

Our Contact: Paul Woods
Direct Phone: (02) 9330-9501
Our Reference: SRV2013



AUSTRALIAN
SUSTAINABLE CITIES
WINNER 2011

14 December, 2012

Local Government Team
The Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

Dear Sir/Madam,

Intention to Apply - Application for a special variation to general income under s508A of the Local Government Act 1993

Kogarah City Council would like to lodge its intention to apply for a special variation to general income under s508A of the Local Government Act 1993.

Council adopted its first Community Strategic Plan at its meeting of 27 April 2010. Following the election of the new Council in September 2012, a detailed review has been conducted of Council's Community Strategic Plan. Part of the review process included producing a new Delivery Program in conjunction with an updated Resourcing Strategy.

The draft integrated planning documents were endorsed by Council at its meeting on 10 December 2012. The Council resolved at that meeting to place the draft documents on exhibition through to 14 February 2013.

During the development of Council's first Community Strategic Plan Council undertook extensive community consultation spanning an eighteen (18) month period. The review of the Community Strategic Plan and the subsequent development of the 2013 – 2017 Delivery Program have been based on information and feedback gathered from a series of community consultations conducted over the past three years.

Council is committed to the integrated planning process and is proposing to set the rates for the next four financial years to align with the new draft Delivery Program 2013-2017 that is currently on exhibition and the new Council term.

Council has two (2) special rate variations currently approved. The first is a Section 508(2) variation being an environmental levy of 3% that will expire at the end of the current financial year (2012/13). The second is a Section 508A variation of 5.9% for four (4) years concluding 30 June 2014.

As part of Council's application it is proposed that the expiration date of the current Section 508A application be changed to 30 June 2013. As a reflection of Council's commitment to its residents and to support the extensive consultation process undertaken prior to the granting of

Document2

CUSTOMER SERVICE CENTRE

84 Railway Parade,
Kogarah NSW 2217
PH: 02 9330 9400
FAX: 02 9330 9560

EMAIL: mail@kogarah.nsw.gov.au



Page 1 of 2

POSTAL ADDRESS

Locked Bag 8,
Kogarah NSW 2217
DX 11118 Kogarah

WEBSITE

www.kogarah.nsw.gov.au

the existing Section 508A variation, it is Council's intention that the rate variation for year one (1) of the proposed SRV be identical to that offered to be relinquished being 5.9% inclusive of rate pegging to continue the infrastructure program detailed in the previous SRV application.

In year one the 5.9% proposed increase would be reduced by the removal of the environmental levy of 3% at the end of 2012/13 and a further 0.1% repayment of part of the carbon tax advance, resulting in an effective increase for ratepayers of 2.8%.

For the remaining three years of the term of the draft Delivery Program (2014-2017) the proposed rate is to be set at 4.8% p.a. (inclusive of rate pegging).

A summary of the variations is as follows:

Year 1 – 2013/14 Financial Year – 5.9% inclusive of rate-pegging limit with an effective increase to ratepayers of 2.8% generating approximately \$641,322

Year 2 – 2014/15 Financial Year – 4.8% inclusive of rate-pegging limit generating approximately \$1,130,193

Year 3 – 2015/16 Financial Year – 4.8% inclusive of rate-pegging limit generating approximately \$1,184,443

Year 4 – 2016/17 Financial Year – 4.8% inclusive of rate-pegging limit generating approximately \$1,241,296

Once the Integrated Planning documents have come off exhibition and all consultation with the community has been considered Council can make a determination on proceeding with the proposed application for a special variation. A more detailed percentage and dollar increase will be provided in the full application.

Council will continue to keep IPART fully informed of its processes as it finalises both the Integrated Planning Documents and proposed application.

The contact officer for any details in relation to the special rate application is Paul Woods – General Manager. Paul can be contacted on (02) 9330-9501 or email: paul.woods@kogarah.nsw.gov.au

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Woods', followed by a small dot.

Paul Woods
General Manager