

# FAQs and Factsheets

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## Building a better community – Special Rate Variation

Consultation period: 15 September to 26 October 2025

The following document is a compilation of the Frequently Asked Questions (FAQs) and Factsheets explaining Council's proposed Special Rate Variation, which were posted on our consultation web page throughout the exhibition period (and are still available) at:

<https://haveyoursay.blacktown.nsw.gov.au/srv>

This attachment consists of the following documents:

1. Frequently Asked Questions
2. How rates are calculated
3. Business rates
4. Farmland rates
5. Western Sydney Infrastructure Grants Program
6. Asset maintenance and renewal
7. Public administration centres
8. Why the SRV is part of our office funding strategy
9. Local Government NSW – Cost shifting 2025 report summary



# Frequently Asked Questions

## Our rates system

### What is the rate peg?

The rate peg is the maximum percentage amount councils can increase their rates income by each year. Rate pegging has been in place in NSW since 1977.

Each year the NSW Independent Pricing and Regulatory Tribunal (IPART) sets the rate peg. For the past 2 years the rate peg for Blacktown City Council was 7.1% in 2024/25 and 5.9% in 2025/26.

If you own a home or business property you will pay rates to Council. Each year Council increases its rates by the rate peg set by IPART.

### What are my rates spent on?

The income that Council receives from rates and charges makes up around 41% of our general operating funds. These funds provide essential infrastructure and services to our City by contributing to the building of new facilities, improving infrastructure and protecting the environment in our city through:

- parks, playgrounds, gardens, sports fields and nature reserves
- libraries, childcare centres, range of community services for the elderly and youth, and neighbourhood safety projects
- community festivals, arts and culture, heritage
- street cleaning
- local roads, guttering, signage and drainage maintenance
- cycleways, pools, skate parks and tennis courts
- town planning, landscaping, development applications, building inspections and construction certificates.

### What is a Special Rate Variation (SRV)?

A Special Rate Variation (SRV) allows a council to increase its general rates income above the rate peg set by the Independent Pricing and Regulatory Tribunal (IPART).

An SRV can be for one or multiple years and can be levied either permanently or for a specific purpose for a temporary period. Almost all SRV application are for permanent increases.

An approved SRV will replace the normal rate peg determined by IPART in each year of the SRV. The SRV increase is made up of an assumed rate peg + an additional increase.

Over the past 10 years, there has been 111 applications from NSW councils for SRVs including many major metropolitan councils.

IPART assesses all SRV applications and councils must demonstrate financial need, community engagement and awareness, affordability and responsible financial planning.

## Who is IPART?

The Independent Pricing and Regulatory Tribunal operates independently of the NSW government as the pricing regulator for water, energy, public transport and local government.

Its role is to help NSW residents get safe and reliable services at a fair price. For more information about IPART visit [ipart.nsw.gov.au](http://ipart.nsw.gov.au)

## How are my rates calculated?

Your rates are based on the value of your land. The value is set by the NSW Government (the Valuer General) and is the unimproved value, meaning it does not include the value of any buildings or other improvements on the land.

Most residents (around 73%) pay a set minimum rate. This current amount (2025/26) is \$1,140.

For ratepayers whose land value is above the set minimum rate, the amount you pay is calculated by applying a 'rate in the dollar' multiplied by the land value.

This is considered an equitable way for residents to pay a reasonable amount towards the core services provided by Council, regardless of the land value of their property.

## How does Blacktown City Council help pensioners?

All councils are required to provide a mandatory \$250 pensioner rebate.

In addition, Blacktown City Council provides a further rebate of \$200 funded wholly by Council for pensioners who have resided in Blacktown City for 5 or more consecutive years.

Further information on our pensioner rebate can be found at [blacktown.nsw.gov.au/About-Council/Your-rates/Pensioner-rebates](http://blacktown.nsw.gov.au/About-Council/Your-rates/Pensioner-rebates)

## How does Council help people finding it hard to pay their rates?

Council has a hardship policy and support measures in place to help residents who are genuinely struggling to pay their rates. These measures include payment plans or deferrals. If you experience difficulty making payments, you can make a rates hardship request online [blacktown.nsw.gov.au/About-Council/Your-rates](http://blacktown.nsw.gov.au/) or by contacting our rates department by phone: (02) 5300 6000 or by email [council@blacktown.nsw.gov.au](mailto:council@blacktown.nsw.gov.au)

## How do Blacktown City Council rates compare to other councils?

Our rates are currently among the lowest in Sydney; for example, lower than Liverpool, Canterbury-Bankstown and Penrith councils.

When compared to 18 similar metropolitan councils, our average residential rates in 2023/24 were the 5th lowest and were 7.3% lower than the overall average of our neighbouring councils.

These figures are based on the Office of Local Government's comparative council data available here: [olg.nsw.gov.au/public/about-councils/comparative-council-information/your-council-report/](http://olg.nsw.gov.au/public/about-councils/comparative-council-information/your-council-report/). Information for the 2024/25 financial year has not been published as council's are still in the process of finalising their 2024/25 audited financial statements.





## Our proposed Special Rates Variation increase

We are proposing a permanent increase over 3 years, with a smaller increase to apply to residential properties and a larger increase to apply to our business properties.

### **What is the SRV proposed for residential properties?**

We are proposing to apply most of the permanent rates increase in the first year of the SRV, being a 15% increase in 2026/27. We are proposing to apply an assumed rate peg increase of 5% in 2027/28 and 2028/29.

For each year of the SRV, the proposed increase in rates must include an assumed rate peg. This is because IPART can only determine the normal rate peg for the next 3 years on a yearly basis, and the SRV will replace the normal rate peg in each year of the SRV. For e.g. the weekly increase in minimum rates for 2026/27 of \$3.29 includes an assumed rate peg increase of 5% or \$1.10 a week and an additional 10% or \$2.19 increase.

### **Minimum rates**

For over 70% of residential properties currently levied the fixed minimum rate of \$1,140, the proposed SRV will mean an increase of:

- \$3.29 a week (\$171 a year) in 2026/27
- \$1.26 a week (\$66 a year) in 2027/28
- \$1.32 a week (\$69 a year) in 2028/29.

If the SRV was not approved, and a normal rate peg of 5% applied instead, the increase would be:

- \$1.10 a weekly (\$57 a year) in 2026/27
- \$1.15 a week (\$60 a year) in 2027/28
- \$1.21 a week (\$63 a year) in 2028/29.

### **Average rates**

The current average rate is \$1,233 per year. For residents who pay above the set minimum rate, the proposed SRV will mean an average weekly increase of \$3.56 (\$185 a year) in 2026/27, \$1.37 a week (\$71 a year) in 2027/28 and \$1.44 a week (\$75 a year) in 2028/29.

If the SRV was not approved and a normal rate peg of 5% applied instead, the average weekly increase would be \$1.19 (\$62 a year) in 2026/27, \$1.24 a week (\$65 a year) in 2027/28 and \$1.31 a week (\$68 a year) in 2028/29.

From 1 July 2029 the rate peg determined by IPART will be the maximum increase to your rates.

To work out the amount your rates will increase, you can use the rates calculator by clicking [here](http://blacktown.nsw.gov.au/ratescalculator) [blacktown.nsw.gov.au/ratescalculator](http://blacktown.nsw.gov.au/ratescalculator). You will need your property ID shown on your current rates notice.

### **Does the SRV apply to other charges on my rates notice including the new Food and garden waste service?**

No. The SRV will only increase the amount described on your notice as 'Ordinary Residential General' (residential properties) or 'Ordinary' and the relevant category (business properties). It will not apply to the Environmental stormwater management charge or domestic waste charge.

Further information on our new Food and garden waste services can be found at [blacktown.nsw.gov.au/Services/Waste-services-and-collection/Food-and-garden-waste-services](http://blacktown.nsw.gov.au/Services/Waste-services-and-collection/Food-and-garden-waste-services)

## How are business rating categories determined?

All land is categorised based on its main use of either residential, farmland or business.

