Council engaged independent consultants, Morrison Low, to undertake a comprehensive Capacity to Pay and Affordability Assessment. This independent study analysed the socio-economic profile of the Blacktown community, including income distribution, employment levels, household types, SEIFA disadvantage indices, housing tenure, mortgage and rental stress, pensioner prevalence, people requiring core assistance, and broader cost-of-living trends. The consultants also assessed affordability impacts across five geographic groupings within the local government are (LGA) to ensure that variations within the community were properly understood rather than relying solely on LGA-wide averages. This provided a broad evidence-based view of where financial capacity is stronger and where vulnerability is more concentrated.

Council then supplemented the Morrison Low report with its own analysis of actual ratepayer behaviour, rating impacts and comparative positioning. This included modelling the proposed rate increases by category (residential, farmland and business) expressing impacts in average annual and weekly dollar terms.

Council also benchmarked its rates against comparable metropolitan and fringe councils to determine whether post-variation rates would remain within a reasonable range relative to peers. This demonstrated that, even after the proposed variation, average rates remain broadly aligned with or below many similar councils.

In addition, Council analysed outstanding rates and payment patterns as a practical indicator of willingness and capacity to pay. Residential arrears were found to be relatively consistent across groupings and within a narrow range, while farmland and business arrears were very low as a proportion of total rates levied. This behavioural evidence indicates that the majority of ratepayers are currently meeting their obligations and that there is no sign of systemic payment distress across the LGA.

Council also considered the position of vulnerable cohorts identified in the independent report, including pensioners, lower-income households and areas with higher unemployment or housing stress. Existing statutory pensioner rebates and Council's additional voluntary rebates were considered, along with the operation of Council's hardship policy. The analysis concluded that while the LGA overall demonstrates moderate capacity to pay, certain areas — particularly within the most disadvantaged grouping — require monitoring and continued support through the hardship policy.

Finally, Council integrated these affordability findings with community consultation outcomes undertaken as part of the Special Rate Variation engagement process. Feedback through the "Building a better community" consultation helped Council understand the community's willingness to support rate increases where they are clearly linked to maintaining assets, delivering services and supporting a growing population. This ensured that the assessment of affordability was balanced with community expectations about service levels and infrastructure provision.

Together, the independent Morrison Low assessment and Council's supplementary financial, behavioural and benchmarking analysis demonstrate that affordability, capacity to pay and willingness to pay were examined from multiple perspectives including socio-economic conditions, household stress indicators, actual payment performance, comparative rate levels and community feedback.

The combined evidence from the independent Morrison Low assessment and Council's supplementary financial and behavioural analysis indicates that there is no systemic or LGA-wide issue with capacity to pay. While pockets of disadvantage and vulnerability exist and have been specifically identified, the broader community profile, including income distribution, employment levels, home ownership, cost-of-living trends, benchmarking against peer councils and consistently strong rates payment performance, demonstrates a generally sound capacity to absorb the proposed changes. Importantly, Council has recognised the uneven distribution of capacity and has committed to maintaining hardship provisions and pensioner assistance to ensure continued support for those most at risk. Taken together, this balanced approach supports the conclusion that the proposed variation is affordable for the community overall, with appropriate safeguards (via Council's hardship policy) in place for vulnerable ratepayers.

Refer to Attachment 3.1 on capacity to pay and Council's supplementary information in Attachment 3.2.

5.3 How has the council addressed (or intend to address) concerns about affordability?

Does the council have a hardship policy?	Yes
If yes, is an interest charge applied to late rate payments?	Yes

To inform our assessment, Worksheet 12 (WS 12) in the Part A application form also collects data on overdue notices, rates and annual charges outstanding/collectable, pensioner concessions and ratepayers subject to hardship provisions.

Please provide the council's response in the text boxes below.

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.

As detailed in Question 5.1 above, Council is proposing to allocate the SV differently across its residential and business categories to minimise the impact to residential ratepayers, noting that there are some areas of our community that are more vulnerable. A smaller overall cumulative increase of 26.79% over 3 years is proposed for residential ratepayers, with a 15% increase in Year 1 and the 5% assumed rate peg in Years 2 & 3.

