

10.4 MAKING OF THE 2025/26 RATES AND CHARGES - ATTACHMENT

Attachment Titles:

1. Office of Local Government - Circular to Councils - Information about ratings 2025/26

Attachment 1 - Information Paper Rate 2025-26-1-October-2024



Rate pegs for NSW councils for 2025-26
1 October 2024

1 We have set the rate pegs for 2025-26

IPART has set the rate pegs for the 2025-26 financial year. These are the maximum amounts by which each NSW council can automatically increase its general income from 1 July 2025 to 30 June 2026 (unless the council has an approved special variation to exceed its rate peg). The rate pegs do not apply to individual ratepayers' rates.

We used our new rate peg methodology which we introduced last year and for the first time, consulted with stakeholders to inform our rate peg decisions. In making these decisions, we balanced the impacts on ratepayers recognising the current cost of living pressures, and the need for councils to maintain services and cover increases in existing costs.

The rate pegs for 2025-26 range from 3.6% to 5.1% before adjusting for each council area's population growth (i.e. the core rate pegs). When this adjustment is made, the total rate pegs range from 3.7% to 7.6%. These rate pegs reflect the forecast increases and actual changes in the main cost components shown below.

The 2025-26 rate peg breakdown:

	Base cost change Labour, asset and other operating costs	+ 3.6% for all councils (metropolitan, regional and rural)
	Emergency Services Levy Year-on-year changes in council ESL invoices and some previous costs not captured in the rate peg when these increases were subsidised	- 0.1% to 1.2%
	Local government election costs Costs of running the 2024 local government election to be recovered in 2025-26 financial year	+ 0.0% to 0.8%
Core rate pegs Average impacts on the ratepayers		= 3.6% to 5.1%
	Population growth Excludes prisoner populations, deducts the change in supplementary valuations and adjusts for COVID-19 impacted populations	+ 0.0% to 3.8%
Total rate pegs for each council		= 3.7% to 7.6%

We maintained our default approach to capture council productivity with a 0% change.

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present. We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

See **Table 6.1** from page 12 for the 2025-26 rate pegs for each council.

The **core rate pegs** provide a better indication of the average impacts on ratepayers than the total rate pegs because they exclude the population factor. This factor is applied to allow councils to increase their total income to cover the costs of providing the same level of services to additional people. It doesn't increase rates collected per person.

The core rate pegs for 2025-26 are lower than those for last year (3.6% to 5.1% compared with 4.5% to 5.5%).

Box 1.1 We consulted with stakeholders to inform our rate peg decisions

In 2023, IPART reviewed the rate peg methodology and consulted extensively with stakeholders. As a result, we made major changes to the methodology to apply from 2024-25. We also decided to enable ongoing consultation with ratepayers, councils and other stakeholders by:

- holding periodic ratepayer workshops for ratepayers and other stakeholders to provide their feedback and views on the implementation of the new rate peg methodology and for us to share any new developments
- establishing a council reference group to advise on the implementation of our new rate peg methodology.

1.1.1 We held a ratepayer workshop

On 13 August 2024, we held an online ratepayer workshop to hear from ratepayers on issues we should consider when setting the rate pegs for 2025-26. Forty-three community members attended this workshop.

The workshop provided an opportunity for ratepayers and community members to raise issues and have their say through an open forum. It also included an information session on the rate peg methodology and on some areas we considered would interest ratepayers based on frequently asked questions.

Ratepayers raised issues including the cost-of-living crisis and the impacts of rate increases, improving the special variations process, the regulatory model for councils and support to keep the rate peg in place. See our [summary](#) of issues raised.

1.1.2 We established the Council Reference Group

In July 2024, we established the Council Reference Group (CRG), appointing 14 members. These were based on nominations from the Office of Local Government (OLG) and Local Government NSW (LGNSW). The CRG met first to prioritise then discuss the issues it wanted the Tribunal to consider for the 2025-26 rate peg and future years. Issues ranged from components in the rate peg methodology and increased costs to broader local government issues. See our [website](#) for more information including the [CRG Terms of Reference](#) and a summary of issues discussed.

