

## ROCKDALE CITY COUNCIL SPECIAL RATE VARIATION APPROVED

**10.00am, Tuesday 11 June 2013**

The Independent Pricing and Regulatory Tribunal (IPART) has approved Rockdale City Council's application to increase its general income by more than the rate peg amount of 3.4%.

The council applied for an increase of 3% above the rate peg to continue the existing Community Building Levy that will end on 30 June 2013, as part of the Infrastructure Levy. The additional revenue will be used to help fund a program of asset renewal works for playgrounds, parks, recreation facilities, and community buildings and public amenities.

IPART Chairman Dr Peter Boxall said the council's application was assessed against the NSW Government's published criteria.

"After assessing the application, IPART has decided to approve the special variation in full, and allow the council to retain the increase permanently in its rates base," Dr Boxall said.

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 Rockdale City Council's application, we estimate that average residential rates will increase by \$30 in 2013/14, in line with the rate peg and the newly combined Infrastructure Levy."

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.

"Rockdale City Council was able to meet the criteria for approval of the special variation. The council demonstrated a clear need for the additional revenue to undertake asset renewal works. The council also demonstrated that it had appropriately engaged the community about the proposed rate increases, and that it is taking steps to improve productivity and contain costs," he said.

"We also considered the council's long term financial plan and whether the impact of the variation on affected ratepayers is reasonable."

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

Rockdale 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 Rockdale 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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