For ratepayers that may struggle to pay the proposed increase, Council has 2 policies that provide support. Council's 'Hardship provisions' policy (Attachment 3.3) provides support through measures including payment plans or deferrals and waiver of interest on outstanding rates, with arrangements entered for 12 months, with a further application able to be made after that time. In addition to the NSW Government mandatory pensioner rebate, Council's 'Pensioner rate rebate and hardship' policy (Attachment 3.4) also provides an additional further rebate of $200 funded wholly by Council for pensioners who have resided in Blacktown City for 5 or more consecutive years. For eligible pensioners experiencing hardship, Council can approve the accumulation of rates against the pensioner's property, noting that interest will be charged on the accumulated rates.
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). Council's additional pensioner voluntary rebate of $200 is referenced on page 186 of the revised Delivery Program 2025-2029 and Operational Plan 2025/26 as part of the Statement of revenue policy section. Whilst Council's Hardship provisions policy and support measures are not referenced in the revised LTFP, they are included in the 'Building a better community' brochure, the FAQ, Council reports and community presentations published on Council's project page.
c. Please explain how the council makes its hardship policy or other measures known to ratepayers. Council has a dedicated 'Your rates' website page that includes information on rates hardship requests and pensioner rebates at https://www.blacktown.nsw.gov.au/About-Council/Your-rates. Any ratepayer that cannot pay their rates or charges due to hardship can apply for assistance in writing or by completing a rates hardship form available on Council's 'Your rates' website page or from Councils Customer Information Centre. To receive the additional $200 voluntary pensioner rebate, an online form is available to complete at https://www.blacktown.nsw.gov.au/About-Council/Your-rates/Pensioner-rebates or by contacting Council's rates team via Council's general phone number or email. Council's 'Hardship provisions' policy and 'Pensioner rate rebate and hardship' policy are published on the 'Your rates' website, and Council's policy register https://www.blacktown.nsw.gov.au/About-Council/Plans-policies-and-reports/Policy-Register

5.4 Are there any other factors that may influence the impact of the council's proposed rate rise on ratepayers (optional)?

Describe the impact of any other anticipated changes in the rating structure (e.g. receipt of new valuations), or any changes to other annual ratepayer charges such as for domestic waste management services.

You may also explain how the number of **non-rateable properties** may impact the council's average rates, if relevant to your council.

You can provide additional data using Worksheet 12 (WS 12) in the Part A Excel application form. For instance, providing the number of non-rateable versus rateable properties.

Refer to Attachment 3.2 on the supplementary financial and behavioural analysis carried out by Council.

6 OLG SV Criterion 4 – Exhibition and adoption of IP&R documents

Refer to the OLG SV Guidelines as needed, and section 6 of IPART's Guidance Booklet - Special variations: How to prepare and apply when preparing consultation strategy and material for completing this section.

Table 9 seeks information which demonstrates that the council has met the formal requirements (where applicable) for the preparation, exhibition, adoption and publication of the current IP&R documents.

Table 9 IP&R documents

IP&R Document	Exhibition dates	Link to council minutes that outlines the resolution to publicly exhibit	Adoption date	Link to council minutes that outlines the resolution to adopt	Link to the adopted IP&R document on the council's website
Community Strategic Plan	13 May – 10 June 2025	Minutes of Council Extraordinary meeting 7 May 2025	23 June 2025	Minutes of Council Ordinary meeting 23 June 2025	Community Strategic Plan 2025-2050
Delivery Program	15 September to 26 October 2025	Minutes of Council Extraordinary meeting 3 September 2025	15 December 2025	Minutes of Council Extraordinary meeting 15 December 2025	Delivery Program and Operational Plan
Long Term Financial Plan	15 September to 26 October 2025	Minutes of Council Extraordinary meeting 3 September 2025	15 December 2025	Minutes of Council Extraordinary meeting 15 December 2025	Resourcing Strategy 2025-2035
Asset Management Plan (which contain long-term projections of asset maintenance, rehabilitation and replace, including forecast costs).	Asset Management Strategy (as part of the Resourcing Strategy 2025-2035) was on exhibition from 13 May – 10 June 2025	Minutes of Council Extraordinary meeting 7 May 2025	23 June 2025 for Asset Management Strategy.	Minutes of Council Ordinary meeting 23 June 2025	Resourcing Strategy 2025-2035

	In addition, Council's attached draft Asset Management Plans will be reported to Council in February 2026				

Note: The exhibition and adoption dates must match the dates recorded in the council resolution.

