

22 November 2022

Mr Edward Jenkins
Principal Analyst
Independent Pricing and Regulatory Authority
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Mr Jenkins,

Further to our recent telephone conversation, I wish to formally advise of Council's intention to apply for a special rate variation and minimum rate increase.

At its meeting on 15 November 2022 Council resolved as follows (a copy of the extract of the Council minutes is attached – see item no.11.2):

That:

1. The feedback received through submissions received during the community engagement process relating to the updated Long Term Financial Plan (LTFP) and the proposed Special Rate Variation (SRV) be noted.
2. The updated Long-Term Financial Plan (2023/33) dated August 2022 attached to the report be adopted.
3. Council make application to the Independent Pricing and Regulatory Tribunal (IPART) for:
 - (i) under section 508A of the Local Government Act 1993, increases to the ordinary rate income of 15.49% in 2023/24 (including the rate peg), 4.81% in 2024/25 (including the rate peg), 4.69% in 2025/26 (including the rate peg), and 4.58% in 2026/27 (including the rate peg), representing a total cumulative increase of 32.5% over the four-year period, with that increase to be a permanent increase retained within the rate base.
 - (ii) the Minimum ordinary rate for residential and business categories to be set as follows:

2023/24	\$879.70	an increase of 15.49%	(including the rate peg)
2024/25	\$953.95	an increase of 8.44%	(including the rate peg)
2025/26	\$1,030.06	an increase of 7.98%	(including the rate peg)
2026/27	\$1,108.07	an increase of 7.57%	(including the rate peg).
4. The submissions received during the community engagement process relating to the proposed Special Rate Variation referred to in 1. above be included as part of the applications to IPART referred to in 3. above.

5. Two versions of the Operational Plan and Budget, one based on an approved SRV as proposed and the other based on the absence of the SRV, be presented to Council in conjunction with Council's consideration of the Delivery Program, Operational Plan and Budget for 2023/24.

In summary, Council's intended special variation is for an increase of 32.5% over a four year period, commencing in 2023/24 with the yearly increases being 15.49% in 2023/24 (including the rate peg), 4.81% in 2024/25 (including the rate peg), 4.69% in 2025/26 (including the rate peg), and 4.58% in 2026/27 (including the rate peg).

This intended increase also includes progressively increasing the current minimum rate of \$761.71 to \$1,108.07 in 2026/27. This represents an increase of 45.47%.

In considering the proposal for a special variation, Council assumed a rate peg of 3.25% (whilst noting that the rate peg for 2023/24 has been set at 3.70%), and identified the following services and asset renewals as the purpose of the addition in rates revenue totalling \$8.28 million over the four year period.

Service Area	Purpose of service increase	Operational per year (\$000)	Capital per year (\$000)
Buildings and trade maintenance	Increase maintenance and management of buildings	\$590	
Cleansing operations for public areas	Expand town centre cleaning and footpath sweeping	\$400	
Community services	Expansion of Community Development services	\$500	
Environmental sustainability	Enhanced biodiversity programs	\$155	
Environmental sustainability	Enhanced environmental sustainability services	\$130	
Environmental sustainability	Increase in funding to implement Climate Risk Strategy	\$120	
Governance	Increase in resources for Internal Audit, Risk and Governance	\$200	
Information systems	Renewal and systems expansion for Information Technology		\$250
Other	Business improvement programs - project management, systems and processes	\$400	
Place Management	Increase resources to deliver a Cultural Plan	\$150	
Road maintenance services	Expand Footpath Management program	\$220	

Service Area	Purpose of service increase	Operational per year (\$000)	Capital per year (\$000)
Sports fields and golf courses/garden services and bushcare	Increase resources for Open Space assets	\$670	
Statutory planning	Increase resources to reduce assessment times for Development Applications	\$300	
Strategic planning	Deliver commitments under State-led strategies (Rhodes and Parramatta Road corridor)	\$600	
Strategic asset management	Increased resources to renew assets including Roads, Footpaths and Seawalls		\$2,900
Strategic asset management	Increased resources to maintain and renew drainage assets	\$100	\$150
Traffic and transport	Increase resources for Strategic Traffic Management	\$200	
Tree services	Expand Tree Maintenance and Management service	\$245	
Total		\$4,980	\$3,300
Grand Total			\$8,280

Council's Manager Finance, [REDACTED], will be Council's principal contact in relation to its application. Mark's contact details are as follows:

Email – [REDACTED]
Phone – [REDACTED]
Mobile – [REDACTED]

I trust that this letter is sufficient in advising of Council's intention. It is noted that the due date for applications is 3 February 2023. Should you require any further information relating to the contents of this letter please don't hesitate to call me on [REDACTED].

Kind regards,

[REDACTED]

[REDACTED]

Director Corporate Services and Strategy

11 CORPORATE SERVICES AND STRATEGY DIRECTORATE REPORTS**ITEM 11.1 GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

RESOLVED 273/22

Moved: Cr Bazouni

Seconded: Cr Cordaro

That Council receive the audited Financial Statements for the year ended 30 June 2022 and the auditor's report from the Audit Office of NSW.

CARRIED

Note: Item 11.3 – Cash and Investments Report for October 2022 was considered next.

ITEM 11.2 PROPOSED SPECIAL RATE VARIATION AND UPDATED DRAFT LONG TERM FINANCIAL PLAN - OUTCOMES OF COMMUNITY ENGAGEMENT

Note: The following people addressed Council on this item:

- *Mr Christopher Castley*
- *Mr Richard Cowan*
- *Ms Anne Parsons*
- *Mr John Nijdam*
- *Mr Davide Defendi*
- *Ms Antonella Franze*
- *Mr Bruce Flood*
- *Mr Robert Price*
- *Ms Jennifer Dixon*
- *Mr Ross Butler*
- *Mr Grant Rogers*

Note: Ms Antonelle Franze tabled a petition.

RESOLVED 274/22

Moved: Cr Cordaro

Seconded: Cr Megna

That:

1. The feedback received through submissions received during the community engagement process relating to the updated Long Term Financial Plan (LTFP) and the proposed Special Rate Variation (SRV) be noted.
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2. The updated Long-Term Financial Plan (2023/33) dated August 2022 attached to the report be adopted.
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 - (ii) the Minimum ordinary rate for residential and business categories to be set as follows:
 - 2023/24 \$879.70 an increase of 15.49% (including the rate peg)
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 - 2026/27 \$1,108.07 an increase of 7.57% (including the rate peg).
 4. The submissions received during the community engagement process relating to the proposed Special Rate Variation referred to in 1. above be included as part of the applications to IPART referred to in 3. above.
 5. Two versions of the Operational Plan and Budget, one based on an approved SRV as proposed and the other based on the absence of the SRV, be presented to Council in conjunction with Council's consideration of the Delivery Program, Operational Plan and Budget for 2023/24.

CARRIED

Note: Resumption of Standing Orders (Min No. 266/22) was considered next.

ITEM 11.3 CASH AND INVESTMENTS REPORT FOR OCTOBER 2022

RESOLVED 275/22

Moved: Cr Little

Seconded: Cr Bazouni

That the Cash and Investments Report for October 2022 attached to the report be received and noted.

CARRIED
