

## **GUIDELINES FOR THE PREPARATION OF A SPECIAL RATE VARIATION APPLICATION AND GUIDELINES FOR THE PREPARATION OF AN APPLICATION TO EXCEED THE MINIMUM RATE STATUTORY LIMIT - 2011/12**

On 4 June 2010, the NSW Premier, the Hon Kristina Keneally MP, announced a number of changes to regulation of local government rates and charges. These changes included the transfer of responsibility to the Independent Pricing and Regulatory Tribunal (IPART) for:

- the setting of the annual “rate peg”
- the assessment and determination of councils' applications for special rate variations, and
- the assessment and determination of councils' applications to increase ordinary and/or special rate minimums above the statutory limit.

On 6 September 2010, the Minister for Local Government, the Hon Barbara Perry MP, delegated to IPART her authority under sections 506, 507, 508(2), 508(3), 508(6), 508(7), 508A, 548(3) and 548(8) of the *Local Government Act 1993* (LG Act) to facilitate these changes.

IPART also has a role in reviewing councils' development contributions plans above the relevant cap for those councils that are seeking priority infrastructure funding or special variations.

While IPART has been delegated responsibility for assessing and determining special rate variation applications and minimum rate applications, the Government has retained responsibility for setting the policy framework under which applications are assessed.

As a result, the Division of Local Government has retained responsibility for preparing the respective application Guidelines. Councils are now advised that the Division has issued the following:

1. *Guidelines for the preparation of an application for a special variation to general income in 2011/2012* (“Special Variation Guidelines”), and
2. *Guidelines for the preparation of an application to increase minimum rates above the statutory limit* (“Minimum Rate Guidelines”).

These guidelines can be downloaded from the ‘Publications’ page of the Division’s website at [www.dlg.nsw.gov.au](http://www.dlg.nsw.gov.au).

Councils applying for a special rate variation or to increase minimum rates above the statutory limit must comply with the requirements set out in the relevant guidelines.

While the Division has retained responsibility for the preparation of these guidelines, IPART is responsible for the respective Application Forms. IPART is currently preparing the Application Forms. Once finalised, these forms will be available on IPART's website at [www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au).

IPART has determined the following special variation application timeline:

Task	Timeframe
Release guidelines	December 2010
Workshops with councils	November-December 2010
Deadline for councils to submit development contributions plans if seeking a special variation in 2011/12 for essential works costs	28 January 2011
Deadline for councils to notify intention to apply for a s508A variation	28 January 2011
Applications for s508(2) single year variations due	25 March 2011
Applications for s508A variations due	25 March 2011
Applications for minimum rate variations due	25 March 2011
Determine applications	10 June 2011

In order for IPART to meet its 10 June 2011 determination deadline, it is essential that all councils submitting an application must resolve to adopt their draft Community Strategic Plan, draft Delivery Program and draft Operational Plan, or draft Management Plan, and provide that resolution to IPART by 3 June 2011 at the latest.

Any inquiries regarding the guidelines should be directed to one of the following Divisional staff members:

Mark Hely (02) 4428 4176  
Damian Walsh (02) 4428 4136

Any inquiries regarding the application forms or the application process should be directed to one of the following IPART staff members:

Ken Maxwell (02) 9113 7712  
Nicole Haddock (02) 9290 8426

**Ross Woodward**  
Chief Executive, Local Government  
A Division of the Department of Premier and Cabinet