7 OLG SV Criterion 5 – Productivity improvements and cost-containment

Refer to the OLG SV Guidelines as needed, and section 7 of IPART's Guidance Booklet - Special variations: How to prepare and apply when preparing for and completing this section.

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

Please provide the council's response in the text box below.

The response to this question is to be read together with Attachment 5.1 that outlines Council's strategic approach to improving productivity.

Efficiency and productivity considerations are embedded within Council's operating and financial frameworks and inform decision-making across service delivery, workforce planning, procurement, and capital investment.

Council continues to work on improving its financial sustainability through operational efficiencies to provide appropriate service levels in a sustainable manner. Council's long-term commitment to effective strategic planning, and our comprehensive Better Practice Reviews program, will continue to be an important part of achieving these goals.

Strategic framework

Part 3 of the Productivity and cost containment report details Council's productivity, efficiency and cost containment framework (framework). It is based on maximising value for the community from a constrained and finite revenue base. There is an emphasis on cost control, service prioritisation, and the efficient allocation of resources, supported by robust financial governance, long-term financial planning and ongoing performance monitoring.

Productivity improvements and efficiency measures are not treated as one-off initiatives, but as an ongoing and integrated component of Council's business-as-usual operations, ensuring that available resources are directed to the highest-priority services and outcomes.

For example, one of the ways Council has achieved efficiencies is from its long-standing practice of not indexing operating costs, other than employee related costs, when preparing annual budgets. This has generated estimated savings of approximately $3.8 million per annum (2025/26) by preventing cost escalation that would otherwise occur through automatic indexation.

This requires business units to operate within their existing base allocations, absorbing inflationary pressures through changes to service delivery, sourcing strategies and internal processes. Any request for additional operating funding has been required to be submitted through the formal budget bid process, ensuring that increases are considered only where there is a clear and demonstrable need.

All new operating budget bids are subject to rigorous review by the Executive Management Committee, including assessment of affordability, alignment with strategic priorities, and consideration of alternative options such as reprioritisation or efficiency offsets. This ensures that additional funding is not treated as an automatic response to rising costs, but as a targeted and justified exception.

Requests for additional funds to the budget are prioritised by council resolutions for increase funding, requests to meet new legal requirements and initiatives that improve customer service, safety or operational efficiencies.

Council's framework recognises that while efficiencies can mitigate cost pressures and improve service delivery, they operate within practical limits. Council's approach therefore balances continuous efficiency with the need to maintain service standards, manage asset sustainability and ensure long-term financial resilience.

Further detail on the 6 core elements of the framework and how Council measures productivity and efficiency is outlined in sections 3.2 and 3.3 of the Productivity and cost containment report.

Service reviews and business improvement

Council has a long-established commitment to continuous review and improvement of business efficiency and service delivery to our community. There are 2 core programs in our business improvement approach:

1. Better Practice Reviews – a rolling service delivery review and implementation program backed by an industry leading methodology.
2. Business process management – the capture of business processes to support improvement and innovation, with a focus on customer experience.

The Better Practice Reviews (BPR) program was established in 2015/16 and is a whole-of-organisation commitment to ongoing review of all our services. The focus of these reviews is on:

- identifying opportunities for more efficient, effective and customer-centric service delivery
- documenting and determining our service levels
- recommending improvements to respond to future service requirements and the identified needs of our community
- implementing approved service improvements to achieve a new 'business as usual'.

The review method was developed in partnership with the University of Technology, Sydney from its service delivery review methodology. It is rigorous, evidence- based, consistent and enables ongoing monitoring of outcomes over time.

The program is overseen by the Executive Management Committee and Council's Audit, Risk and Improvement Committee (ARIC). The ARIC adds value to the program by testing that the methodology has been rigorously applied in each service review by the Business Improvement team, and ARIC and Council receive regular reports on implementation progress.