Business properties are categorised as either 'Business-general' (smaller retail and commercial businesses), or further categorised into 1 of our 10 business sub-categories.

Business sub-categories are an important way to equitably share costs, as not all businesses are the same. Our sub-categories apply to specific areas which generally consist of larger businesses, such as warehouses, located in the industrial and CBD areas of Blacktown City.

Rates for business properties are also calculated based on the unimproved value of the land.

## What is the SRV proposed for business – general properties?

We are proposing a permanent increase in the rate base of 15% in 2026/27, an 8.5% increase in 2027/28 and the assumed rate peg increase of 5% in 2028/29.

This will mean an average weekly increase of \$20.05 (\$1,043 a year) in 2026/27, \$13.07 a week (\$679 a year) in 2027/28 and \$8.34 a week (\$434 a year) in 2028/29.

To work out the amount your rates will increase, use the rates calculator at [blacktown.nsw.gov.au/ratescalculator](http://blacktown.nsw.gov.au/ratescalculator). You will need your property ID shown on your rates notice.

## What is the SRV proposed for the 10 business sub-categories?

We are proposing a permanent increase in the rate base of 21.3% in 2026/27, an 17.7% increase in 2027/28 and a 17.1% increase in 2028/29.

The average increase for each Business – subcategory is listed below. To work out the amount your rates will increase, use the rates calculator at [blacktown.nsw.gov.au/ratescalculator](http://blacktown.nsw.gov.au/ratescalculator). You will need your property ID shown on your rates notice.

### Blacktown North

The current average rate is \$8,117 per year. The proposed SRV will mean an average weekly increase of \$31.95 (\$1,661 a year) in 2026/27, \$33.30 a week (\$1,732 a year) in 2027/28 and \$37.81 a week (\$1,966 a year) in 2028/29.

### CBD North

The current average rate is \$11,879 per year. The proposed SRV will mean an average weekly increase of \$46.76 (\$2,432 a year) in 2026/27, \$48.74 a week (\$2,535 a year) in 2027/28 and \$55.33 a week (\$2,877 a year) in 2028/29.

### CBD South

The current average rate is \$5,516 per year. The proposed SRV will mean an average weekly increase of \$21.71 (\$1,129 a year) in 2026/27, \$22.63 a week (\$1,177 a year) in 2027/28 and \$25.69 a week (\$1,336 a year) in 2028/29.

### CBD Mount Druitt

The current average rate is \$11,379 per year. The proposed SRV will mean an average weekly increase of \$44.79 (\$2,329 a year) in 2026/27, \$46.69 a week (\$2,428 a year) in 2027/28 and \$53.00 a week (\$2,756 a year) in 2028/29.

### M4 Corridor

The current average rate is \$27,828 per year. The proposed SRV will mean an average weekly increase of \$109.54 (\$5,696 a year) in 2026/27, \$114.18 a week (\$5,938 a year) in 2027/28 and \$129.63 a week (\$6,741 a year) in 2028/29.

### Marsden Park

The current average rate is \$103,419 per year. The proposed SRV will mean an average weekly increase of \$407.10 (\$21,169 a year) in 2026/27, \$424.35 a week (\$22,066 a year) in 2027/28 and \$481.74 a week (\$25,050 a year) in 2028/29.

### Mount Druitt

The current average rate is \$3,799 per year. The proposed SRV will mean an average weekly increase of \$14.95 (\$778 a year) in 2026/27, \$15.59 a week (\$811 a year) in 2027/28 and \$17.70 a week (\$920 a year) in 2028/29.

### Riverstone

The current average rate is \$5,990 per year. The proposed SRV will mean an average weekly increase of \$23.58 (\$1,226 a year) in 2026/27, \$24.58 a week (\$1,278 a year) in 2027/28 and \$27.90 a week (\$1,451 a year) in 2028/29.

### Rooty Hill and Glendenning

The current average rate is \$18,944 per year. The proposed SRV will mean an average weekly increase of \$74.57 (\$3,878 a year) in 2026/27, \$77.73 a week (\$4,042 a year) in 2027/28 and \$88.24 a week (\$4,589 a year) in 2028/29.

### Seven Hills

The current average rate is \$7,181 per year. The proposed SRV will mean an average weekly increase of \$28.27 (\$1,470 a year) in 2026/27, \$29.47 a week (\$1,532 a year) in 2027/28 and \$33.45 a week (\$1,739 a year) in 2028/29.

# Why is Blacktown City Council proposing a Special Rate Variation?

We need to ensure Council can keep delivering the infrastructure and services needed for one of Australia's fastest-growing cities. Our population is expected to grow by around a third in less than 20 years to exceed 600,000.

While this presents many opportunities it also means we are facing a number of challenges that are placing increased pressure on our future financial sustainability. Our rates income from the rate peg is not enough to cover our increased costs to service our growth, maintain and replace ageing assets, meet the significant increases in costs to deliver existing services and to continue to provide adequate infrastructure as our City grows.

At the end of year 3, the proposed SRV will provide \$90.5 million per year in additional income to fund three important purposes:

- \$28.15 million per year for the operation and maintenance of the NSW Government's Western Sydney Infrastructure Grants program. Further information on these projects is detailed in the 'Western Sydney Infrastructure Grants Projects' fact sheet
- \$10 million per year for additional asset maintenance and renewal of assets. Further information on our asset maintenance and renewal backlog is detailed in the 'Asset maintenance and renewal' fact sheet
- \$10.9 million per year contribution towards the overall funding strategy for two new public administration centres located at Rooty Hill and Blacktown City centre. Further information on the two centres can be found in the preliminary business cases currently on exhibition and the 'Public administration centre' fact sheet.

Council will use the other \$41.5 million (from the assumed rate peg amount of 5%) to continue to fund our current service and maintenance levels, and limited new projects or service improvements.

## What are Council's financial challenges?

Blacktown City Council, along with all local government councils across NSW, face a number of challenges to fund their ongoing and future costs.

This was recognised in the recent inquiry into the ability of local governments to fund infrastructure and services undertaken by the NSW Legislative Council's Standing Committee on State Development. A copy of the final report with 17 recommendations for change, and the NSW Government's response can be found at [parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=3040](http://parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=3040)

Key challenges to financial sustainability are:

- Increased costs: Our annual operating costs continue to increase as a result of the growth of our City, particularly our maintenance costs for our roads, footpaths, drainage, stormwater drainage, parks and playgrounds. We are also facing significant cost increases at a level above the rate peg for insurance, fuel and energy, employment, materials and contracts and new risks such as cyber security.
- Limits on our two main sources of revenue; rates and charges and Developer contributions. The rate peg has not kept pace with the actual cost increases of council, particularly when inflation is high. We are unable to levy Developer contributions for community facilities, resulting in a \$731 million shortfall in the North West Growth Area.
- Cost shifting: The Federal and State Governments continue to transfer the responsibility of funding infrastructure and services to councils, including the waste levy, DA and regulatory functions, public library operations and the emergency services levy. The value of this cost shifting is estimated to cost Blacktown City \$41.48 million per annum (this increase from \$32 million is due to additional cost shifting identified in the most recent survey, and includes managing contaminated land and companion animal services, rates exemptions and election costs). For more information on cost shifting refer to the Local Government NSW Cost shifting 2025 summary or you can refer to the full report at [lgnsw.org.au/Public/Public/Advocacy/Cost-shifting.aspx](http://lgnsw.org.au/Public/Public/Advocacy/Cost-shifting.aspx)
- Reduction in our operational Financial Assistance Grant from the Federal Government that helps fund the services we provide. Our funding has reduced in real terms by around \$940,000 per annum since 2012/13. If we had instead continued to receive a 4% increase we would have received an additional \$13.5 million in annual funding.

## Why do businesses pay too?

Everyone benefits from well-maintained infrastructure, clean streets, functioning stormwater systems, and vibrant community spaces. Businesses rely on this environment to attract customers and investment.

