

LOCAL GOVERNMENT ACT 1993
INSTRUMENT UNDER SECTION 508A
MID-COAST COUNCIL

The Independent Pricing and Regulatory Tribunal (IPART), as delegate of the Minister for Local Government pursuant to the delegation dated 6 September 2010, determines under section 508A of the *Local Government Act 1993* (Act) that:

1. The percentage by which Mid-Coast Council (Council) may increase its general income for the period from Year 2017-18 to Year 2020-21 (inclusive) is 27.34%, consisting of the following annual increases:

	Year	Annual increase in general income (%)	Cumulative increase in general income (%)
Y1	2017-18	10.00	10.00
Y2	2018-19	5.00	15.50
Y3	2019-20	5.00	21.28
Y4	2020-21	5.00	27.34

“Year” means the period from 1 July to the following 30 June.

2. The percentage increase set out in clause 1 above (Special Variation) is subject to the following conditions:
 - I. The Council uses the Additional Income for the purposes of funding the proposed program of expenditure (Proposed Program) set out in Appendix A of the Report.

“Additional Income” means:

- a) the additional general income raised in accordance with clause 1 above, less
- b) the additional general income that would otherwise be available to the Council under section 506 of the Act.

“Report” means IPART’s report entitled “Mid-Coast Council’s application for a special variation for 2017-18” dated July 2017 on IPART’s determination under section 508A of the Act.

- II. The Council reports, in its annual report for each Year from Year 2017-18 to Year 2026-27, on the following for that Year:
 - a) the program of expenditure that was actually funded by the Special Variation;
 - b) any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Special Variation and the reasons for those differences;

- c) the outcomes achieved as a result of the Special Variation;
- d) the Council's actual revenues, expenses and operating balance against the projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan;
- e) any significant differences between the Council's actual revenues, expenses and operating balance and the projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan and the reasons for those differences; and
- f) any corrective action taken, or to be taken, to address any differences reported under clause 2.II.e above.

“Long Term Financial Plan” means the long term financial plan for the period from Year 2017-18 to Year 2026-27 summarised in Appendix B of the Report.

- III. Before increasing its general income for Year 2017-18 in accordance with clause 1 above, the Council reduces its general income by \$3,114,809.

[Note: On 12 May 2016, the Governor, by proclamation, amalgamated Gloucester Shire Council, Great Lakes Council and Greater Taree City Council to form the Council. Prior to the amalgamation, IPART, as delegate of the Minister, granted a Special Variation under section 508(2) of the Act to:

- a) Great Lakes Council on 12 June 2013 to increase its general income by a specified percentage for Year 2013-14; and*
- b) Greater Taree City Council on 3 June 2014 to increase its general income by a specified percentage for Year 2014-15.*

These instruments required each of the above former councils to reduce its respective general income, in a future Year, to the amount of general income that it would have had in that Year without the Special Variation.

The purpose of this clause 2.III. is to ensure that the Council reduces its general income, for Year 2017-18, to the combined amount that the former councils would together have had in that Year without the previous special variations listed above. See Local Government (Council Amalgamations) Proclamation 2016, cl 26.

This reduction must occur before the Council may increase its general income for Year 2017-18 in accordance with clause 1 above.]

Dated 19 July 2017



Dr Peter J. Boxall, AO
Chair, Independent Pricing and Regulatory Tribunal