Council's Business Improvement team leads a strategy that uses a leading business process management tool (Promapp) to capture and improve processes and communication. This enables efficiency gains and innovation. We have progressively rolled out business process mapping, training of staff and analysis of results since 2016 to all of our 5 directorates and 38 business units.

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

Please provide the council's responses to the questions in in the text boxes below.

a. Explain initiatives undertaken and/or processes put in place in the past few years to improve productivity and contain costs.

Part 3 of Attachment 5.1 details Council's approach to productivity and cost containment, including the strategic framework applied and the efficiency metrics and strategies used.

In the 10 years since the Better Practice Reviews program was established, we have implemented improvement plans for 23 service areas, with 15 plans now fully completed. Each review produces a number of recommendations endorsed by Council across dimensions of efficiency, effectiveness and future sustainability of the service. An implementation plan for execution by line management is then developed, specifying actions and timeframes for tracking and report to the Executive, the ARIC and Council.

In summary, at 31 December 2025:

- total BPR implementation actions from all reviews – 2,823
- total actions completed – 2,018 (71%).

BPR is not exclusively focused on productivity, and takes a 'best value' perspective appropriate to the diverse services of local government. Reviews do not have set budget targets, but always include detailed financial analysis and productivity as well as risk assessment. Service improvement actions are categorised in our tracking system by various dimensions, including governance, customer experience, and efficiency. Implementation of BPR actions has contributed directly and indirectly to many of the productivity and cost reduction achievements identified in the Productivity and cost containment report.

Overall, our service reviews have identified that Council has, in the past, under-invested in organisational resources, including staff, plant and technology. Benchmarking through the Better Practice Reviews has often found our business units to be under-resourced when compared to other relevant councils.

Our Business improvement team has trained around 550 staff in the use of Promapp, and structured training and support from the Business Improvement team is ongoing. This provides staff with an understanding of process across the business, their contribution to service delivery and provides a platform for continuous improvement.

We currently have over 1,000 published processes, with more in development. Major initiatives in this area reflect several outcomes from audits and Better Practice Reviews, and include process maps capturing the following:

- the end-to-end Development Assessment process, with more detailed process maps for various specific elements
- the Review of Environmental Factors process, incorporating updated legislation, to be used across all directorates to ensure compliance and consistency
- Civil Asset Maintenance work requests – this includes more than 40 sub-processes
- development of our Resourcing Strategy and its 3 component strategies (Long Term Financial Plan, Asset Management Strategy and Workforce Management Strategy)
- the end-to-end Budget process.

Further stages in Business process management will include strengthening the review and improvement of processes, providing a suite of tools and techniques, to ensure that we build a culture of continuous improvement.

b. Outline the outcomes which have been achieved, including providing quantitative data where possible.

Part 4 of Attachment 5.1 details Council's assessment, impact and quantification of efficiencies, savings and improvements. This includes a total savings of $81.1 million, consisting of one-off savings in the amount of $65,636 million and recurring savings of $15,467 million.

A total of 31 efficiency and productivity improvements were identified across the organisation, reflecting actions that have already been implemented or are currently in progress.

Of the total initiatives identified, 24 were quantified as delivering ongoing recurring financial benefits, with an estimated combined annual impact of approximately $15.467 million per annum. Twelve (12) initiatives delivered one-off savings, efficiencies and productivity gains, totalling approximately $65.636 million. Where initiatives were not quantified, this was due to benefits being non-financial in nature, difficult to isolate from broader service outcomes, or embedded within business-as-usual operations.

A full listing of all efficiency and productivity initiatives is detailed in Appendix 2 of Attachment 5.1.

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

The council should provide information that details initiatives planned for the next two years when requesting a one-year section 508(2) SV, or match the duration of the proposed SV.

The response should, wherever possible:

- estimate the financial impact of strategies intended to be implemented in the future
- present these as a percentage of operating expenditure
- indicate whether the proposed initiatives have been factored into the council's Long Term Financial Plan.