2 What is the rate peg?

The rate peg is the maximum percentage amount by which a council may increase its general income for the year. For most councils, general income is rates income, which on average represents around one third of NSW councils' combined total income. On average, for some rural councils, rates income represents around 11%, and for some metropolitan councils, up to 41%.

IPART sets the rate peg under delegation from the Minister for Local Government and has done so since 2010. The rate peg has 2 purposes:

1. It allows all councils to automatically increase their rates income each year to keep pace with the estimated change in the costs of providing their current services and service levels to their community.
2. It also limits the impact of these automatic increases on ratepayers, by ensuring councils cannot increase their rates income by more than the estimated change in their costs, without consulting with their communities through the special variation process.

Councils can increase their general income by up to the rate peg. They may decide to increase their general income by less than the rate peg (or reduce their income) and consult with their communities on rates and service trade-offs that may be needed. If a council increases its rates income by less than the rate peg, it has up to 10 years to catch up this shortfall.^a A council can only increase its general income by more than the rate peg, if it has an approved special variation (SV) or is catching up on previously foregone increases.

The rate peg (or SV) does not apply to individual ratepayers' rates. As long as the increase in total general income does not exceed the rate peg (or SV), an individual ratepayer's rates may increase by more than or by less than the rate peg or be reduced. Councils have discretion when setting rates to distribute the impact of rate changes among ratepayers. Councils may increase categories of rates by more or less than the rate peg.

We understand some stakeholders do not agree with councils increasing their income, for various reasons. However, not allowing income to increase in line with changes to their business-as-usual costs could have negative impacts on communities through trade-offs in the services ratepayers rely on.

2.1 The rate peg is like a price index

Our approach is to set the rate peg like a price index, similar to the consumer price index (CPI). The difference is we measure the change in the price of a 'basket' of goods and services that councils typically purchase rather than households. For example, these include employees, roads and other assets.

We estimate the change in this 'basket' from a mix of forecasts, estimates and actual cost changes. We set the rate peg in line with this estimated change.

^a The catch-up provisions are specified in section 511 of the *Local Government Act 1993*.

The rate pegs reflect changes in business-as-usual costs – they do not provide for changes in the quantity or quality of services councils decide on, or how efficient a council may be. The rate pegs only limit the rate of change of income from rates.

We do not assess each councils' performance, spending priorities and decisions, and consultation with the community. We also do not and cannot audit council finances. The rate peg is not based on a review of individual council spending.

2.2 The rate peg does not limit all council income

The rate peg does not limit increases to income from rates and charges for water supply, wastewater, domestic waste management and some other services. Councils must keep income from these rates and charges separate to ensure they are used for the purpose of which they are collected. It also does not limit income from grants from State and Federal governments and infrastructure contributions.

3 How did we set the rate peg?

We calculated each council's rate peg using the methodology set out in the formula below:

$$\text{Rate peg} = \text{Base Cost Change (BCC)} - \text{productivity factor} + \text{population factor} \\ + \text{Emergency Services Levy (ESL) factor} + \text{other adjustments}$$

We have set the BCC, productivity, population and the ESL factors consistent with our methodology and have also included 'other adjustments' to better respond to changes in council costs for the 2025-26 financial year. These include:

- an adjustment to allow councils to catch up on some of the historical increases in the ESL not captured in previous rate pegs when they were subsidised
- a temporary adjustment for the costs of running the 2024 elections
- a population factor adjustment for COVID-19 impacted populations.

Our decisions are discussed below. For more details on our methodology, see our [Final Report](#) on our 2023 Review of the rate peg methodology.



See our [2025-26 rate peg model](#) and how we calculated the rate pegs for each council.

