

Our reference: 18/321

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13 May 2019

Mr Graeme Faulkner
General Manager
Lithgow City Council
PO Box 19
Lithgow NSW 2790

Dear Mr Faulkner

Instrument of approval for 2019-20 special variation application

I refer to IPART's determination on Lithgow City Council's application for a special variation in 2019-20, which was issued today. The final reports on our special variation determinations are available on the IPART website.

I have attached a copy of the Instrument of Approval for Lithgow City Council for your records.

If you have any queries, please contact Matthew Edgerton on 9290 8414.

Yours sincerely



Hugo Harmstorf
Chief Executive Officer

CC: Office of Local Government

LOCAL GOVERNMENT ACT 1993

INSTRUMENT UNDER SECTION 508(2)

SPECIAL VARIATION FOR LITHGOW CITY COUNCIL 2019-20

This instrument is made by the Independent Pricing and Regulatory Tribunal (IPART) as delegate for the Minister administering the *Local Government Act 1993* (the **Act**) (Delegation of 6 September 2010).

IPART determines under section 508(2) of the Act that:

1. The percentage by which Lithgow City Council (**Council**) may increase its general income for Year 2019-20 is 9.0%.

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

[Note: The Council is required to reduce its income for Year 2019-20 to reflect any expiring special variation amount (\$636,992) before increasing its general income for that year in accordance with clause 1 above.]

2. The percentage increase set out in clause 1 above (**Special Variation**) is subject to the following conditions:
 - a) 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:

- i) the additional general income raised in accordance with clause 1 above, less
- ii) 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 Lithgow City Council 2019-20” dated May 2019 on IPART’s determination under section 508(2) of the Act.

- b) The Council report, in its annual report for each Year from Year 2019-20 to Year 2020-21, on the following for those years:
 - i) the program of expenditure that was actually funded by the Additional Income;
 - ii) any significant differences between the Proposed Program and the program of expenditure that was actually funded by the Additional Income and the reasons for those differences;
 - iii) the outcomes achieved as a result of the Additional Income;

- iv) the Council's actual revenues, expenses and operating balance against the projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan; and
- v) any significant differences between the Council's actual revenues, expenses and operating balance and the projected revenues, expenses and operating balance as outlined in the Long Term Financial Plan and the reasons for those differences.

"Long Term Financial Plan" means the long term financial plan for the period from Year 2019-20 to Year 2028-29 summarised in Appendix C of the Report.

Dated 1 May 2019



Dr Paul Paterson, Chair
On behalf of the Independent Pricing and Regulatory Tribunal
As delegate for the Minister Administering the *Local Government Act 1993*