



14th December 2017

Ms Lucy Garnier
Executive Director Local Government
Independent Pricing and Regulatory Tribunal
PO BOX K35
Haymarket, NSW, 1240

Dear Ms Garnier,

RE: NOTICE OF INTENT – SPECIAL RATE VARIATION APPLICATION

This is formal written notification that Randwick City Council has the intention of applying for the following special variation to its general income:

Type:	Permanent s508A
Length:	Three (3) years
Commencing:	01 July 2018
Cumulative increase:	18.68%

Component	2018-19	2019-20	2020-21
IPART rate peg & OLG forecasted rate peg	2.30%	2.50%	2.50%
Maintaining existing service levels and required infrastructure renewals	1.22%	1.02%	1.02%
Anti-terrorism obligations, Digital Strategy, Major Projects	2.00%	2.00%	2.00%
Introduction of Port Botany Business Rate category	2.12%	0.00%	0.00%
Total	7.64%	5.52%	5.52%

At the Ordinary Meeting of Council held on the 27th November 2017, Randwick City Council resolved the following:

That:

- a) *Randwick City Council commit to funding its obligations under the Federal Government's "Australia's Strategy for Protecting Crowded Places from Terrorism";*
- b) *Council notes that the anticipated IPART 2018-19 rate peg will not exceed 2.50%;*
- c) *Council initiate community consultation regarding its intent to apply to IPART for a 3 Year Special Rate Variation of 3.52% to fund the existing service levels and required infrastructure renewals outlined in its 2018-21 Delivery Program;*

- d) *In addition to the 3.52% Special Rate Variation in c), Council initiate community consultation regarding its intent to apply for a three year 2.00% increase to fund its obligations under the Federal Government's "Australia's Strategy for Protecting Crowded Places from Terrorism", Council's Digital Strategy and the listed Future Major Projects;*
- e) *Council create a Port Botany Business Rate category within its rating structure which is consistent with the rate applied to other properties in the adjoining Port Botany precinct;*
- f) *In addition to the Special Rate Variations listed in c) and d), Council initiate community consultation regarding its intent to apply for a one-year Special Rate Variation of 2.12% that captures the additional revenue created by the implementation of the Port Botany business rate category;*
- g) *Subject to IPART's approval of Council's proposed special rate variation, borrow \$27,000,000 to expedite the funding and delivery of the anti-terrorism obligations, Digital Strategy and the listed Future Major Projects.*
- h) *Undertake a comprehensive community consultation and engagement program in accordance with Council's Community Engagement Strategy from December 2017 to the end of January 2018.*

As outlined in the above Council resolution, the purpose of the funds obtained through the special variation will fund:

- Council's existing service levels and required infrastructure renewals outlined in its Delivery Program 2018-21;
- Council's Anti-terrorism obligations outlined under the Commonwealth Government's "Australia's Strategy for Protecting Crowded Places from Terrorism"; and
- Delivery of Council's list of Major Future Works.

Council has already commenced community consultation in regards to this special rate variation and details of that community engagement can be found on Council's website.

Below are the contacts from Randwick City Council in relation to this application:

Principal contact: Ms. Anne Warner
Manager Corporate Improvement



Finance contact: Mr. Mitchel Woods
Manager Corporate and Financial Planning



Council looks forward to working with IPART in relation to this special variation application.

Regards,



Ray Brownlee PSM
General Manager