3.1 We forecast councils' base costs to increase by 3.6% on average

We used our Base Cost Change (BCC) model to estimate cost increases in council's business-as-usual costs for 2025-26. The BCC model measures the percentage change in 3 main council costs:

- Employee costs – measured using changes in the Local Government State (NSW) Award and adjusted for changes in the superannuation guarantee.
- Asset costs – measured using the Reserve Bank of Australia's (RBA) forecast change in the Consumer Price Index (CPI) plus an adjustment that reflects the average difference between actual CPI (All groups, Sydney) and actual Producer Price Index (PPI) (Road and bridge construction, NSW) over the past 5 years. We derive a forecast because there is currently no forecast for the PPI for road and bridge construction, and we consider the change in the PPI is the best measure for changes in asset costs.
- Other operating costs – measured by the RBA's forecast change in the CPI.

We use separate BCC models for the different council groups (metropolitan, regional and rural) to better reflect the diversity of NSW councils. Each of these separate models weighs the 3 cost components according to the spending pattern of the average council in each group. Although the components vary in weight for each group, we apply the same measures of change to each component. For example, while asset costs might have a larger weight for rural councils than metropolitan councils, both asset costs components would be forecast to change by the same amount.

The BCC for 2025-26 is 3.6% for each council group, which is lower than last year (3.9%). The BCCs for each group were the same (after rounding) because the differences between council spending patterns and the differences between changes in each cost component were relatively small. This was also the case for the 2024-25 rate peg. Table 3.1 shows the change in the BCC components and their weights. For the 2025-26 financial year:

- Employee costs in the BCC will rise by 3.5%, which is lower than last year.
- Asset costs are forecast to rise by 4.0%, which is the same as last year.
- Other operating costs are forecast to rise by 3.5%, which is higher than last year.

Table 3.1 We calculate base cost changes weighted by council group spending

	Employee costs	Asset costs	Other operating costs
Change in costs	3.5% ^a	4.0% ^b	3.5% ^c
Weightings by council group			
Metropolitan	40%	18%	42%
Regional	35%	23%	42%
Rural	34%	25%	42%

a. This is based on an increase of 3% from 1 July 2025 as per the Local Government (State) Award. We also included an increase of 0.5% for changes in the superannuation guarantee from 2024-25 to 2025-26 (from 11.5% to 12%).

b. This is based on the average of RBA forecasts to December 2025 and June 2026 from the August 2024 Statement on Monetary Policy of 3.5% and an 0.5% adjustment based on the average difference between the PPI (Road and bridge construction, NSW) and the CPI (All groups, Sydney) over the most recent 5-year period.

c. We use the average of the RBA's forecast change in the CPI to December and June for year the rate peg applies.

We heard suggestions from the CRG to include more components in the BCC for audit costs, costs of Valuer General land valuations, and elections costs. We may explore this at a later stage.

3.2 We allowed increases of up to 1.2% to reflect ESL costs

Councils make payments - known as the Emergency Service Levy (ESL) - to the State Government to support emergency services (Fire and Rescue NSW, State Emergency Service, Rural Fire Service). Councils currently fund 11.7% of the costs of these services. We allow councils to recover changes in the ESL so they can meet their ESL obligations without diverting funds required to maintain service levels and infrastructure for their communities.

For the 2025-26 rate peg we have:

- set ESL factors consistent with our methodology
- made a further ESL adjustment to allow councils to catch up on some of the historical increases in the ESL not captured in previous rate pegs when they were subsidised. We previously made this adjustment for some councils in the 2024-25 rate peg.

Overall, the changes to income reflecting ESL costs range from -0.1% to 1.2%. Only one council had a change to income from ESL costs that was negative. This was after a full catch-up adjustment for its previously subsidised ESL costs.

3.2.1 Lower ESL contributions this year led to negative ESL factors for most councils

ESL factors allow councils to recover the year-on-year changes in their ESL contributions. ESL factors are lagged by one year. The 2025-26 rate peg captures the change in ESL contributions between 2023-24 and 2024-25.

