

Media Release

13 April 2023

NSW councils seek large increases in rates

Six additional councils have applied to the Independent Pricing and Regulatory Tribunal (IPART) for a special variation to increase their income from rates above the rate peg (details in table below). These councils were either given an extension or amended their original application.

A total of 17 councils have now applied to IPART for special variations.

"The Tribunal is required to balance the need for councils to maintain services and improve financial sustainability against the impact on the community," said IPART Chair Carmel Donnelly.

Bellingen Shire Council, Queanbeyan-Palerang Regional Council and Tweed Shire Council have applied for a special variation to increase general income from rates. Strathfield Council has applied for a special variation and an increase to its minimum rates.

These councils were given an extension to submit their applications. We now invite submissions from the community on these applications.

We are seeking additional community consultation and submissions on Snowy Monaro Regional Council and Tenterfield Shire Council's applications as revised applications have been submitted. Submissions from both consultation periods will be considered in our assessment.

"Community submissions on the councils' applications are a core part of IPART's assessment. We have already received over 1,600 submissions which is indicative of strong community sentiment on the proposed increases," said Ms Donnelly.

Every year IPART decides a rate peg for each council in NSW which sets the maximum amount councils can increase the revenue they are able to collect from rates. Councils must seek IPART approval to increase their rates revenue by more than the rate peg. To do this they must make an application for a special variation.

IPART has set the rate peg at 3.7% for 2023-24. There is also an allowance for the level of population growth, meaning some councils will have rate pegs up to 6.8%.

Visit our [website](#) to view the six additional council applications and to make a submission between the 13th of April 2023 and 5th of May 2023.

We will release our final decision on all applications by June 2023.

IPART is also currently reviewing the methodology it will use to set the rate peg from 2024-25. We will release a draft report in May and undertake consultation in June on that review.

"In a parallel review we are looking at new approaches to setting the rate peg that reflect, as far as possible, changes in inflation and local government costs, while continuing to protect ratepayers from paying more than what is needed." said Ms Donnelly.

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Table 1 Proposed Special Variations (SV) and Minimum Rates (MR)

Council	Cumulative increase	Annual increases
Bellingen Shire Council	SV of 31.06% over 4 years	8% in 2023-24, 8% in 2024-25, 6% in 2025-26 and 6% in 2026-27
Queanbeyan-Palerang Regional Council	SV of 64.3% over 3 years	18.0% per year in 2023-24, 2024-25 and 2025-26
Snowy Monaro Regional Council	SV of 68.87% over 5 years	12.25% in 2023-24 and 10.75% per year in 2024-25, 2025-26, 2026-27 and 2027-28
Strathfield Council	SV of 92.8% over 4 years Residential MR of 93% over 2 years Business MR of 59% over 2 years	SV: 35.1% in 2023-24, 13.0% in 2024-25, 17.5% in 2025-26 and 7.5% in 2026-27 MR: \$1,040 in 2023-24 and \$1,200 in 2024-25
Tenterfield Shire Council	SV of 104.5% over 2 years	43% for both 2023-24 and 2024-25
Tweed Shire council	SV of 6.35% over 1 year	6.35% in 2023-24

Note: All proposed special variations are permanent, and all stated increases are inclusive of the actual 2023-24 rate peg and an assumed rate peg of 2.5% for all other years.