# Is there another way for Council to increase its income instead of increasing rates?

There are limited ways to permanently increase Council's revenue.

## If Blacktown City is growing, doesn't the extra rates revenue cover council's costs?

Although additional income is received from this growth, our operational and capital costs to support this growth are greater, and it is not enough to meet the service levels residents expect. Our maintenance costs increase as more people use our roads, footpaths, parks and playgrounds, and we need to fund new capital costs for e.g. community facilities and storm water infrastructure.

## Can't you use Developer contribution funds, known as section 7.11 funds or grants instead?

Section 7.11 Developer contributions can only be used for building new assets, not operating or maintaining them. Similarly, grants are project specific and do not cover ongoing costs like staff, maintenance, or utilities.

## Can Council increase its fees?

We would need to substantially increase our fees and charges to raise the same amount as proposed in this Special Rate Variation.

Around half our fees and charges are set by the NSW Government. Of the other fees which Council sets, a 1% increase in rates income is roughly equivalent to a 10% increase in the fees Council sets, such as pool entry fees, health and fitness fees and community centre hire fees.

If we increase the remaining fees, our services may no longer be affordable for many of our community.

## Why can't Council just reduce spending and its services?

Council has already implemented cost-saving measures and service reviews, and we will continue to achieve operational savings and efficiencies in how we work. We also have a well-established budget discipline in determining our funding priorities to balance our budget.

Our community has told us that it values the level of service we currently provide. However, without the additional income from the proposed SRV, Council will need to prioritise core services, which are likely to result in a significant reduction in some community services.



## Why doesn't Council reduce staff numbers instead of increasing rates?

Staff are essential to delivering services. Council already reviews staffing regularly for efficiency. Reducing staff would reduce services, something the community does not support.

From 2014 to 2023 our population has grown by 28%, however our staff numbers have only increased by 10% meaning our existing staff are already supporting more people without additional resources. Over time, Council will need more planners, engineers, swimming centre staff, librarians and customer service officers to support a city growing to 600,000 people.

## Is borrowing an option?

Borrowings are not considered a suitable option to fund regular and ongoing costs such as the operating costs for the NSW Western Sydney Infrastructure Grants projects and asset maintenance. Council has effectively borrowed money in recent years to support the construction of new and transformational community facilities. Similarly, the borrowing of funds forms part of our overall funding strategy for the two new public administration centres.



# Why Council needs to fund new public administration buildings

A portion of the SRV will contribute to the overall funding strategy for two new public administration centres located at Rooty Hill and Blacktown City Centre (proposed to be Warrick Lane).

## Why does Council need two new buildings, when it only has one now?

Council's staff are currently spread across multiple outdated and inefficient buildings. The new plan consolidates operations into 2 modern centres, reflecting the city's growth and service needs.

## How can the two new buildings cost \$400 million?

This estimate includes planning, design, construction, technology systems, fit-out, and sustainability features. These estimates were prepared by commercial quantity surveyors.

## Why did Council sell its land without having a new building to move into?

The sale of Council land was an essential part of Council's strategy to redevelop the Blacktown central business district to drive the economic growth of the city through private sector investment and job creation.

## When will the new Council buildings be delivered?

Council aims to deliver the new buildings over 4 to 5 years. We will provide detailed project timelines during public engagement and consultation.

## How does the public benefit from the new buildings?

The buildings will have new community meeting spaces, customer experience centres, create civic precincts that enhance the local economy and amenity and see Council consolidate staff and deliver services efficiently.

## Why hasn't Council prepared by saving ahead for new buildings?

The scale of future infrastructure needs, rising service demand, and State-imposed rate peg limit the capacity to accumulate sufficient reserves for projects of this magnitude without compromising services for the community.

## Why can't Council get money from the NSW Government for the new administration buildings?

The NSW Government does not provide grants for Council buildings. It expects that councils will raise funds itself as it does for community facilities building such as libraries, meeting places and pools.



## When will Council decide if it will proceed with the Special Rate Variation?

A report on the feedback received from the community will go to Council's Ordinary meeting on 26 November 2025.

Council will consider the feedback and make a decision at this meeting on whether it will proceed with the proposed Special Rate Variation application to IPART.

If Council chooses to proceed with the Special Rate Variation, we will submit the application to IPART in early February 2026. IPART would then exhibit this application which is likely to occur in March to April 2026, and our community can provide feedback directly to IPART.

The Special Rate Variation, if approved, would apply from 1 July 2026.

# How rates are calculated



Each parcel of land in the Blacktown local government area is categorised as residential, business or farmland, and rates are charged according to these categories and the value of the land. The Local Government Act 1993 sets out how councils can categorise land and charge rates.

Your rates notice will inform you of the category in which your land falls.

## How is the value of land calculated?

The value is set by the NSW Government (the Valuer General) based on the unimproved capital value. This is the market value of the land, excluding the value of any buildings or improvements on the land, and is valued at its highest and best permitted use based on current zoning and planning restrictions.

The Valuer General is an independent statutory officer appointed to oversee the valuation system for NSW. The office is responsible for providing fair and consistent land values in NSW.

The Valuation of Land Act 1916 requires Council to levy rates using the most recent land values supplied to Council as at 1 July 2024. Revised land valuations are supplied to Council every 3 years as part of a process termed 'General Revaluation'. The 2025/26 rates have been determined using the latest available property values with a base date of 1 July 2024.

Further information on how land is valued is available on the NSW Government website [here](#).

## How does the value of my land affect my rates?

Council calculates the rates payable by using the land value of each property multiplied by a rate in the dollar, known as 'ad valorem plus minimum rate'.

If the land value multiplied by the dollar rate falls below a predetermined minimum, the minimum rate will be charged (this applies to more than 70% of our residential properties). All other properties will pay the minimum rate plus the additional rate in the dollar.

## Will my rates increase if my land value increases?

No, it depends on how an individual land valuation changes when compared with the average valuation change for Blacktown City. Generally, properties whose land valuation increase is lower than the average increase will see a reduction in rates. However, properties whose valuation increase is higher than the average for Blacktown City will see a rise to rates.

## Does council get more money when my land valuation changes?

No. Council's total income from rates revenue can't exceed the rate peg increase determined by the NSW Independent Pricing and Regulatory Tribunal. If land valuations increase across Blacktown City at an amount greater than the rate peg, Council will re-adjust the yearly rates increase to ensure the overall increase in revenue does not exceed the rate peg.



**Email** - [haveoursay@blacktown.nsw.gov.au](mailto:haveoursay@blacktown.nsw.gov.au)

**Visit** - 62 Flushcombe Road, Blacktown

**Mail** - PO Box 63, Blacktown 2148

**Call** - 5300 6000

Blacktown City Council

BlacktownCityCouncil

@blacktowncc

blacktowncitycouncil

# Business rates



## How are business rates categories determined?

All land is categorised based on its main use of either residential, farmland or business. Rates from business properties make up around 29% of our total rates revenue.

Business properties are categorised as either 'Business-general' (smaller retail and commercial businesses) or given a subcategory based on the type of activity (i.e. industrial, retail, or commercial) or the location of the property within the council area.

Council has 10 business rating sub-categories. These sub-categories are an important way to equitably share costs, as not all businesses are the same. Our sub-categories apply to specific areas which generally consist of larger businesses, such as warehouses, located in the industrial and CBD areas of Blacktown City.

Rates for business properties are calculated based on the unimproved value of the land. You can see how the proposed increase will affect your rates using the rates calculator [here](#). You will need your property ID shown on your rates notice.

## Why do businesses pay too?

Everyone benefits from well-maintained infrastructure, clean streets, functioning stormwater systems, and vibrant community spaces. Businesses rely on this environment to attract customers and investment.

## What is the SRV proposed for the business - general properties?

There are approximately 1,025 business – general properties.

We are proposing a permanent increase in the rate base of 15% in 2026/27, an 8.5% increase in 2027/28 and the assumed rate peg increase of 5% in 2028/29.