ESL factors are not the simple increase in a council's ESL contribution. Instead, they reflect the additional change to income that is needed for a council to meet its ESL obligations **after** this income has been adjusted by the BBC, population factors and any specific adjustment factors. ESL factors can be^b:

- positive when the change in ESL contributions is greater than the change in the BCC, population factor and any specific adjustment factors
- negative when the change in ESL contributions is less than that change
- equal to 0% when the change in ESL contributions is equal to that change.

In 2024-25, ESL contributions were 4.4% lower on average than in 2023-24. All councils except for one council had a negative ESL factor.

^b See our [Information paper on the rate peg for NSW councils for 2024-25](#) for how we calculate the ESL factor (pp 9-10).

3.2.2 Most councils had outstanding ESL costs to catch up on

As in the 2024-25 rate peg, we allowed a further adjustment to capture some of the past increases in the ESL costs that were previously subsidised by the NSW Government and therefore not captured by the rate peg. The NSW Government subsidised increases in council ESL contributions between 2019-20 and 2022-23. In 2023-24 the subsidy was discontinued leading to increases in council ESL costs. We decided to phase the costs that were previously subsidised into the rate peg over time.

All councils received ESL subsidy adjustments for 2025-26 that range between 0.2 to 2.9%. We decided on the adjustment amounts to:

- offset the negative ESL factor that most councils had, and
- ensure all councils have recovered at least 50% of their subsidised increases.

We consulted with the CRG on options to phase in these ESL subsidy costs. The CRG supported a full catch-up for the 2025-26 rate peg and for councils to have the discretion to phase these costs in using the catch-up provision in the Local Government Act.^c The rate peg allows maximum increases to general income and individual councils can decide to increase their rates by less than the rate peg (or reduce their rates) to manage the impacts on their communities. We considered the impacts on ratepayers of this option but decided to continue phasing the ESL catch-up into the rate peg. We considered ratepayer concerns about affordability and cost of living pressures, and how some ratepayers and communities are consulted with.

3.3 We included a temporary election cost adjustment of 0% to 0.8%

We included a temporary council-specific adjustment to help councils cover the costs of running the 2024 local government elections.

NSW councils must fund the costs of running local government elections. This is mostly done by the NSW Electoral Commission (NSWEC) but can also be done by private operators.^d We consider that the rate peg should allow councils to recover these costs to avoid trade-offs with current services.

The adjustment reflects the difference in election costs from the elections held in either 2016 or 2017 adjusted for inflation, and the 2024 local government election costs. Adjusting for this difference avoids overcharging ratepayers as the rest of these costs are in councils' cost bases. To make it temporary, we will make a downward adjustment in the next rate peg.

The election cost adjustment for 2025-26 is council-specific and is based on NSWEC's estimates of election costs for each NSW council. These range from \$27,000 to \$2.5 million. We consider this is the best available data at this time.

^c The 'catch-up' provisions are under section 511 of the *Local Government Act 1993*. If councils decide not to implement their full allowable rate peg (or special variation amount), they can 'catch-up' the income shortfall over the next 10 years. This is managed through the OLG reporting process.

^d Councils cannot directly conduct their own elections under section 296AA(1) of the *Local Government Act 1993*.

Of the 128 councils in NSW, 125 councils received this adjustment in their rate peg, ranging from 0% to 0.8%. These councils include those that held an election on 14 September or are expected to hold by-elections in the next 3 months.^e The other 3 councils did not get an adjustment because they were not expected to hold elections and will therefore not incur these costs, or will receive funding to cover their election costs.

We consulted with stakeholders on adjusting for election costs:

- The CRG generally supported a proposed temporary council-specific adjustment for the change in election costs but also suggested that the BCC could capture election costs through an additional BCC component. We will consider this for future rate pegs.
- At our ratepayer workshop, one participant did not support the inclusion of 'election costs', considering that the costs may end up 'out of control'. Our adjustment captures the cost of running elections. It does not include campaigning costs.