In the text boxes below:

a. Explain the initiatives which the council intends to implement and their financial impact.

The response to this question is to be read together with Attachment 5.1.

Council has identified a number of areas where further productivity improvements and cost containment measures will continue to be pursued over the LTFP period. These include ongoing service reviews, continued digitisation and process automation, procurement optimisation, workforce planning and capability uplift, asset lifecycle optimisation, and the continued use of grant funding to offset pressure on the base budget. These initiatives form part of Council's established operating model and are embedded within normal governance, budgeting and service planning processes.

These future efficiencies have not been assigned specific financial values at this stage. This reflects two key factors.

1. Many of the future initiatives are structural and behavioural in nature, rather than discrete projects with clearly defined start and end points. They relate to how Council manages demand, prioritises services, controls cost growth and improves processes over time. The financial benefits from these types of initiatives typically emerge progressively and are influenced by a range of external variables, including population growth, inflation, market pricing and legislative changes. As a result, it is not methodologically reliable to assign precise dollar savings in advance, as this risks overstating accuracy and creating expectations that cannot be directly or transparently attributed to actions.

2. New or expanded initiatives require formal approval through Council's governance and budget processes before they can be implemented. Proposals for service changes, new delivery models or resourcing adjustments must be assessed for service impact, risk, affordability and alignment with community priorities. Until those decisions are made, the scope, timing and delivery model of individual initiatives remain subject to change. Assigning financial values in advance of this approval process would therefore be premature and potentially misleading.

b. Indicate whether these have been incorporated in the council's Long Term Financial Plan, if not, explain why.

For the reasons noted in response to 7.3(a), future productivity measures are best described at a strategic and directional level rather than as quantified savings. Their impact is instead reflected in the disciplined assumptions built into Council's revised Long Term Financial Plan (LTFP).

The LTFP does not assume automatic escalation of all operating costs in line with headline inflation and incorporates continued restraint in workforce and non-salary cost growth. In this way, the expected benefits of ongoing productivity and cost containment are already embedded within forward financial projections, even though they are not presented as separately itemised "savings".

7.4 How has the council's levels of productivity and efficiency changed over time, and compared to similar councils?

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

The response to this question is to be read together with Attachment 5.1. The Attachment contains details and supporting analysis to support the responses below.

Council's productivity and efficiency have strengthened over time and are evident both in internal trend analysis and in benchmarking against comparable councils.

Over an extended period of rate-pegged revenue growth, Council has been required to absorb rising service demand and cost pressures primarily through internal productivity and efficiency measures.

This is reflected in several structural trends:

- **Employee costs per capita (adjusted for award increases) have declined over time.** When mandatory Local Government Award wage increases are removed, employee cost per resident shows an overall downward trend across the past decade. This indicates that population growth has been accommodated without a proportional increase in real workforce costs, demonstrating improved workforce productivity and tighter staffing discipline over time.
- **Operating cost growth has been tightly constrained.** Non-salary operating budgets have not been automatically indexed in line with CPI and, in recent years, have received no general indexation at all. Business units have been required to absorb inflationary pressures through procurement discipline, service reprioritisation and process improvements. This has embedded cost containment structurally into Council's base budget rather than relying on periodic one-off savings.

- **Workforce growth has been deliberately controlled.**
  New positions are only approved through a formal budget bid process and are subject to executive scrutiny. Temporary internal arrangements are used in preference to external contractors, and overtime and higher-duty costs are tightly managed. This has prevented incremental FTE creep and ensured staffing growth occurs only where critical.

Together, these trends show that Council has delivered services to a rapidly growing population while holding real per-capita costs at restrained levels, demonstrating sustained productivity improvement.

Sector benchmarking reinforces this internal analysis:

Lower revenue and lower cost per capita position.

Comparative scatter plots are provided in Attachment 5.1 using OLG data show that Blacktown sits at the lower end of the sector for both:

- ordinary rates and user fees per capita, and
- employee and materials & services costs per capita.

This indicates that Council operates with one of the most constrained revenue bases per resident while also maintaining one of the leanest cost structures per resident among Greater Sydney councils.

