

IPART TO HOLD PUBLIC WORKSHOP IN SYDNEY

For immediate release

The Independent Pricing and Regulatory Tribunal is conducting a series of regional workshops as part of its review of the revenue framework for local government. A workshop will be held in Sydney on 2 September 2009. Members of the public are invited to attend the workshop. It will be held at the Grace Hotel Sydney from 2pm to 4:30pm.

Tribunal Chairman Dr Michael Keating, said "IPART has been asked by the government to review the approach to setting council rates and charges in NSW. Currently the government limits the amount by which councils may increase rates each year."

Dr Keating said "IPART released its draft report in July and we are keen to consult the community on our proposals. In that report we made some important recommendations to provide a more transparent and predictable approach to rate pegging."

In developing its proposals, IPART has been concerned to ensure that rate payers continue to be protected from excessive rate increases and that councils become more accountable to their local communities. IPART has put forward two options for consideration. Under both options councils that wish to do so could use an annual rate cap that is determined by the Minister for Local government. However, in future the Minister would set the rate cap amount having regard to changes in a cost index that would be calculated by IPART. He or she would be required to explain differences between the rate cap amount and the change in the cost index.

Under Option A Councils who wish to move to a rate path for four years would need to put a four year financial plan to the Minister for approval. However, under Option B Councils that can demonstrate to the Minister that they have both good financial performance and community endorsement for their spending proposals would be able to set their own rates.

The workshops will be in the form of a brief presentation by IPART staff followed by discussion.

The terms of reference for the review, details of each workshop and the agenda are available on IPART's website <<http://www.ipart.nsw.gov.au>>.

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