



Special Rate Variation (SRV) – Impact to Rating Categories

The former Gundagai Shire Council applied for a Special Rate Variation (SRV) of 12.89% for a period of ten years. This increased the general income on 1 July 2008 by \$185,014, with the increase to be subject to the rate peg for the subsequent years up until 30 June 2018.

Cootamundra-Gundagai Regional Council is now seeking approval from the Independent Pricing and Regulatory Tribunal (IPART) to have this expiring SRV continue on a permanent basis. If successful, this means that \$263,530 (accumulative total over the ten year period) will not have to be removed from the general income on 1 July 2018.

Two scenarios for each rating category are outlined below:

- Average rates with expiring SRV excluded (ie no SRV in place)
- Average rates including the continuation of the expiring SRV (ie \$263,530 remains part of general income, and only increased by the rate peg)

Impact of expiring Special Rate Variation						
Farmland Rating Category	2017-18	2018-19	2019-20	2020-21	2021-22	Cumulative Increase
Average farmland rates under 2.3% rate peg for 2018/19 and assumed 2.5% rate peg thereafter with expiring 8.29% special variation	\$2,456	\$2,305	\$2,362	\$2,421	\$2,482	
Annual increase (%)		-6.2%	2.5%	2.5%	2.5%	
Average farmland rates with expiring 8.29% special variation and a 10.59% special variation commencing in 2018/19	\$2,456	\$2,513	\$2,576	\$2,640	\$2,706	
Annual increase (%)		2.3%	2.5%	2.5%	2.5%	
Cumulative impact of special variation above 2017/18 levels after expiry (excluding rate peg)		\$260	\$323	\$387	\$453	20.1%

Impact of expiring Special Rate Variation

Residential Rating Category	2017-18	2018-19	2019-20	2020-21	2021-22	Cumulative Increase
Average residential rates under 2.3% rate peg for 2018/19 and assumed 2.5% rate peg thereafter with expiring 8.29% special variation	\$419	\$393	\$403	\$413	\$413	
Annual increase (%)		-6.2%	2.5%	2.5%	2.5%	
Average residential rates with expiring 8.29% special variation and a 10.59% special variation commencing in 2018/19	\$419	\$428	\$439	\$450	\$461	
Annual increase (%)		2.3%	2.5%	2.5%	2.5%	
Cumulative impact of special variation above 2017/18 levels after expiry (excluding rate peg)		\$44	\$55	\$66	\$77	20.1%

Impact of expiring Special Rate Variation

Business Rating Category	2017-18	2018-19	2019-20	2020-21	2021-22	Cumulative Increase
Average business rates under 2.3% rate peg for 2018/19 and assumed 2.5% rate peg thereafter with expiring 8.29% special variation	\$954	\$895	\$918	\$941	\$964	
Annual increase (%)		-6.2%	2.5%	2.5%	2.5%	
Average business rates with expiring 8.29% special variation and a 10.59% special variation commencing in 2018/19	\$954	\$976	\$1,001	\$1,026	\$1,051	
Annual increase (%)		2.3%	2.5%	2.5%	2.5%	
Cumulative impact of special variation above 2017/18 levels after expiry (excluding rate peg)		\$101	\$126	\$151	\$176	20.1%

Impact of expiring Special Rate Variation

Town Improvement District	2017-18	2018-19	2019-20	2020-21	2021-22	Cumulative Increase
Average town improvement district rates under 2.3% rate peg for 2018/19 and assumed 2.5% rate peg thereafter with expiring 8.29% special variation	\$259	\$243	\$249	\$255	\$261	
Annual increase (%)		-6.2%	2.5%	2.5%	2.5%	
Average town improvement district rates with expiring 8.29% special variation and a 10.59% special variation commencing in 2018/19	\$259	\$265	\$271	\$278	\$285	
Annual increase (%)		2.3%	2.5%	2.5%	2.5%	
Cumulative impact of special variation above 2017/18 levels after expiry (excluding rate peg)		\$27	\$34	\$41	\$48	20.1%