Library services expenditure per capita, a broadly comparable and mandated service across councils, shows Blacktown delivering this core service at a lower per-resident cost than many peers. This supports the conclusion that lower per-capita costs are not confined to a single area but reflect broader operational efficiency.

Over time, Council's productivity has improved as evidenced by declining real employee costs per capita and tightly constrained operating cost growth despite strong population increases. Compared with similar metropolitan councils, Blacktown operates with both lower revenue per resident and lower operating costs per resident, indicating that efficiency and productivity gains have already been structurally embedded in its operations.

Section 2.3 in Part 2 and section 3.3 c. in Part 3 of Attachment 5, provides an analysis of key financial metrics across the NSW local government sector to provide context for Council's performance relative to our peers.

Table 10 Criterion 5 attachments

Attachment number	Name of document	Page references
	5.1 - Productivity and cost containment report	

8 Council certification and contact information

Councils must submit a declaration in the specified form. It should be completed by the General Manager and the Responsible Accounting Officer.

8.1 Certification of application and declaration

Prepare a document in the form indicated below. Please sign (electronic signature is also acceptable), scan and submit it with your application.

This is to be completed by General Manager and Responsible Accounting Officer.

Name of the council:	Blacktown City Council

We certify that to the best of our knowledge the information provided in the Part A application form and this SV Part B application form is correct and complete. We have completed the checklist for the Part A and B application forms and also provided all relevant attachments as requested (see Table 11, Table 12 and Table 13).

General Manager (name):	[redacted]
Signature and Date:	
Responsible Accounting Officer (name):	
Signature and Date:	

Note: These signatures will be redacted before publication of the application.

8.2 Council contact information

IPART's formal contact with the council will be with the General Manager.

During the assessment period, IPART officers are likely to contact the council with detailed queries about the application and supporting documents. Councils should provide direct contact details of the primary contact for such inquiries where this person is a council officer who is not the General Manager. Council officer direct contact details will be redacted before publication of this application.

General Manager

General Manager contact phone	[redacted]
General Manager contact email	

Note: These contact details will be redacted before publication of the application.

Primary council contact

Council contact phone	[redacted]
Council contact email	
Council email for inquiries about the SV application	

Note: These contact details will be redacted before publication of the application.

Secondary council contact

Council contact phone	[redacted]
Council contact email	
Council email for inquiries about the SV application	

Note: These contact details will be redacted before publication of the application.

9 List of required attachments

To complete (adding rows as necessary):

- Name each document.
- Check the box to indicate that the document is being submitted with the application.

Table 11 Required attachments checklist

Name of attachment	The document is included	The document is not applicable
Mandatory forms/attachments:		
Application Form Part A (Excel spreadsheet)	☒	NA
Application Form Part B (this Word document)	☒	NA
Council resolution to apply for the special variation	☒	NA
Completed certification and declaration (see 8.1)	☒	NA
If applicable, to support the responses provided in Question 5 of Description and Context (see section 2) provide:		
Instrument for expiring special variation/s	☐	☒
OLG advice confirming calculation of amount to be removed from the council's general income	☐	☒
If applicable, to support the responses provided in Questions 6 AND/OR 7 of Description and Context (see section 2) provide:		
Declaration of compliance with conditions in past instruments (if applicable)	☒	☐
Evidence of compliance with conditions in past instruments (if applicable)	☒	☐
Mandatory public supporting material (i.e. to be published on IPART's website):		
Community Strategic Plan	☒	NA
Delivery Program	☒	NA
Long Term Financial Plan	☒	NA
Asset Management Plan(s) (required if a key purpose of the SV is related to assets and capital expenditure)	☒	☐
Consultation materials, e.g. copies of media releases, notices of public meetings, newspaper articles, fact sheets used to consult on rate increase and proposed special variation (combined into one document)	☒	NA

