

Media Release

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Strictly Embargoed until 7 AM Monday 17 May

NSW Local Council rate increases

The Independent Pricing and Regulatory Tribunal (IPART) has made decisions on special variation applications from eight councils to increase their income from rates above the rate peg (details in table below).

“We appreciate the large number of submissions we received from ratepayers on the applications and would like to assure the community that these submissions were carefully considered.

“IPART had to balance community concerns against some councils’ demonstrated need for additional revenue to provide important community facilities such as roads, parks, playgrounds and libraries,” said Acting Chair Deborah Cope.

Councils are also required to show that they have conducted community consultation, assessed the impact on ratepayers as well as made productivity savings where possible.

IPART has approved special variation applications for single year increases for 2021-22 for Armidale Regional Council, Federation Council and Tweed Shire Council.

We have also approved multi-year increases for Canterbury Bankstown Council, Cootamundra-Gundagai Regional Council and Georges River Council.

IPART has decided to approve a temporary increase for Central Coast Council. This will allow the council to increase its general income from rates for three years only.

We have also approved a temporary 2-year increase for Liverpool Plains Shire Council.

The rate peg for 2021-22 is set at 2.0%. It is the maximum percentage amount by which a council can increase its income from rates.

Councils requiring additional revenue are able to apply to IPART for increases above the rate peg, known as special variations.

“We have attached conditions to the special variation approvals requiring the councils to use the additional income for the purposes outlined in each application.

“The Councils are also required to report to the community about how the additional revenue is spent,” said Ms Cope.

IPART has also approved increases to the minimum rates of four councils. These are Bayside Council, Canterbury Bankstown Council, Georges River Council and Inner West Council. These applications respond to a government requirement to harmonise rates and will allow the councils to make rating structures consistent across the newly merged councils. Harmonising minimum rates will not change the council’s general income overall.

The full reports on all of the councils' applications are available on IPART's website <https://www.ipart.nsw.gov.au/Home>

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Council	Application type - Special rate variation (SV) / Minimum Rate (MR)	Total % increase approved including the rate peg	Stated purpose
Armidale Regional	SV only	SV - 10.5% increase in 2021-22, retained permanently in the rate base,	Maintain current service levels, fund renewal of infrastructure and ensure financial sustainability
Bayside	MR only	MR –four year transition to \$844.16 for residential and business customers by 2024-25	Legislative requirement to harmonise to one rating structure. Distribute rate burden more equitably
City of Canterbury Bankstown	SV and MR	SV – 36.34% cumulative increase over five years, retained permanently in the rate base MR – \$728.18 for residential and \$794.27 for business ratepayers in 2021-22; \$850 and \$990 for residential and business in 2022-23 and 2023-24 respectively.	Improve service levels, fund ongoing maintenance and renewal of assets and new infrastructure
Central Coast	SV only	SV -15% increase in 2021-22, retained for three years, remove from income end of 2023-24	To repay loans and restricted funds.
Cootamundra-Gundagai Regional	SV only	SV – 53.5% cumulative increase over four years, retained permanently in the rate base	Maintain service levels, fund asset renewals and improve financial sustainability
Federation	SV only	SV - 8.0% increase in 2021-22, retained permanently in the rate base	Fund the ongoing costs of a new swimming pool in Corowa.
Georges River	SV and MR	SV – 32.6% cumulative increase over five years,	To maintain service levels, deliver key priorities in the

		retained permanently in the rate base, MR - \$965.80 for residential, \$1,500 for CBD business and \$1,100 for other business in 2021-22.	Community Strategic Plan and Delivery Program, fund infrastructure maintenance and renewals, and improve financial sustainability.
Inner West	MR only	MR - \$850 or residential and \$820 for business customers in 2021-22	Legislative requirement to harmonise to one rating structure. Distribute rate burden more equitably
Liverpool Plains Shire	SV only	SV – 16.64% cumulative increase over two years temporarily, remove from income end of 2022-23.	Improve financial sustainability, facilitate maintenance and increase capacity to renew deteriorating assets.
Tweed Shire	SV only	SV - 4.35% increase in 2021-22 retained permanently in the rate base	Fund long-term maintenance and management of environmental protection lands. The SV to be recovered from ratepayers in Kings Forest subdivision as a special rate.