

LOCAL GOVERNMENT ACT 1993
INSTRUMENT UNDER SECTION 508(2)
KEMPSEY SHIRE 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 508(2) of the *Local Government Act 1993* (Act) that:

1. The percentage by which Kempsey Shire Council (Council) may increase its general income for Year 2018-19 is 6.5%.

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

[Note: As required by the instrument under section 508(2) in respect of the Council dated 27 June 2008, the Council will reduce its general income for Year 2018-19 by \$764,935 (the value of the expiring special variation) before increasing its general income for that year in accordance with clause 1 of this instrument.]

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 B 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 “Special variation increase – Kempsey Shire Council 2018-19” dated May 2018 on IPART’s determination under section 508(2) of the Act.

- II. The Council reports, in its annual report for each Year from 2018-19 to 2027-28, 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; and
 - c) the outcomes achieved as a result of the Special Variation.
- III. The Council reduces its general income for Year 2028-29 by:
 - a. \$787,653 (Initial Reduction Amount); and
 - b. the cumulative additional income derived for each Year, from Year 2019-20 to 2027-28 (inclusive), on the application of:

1. any special variation percentage approved under section 508(2) or 508A of the Act for the Council for each Year, from Year 2019-20 to Year 2027-28; and
2. where there is no approved special variation percentage for the Council applying to a Year from Year 2019-20 to Year 2027-28, any general variation percentage approved under section 506 of the Act for each such Year,

to the Reduction Amount.

“Reduction Amount” means the Initial Reduction Amount as increased by the additional income derived for each previous Year relating to the Initial Reduction Amount

[Note: The purpose of this clause is to reduce the Council's general income to the amount of general income that the Council would have had in 2028-29 without this Special Variation.]

Dated 16 May 2018

A handwritten signature in black ink, appearing to read 'Peter J. Boxall', written in a cursive style.

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