This will mean an average weekly increase of \$20.05 (\$1,043 a year) in 2026/27, \$13.07 a week (\$679 a year) in 2027/28 and \$8.34 a week (\$434 a year) in 2028/29.

## What is the SRV proposed for the 10 business sub-categories?

We are proposing a permanent increase in the rate base of 21.3% in 2026/27, an 17.7% increase in 2027/28 and a 17.1% increase in 2028/29.

The average increase for each Business – subcategory is listed overleaf.

## **Blacktown North (approximately 823 properties)**

The current average rate is \$8,117 per year. The proposed SRV will mean an average weekly increase of \$31.95 (\$1,661 a year) in 2026/27, \$33.30 a week (\$1,732 a year) in 2027/28 and \$37.81 a week (\$1,966 a year) in 2028/29.

## **CBD North (approximately 70 properties)**

The current average rate is \$11,879 per year. The proposed SRV will mean an average weekly increase of \$46.76 (\$2,432 a year) in 2026/27, \$48.74 a week (\$2,535 a year) in 2027/28 and \$55.33 a week (\$2,877 a year) in 2028/29.

## **CBD South (approximately 259 properties)**

The current average rate is \$5,516 per year. The proposed SRV will mean an average weekly increase of \$21.71 (\$1,129 a year) in 2026/27, \$22.63 a week (\$1,177 a year) in 2027/28 and \$25.69 a week (\$1,336 a year) in 2028/29.

## **CBD Mount Druitt (approximately 46 properties)**

The current average rate is \$11,379 per year. The proposed SRV will mean an average weekly increase of \$44.79 (\$2,329 a year) in 2026/27, \$46.69 a week (\$2,428 a year) in 2027/28 and \$53.00 a week (\$2,756 a year) in 2028/29.

## **M4 Corridor (approximately 1,047 properties)**

The current average rate is \$27,828 per year. The proposed SRV will mean an average weekly increase of \$109.54 (\$5,696 a year) in 2026/27, \$114.18 a week (\$5,938 a year) in 2027/28 and \$129.63 a week (\$6,741 a year) in 2028/29.

## **Marsden Park (approximately 74 properties)**

The current average rate is \$103,419 per year. The proposed SRV will mean an average weekly increase of \$407.10 (\$21,169 a year) in 2026/27, \$424.35 a week (\$22,066 a year) in 2027/28 and \$481.74 a week (\$25,050 a year) in 2028/29.

## **Mount Druitt (approximately 301 properties)**

The current average rate is \$3,799 per year. The proposed SRV will mean an average weekly increase of \$14.95 (\$778 a year) in 2026/27, \$15.59 a week (\$811 a year) in 2027/28 and \$17.70 a week (\$920 a year) in 2028/29.

## **Riverstone (approximately 296 properties)**

The current average rate is \$5,990 per year. The proposed SRV will mean an average weekly increase of \$23.58 (\$1,226 a year) in 2026/27, \$24.58 a week (\$1,278 a year) in 2027/28 and \$27.90 a week (\$1,451 a year) in 2028/29.

## **Rooty Hill and Glendenning (approximately 287 properties)**

The current average rate is \$18,944 per year. The proposed SRV will mean an average weekly increase of \$74.57 (\$3,878 a year) in 2026/27, \$77.73 a week (\$4,042 a year) in 2027/28 and \$88.24 a week (\$4,589 a year) in 2028/29.

## **Seven Hills (approximately 1,141 properties)**

The current average rate is \$7,181 per year. The proposed SRV will mean an average weekly increase of \$28.27 (\$1,470 a year) in 2026/27, \$29.47 a week (\$1,532 a year) in 2027/28 and \$33.45 a week (\$1,739 a year) in 2028/29.

# Farmland rates



## What is the SRV proposed for Farmland properties?

We are proposing a permanent Special Rate Variation (SRV) increase to farmland rates as follows:

- in 2026/27 budget year, an increase of 15%
- in 2027/28 budget year, the assumed rate peg will apply
- in 2028/29 budget year, the assumed rate peg will apply.

The table below shows the average increase for farmland properties.

	Base year 2025/26	Year 1 2026/27	Year 2 2027/28	Year 3 2028/29	Cumulative increase
Average farmland rate under the assumed rate peg	\$2,482	\$2,606	\$2,736	\$2,873	\$391
Annual increase rate peg (%)		5%	5%	5%	15.8%
Annual increase rate peg with an SRV		\$2,854	\$2,997	\$3,146**	\$664
Annual increase with an SRV (%)		15%	5%	5%	26.8%
Cumulative impact of SRV above base year levels		\$372	\$515	\$665	
Difference between SRV and rate peg only scenarios		\$248	\$261	\$273	

- \*\*A permanent SRV means that after 3 years the rate peg percentage would continue compounding on the rate levels after the SRV.
- Without a SRV, the maximum rate peg determined by IPART can be applied in 2026/27, 2027/28 and 2028/29.
- The examples used do not include the domestic waste charge and environmental stormwater management charge.



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**Visit** - 62 Flushcombe Road, Blacktown  
**Mail** - PO Box 63, Blacktown 2148  
**Call** - 5300 6000

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# Western Sydney Infrastructure Grants Program



Council was awarded \$273.1 million through the Western Sydney Infrastructure Grants program for the delivery of 12 capital projects designed to revitalise the City and generate economic growth.

Further information on these projects is available on our website [here](#). The \$273.1 million will fund the construction of the following 7 transformational projects and 5 Ward projects.

## Transformational projects

### Blacktown Aquatic Centre - \$77.2 million

This project will expand and modernise the existing centre to provide swimming facilities and heat refuge for the local community.

Works include:

- new indoor 50m swimming pool
- new 25m program pool to enhance learn-to-swim facilities for both children and adults
- refurbishment of existing outdoor pool
- inclusive amenities and changerooms
- new café, foyer and reception spaces
- landscape embellishments (including carpark)
- splashpad extension
- refurbished multipurpose fitness/ program rooms and associated amenities
- back of house facilities and new plant.

### Mount Druitt Swimming Centre - \$40.6 million

This project will expand and modernise the Centre. Works will include:

- new indoor 25m swimming pool with separate splashpad area to enhance learn-to-swim facilities for both children and adults
- inclusive amenities and changerooms
- multi-functional spaces for community use
- refurbishment of existing 50m outdoor pool
- kiosk and reception area
- landscape embellishments
- repositioned fence line
- new plant and equipment.

### Blacktown Arts and Cultural Centre - \$40 million

The Blacktown Arts and Cultural Centre is set to be a new facility consisting of galleries, performance and workspaces with a focus on engaging First Nations and multicultural community members, youth, senior citizens, schools, and art groups.

Its location and scale in the City centre will help transform it into a modern regional City serving one of the fastest growing and largest populations in Australia.

### Seven Hills Community Resource Hub - \$35.8 million

This project will deliver a new, purpose-built, multi-level library and community space to provide social services and includes:

- library
- community spaces
- shared spaces
- carparking and landscaping.

### Mount Druitt Hub and public domain - \$26.8 million

This revitalisation project will expand and modernise the existing community centre and library to create an environment for learning, work and play. It includes precinct wide upgrades to the public domain.

The Hub expansion part of the project is funded under the Western Sydney Infrastructure Grants program. The new extension includes:

- library extension and refurbishment
- community hub and Senior Citizens Centre extension

- shared spaces
- cultural plaza works
- carparking and landscaping.

## Police Citizens Youth Club facility in Shalvey - \$25.4 million

This project is a partnership between Council and the NSW Police Citizens Youth Club. It will deliver a first-class sporting and community hub for Shalvey and the broader Mount Druitt community.

Works will include:

- a new, safe and modern community space for sport and play
- two new multipurpose courts
- a new and inviting outdoor space for our community to feel welcomed, improving the sense of community ownership.

## First Nations Cultural Hub - \$19.6 million

A First Nations Cultural Hub in Mount Druitt will be designed and built for First Nations communities, led by Dharug Traditional Owners.