Name of attachment	The document is included	The document is not applicable
Community feedback (including surveys and results). Confidential information should be redacted, or the entire document marked as confidential.	☒	NA
Willingness to pay study (if applicable)	☐	☒
Hardship policy	☒	NA
Other public supporting materials:		
Government agency's report on financial sustainability e.g. NSW Treasury Corporation (if applicable)	☐	☒
1.1 - Office accommodation funding strategy – Council report CS450116		
1.2 - Capital expenditure review on proposed public administration centres - submission to the Office of Local Government		
1.3 - Cash reserves portfolio report		
2.1 - Community and stakeholder engagement report		
2.3 - Mayoral letters to ratepayers		
2.4 - Special Rate Variation brochure – Building a better community		
2.5 - Special Rate Variation FAQs and Factsheets		
2.6 - Presentations to Community and Business forums		
2.7 Community feedback – Micromex research survey		
2.9 - Consultation report – Western Sydney Infrastructure Grants (WSIG) program		
3.1 - Capacity to pay report – Morrison Low		
3.2 - Capacity to pay (supplementary information) report – PUBLIC version		
3.4 - Pensioner rate rebate and hardship policy		
4.4 - Asset Management Strategy 2025-2035		
5.1 - Productivity and cost containment report		
SRV application - Schedule of attachments		
Confidential supporting material (i.e. not to be published on IPART's website):		
3.2 - Capacity to pay (supplementary information) report – CONFIDENTIAL version		

10 Checklists

We provide these checklists to ensure that submitted applications meet a minimum standard.

Meeting the requirements of these checklists **does not** guarantee a council will be approved for the SV it has applied for.

Table 12 Part A Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
Data provided in Part A application (i.e. proposed SV%, rates amount etc) are consistent with those contained in Part B application.	☒
Table 1.2 of "WS1-Application" lists all the tables in worksheets 1 -12 that council must complete, based on the nature of council's application. Please confirm that all the data requirements, as listed in table 1.2, have been completed.	☒
All completed tables (values and units – i.e. $ or $'000) have been completed correctly and verified to source. Please pay attention to the units specified for each table in each worksheet.	☒
WS 10 - LTFP agrees to the council's provided (adopted) LTFP.	☒
Dollar numbers provided in "WS10 – LTFP" are in dollars ($) not thousands ($'000) or millions ($M)	☒
If the council has an expiring or existing SV, it has incorporated this when filling out WS 2.	☐N/A
Annual and cumulative percentages are rounded to 1 decimal place.	☐ Council's application is rounded to 2 decimal places.
Ensure that figures provided in WS 9 – Financials, WS 10 – LTFP and WS 11 – Ratios are at the General Fund level and *not* consolidated.	☒
If the council proposes an SV with both permanent and temporary components, the council has discussed the relevant data and modelling requirements with IPART prior to submission.	☐ N/A
Indication whether optional tables in WS 12 has been completed.	☐No.

Table 13 SV Part B Application Form Checklist

Checklist items	Please indicate whether the items have been actioned
All required text boxes and tables have been completed.	☒
All applicable documents per the List of Attachments (Table 11) have been provided.	☒
The council has declared all SVs (including ASVs) approved since 2011-12 and provided annual reports that show compliance with the instrument reporting conditions, or explaining divergences.	☒
The council's LTFP includes both the baseline (no-SV) and the SV scenario it is applying for.	☒
The proposed SV annual and cumulative percentages agree to those used in community consultation, or if they differ, the reason has been explained.	☒
If applying for a multi-year SV, the council has correctly calculated the cumulative percentage and dollar impact of the proposed SV using compounding.	☒
The council has referenced community consultation materials that *at minimum* show the cumulative percentage of the SV and average total dollar increase (cumulative) per rating category.	☒
Figures presented in Application Form Part B are consistent, as relevant, with those in Application Form Part A.	☒
The council has submitted a Minimum Rates Part B Application Form, if required.	☐N/A
For OLG Criterion 5 (section 7), the council has provided concrete evidence and plans for past and future cost-containment and productivity strategies, as far as practicable.	☒

Important information

Submitting online

Applications must be submitted through IPART's LG Portal by 05:00pm on Monday, 2 February 2026. Councils should note a file size limit of 150MB applies to any individual document uploaded in the portal.

Confidential content

IPART will publish all applications (excluding confidential content) on our 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 **CONFIDENTAL**.

Publishing the council's application

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

[1] Office of Local Government time series data 2014/15 and 2023-24