



Shelley Hancock
Minister for Local Government

MEDIA RELEASE

Saturday, 9 October 2021

\$250 MILLION GAIN FOR GROWING NSW COMMUNITIES

Growing communities are set to benefit from the most significant reform to council rates in decades, with more than \$250 million in additional revenue to be delivered to local councils across the state.

The NSW Government this week accepted IPART's recommended rate peg methodology which will now account for population growth, seeing growing communities particularly in the south-west and north-west of Sydney benefit from additional revenue for council services.

"The NSW Government is aligning rating income with population growth to ease growing pains for councils and communities while still protecting residents from dramatic rate rises through the rate pegging system," Minister for Local Government Shelley Hancock said.

"From July next year onwards, a population growth factor will be added to the overall annual rate peg for each local council based on their increase in residents. This will result in much-needed additional revenue for fast-growing local government areas, meaning better services and infrastructure.

"New residents moving into these communities will primarily cover the extra rating incomes, aligning their rates with the rest of the community, and existing residents will not be impacted by dramatic rate increases. Importantly, no council will receive less income under the new rate peg arrangements including local councils with slow or declining population growth."

IPART estimates that this population growth factor would have generated an additional \$287 million in rates revenue for local governments in NSW over the past four years, or up to \$86 million in extra income for individual councils.

"As we reopen the economy from the COVID-19 pandemic, this major reform will help councils turbocharge local infrastructure development, including roads, parks and public spaces," Mrs Hancock said.

IPART's final report was released earlier this week including estimated additional incomes for individual councils which can be accessed [here](#).

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