The new hub will become a space to gather, share ideas and foster a sense of belonging for local First Nations peoples. It will provide dedicated indoor and outdoor spaces.

## Ward projects

### Community infrastructure in Blacktown City - \$2.2 million

This project includes the upgrade to 3 community and aquatic centres, including splash pads at Riverstone swimming centre and Charlie Lowles leisure centre at Emerton.

### Reserve embellishment - Tallawong Reserve and Rosenthal Park - \$2 million

This project will upgrade 2 parks to provide improved play areas, pedestrian access, and sport and picnic areas.

### Community park refurbishment at Ashley Brown Reserve North - \$1.6 million

This project will enhance the ageing sports ground to support the community's lifestyle, health and wellbeing.

### Quality green and open spaces in Blacktown City - \$1.2 million

This project will deliver upgrades to sports fields and community infrastructure across 5 locations.

### Local traffic programs - \$0.7 million

This project will enhance and improve streetscapes, and road and pedestrian safety.

## Why these projects are part of the SRV

In accepting the NSW Government grants, Council committed to operating and maintaining the new and enhanced facilities for the benefit of our community.

If we did not do this, we would be required to repay the grant funds to the NSW Government, the amount of \$22.68 million of which has already been expended as of 31 August 2025, as well as deny our community these new facilities and the services they will provide.

The alternative is to reduce existing services to fund this operational subsidy, which is not Council's intent. We will use a component of the proposed Special Rate Variation to fund the ongoing operational subsidy for these new and enhanced facilities.

Council at its Ordinary meeting on 24 May 2023 (report CT430024), acknowledged the impact to our operating budget, as the 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 an SRV, as it was not Council's intent to reduce other services in order to open new facilities.

# Asset maintenance and renewal



A major ongoing challenge for all NSW councils is the need to provide adequate levels of funding for the maintenance and renewal of ageing infrastructure.

One of the most common reasons for the 111 Special Rate Variation (SRV) applications made to the Independent Pricing and Regulatory Tribunal over the past 10 years, was to increase funding for asset maintenance and renewal.

## What is asset maintenance?

Work that is necessary to keep an asset at an appropriate service condition, including ongoing day-to-day work necessary to keep it operational for e.g. repairing a pothole. Regular maintenance at appropriate intervals helps ensure we can maximise the useful life of our assets.

## What is asset renewal?

Work that restores and rehabilitates the condition of an asset up to its original state for e.g. resurfacing a road.

## Our infrastructure renewal backlog is \$108 million

As at 30 June 2024 our infrastructure renewal backlog was estimated at \$108.4 million. Our present estimate of the increase in this backlog, as of 30 June 2025, is \$146.4 million (this increase is largely due to the impacts of prolonged wet weather on our road network). Without additional funding we project the backlog will reach \$285 million by 2034/35 and \$706 million by 2042/43.

Our Asset Management Strategy 2025 - 2035 identifies that our infrastructure asset value is projected to grow by \$1.1 billion, and our

ageing infrastructure and the requirements of future infrastructure, will progressively exceed current available funding.

This will require a significant increase in funding for maintenance of our infrastructure, which is not available from the current rate pegging system without significant cuts to other services.

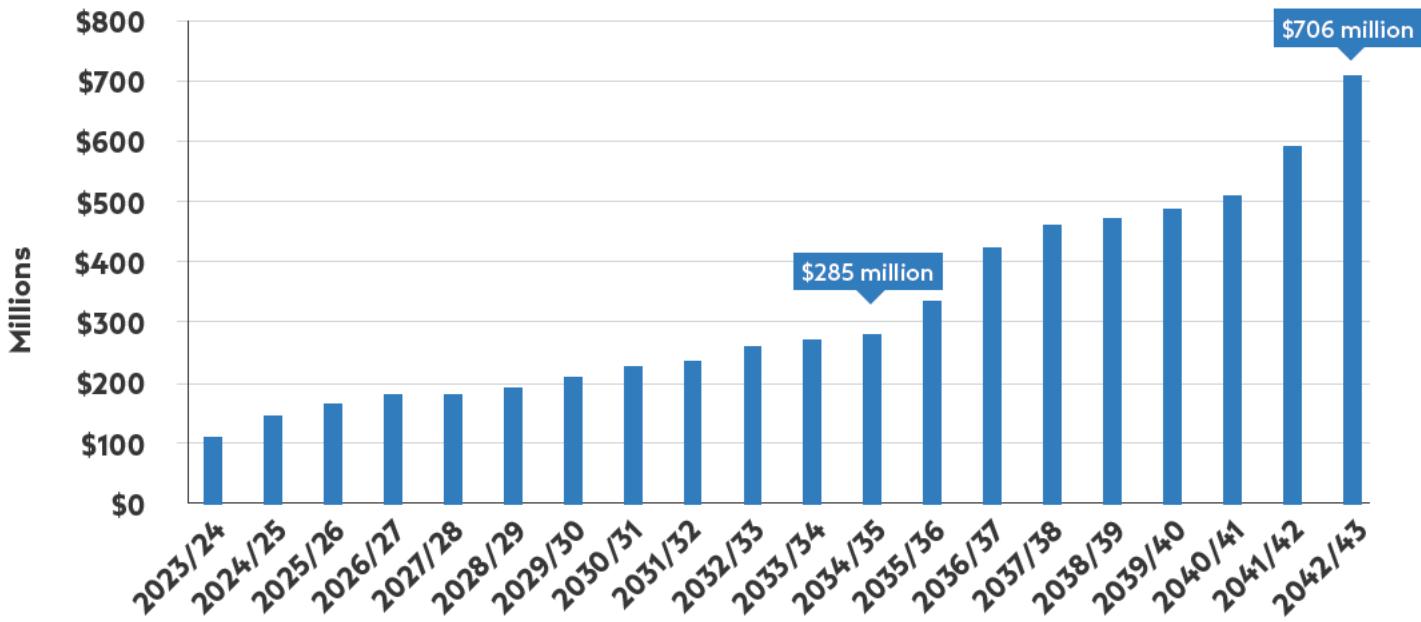
The allocation of \$10 million a year from the proposed SRV will help us to fund additional asset renewal (capital expenditure) to address this infrastructure backlog. It will also provide additional funds for asset maintenance (operational expenditure) which will be used to enhance the longevity of our assets by extending the period of time until the asset is required to be replaced.

The additional \$10 million towards asset maintenance and renewal, strikes an appropriate balance of committing sufficient funds now to help keep the infrastructure backlog at a manageable level, whilst minimising the impact of the proposed SRV increase.

As mentioned earlier, funding increased maintenance and renewal of ageing infrastructure is an ongoing challenge for all local government councils across NSW, with a current infrastructure backlog for NSW councils exceeding \$7.5 billion.

