

Ref: F23/3642

31 January 2024

Andrew Nicholls
Independent Pricing and Regulatory Tribunal NSW
Level 16, 2-24 Rawson Place
SYDNEY NSW 2000



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Dear Mr Nicholls

RE: Declaration as to Kempsey Shire Council's compliance with conditions specified in SV instruments

In support of Council's application for a special rate variation (SRV) for 2024-25 (Part B) Question 7: Has IPART ever approved a special variation (including additional special variations in 2022-23) I refer to the below table showing applications approved by IPART:

Year	Type	Temp. or Perm.	No of years increase applied	Cumul. % increase including rate peg
2012-13	508(2)	Perm.	1	11.37%
2014-15	508A	Perm.	4	37.54%
2018-19	508(2)	Temp. for 10 years	1	6.50%
2022-23	508(2)	Perm.	1	2.00%

In relation to Council's compliance with the instruments for the applications from 2014-15, the Environmental Levy renewal from 2018-19 and the ASV from 2022-23 I can declare that:

- a. Council has in all cases used the additional income from the approved special variations for the purposes outlined in the determinations.
- b. Council has reported in the relevant Annual Reports the:
 - i. program of expenditure
 - ii. the reasons for any significant differences in the proposed program
 - iii. the outcomes achieved as a result of the relative special variation.

Regarding the June 2012 determination to approve a one-year permanent increase of 11.37%, the subsequent Annual Report included reference to the SRV, asset maintenance work and ratio improvements. It is my opinion that this report does not fully comply with the Instrument issued on 15 June 2012.

Council's subsequent successful application for a SRV to commence in the 2014-15 financial year, reflected the additional years increases of the original 2012-13 application and as such has been correctly reported on in the 10 years since.

Copies of all Kempsey Shire Council's Annual Reports and Financial Statements can be found at <https://www.kempsey.nsw.gov.au/Your-Council/Publications/Annual-reports-publications>

I declare this information correct to the best of my knowledge.

Yours sincerely,

A black rectangular box redacting the signature of the General Manager.

General Manager