

IPART NSW
Attention: CEO Liz Livingstone
PO Box K35
Haymarket Post Shop
NSW 1240

Dear Ms Livingstone,

Application for Additional Special Variation

I wish to advise that the City of Canada Bay is making application for the Additional Special Variation (ASV) under s508(2) of the Local Government Act 1993.

Council's application seeks a permanent single year variation to the 2022-23 rate peg, and the percentage sought in the application is 2.5%, being an additional 1.3% above the 1.2% currently prescribed for Council.

Council reviews and updates its Long-Term Financial Plan (LTFP) annually, with the most recent review undertaken prior to the commencement of the 2021/22 financial year. A draft LTFP for 2022/23 and beyond is currently on public exhibition. Council's LTFP, as updated for the financial year 2021-22, forms the basis of this application.

In addition to submitting the completed application form, the following information is also provided:

- Council's 2018-19 to 2028-29 Long Term Financial Plan detailing projected income increase from rates for 2022-23 of 2.5%.
- LTFP modelling revisions of the adopted LTFP for the 2021/22 financial year.
- A copy of the minutes of the Council meeting of 19 April 2022 at which it resolved, in part:

That Council notes the financial need for the Additional Special Variation income adjustment resulting from the following budgetary pressures:

- 1. an increasing burden as a result of cost shifting from other levels of government*
- 2. continuing impacts of Covid on revenue and expenditure*

3. *additional costs of construction, operating and maintaining new assets because of growth and development*
4. *increasing costs to procure goods and services being consistently higher than rate pegging increases as determined by IPART*
5. *downward pressure on investment income*
6. *lower than expected rates growth*

At that meeting Council also resolved that it be noted that it has considered the impact of the proposed 2.5% Additional Special Variation rate increase on ratepayers and the community for 2022-23 and for future years (as was detailed in the report to Council), and considers that the Additional Special Variation, if approved, is reasonable.

Your consideration of Council's application is appreciated.

Should you require any additional information or clarification, please do not hesitate to contact Council's Manager Finance, Mark Wohlfel on (02) [REDACTED]

Your sincerely,

[REDACTED]

Evan Hutchings
Director, Corporate Services and Strategy

29 April 2022