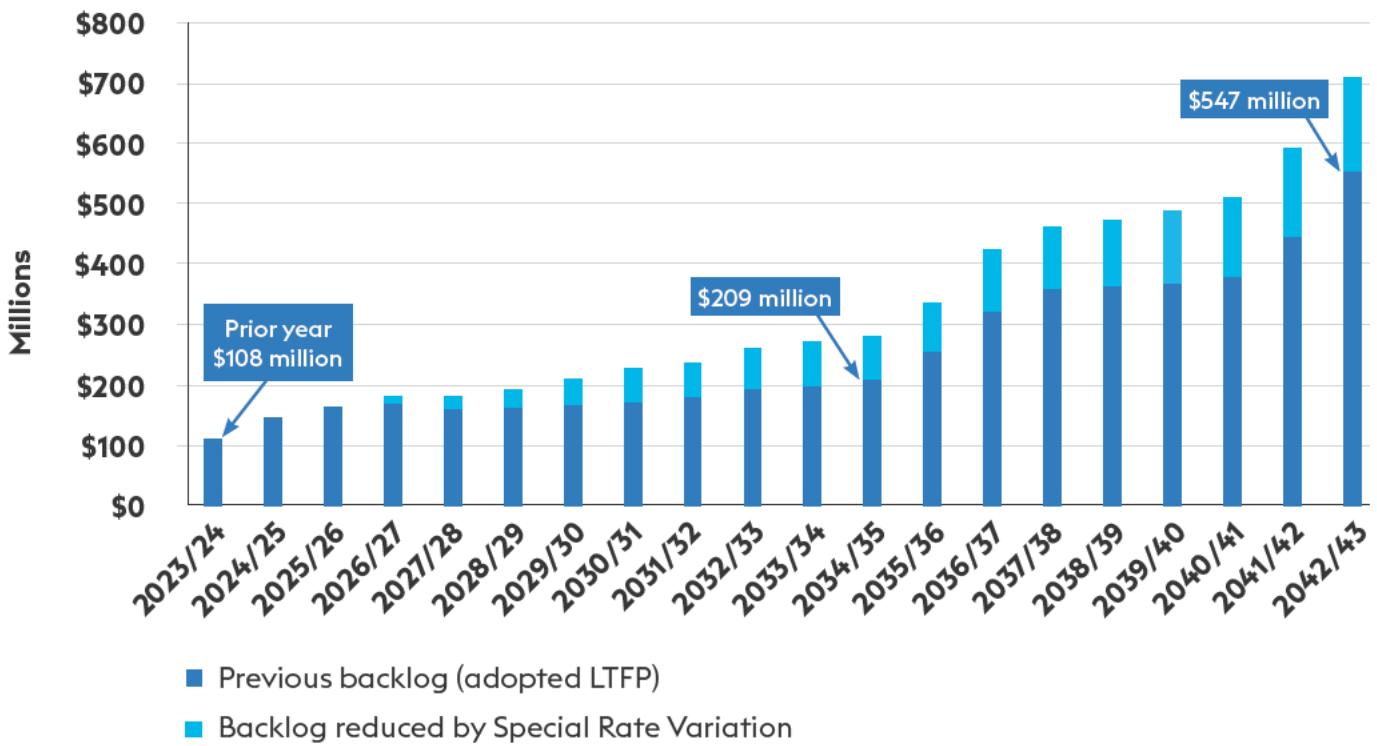
Our Long Term Financial Plan 2025-2035 includes a number of financial performance benchmarks that are set by the Office of Local Government and include a 'Building and infrastructure renewal ratio'. This ratio measures the adequacy of funding for asset renewal with a benchmark of 100%. We are well below this target at 35.52% for 2023/24.

## Our projected future asset renewal backlog without the Special Rate Variation



## Our projected future asset renewal backlog with the Special Rate Variation

With this additional funding we project our asset renewal backlog of \$706 million by 2042/43 would be reduced to \$547 million.



## What are the \$7.1 billion worth of assets that Council manages?

As at 30 June 2024, all of our assets, including items such as equipment and land under roads, is valued at \$7.1 billion. The below information shows our infrastructure asset categories.

### Roads



**46%** of all Blacktown city infrastructure

**\$2.64bn** replacement cost

**1,547km** sealed roads  
**13km** unsealed roads  
**2,212km** kerb and gutter

### Stormwater



**25%** of all Blacktown city infrastructure

**\$1.44bn** replacement cost

**53,114** stormwater pits  
**1,347km** underground pipes  
**240** water sensitive urban design devices  
**105** detention basins  
**359** pollution control devices

### Buildings and facilities



**12%** of all Blacktown city infrastructure

**\$689m** replacement cost

**32** community centres  
**4** library buildings  
**34** KEL/preschool/baby health  
**195** amenities facilities  
**9** emergency services  
**31** aquatic centre buildings  
**49** council operational  
**7** age & disability  
**79** residential/commercial  
**6** investment properties  
**43** community facilities

### Parks, playgrounds and sports fields



**6%** of all Blacktown city infrastructure

**\$372m** replacement cost

**1,906ha** total area  
**125** bridges  
**175km** paths/cycleways  
**179** courts  
**135** cricket wickets  
**187** sports fields  
**444** playgrounds  
**131** irrigation systems  
**3,311** lighting poles  
**9,718** park furniture  
**1,426** structures

### Footpaths and cycleways



**5%** of all Blacktown city infrastructure

**\$315m** replacement cost

**1,952km** footpaths  
**53km** public pathways

### Transport



**3%** of all Blacktown city infrastructure

**\$96m** replacement cost

**349** car parks  
**311** bus shelters  
**907** traffic management devices

### Bridges



**2%** of all Blacktown city infrastructure

**\$96m** replacement cost

**120** bridges

# Public administration centres



## Why does Council need new offices?

Blacktown City Council is, by population, the largest council in NSW, and the fourth largest in Australia. For over 40 years its population has grown annually by an average of 6,000. This sustained rapid growth has meant an increase in the number of staff, which will continue as our City grows to 600,000 people.

Council's current Civic 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, as our staff numbers have continued to grow, we have needed to locate staff across 5 different offices as they can no longer be accommodated in our current Civic administration centre.

The Civic administration centre and adjoining buildings were sold in 2023, as an essential part of Council's strategy to redevelop the Blacktown central business district to drive the economic growth of the city through private sector investment and job creation. Council is leasing these premises until new buildings are constructed.

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 our existing and future needs. Council is proposing to respond to Blacktown City's population growth and development by constructing public administration centres in the Blacktown City centre and at Rooty Hill.

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 two office strategy addresses key office accommodation risks (timing, building costs and attracting workforce) and cultural and operational challenges, both for the present and also the future.

## Public exhibition of preliminary business cases

Council is currently exhibiting the preliminary business cases for both public administration centres for 42 days from 15 September to 26 October 2025, in line with the requirements of the NSW Office of Local Government's Capital Expenditure Guidelines.

The preliminary business cases set out the:

- need for the public administration centres
- options considered
- economic costs and benefits
- compliance with legislative requirements
- proposed stakeholder engagement
- social benefit and risk management analyses.

## Proposed City centre public administration centre

Council's staff are currently spread across multiple old and inefficient buildings. The new building consolidates operations into a modern office space. The new building will also contain the council chambers, a conference room, a new customer service centre and a community hub that serves the city centre and surrounds.

The location for the new public administration centre is in the Warrick Lane precinct on Yan Willama Road.

Council's key reasons for choosing this location are:

- It is close to the Blacktown train station and the bus Transitway.
- It is located within a master planned mixed use precinct.
- Having the Council building on this site is expected to drive further development in the Warrick Lane precinct and in the nearby Main St area.

- It builds on the earlier investment in the Warrick Lane Precinct and will deliver design excellence and improve the value of the remaining development sites to maximise the future revenue to Council for these sites.
- The new building will be highly visible on this site and a prominent Blacktown landmark.
- The site's zoning permits office development.
- Building construction can commence without the need to move Council staff and temporarily relocate them.
- The building construction costs are comparable to the two other shortlisted sites, but we can build earlier and avoid escalation as the land is owned by council, vacant and remediated. The other sites are not development ready.
- The site is located directly opposite the rail station and is serviced by bus routes. The train trip between Rooty Hill and the Blacktown City centre is only 6 minutes.
- The site is adjacent to Council's main depot. It consolidates council's activities in Rooty Hill to complement existing depot operations.
- There are efficiencies that can be gained by co-locating some of Council's teams near the depot. As depot based staff can share the training and other facilities provided in the new office
- The site has the ability to incorporate a significant new outdoor public 'room'/ plaza/meeting place of approximately 500 square metres significantly improving the public domain at the entry to the town centre.
- Significant economic benefits will result in the Rooty Hill town centre with the influx of office workers.
- Provides a quality landmark building at the entry to the town centre which is expected to catalyse further investment in the town centre
- Development at this location activates the town centre and improves passive surveillance and a sense of safety in an around the station precinct.
- There is no loss of public parking. Some parking is relocated nearby and reconfigured. All public parking spaces are upgraded with new decked parking at Kalunga Lane. After office hours and on the weekends, staff parking spaces in Kalunga Lane will be available for use by the public, increasing the amount of public parking at these times.

