



Our Ref: 2926458
Telephone: (02) 4732 7635

24 March 2011

Mr Jim Cox
Chief Executive Officer
Local Government Team
The Independent Pricing and Regulatory Tribunal
Level 17, 1 Market Street
SYDNEY NSW 2000

Dear Mr Cox

Re: Application for Special Rate Variation

Please find attached Penrith City Council's application for a Special Rate Variation, endorsed by Council at its Ordinary Meeting of 21 March 2011.

The State Government's Metropolitan Plan for Sydney 2036 identifies Penrith as one of Western Sydney's two Regional Cities. Penrith will need to accommodate around 25,000 new dwellings and 40,000 new jobs by 2036 to meet the needs of its growing communities. Under the State Government's metropolitan and sub-regional plans Penrith, together with five other 'growth' councils in Western Sydney, will be responsible for delivering nearly 50% of the new houses and new jobs Sydney needs by 2036.

Like much of Western Sydney, Penrith has already undergone dramatic growth and development over the past 30 years with our population nearly doubling between 1971 (58,000) and 1981 (109,000) and today, Penrith City is home to more than 184,000 people.

The most significant financial, and indeed, social risk to the City and Council is not having the capacity to generate the funds needed to maintain all of our assets and deliver the services expected by our communities.

Our ability to raise rates and other forms of revenue is limited, but Council is subjected to an ongoing stream of additional obligations which need substantial funds to implement, particularly in the areas of planning, reporting, asset management and regulation. Within this increasingly challenging environment Council continues to provide an extensive range of services to our communities.

Council's budget must reflect the service levels asked of it by the community. Successive surveys, forums and workshops have shown that our community expects the current service levels to at least continue, and in many cases, increase. Roads, footpaths, parks, community buildings and public amenities are core local government services that consistently rate as having a high priority for our communities.

The expectation is also on Council to address other areas including environmental protection, neighbourhood renewal, City Centres improvements, economic development and job creation.

We know that one third of our City's residents travel outside the City each day to work and a focus of Council's proposed program targets attracting investors and jobs to the area.

Unprecedented consultation during preparation of the Community Strategic Plan and this SRV application has clearly provided an insight into the aspirations and expectations of our communities. This insight is the foundation of our SRV proposal and includes:

Maintaining existing assets and service levels

- *Parks Asset Renewal Program*
- *Building Asset Renewal*
- *Footpath and shared pathways asset maintenance*
- *Public Amenity Asset Replacement Program*
- *Maintaining existing Services*

Enhanced Services

- *Enhanced Public Domain Maintenance*
- *Neighbourhood renewal*
- *Enhancement to shared pathways program*
- *City Centres upgrade and renewal*

I believe the attached submission addresses the criteria required by IPaRT and the requirements for Penrith to fulfil its obligations and vision to be a true Regional City that the community is proud of while providing the economic growth that enables the community to live, work and play in a vibrant Regional City.

In closing, I would like to acknowledge our appreciation to the IPaRT officers who have provided guidance and assistance during this process.

Please do not hesitate to contact Mr Barry Husking or myself if you require any further information.

Yours faithfully



Alan Stoneham
General Manager