Our approach to this adjustment is largely consistent with what we did for the 2021 local government elections. The difference is that we previously set one uniform adjustment because, at that time, we set only one rate peg to apply to all councils.^f Our last adjustment for election costs was 0.2%.

3.4 We allowed increases of up to 3.8% to account for population growth

We allow councils to increase their income to cover the costs of population growth. We do this by setting a population factor that gives councils additional income needed to maintain income collected per person (before inflation) as populations grow. The population factor reflects year-on-year population growth lagged by 3 years.^g Importantly, our methodology does not reduce council income when population falls. This is because in an area of falling population a council still needs to maintain its infrastructure and provide services, so its costs may not decline correspondingly.

For the 2025-26 rate peg we have:

- set population factors, consistent with our methodology
- made a population factor adjustment for some councils to account for unexpected population patterns due to COVID-19.

Overall, we set a positive population factor (after adjustment) for 72 councils of up to 3.8%. This range is higher than last year when population factors reached 2.7%. The population factor for the remaining councils was 0% due to their stable or falling population.

^e 3 councils that did not have all councillor positions filled are expected to hold by-elections and 8 councils that had uncontested wards were expected to hold reduced elections.

^f Prior to 2021-22, legislation required us to produce a single rate peg that applied to all councils. Legislative change in 2021 allowed for different rate pegs to be set for each council.

^g Population growth includes the change in estimated resident population less prison populations and less the change in supplementary valuations. The latest information on the estimated resident population is from 2023.

3.4.1 We adjusted population factors for 13 metropolitan councils due to COVID-19 population trends

We made a one-off adjustment to the population factors for 13 councils with unusual population trends following COVID-19 and where this would have led to large population factors and rate peg increases, under our current population factor methodology. These councils' populations declined notably from 2019 to 2021 and then rebounded between 2022 and 2023.

Under the population factor methodology, we did not reduce these councils' rate pegs when their populations declined. However, as the populations have increased in the post-COVID-19 years, our methodology would now cause an increase to their rate pegs that we found:

- may over-burden ratepayers
- increase rates per capita which is not the purpose of the population factor methodology.

These councils should have the capacity to cater for the rebound in their population using their existing rates income.

Our adjustment means that the affected councils receive an increase in income to match the net population change between 2019 and 2023. This is the 'effective population growth' since 2019. This adjustment is a negative number that reflects the difference between the unadjusted population factor and the effective population growth. These adjustment factors range from -5.1% to -0.8%.

We discussed the issue of treating COVID-19 impacted populations with the CRG. There was general support for an adjustment. Some raised concerns about population data, the time frame for measuring growth and the impacts of a negative adjustment. Others considered an adjustment would be reasonable as councils would not be worse off. We did not hear about the population factor during our ratepayer workshop.

The population adjustment for COVID-19 impacted populations is a one-off adjustment for councils that were materially affected and would have had large population factors in 2025-26.^h We may make a similar adjustment to the rate peg in future years for other councils that may be similarly affected. We also anticipate reviewing the rate peg methodology in 4 years' time.

3.5 We maintained the 0% default for productivity

Since 2011, our rate peg methodology has included an explicit factor to account for productivity gains in the local government sector. In 2018-19, we set the productivity factor to zero as a default to recognise that productivity gains were reflected in ABS data we used in our methodology at the time. In 2023, following our review of the rate peg methodology, we decided to keep the productivity factor and set it at 0% as a default, unless we had evidence to depart from this approach.

^h We used criteria to set a materiality threshold to identify councils that needed a population adjustment. We considered 1) populations that declined by 15% or more between 2019 and 2021 to capture unusual population fluctuations associated with COVID-19, 2) populations that have subsequently increased and 3) populations over 10,000.

We have maintained the default of 0% for the productivity factor in the rate peg for the 2025-26 financial year. We consider that further analysis is required to develop measures of productivity. This includes considering the outcomes of the NSW Parliamentary Inquiry on the ability of local governments to fund infrastructure and services and the work the Office of Local Government is completing around council performance benchmarking.

