

LOCAL GOVERNMENT ACT 1993
INSTRUMENT UNDER SECTION 508(2)
CESSNOCK CITY COUNCIL

The Independent Pricing and Regulatory Tribunal (IPART), delegate of the Minister for Local Government, pursuant to the delegation dated 6 September 2010, by this Order:

1. Under section 508(2) of the *Local Government Act 1993* (the Act) determines that the percentage by which Cessnock City Council may increase its general income for the year 2011/2012 is 8.85%.

2. The approval is subject to the following conditions:

- I. The council uses the Additional Income for the purposes of funding the council's roads improvement program consistent with the council's application. The roads improvement program is listed in Attachment A to this Order.

Additional Income means:

- a) the additional general income raised in accordance with clause 1 of this Order, less
- b) the additional general income that would otherwise be available to the council under section 506 of the Act.

- II. The council reports in its annual report for each rating year over the period from 2011/2012 to 2012/2013 on:

- a) the roads improvement program as listed in Attachment A to this Order;
- b) the outcomes achieved as a result of the special variation;
- c) its asset renewal and maintenance expenditure;
- d) its actual productivity savings achieved; and
- e) any significant variations from its financial results as forecast in its Long Term Financial Plan and any corrective action taken or to be taken.

- III. The council reduces its general income for the 2013/2014 rating year by:

- a) \$1,578,553 (Initial Reduction Amount); and
- b) any additional income derived for the 2012/2013 rating year on the application of either:
 - 1) any special variation percentage approved under section 508(2) or 508A of the Act for the council for the 2012/2013 rating year; or
 - 2) any general variation percentage approved under section 506 of the Act for the 2012/2013 rating year, to the Initial Reduction Amount.

[Note: the purpose of this clause is to reduce the council's general income to the amount of general income that the council would have had in 2013/2014 without this special variation.]

Dated this 24th day of June, 2011

A handwritten signature in black ink, appearing to read 'Rod Sims', is positioned above the printed name.

Rod Sims

Chairperson, Independent Pricing and Regulatory Tribunal