

Independent Pricing & Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

TRIM Ref: 13/47068

27 November, 2013

Dear Sir/Madam

Burwood Council - Notification for Special Rate Variation – Section 508A

This letter is to formally advise of Burwood Council's intention to submit an application for a multi-year variation for seven years under Section 508A provisions, commencing in the 2014-2015 Financial Year.

Background

In 2010 and 2013 Burwood Council conducted an extensive community engagement program for the development of our Community Strategic Plan and identified that the key priority for our ratepayers is maintaining our local infrastructure.

Since then, Council has carried out an extensive capital works program to improve our local roads, footpaths, parks and facilities.

However, despite an improved financial position and a wide range of efficiency-building programs, Burwood Council still faces a large infrastructure backlog, identified by the recent T-Corp Report into NSW Councils as being in the order of \$167 million.

Proposed Increase

Burwood Council is currently conducting community and stakeholder consultation on the following three rating options:

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Compounded increase
DECLINE IN SERVICE (Rate Peg)	3%	3%	3%	3%	3%	3%	3%	23%
MAINTAIN SERVICE	5.5%	6.5%	7%	7.5%	7.5%	7.5%	7.5%	60.6%
IMPROVE SERVICE	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	65.9%

Note: all scenarios include the rate peg adjustment set by IPART estimated at 3%

Under Option 2 (Maintain) and Option 3 (Improve), the total extra yield for Council over seven years would be approximately \$5.5 million and \$6.4 million respectively, above the forecast rate peg increase.

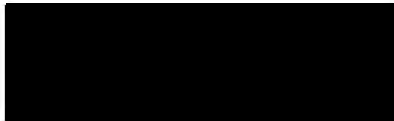
Burwood Council will finalise and review the results of the community and stakeholder engagement program before submitting an application to IPART by the due date.

Contact Details

Contact: Mr Tommaso Briscese
Executive Manager
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Please do not hesitate to contact Mr Briscese, or his Team, if you have any enquiries or require additional information.

Yours sincerely



MICHAEL MCMAHON
General Manager