We acknowledge stakeholders' concerns about the productivity factor. We heard at our ratepayer workshop that the productivity factor should not be set to zero as this would not provide an incentive for councils to become more productive. In contrast, we heard from the CRG, consistent with council stakeholder views we've heard in the past, that the productivity factor should be removed or maintained at 0%. Their view was that it would penalise councils for productivity gains that would be reinvested into providing services to the community.

We recognise the importance of retaining a productivity factor to encourage councils to be more efficient in the costs they can control. Councils are encouraged to reinvest any efficiencies in council services to the community.

While a default is in place, we consider there is merit to further investigate how productivity gains can be incentivised but recognise this may include avenues broader than the rate peg. Before we consider any departure from the default of zero, we will further consult with stakeholders.

4 What can councils do if they want a higher increase?

If councils want or need to increase their general income by more than the rate peg – for example so they can introduce new services, improve service quality or become more financially sustainable – they can apply to IPART for a special variation (SV). This would allow them to increase general income above the rate peg on a temporary or permanent basis for a given number of years. Councils can also apply to IPART to increase their minimum rates above the statutory limit (MR increase). However, increases to minimum rates do not increase total general income but change the way rates are distributed.

Councils applying for an SV or MR increase must consult with their communities and satisfy the criteria listed in the OLG's SV/MR increase Guidelines. The latest edition of the Guidelines was published in November 2020 and will apply to 2025-26 SV/MR increase application assessments. The Guidelines are available on our [website](#).

Councils applying for an SV or MR increase for 2025-26 must apply to IPART by 3 February 2025. IPART's website also includes general information on the requirements and recent applications from councils.

5 What can ratepayers do if they are concerned about the impacts?

Ratepayers that find it difficult to pay their rates should contact their council in the first instance and ask about what support they may provide and their hardship policy. This may include assistance or flexible payment arrangements tailored to ratepayers and their circumstances. Also, ratepayers can visit the NSW Ombudsman's website on '[Having trouble with your rates and charges](#)' for further guidance and resources, which may help ratepayers understand their rights and access additional support.

6 Final rate pegs for all councils

Table 6.1 Final rate pegs and components

Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Albury	3.6%	-0.2%	0.2%	0.2%	3.8%	0.3%	4.1%
Armidale Regional	3.6%	-0.3%	0.4%	0.3%	4.0%	0.0%	4.0%
Ballina	3.6%	-0.2%	0.2%	0.2%	3.8%	0.0%	3.8%
Batraland	3.6%	-0.6%	1.4%	0.1%	4.5%	0.0%	4.5%
Bathurst Regional	3.6%	-0.4%	0.5%	0.3%	4.0%	0.9%	4.9%
Bayside	3.6%	-0.5%	0.5%	0.1%	3.7%	2.4%	6.1%
Bega Valley	3.6%	-0.3%	0.5%	0.4%	4.1%	0.8%	4.9%
Bellingen	3.6%	-0.5%	0.9%	0.2%	4.2%	0.0%	4.2%
Berrigan	3.6%	-0.4%	0.6%	0.8%	4.6%	0.0%	4.6%
Blacktown	3.6%	-0.2%	0.4%	0.2%	4.0%	1.9%	5.9%
Bland	3.6%	-0.6%	0.9%	0.3%	4.2%	0.0%	4.2%
Blayney	3.6%	-0.3%	0.3%	0.1%	3.8%	0.0%	3.8%
Blue Mountains	3.6%	-0.3%	0.5%	0.1%	3.8%	0.7%	4.5%
Bogan	3.6%	-0.4%	0.7%	0.3%	4.1%	0.0%	4.1%
Bourke	3.6%	-0.8%	1.5%	0.0%	4.3%	0.7%	5.0%
Brewarrina	3.6%	-1.2%	1.9%	0.8%	5.1%	0.0%	5.1%
Broken Hill	3.6%	-0.3%	0.3%	0.2%	3.8%	0.2%	4.0%
Burwood	3.6%	-0.5%	0.5%	0.2%	3.8%	3.8%	7.6%
Byron	3.6%	-0.2%	0.3%	0.1%	3.7%	1.3%	5.0%
Cabonne	3.6%	-0.5%	0.7%	0.3%	4.1%	0.3%	4.4%
Camden	3.6%	0.3%	0.2%	0.2%	4.3%	3.2%	7.5%

