

Circular Details	20-38 / 25 November 2020 / A743632
Who should read this	Councillors / General Managers / Council Finance and IP&R staff
Contact	Policy team - 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Information

Special Rate Variation and Minimum Rate Variation Guidelines and Process

What's new or changing

- The Guidelines that apply for Special Rate Variation and Minimum Rate Variation applications have been published on the Office of Local Government (OLG) website.

What this will mean for your council

- The Guidelines outline the process for councils seeking to apply for a special rate or minimum rate variation.
- Temporary Special Guidelines have been issued to new councils required to harmonise rates on 1 July 2021 and seeking to set a harmonised minimum ordinary rate across their new council area. The temporary Special Guidelines apply to new councils in specific circumstances only.

Key points

- The rate peg for 2021/22 is 2.0%.
- New councils seeking to harmonise rates in a way that increases their general income above the rate peg, must apply to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation.
- The process for all councils applies as normal during the COVID-19 pandemic period however, to the extent compliance has been or is anticipated to be affected by COVID-19, councils should explain the impact in their application. These explanations will be taken into consideration by IPART when assessing the application.
- The cap limit on local development contributions has been removed entirely.

Where to go for further information

- The Special Variation and Minimum Rate Variation Guidelines are available on OLG's website at Rating and Special Variations.
- Councils intending to apply for a Special Variation or Minimum Rate Variation in 2021/22 should contact IPART in advance of submitting an application on 02 9290 8400 or email localgovernment@ipart.nsw.gov.au.
- New councils intending to apply for a Minimum Rate Variation in 2021/22, in the specific circumstances outlined in the temporary Special Guidelines, should contact OLG's Performance Team on 02 4428 4100 or email olg@olg.nsw.gov.au.



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