## Proposed Rooty Hill public administration centre

The new building in the Rooty Hill Town Centre will also consolidate staff spread across multiple buildings, into a modern office space.

The new Rooty Hill building will contain a dual purpose facility that will operate as a training centre for most of the time, with capability to be used as an emergency operations centre. The preferred location for the Rooty Hill building is opposite the Rooty Hill train station on North Parade.

Council's key reasons for choosing this site for the second building are:

- Council owns the land and can make use of an existing asset.
- Rooty Hill is conveniently located between the 2 major centres of Mount Druitt and Blacktown.

# Why the SRV is part of our funding strategy



Council's general operating revenue, of which rates and charges make up around 41%, funds our essential infrastructure and services to our City, with limited ways for Council to increase its revenue.

Many councils use the additional rating revenue from a Special Rate Variation (SRV) to fund specific strategic initiatives and major projects that are essential and cannot be otherwise adequately funded.

Council can only use available discretionary funding for the construction of the new public administration centres. Non-discretionary funding (such as most Council grants and Developer contributions) can't be used for this purpose. As there are already many competing demands for funding from our available discretionary funds, without the component of the SRV forming a part of the overall funding strategy, we would need to find equivalent funds by significantly reducing our existing range and quality of services to the community and our capital works budget.

## What are the other sources of funding for the new public administration centres?

The proposed funding strategy for the two new public administration centres includes fixed sources of funding, including external loan borrowings of up to \$202.3 million (with the amount of borrowings dependent on

timing of construction and land sales), annual allocations from our Infrastructure sinking fund (an internal fund set up in 1998 to support the funding of important infrastructure across Blacktown City), and rental income.

The variable components include land sales and interest earned on the Office accommodation reserve that was set up in 2023 to hold the funds allocated from the various funding components.

## Why can't Council get money from the NSW Government for the new administration buildings?

In the same way that the NSW Government expects that councils will fund all community facility buildings when land is developed, the NSW Government does not provide grants for council buildings. Although Council needs to build new public administration centres to service our growing community and deliver services efficiently, the expectation is that Council will find these funds despite the challenges to our future financial sustainability.



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# Cost Shifting 2025

## Report Summary



## How State Costs Eat Council Rates

**The financial sustainability of councils across New South Wales is now at a critical juncture. Both Federal and State Parliamentary Inquiries have recognised cost shifting as one of the most significant contributors to the financial concerns of local government.**

### What is cost shifting?

Cost shifting occurs when state and federal governments force councils to assume responsibility for infrastructure, services and regulatory functions without providing sufficient supporting funding.

### How bad is cost shifting in NSW?

Cost Shifting 2025: How State Costs Eat Council Rates, by independent consultants Morrison Low, reveals that NSW councils are currently being asked to absorb cost shifting worth more than \$1.5 billion each year. The practice has imposed an estimated cumulative burden of more than \$11.31 billion over the last decade.

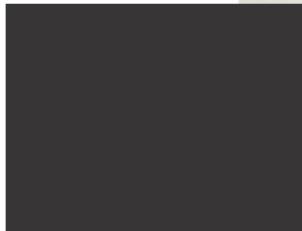
Importantly, as cost of living pressures for households only seem to be rising every month, cost shifting now amounts to an average annual cost of \$497.40 paid by each NSW ratepayer.

This average figure equates to nearly \$500 per ratepayer that councils cannot invest in the services and infrastructure their communities need and deserve. New libraries, sporting facilities or youth development programs are forfeited, road repairs are delayed, and rates have to rise as funds are instead diverted towards the unrecoverable cost of services, programs and functions that are imposed on councils, overwhelmingly from the NSW Government.

### What needs to change?

The NSW Government needs to take urgent action to address cost shifting onto councils and their communities, through a combination of regulatory reform, budgetary provision and appropriate funding.

As always, LGNSW stands ready to work with the state government to address the practice of cost shifting and to strengthen the financial viability of our councils so they can continue the good work of supporting our communities.



## What's eating council rates?

**\$1.5 Billion**

Cost shift to council per year



Analysis by independent consultants Morrison Low calculated the total cost shifted onto councils in the 2023/24 financial year at **\$1.5 billion**.

**\$11.31 Billion**

Estimated cost shift to councils over the past decade



This is an increase of 10 per cent since the 2021/22 financial year, when the total cost shift was estimated at **\$1.36 billion**.



In 2023/24, each NSW ratepayer had the equivalent of **\$497.40** of their payments to councils eaten by costs imposed on councils by other spheres of government. (Up from \$460.67 in 2021/22). These are overwhelmingly state government costs.