Information Paper

Rate pegs for NSW councils for 2025-26

Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Campbelltown	3.6%	-0.3%	0.3%	0.1%	3.7%	1.8%	5.5%
Canada Bay	3.6%	-0.5%	0.5%	0.3%	3.8%	0.0%	3.8%
Canterbury-Bankstown	3.6%	-0.4%	0.4%	0.1%	3.7%	1.8%	5.5%
Carrathool	3.6%	-0.5%	0.8%	0.2%	4.0%	0.0%	4.0%
Central Coast	3.6%	-0.3%	0.3%	0.2%	3.8%	0.5%	4.3%
Central Darling	3.6%	-1.7%	2.9%	0.0%	4.8%	0.5%	5.3%
Cessnock	3.6%	-0.3%	0.4%	0.2%	3.9%	0.8%	4.7%
Clarence Valley	3.6%	-0.3%	0.5%	0.2%	4.0%	0.3%	4.3%
Cobar	3.6%	-0.5%	0.8%	0.0%	3.9%	0.6%	4.5%
Coffs Harbour	3.6%	-0.3%	0.4%	0.3%	4.0%	0.6%	4.6%
Coolamon	3.6%	-1.0%	1.2%	0.6%	4.5%	1.8%	6.3%
Coonamble	3.6%	-0.3%	0.4%	0.2%	3.8%	0.9%	4.7%
Cootamundra-Gundagai Regional	3.6%	-0.4%	0.8%	0.5%	4.5%	0.1%	4.6%
Cowra	3.6%	-0.5%	0.8%	0.4%	4.2%	0.0%	4.2%
Cumberland	3.6%	-0.5%	0.5%	0.2%	3.8%	3.3%	7.1%
Dubbo Regional	3.6%	-0.3%	0.5%	0.5%	4.2%	0.0%	4.2%
Dungog	3.6%	-0.4%	0.7%	0.3%	4.1%	0.0%	4.1%
Edward River	3.6%	-0.5%	0.7%	0.8%	4.6%	0.0%	4.6%
Eurobodalla	3.6%	-0.4%	0.5%	0.3%	4.0%	0.1%	4.1%
Fairfield	3.6%	-0.4%	0.4%	0.3%	3.9%	0.0%	3.9%
Federation	3.6%	-0.4%	0.6%	0.7%	4.6%	0.2%	4.8%
Forbes	3.6%	-0.5%	0.7%	0.6%	4.4%	0.0%	4.4%
Georges River	3.6%	-0.5%	0.4%	0.2%	3.6%	0.8%	4.4%
Gilgandra	3.6%	-0.4%	0.7%	0.2%	4.0%	0.2%	4.2%
Glen Innes Severn	3.6%	-0.5%	0.6%	0.3%	4.0%	0.4%	4.4%
Goulburn Mulwaree	3.6%	-0.3%	0.4%	0.1%	3.8%	0.4%	4.2%

