

4.6% Special Rate Variation

Council will apply to the Independent Regulatory and Pricing Tribunal (IPART) for a Special Rate Variation to commence in the 2017/18 financial year. Council is seeking approval for a 4.6% rate increase for the next 10 years. The 4.6% Special Rate Variation will be inclusive of the annual Rate Peg amount which IPART determines each year that NSW Councils can currently increase their rates annually.

If the Special Rate Variation is successful, for 2017/18 this will result in the Rate Peg of 1.5% plus Rate Variation of 3.1% for a total Special Rate Variation of 4.6%.

Support from the community

As part of the Fit for the Future process in April 2015 the community were well informed on the process of a Special Rate Variation through local media, newsletters, emails and social media, with community meetings held throughout the Shire to ensure everyone had the opportunity to understand the process and express any concerns. Council received 80% support through the five community meetings that were held.

Additional community input was sought in October 2016 to inform the community about the Special Rate Variation and how this would impact on ratepayers. Five meetings were held throughout the Shire at different locations, with 72% supporting the proposed Special Rate Variation.

What is the Special Rate Variation?

THE Special Rate Variation (SRV) is an increase in rates above the rate peg set by the Independent Pricing and Regulatory Tribunal (IPART) each year. Lockhart Shire Council has applied for a one off Special Rate Variation of 4.6% which includes Rate Pegging to be applied in 2017/18 and maintained for 10 years.

When will we know if it has been successful?

It is expected that a decision on Councils application will be made by IPART in May 2017. This information will be made available on IPART's website, Council's website, newsletter and local media.

How does this impact my rates?

The impact on your rates will depend on what rate category your property is in and how much the land is valued. The percentage increase is the same for all rate categories though.

Indicative impact on the typical **General Rate** component for all categories is set out below:

		Year 1	Year 10	\$ increase over 10yrs	Average pa
Farmland	Rate Peg	\$4700	\$5815	\$1115	\$111.50
	SRV	\$4700	\$7370	\$2670	\$267.00
Residential	Rate Peg	\$300	\$370	\$70	\$ 7.00
	SRV	\$300	\$470	\$170	\$17.00
Business	Rate Peg	\$470	\$580	\$110	\$11.00
	SRV	\$470	\$735	\$265	\$26.50

What does this pay for?

\$2.98 million of Flood Mitigation works

\$4.2 million Lockhart Swimming Pool and The Rock Swimming Pool

\$1 million Road Infrastructure

The rate increase will ensure that Lockhart Shire Council remains financially sustainable for the future and continue to be able to provide the services for the community, as well as providing suitable infrastructure that meets the needs of the community.

What is the benefit?

Upgrades to the roads, flood mitigation and swimming pool infrastructure will benefit the whole community and provide long term infrastructure for the community. After the unseasonably wet winter in 2016 the roads have deteriorated, which have created over \$2.2 million of works to get the roads back to standard.

The implementation of flood mitigation will provide security and reassurance for the residents of Lockhart Shire to minimise the effect of any future flooding.

The swimming pools in both Lockhart and The Rock are reaching end of life and require significant refurbishments to meet safety and operational obligations. The works will ensure the community has access to swimming facilities for another 50 years and will provide a safe and accessible facility for patrons.

What happens if SRV is not successful?

These projects will still have to occur, though the timing and scope of the projects may have to be changed for Council to be able to deliver them without impacting on the rest of the services that Council deliver.