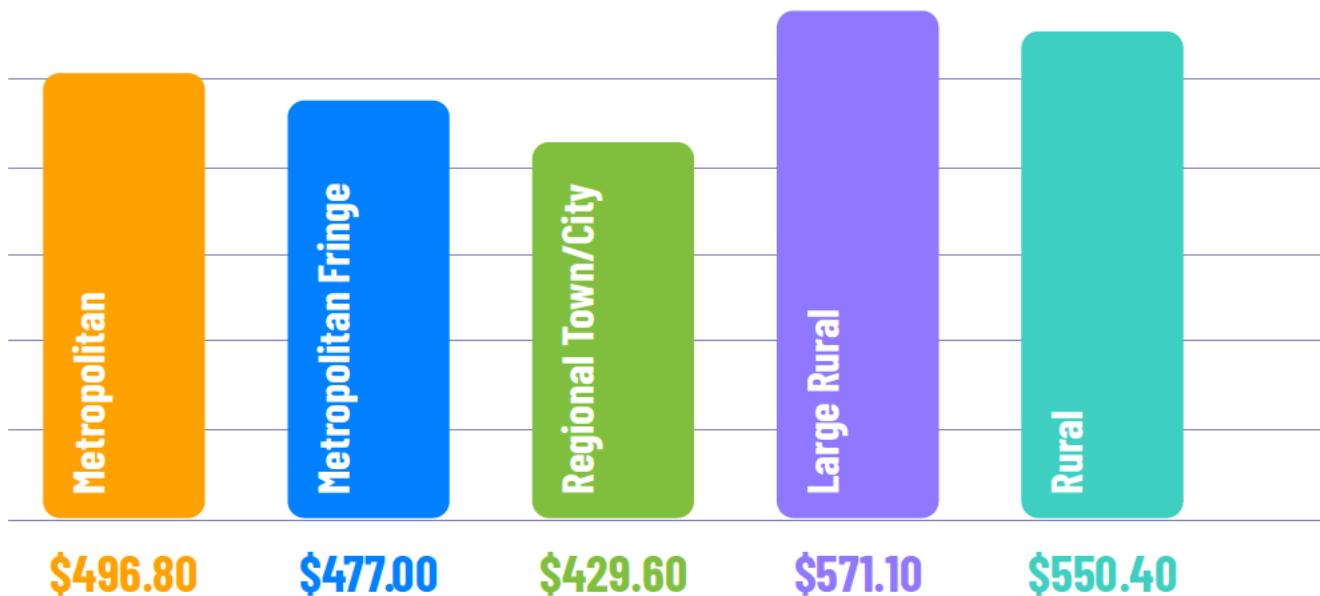
**\$497.40**

Per ratepayer per year

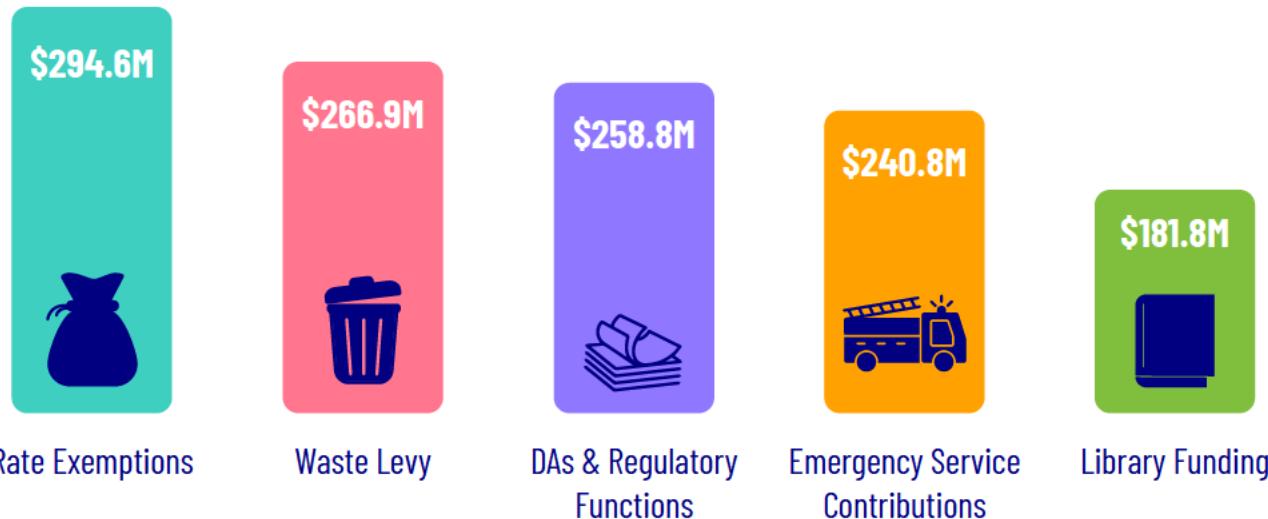


The amount of council revenue absorbed by cost shifted obligations ranges from **\$429.60 for ratepayers in regional towns and cities**, to **\$571.10 for ratepayers in large rural councils**

### Cost shift per ratepayer per year by council classification



## Top Five Cost Shifts onto NSW Councils



### Forced rate exemptions

Councils are required to exempt profit-driven state-owned corporations and other organisations from paying rates, even though they use and benefit from local government services and infrastructure. As they are exempt from paying rates, the burden of the costs they incur is shifted to ratepayers to fund. Examples of exempt organisations include NSW Forestry Corporation, private schools, and non-government social housing providers. These are state government responsibilities, and the cost should be distributed across the state and borne by the State Government – not by local communities.

### The waste levy

The waste levy is an invisible NSW Government tax on ratepayers. The waste levy is a levy paid by waste facilities in metro and some regional areas to the NSW Government. The cost of this levy is recovered through the waste collection fees levied by councils, in effect shifting the burden of this State Government tax onto ratepayers.

### Development assessment and regulatory functions

Councils incur costs of increased regulatory responsibilities that are not fully funded by fees and charges. The most significant regulatory function cost shift is for assessing development applications. Development assessment fees are set by the NSW Government and are generally set well below the actual cost for this function. Councils are also being increasingly called upon to provide written feedback on State Significant Developments, which consumes significant resources without any cost recovery mechanism available.

### Emergency services contributions and obligations

Councils are required to fund 11.7 per cent of the cost of the NSW Government's emergency services in addition to other financial obligations. From 2024-25, the rate peg methodology has changed to allow for an Emergency Services Levy (ESL) factor which will increase the rate peg to cover expected increases in council contributions. While this will partly address cost shifting concerns, LGNSW is calling for the NSW Government to remove the ESL from councils entirely as part of its current review.

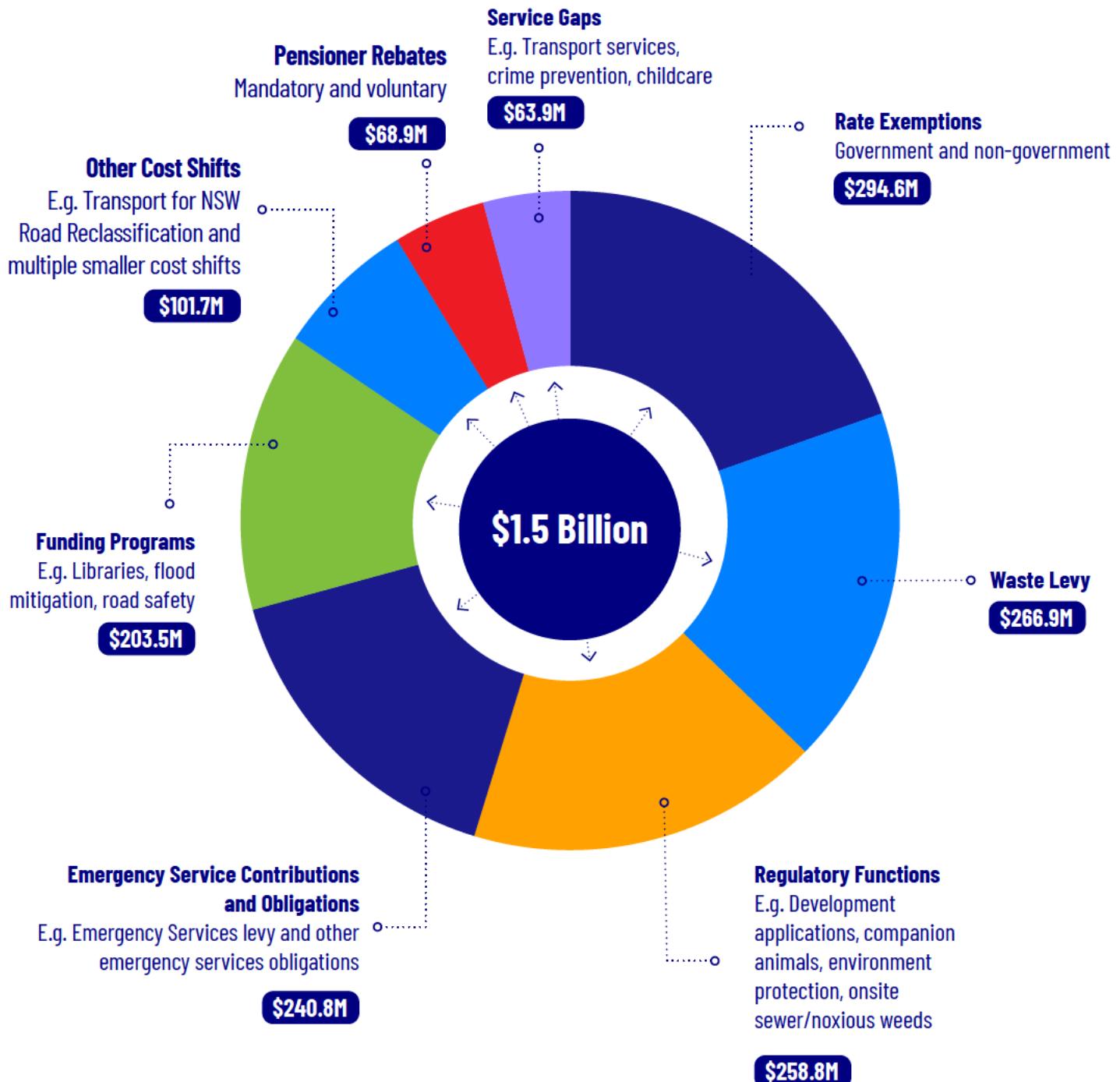
### Library funding

Many funding programs announced by state or federal governments are required to be delivered by local government but are either not fully funded or have their funding reduced over time leaving councils with the decision to either continue the program – and make up the burden of the cost – or cease the program entirely. An example of this is libraries, where the original commitment from NSW Government was to fund up to 50 per cent of libraries' cost for many councils. The NSW Government now funds just 6 per cent of the total costs, leaving councils to fund an additional \$181.8 million to make up the shortfall.

### Other cost shifts

Multiple smaller and emerging cost shifts are detailed in the full report.

# Cost shifting components



Local Government NSW

GPO Box 7003 Sydney NSW 2001

L8/ 28 Margaret St. Sydney NSW 2000

02 9242 4000

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