

AW (F2012/00180)
(Contact Officer: Anne Warner - 9399.0532)

11 March 2013

Local Government Team
The Independent Pricing and Regulatory Tribunal
Level 17, 1 Market Street
SYDNEY NSW 2000

Dear Sir/Madam,

Re: Application for a Special Variation (s508A) to resource the Randwick City Council Delivery Program 2013-17

Located in the eastern suburbs of Sydney, Randwick City has a diverse estimated resident population of 137,757, around 20 million visitors to the City each year and 29 kilometres of coastline. Specialised Centres include the University/Health/Research Cluster and Port Botany. The Randwick City Plan (Attachment 8) comprehensively details our environmental, social and economic context.

A review of the Randwick City Plan (Community Strategic Plan) and Delivery Program commenced in 2012 and was informed by a comprehensive State of the City Report (Attachment 20).

As part of the review, the resourcing requirements for the 2013-17 Delivery Program, addressing infrastructure, equipment, technology and staff were established. The Long Term Financial Plan calculations have determined the required rates as part of the Resourcing Strategy.

The Council is seeking approval for a s508A Special Variation to General Income to index rates by 3.59% annually for the term of the Delivery Program 2013-17. This will ensure the Council is able to deliver programs and services and maintain assets in line with our community's expectations.

Randwick Council is in a healthy financial position, which is in part due to a strategic approach to rate increases over the last ten years, including a variation to fund a *Buildings for our Community program* for which the Council received approval to increase its general income during 2010-13. The Council has also made considerable savings from productivity improvements and cost containment measures (Attachment 2). The New South Wales Treasury Corporation (TCorp) conducted a financial sustainability review of Randwick City Council in 2012 and determined the Council has been well managed over the review period (see Attachment 2 for more information) and concluded that, "From our review, Council appears to be in a sound position in terms of its long term sustainability".

The Application Part B (Attachment 2) demonstrates a proposed rating structure in-line with our community's capacity to pay and outlines the Delivery Program and Long Term Financial Plan (LTFP) assumptions. Whilst the continuation of the Environment Levy is an assumption of the LTFP, it will be subject to a separate consultation and application process in 2014.

The calculated special variation annual index of 3.59%, for the Delivery Program 2013-17, is based on meeting our community's expectations operationally (as evidenced through the Community Satisfaction Survey), as well as providing our community with financial certainty and control relative to their rates.

The scale of the community engagement process and attached application are commensurate with the variation being sought. As evidenced in the application, both community and Council support were demonstrated for indexing the rates based on the Delivery Program resourcing requirements.

Should you have any questions in relation to the Randwick City Council's application please do not hesitate to contact me via 9399 0532 or anne.warner@randwick.nsw.gov.au.

Yours faithfully,

Anne Warner
Manager Corporate Improvement

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