

Enquiries
Please ask for Fiona Plesman
Direct [REDACTED]
Our ref [REDACTED]
Your ref [REDACTED]

11 December 2017

Dr Peter Boxall AO
Chair
NSW Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

By email: [REDACTED]

Dear Dr Boxall,

RE: 2018/19 Special Rate Variation – Notification of Intention

At its meeting on 25 October 2017, Muswellbrook Shire Council (“Council”) resolved to give notice to the NSW Independent Pricing and Regulatory Tribunal (“IPART”) of its intention to apply for a special rate variation from 2018/19. IPART was provided with informal advice of the intention prior to the 15 December 2017 due date.

Throughout 2017, Council has been undertaking an extensive and ongoing program of community consultation, which has confirmed wide ranging support for projects and programs that support a move towards diversification and establish Muswellbrook as a regional centre for the Upper Hunter.

The projects that the special rate variation will support were included as part of Council’s Integrated Planning and Reporting (IP&R) documents as endorsed in 2016.

The special rate variation council seeks is for a one-off 14.7% (including 2.3% rate peg) from 2018/19 continuing permanently in the rate base, made up as follows:

- a. Residential, Business and Farmland rating revenue increase by 12.3% (including 2.3% rate peg) in 2018/19 which amounts to \$940,758; and
- b. Mining rating revenue increase by 18.3% (including 2.3% rate peg) in 2018/19 which amounts to \$951,809.

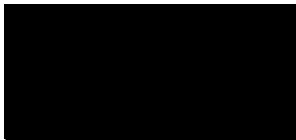
The special rate variation will support:

- An additional allocation of \$300,000 per year for stormwater drainage and \$100,000 per year for roads and parks asset maintenance program.
- Development of an Olympic Park Precinct Master Plan and an Entertainment and Conference Centre with a combined value of \$26,010,000 made up of:
 - an SRV contribution of \$11,800,000;
 - grants of \$10,500,000;
 - voluntary planning agreements amounting to \$3,710,000 and
 - an annual operational maintenance and net yearly operational contributions of \$700,000 for Olympic Park and the Entertainment and Conference Centre.

- *Please note:* if the above grants and voluntary planning agreements are not received or if the amounts received are less than the figures above, one or both projects may be suspended, reduced in size or cancelled and the special rate variation will be revisited and ratepayers informed of any material changes.
- An additional annual allocation of \$250,000 towards the Job Creation program and \$62,000 to offset a shortfall in rating revenues arising from a change in NSW Government policy with respect to biodiversity offsets.

Council looks forward to working closely with IPART on the application and would appreciate the opportunity to meet in the New Year. For further information please contact Ms Fiona Plesman, Director Planning, Corporate and Community Services on [REDACTED]

Yours sincerely



Steve McDonald
GENERAL MANAGER