

## COFFS HARBOUR CITY COUNCIL SPECIAL RATE VARIATION APPROVED

**10.00am, Tuesday 11 June 2013**

The Independent Pricing and Regulatory Tribunal (IPART) has approved Coffs Harbour City Council's application to increase its general income by 5.43% to fund revitalisation of its CBD.

The council applied to continue until 2023 the CBD special rate that IPART approved as a special variation in 2012/13 for 1-year only. This special rate has been paid by CBD businesses since 2000.

IPART Chairman Dr Peter Boxall said approval was granted for one year only in 2012 to enable development of the CBD Masterplan. The council has now completed the CBD Masterplan following extensive engagement with the affected ratepayers.

"After assessing the application, IPART has decided to allow the special variation in full, so that the council can continue to collect the additional income from CBD businesses for the next 10 years," Dr Boxall said.

"The council will be able to renew its city centre streetscapes, improve pedestrian and traffic flows and upgrade key assets to improve the quality of life in the CBD."

Through the rate peg and special variation process, IPART determines the increases to councils' general income. Councils decide how to allocate the increase among all their different ratepayer categories, such as residential, business and farmland.

"Based on Coffs Harbour City Council's application, we estimate that the average CBD business rate will increase by \$239 in 2013/14. This is broadly in line with the increase due to the rate peg because the special variation is already paid by CBD businesses," he said.

"Rates in other categories will also rise in line with the rate peg. The average residential rate will increase by \$31."

Dr Boxall said special variations are designed to give councils the flexibility to generate additional income above the rate peg to meet their specific needs, with an independent assessment process to determine if the increase is realistic, justifiable and affordable.

"Coffs Harbour City Council was able to meet the criteria for approval of the special variation and demonstrated a clear need for the additional revenue, that business ratepayers are aware of the council's proposal and that the council has engaged with business ratepayers about the expenditure program," he said.

In approving the council's application, IPART has imposed conditions including that the additional income is used for the purposes outlined in the application, and that the council reports to the community in its Annual Report until 2023 on the outcomes achieved.

Coffs Harbour City Council's application is one of 23 applications for special variations IPART received from NSW's 152 councils this year. IPART also received an application from Gundagai Shire Council to increase a minimum rate. Twenty-one applications were approved in full and 3 applications were partially approved.

The full report on the Coffs Harbour City Council application is available on the IPART website at [www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au).

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