



File no: F22/142, F21/321

28 April 2022

Independent Pricing and Regulatory Tribunal NSW  
Level 16, 2-24 Rawson Place  
SYDNEY NSW 2000

Submitted via the Local Government Portal

Dear Sir or Madam

### **Application for Additional Special Variation for 2022/23**

Blacktown City Council resolved at its Ordinary Meeting on 27 April 2022, to apply for a permanent special variation under Section 508(2) of the *Local Government Act 1993*.

In support of this application, please find attached the following documents:

- Application form – Additional Special Variation for 2022-23
  - Blacktown City Council's 2021-2031 Long Term Financial Plan (LTFP) adopted 23 June 2021.
  - Council resolution to apply for the special variation.
- 1. Our 2021/22 LTFP assumed a rate peg increase of 1.6% for the 2022/23 financial year (0.9% above the actual 0.7% rate peg)**

Blacktown City Council is applying for the additional special variation as our adopted 2021-2031 LTFP assumed a total rates revenue increase of 4.4% for the 2022/23 financial year, which incorporated an assumed rate peg increase of 1.6%, as highlighted on pages 32-33 of our LTFP, and the balance attributable to growth from newly created rateable properties.

The increase in our rates revenue for the 2022/23 rating year based on a rate peg of 1.6% (as compared to the 0.7% rate peg) would be \$1.746 million.

A rate peg of only 0.7% for the 2022/23 financial year has impacted adversely on our budget. The table on page 2 details the budget reductions and cost savings that will need to be made to a number of essential services unless we are successful in obtaining the additional special variation increase of 1.6%.

These budget reductions total \$920,000, as shown in the following table. Funding for these items will be reinstated if our additional special variation application is approved.

The balance of \$826,000 will be used to fund maintenance of buildings and civil infrastructure to help ensure our asset maintenance ratio does not worsen.

#### **Connect - Create - Celebrate**

Council Chambers - 62 Flushcombe Road - Blacktown NSW 2148

Telephone: (02) 9839 6000 - DX 8117 Blacktown

Email: [council@blacktown.nsw.gov.au](mailto:council@blacktown.nsw.gov.au) - Website: [www.blacktown.nsw.gov.au](http://www.blacktown.nsw.gov.au)

All correspondence to: The Chief Executive Officer - PO Box 63 - Blacktown NSW 2148

Function area	Budget reduction
Street cleaning - reduced after hours park rubbish bin pickup and responsive street sweeping: This will lead to impacted service levels which will have the following impacts: <ul style="list-style-type: none"> <li>• overflowing bins after hours and reduced cleanliness of our streets.</li> <li>• Increased health and safety issues due to load on bins</li> </ul>	\$175,000
Transport Infrastructure, Construction and Maintenance - budget cost savings by not replacing 2 Civil Asset Maintenance positions	\$120,000
Libraries - reduced overtime on Sundays.	\$20,000
Financial management – reduction to financial management operating budget	\$5,000
Open Space Improvements and Maintenance - reduced after hours mowing, and maintenance and service landscaping on roads delayed. This includes keeping 2 Open Space vacant positions on hold.  Reduced budget for mowing and maintenance of Council properties that require after hours work to complete. This will include delays in servicing landscaping works on roads, tree maintenance and availability of plants from Council's nursery. This will lead to impacted service levels which could have the following impact: <ul style="list-style-type: none"> <li>• Reduced cleanliness of our properties and landscaping on our roads</li> <li>• Increased public complaints</li> <li>• 2 open space positions savings due to delayed recruitment.</li> </ul>	\$315,000
Governance and Corporate Support Services – reduction to workers compensation operating budget.	\$10,000
Economic Development – reduction to the operating budget.	\$5,000
Property Management and Development – reduction to the operating budget.	\$10,000
Fleet Management - budget cost savings of 0.5 of a vacant position through delayed recruitment.	\$45,000
Property Maintenance - budget cost savings of 0.5 of a Building Maintenance position through delayed recruitment.	\$45,000
Blacktown City Information Centre - budget reductions to operating costs.	\$5,000
Economic Development - reduction to the Tourism and Sport operating budget.	\$5,000
Human Resources - budget reductions to the operating budget.	\$5,000
Governance and Corporate Support Services - budget cost reduction by reducing the occupational health and safety operating budget.	\$5,000
Human Resources – reduction in Council's training budget	\$150,000

## **2. We are seeking a permanent additional special variation of 1.6%**

Blacktown City Council is seeking a permanent additional special variation of 1.6%. Page 38 of our LTFP supports our average Operating Performance Ratio is -10.3% for the next 5 years.

Blacktown City Council considers that the impact on ratepayers and the community, if the additional special variation is approved in 2022/23 and for future years, is reasonable.

If you would like to discuss this matter further, please contact our Director Corporate Services and Assistant Chief Executive Officer, Wayne Rogers on [REDACTED]

Yours faithfully

Kerry Robinson  
Chief Executive Officer OAM