

## IPART DETERMINES SPECIAL RATE VARIATION APPLICATION BY WINGECARRIBEE SHIRE COUNCIL

**Embargoed until 10.00am 4 June 2012**

The Independent Pricing and Regulatory Tribunal (IPART) today announced its decision on Wingecarribee Shire Council's application to increase its general income (mainly rate income) in 2012/13 by more than the rate peg amount of 3.6%.

The council applied for an increase of 7.09% in 2012/13, including the rate peg and an amount to continue an existing environmental levy. The council was seeking to continue the levy permanently.

IPART Chairman, Dr Peter Boxall, said, "After assessing the application against the NSW Government's published criteria, IPART has decided to approve the special variation but to continue the levy on a temporary basis for a further 7 years only."

IPART decided that Wingecarribee Shire Council can increase its general income by 7.09% in 2012/13. This increase includes the rate peg of 3.6% that is available to all councils and a 3.49% increase to continue the existing environmental levy.

Based on the council's application, we estimate that average residential rates will increase by \$34 in 2012/13 compared with the rates paid in 2011/12.

"The main reason for allowing an increase is that the council has demonstrated that it has met most of the criteria," said Dr Boxall. "The additional revenue will allow the council to continue with the environmental program which has been in place since 2000/01."

"We have not allowed the council to retain the additional income on a permanent basis as the community expressed a preference for the environmental levy not to be made permanent. We also noted that the environmental levy has already been in place for more than 10 years."

"In the future the council may wish to change its priorities and a permanent environmental levy may limit their flexibility to do this."

The council is required to report in its Annual Report from 2012/13 to 2018/19 on the use of the additional funds and the outcomes achieved.

This year, IPART received fewer applications for special variations than in 2011. Of the 152 councils in NSW, IPART received applications for special variations from 14 councils. Seven applications were approved in full, 6 were approved for a lower amount or for fewer years than the council requested. The decision on the 1 remaining application will be made later in June (Blayney Shire Council).

Reports on our decisions are available on the IPART website.

See: [http://www.ipart.nsw.gov.au/Home/Industries/Local\\_Govt](http://www.ipart.nsw.gov.au/Home/Industries/Local_Govt)

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