

LOCAL GOVERNMENT ACT 1993

INSTRUMENT UNDER SETION 508A

SPECIAL VARIATION FOR RANDWICK CITY COUNCIL

This instrument is made by the Independent Pricing and Regulatory Tribunal (IPART) as delegate for the Minister administering the *Local Government Act 1993* (the Act) (Delegation of 6 September 2010).

IPART determines to vary its 16 May 2018 determination in relation to Randwick City Council in the manner set out below:

1. Replace the percentage in the chapeau to clause 1 with “26.55%”.
2. Replace the table in clause 1 with the following table:

	Year	Annual increase in general income (%)	Cumulative increase in general income (%)
Y1	2018-19	7.64	7.64
Y2	2019-20	11.42	19.93
Y3	2020-21	5.52	26.55

3. Insert “(\$4,455,954)” into the note to clause 1 after “expiring special variation”.
4. Insert “2018 Report and Appendix B of the 2019” after “Appendix B of the” in clause 2.I.
5. In the definition of “Report” in clause 2.I, replace “Report” with “2018 Report”.
6. Insert the following definition into clause 2.I in alphabetical order:

“2019 Report” means IPART’s report entitled “Special variation increase Randwick City Council 2019-20” dated May 2019 on IPART’s variation of this instrument under section 508A of the Act.
7. Omit “Special Variation” wherever occurring in clause 2.II and insert instead “Additional Income”.
8. Insert “2018 Long Term Financial Plan and 2019” after “outlined in the” in clause 2.II(d).
9. Insert “2018 Long Term Financial Plan and 2019” after “outlined in the” in clause 2.II(e).
10. In the definition of “Long Term Financial Plan” in clause 2.II, replace “Long Term Financial Plan” with “2018 Long Term Financial Plan”, and replace “Report” with “2018 Report”.
11. Insert the following definition into clause 2.II in alphabetical order:

“2019 Long Term Financial Plan” means the long term financial plan for the period from Year 2019-20 to Year 2028-29 summarised in Appendix C of the 2019 Report.

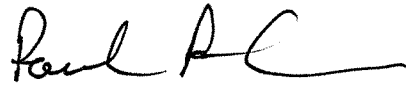
12. Insert after clause 2.II:

III. The Council reduces its general income for Year 2024-25 to what it would have been had the annual increase for Year 2019-20 been 5.52% instead of 11.42%.

[Note: The purpose of this clause 2.III is to reduce the Council's general income to the amount of general income that the Council would have had in 2024-25 without the May 2019 variation to this instrument. This involves reducing general income in 2024-25 by \$4,626,908 plus the equivalent cumulative proportion of this increase from rate peg increases or special variation increases approved for the years 2020-21 to 2023-24 inclusive.]

A consolidated determination incorporating the above amendments is attached to this instrument.

Dated 1 May 2019



Dr Paul Paterson, Chair
On behalf of the Independent Pricing and Regulatory Tribunal
As delegate for the Minister Administering the *Local Government Act 1993*

LOCAL GOVERNMENT ACT 1993
CONSOLIDATED INSTRUMENT UNDER SECTION 508A
RANDWICK CITY COUNCIL
(As varied by instrument dated 1 May 2019)

The Independent Pricing and Regulatory Tribunal (IPART), as delegate of the Minister for Local Government pursuant to the delegation dated 6 September 2010, determines under section 508A of the *Local Government Act 1993* (Act) that:

1. The percentage by which Randwick City Council (Council) may increase its general income for the period from Year 2018-19 to Year 2020-21 (inclusive) is 26.55%, consisting of the following annual increases:

	Year	Annual increase in general income (%)	Cumulative increase in general income (%)
Y1	2018-19	7.64	7.64
Y2	2019-20	11.42	19.93
Y3	2020-21	5.52	26.55

“Year” means the period from 1 July to the following 30 June.

[Note: The instrument under section 508A(1) in respect of the Council dated 3 June 2014 requires the Council to reduce its general income for Year 2019-20 by a specified Initial Reduction Amount and cumulative additional income as calculated according to clause 2.III of that instrument. Accordingly, the Council will reduce its general income in Year 2019-20 by the value of that expiring special variation (\$4,455,954) before increasing its general income for that year in accordance with clause 1 of this instrument.]

2. The percentage increase set out in clause 1 above (Special Variation) is subject to the following conditions:
 - I. The Council uses the Additional Income for the purposes of funding the proposed program of expenditure (Proposed Program) set out in Appendix B of the 2018 Report and Appendix B of the 2019 Report.

“Additional Income” means:

- a) the additional general income raised in accordance with clause 1 above, less
- b) the additional general income that would otherwise be available to the Council under section 506 of the Act.

“2018 Report” means IPART’s report entitled “Special variation and minimum rate increase – Randwick City Council 2018-19” dated May 2018 on IPART’s determination under section 508A of the Act.

“2019 Report” means IPART’s report entitled “Special variation increase Randwick City Council 2019-20” dated May 2019 on IPART’s variation of this instrument under section 508A of the Act.

- II. The Council reports, in its annual report for each Year from Year 2018-19 to Year 2027-28, on the following for that Year:
- a) the program of expenditure that was actually funded by the Additional Income;
 - b) any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Additional Income and the reasons for those differences;
 - c) the outcomes achieved as a result of the Additional Income;
 - d) the Council’s actual revenues, expenses and operating balance against the projected revenues, expenses and operating balance as outlined in the 2018 Long Term Financial Plan and 2019 Long Term Financial Plan; and
 - e) any significant differences between the Council’s actual revenues, expenses and operating balance and the projected revenues, expenses and operating balance as outlined in the 2018 Long Term Financial Plan and 2019 Long Term Financial Plan and the reasons for those differences.

“2018 Long Term Financial Plan” means the long term financial plan for the period from Year 2018-19 to Year 2027-28 summarised in Appendix C of the 2018 Report.

“2019 Long Term Financial Plan” means the long term financial plan for the period from Year 2019-20 to Year 2028-29 summarised in Appendix C of the 2019 Report.

- III. The Council reduces its general income for Year 2024-25 to what it would have been had the annual increase for Year 2019-20 been 5.52% instead of 11.42%.

[Note: The purpose of this clause 2.III is to reduce the Council’s general income to the amount of general income that the Council would have had in 2024-25 without the May 2019 variation to this instrument. This involves reducing general income in 2024-25 by \$4,626,908 plus the equivalent cumulative proportion of this increase from rate peg increases or special variation increases approved for the years 2020-21 to 2023-24 inclusive.]