

DIRECTOR CORPORATE SERVICES' REPORT

7.1. SPECIAL RATE VARIATION & MINIMUM RATE APPLICATION

AUTHOR Director Corporate Services

MOTION Moved by Deputy Mayor McGrath
Seconded by Councillor Hooke

1.1/25 COUNCIL RESOLUTION:

That Council:

1. Acknowledges the feedback received during the community engagement period from Thursday, 7 November to Thursday, 19 December 2024 on the proposed permanent two-year 37.67% cumulative Special Rate Variation.
2. Adopts the following documents after the end of the public exhibition period on Thursday, 19 December 2024, noting no submissions were received:
 - a. Community Engagement Strategy
 - b. Amended Delivery Program 2022/23-2025/26
 - c. Amended Resourcing Strategy 2022/23-2025/26 (incorporating the Long Term Financial Plan)
 - d. Amended Operational Plan 2024/25
3. Note the inclusions in the amended Delivery Program 2022/23-2025/26, amended Resourcing Strategy 2022/23-2025/26 and amended Operational Plan 2024/25 following the resolution of Council to apply to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent cumulative Special Rate Variation of 37.67% (including the rate peg) to be implemented over two (2) years commencing in the 2025-2026 financial year.
4. Note there were no submissions received for the Strategic Asset Management Plan or Asset Management Plans (Airport, Buildings, Open Space, Recreation, Saleyards, Stormwater and Transport) publicly exhibited from Thursday, 12 December 2024 to Thursday, 9 January 2025, and that these plans have subsequently been endorsed in accordance with Council resolution 7.12/24.
5. Makes the following application(s) to the Independent Pricing and Regulatory Tribunal (IPART):
 - a. **Special Rate Variation**
 - i. Under section 508(A) of the NSW *Local Government Act 1993* for increases to the ordinary rate income of 18.00% in 2025-2026 (including the rate peg) and 16.67% in 2026-2027 (including the rate peg), representing a total cumulative increase of 37.67% over the two-year period, with that increase to be a permanent increase retained within the rate base.

- ii. That the structure of the proposed Special Rate Variation ensures that Residential, Business and Farmland rating categories income do not increase more than 32.25% cumulative with the balance to be sourced from the Mining rating category with yearly increases to be applied as follows:

Category	Year 1 2025/26	Year 2 2026/27	Compounded increase % Change
Residential	15.00%	15.00%	32.25%
Business	15.00%	15.00%	32.25%
Farmland	15.00%	15.00%	32.25%
Mining	43.36%	28.87%	85.13%

b. Minimum Rates

- i. Under section 548 of the NSW *Local Government Act 1993* for the Maximum value of the Minimum ordinary rate for Residential, Business and Farmland categories to be set as follows to match the section 508(A) permanent Special Rate Variation application value, with that increase to be a permanent increase retained within the rate base:

Category	Year 1 2025/26*	Year 2 2026/27*
Residential – Ordinary	\$638.00	\$733.00
Residential – Rural		
Residential – Gunnedah		
Business – Gunnedah	\$625.00	\$718.00
Farmland	\$638.00	\$733.00
*Minimum Rate values include the rate peg.		

6. Includes the formal submissions received during the community engagement process, Community Engagement Report and supporting consultation materials relating to the proposed Special Rate Variation in the application to IPART.
7. Receive and note the following additional draft reports that will, with minor amendments as required, form part of the application to IPART:
- a. Application Form Part B Special Variation
 - b. Application Form Part B Minimum Rates
 - c. Capacity to Pay Report
 - d. Cost Containment and Productivity Report