Information Paper

Rate pegs for NSW councils for 2025-26

Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Greater Hume	3.6%	-0.6%	0.7%	0.3%	4.1%	1.2%	5.3%
Griffith	3.6%	-0.3%	0.4%	0.4%	4.0%	0.0%	4.0%
Gunnedah	3.6%	-0.2%	0.2%	0.5%	4.1%	0.6%	4.7%
Gwydir	3.6%	-0.4%	0.6%	0.2%	4.0%	0.2%	4.2%
Hawkesbury	3.6%	-0.3%	0.5%	0.2%	3.9%	0.0%	3.9%
Hay	3.6%	-0.6%	1.1%	0.2%	4.3%	0.0%	4.3%
Hilltops	3.6%	-0.5%	0.8%	0.6%	4.4%	0.0%	4.4%
Hornsby	3.6%	-0.4%	0.4%	0.2%	3.8%	1.4%	5.2%
Hunters Hill	3.6%	-0.5%	0.5%	0.8%	4.4%	0.0%	4.4%
Inner West	3.6%	-0.5%	0.5%	0.1%	3.7%	0.0%	3.7%
Inverell	3.6%	-0.3%	0.3%	0.2%	3.8%	0.2%	4.0%
Junee	3.6%	-0.6%	0.8%	0.6%	4.5%	1.7%	6.2%
Kempsey	3.6%	-0.3%	0.4%	0.2%	3.9%	0.0%	3.9%
Kiama	3.6%	-0.2%	0.3%	0.1%	3.7%	0.0%	3.7%
Ku-ring-gai	3.6%	-0.4%	0.6%	0.3%	3.9%	2.2%	6.1%
Kyogle	3.6%	-0.4%	0.6%	0.3%	4.1%	0.0%	4.1%
Lachlan	3.6%	-0.5%	0.7%	0.3%	4.2%	0.1%	4.3%
Lake Macquarie	3.6%	-0.3%	0.3%	0.1%	3.7%	0.8%	4.5%
Lane Cove	3.6%	-0.3%	0.3%	0.2%	3.8%	0.1%	3.9%
Leeton	3.6%	-0.3%	0.4%	0.7%	4.4%	0.0%	4.4%
Lismore	3.6%	-0.3%	0.4%	0.2%	3.9%	0.0%	3.9%
Lithgow	3.6%	-0.3%	0.5%	0.3%	4.1%	0.0%	4.1%
Liverpool	3.6%	-0.4%	0.4%	0.2%	3.8%	2.2%	6.0%
Liverpool Plains	3.6%	-0.4%	0.6%	0.2%	4.0%	0.0%	4.0%
Lockhart	3.6%	-0.7%	0.9%	0.4%	4.2%	0.7%	4.9%
Maitland	3.6%	-0.2%	0.2%	0.1%	3.6%	2.2%	5.8%

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Rate pegs for NSW councils for 2025-26

Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Mid-Coast	3.6%	-0.2%	0.3%	0.1%	3.8%	0.0%	3.8%
Mid-Western Regional	3.6%	-0.3%	0.3%	0.1%	3.8%	0.0%	3.8%
Moree Plains	3.6%	-0.2%	0.2%	0.1%	3.8%	0.0%	3.8%
Mosman	3.6%	-0.3%	0.6%	0.1%	3.9%	0.0%	3.9%
Murray River	3.6%	-0.5%	0.6%	0.5%	4.2%	11%	5.3%
Murrumbidgee	3.6%	-0.8%	1.0%	0.4%	4.3%	11%	5.4%
Muswellbrook	3.6%	-0.2%	0.3%	0.2%	3.9%	0.0%	3.9%
Nambucca	3.6%	-0.4%	0.7%	0.2%	4.1%	0.5%	4.6%
Narrabri	3.6%	-0.3%	0.5%	0.4%	4.1%	0.2%	4.3%
Narrandera	3.6%	-0.4%	0.6%	0.2%	4.0%	0.0%	4.0%
Narromine	3.6%	-0.5%	0.7%	0.2%	4.1%	0.1%	4.2%
Newcastle	3.6%	-0.2%	0.2%	0.1%	3.7%	14%	5.1%
North Sydney	3.6%	-0.2%	0.4%	0.3%	4.0%	0.0%	4.0%
Northern Beaches	3.6%	-0.4%	0.4%	0.2%	3.8%	0.0%	3.8%
Oberon	3.6%	-0.7%	0.9%	0.8%	4.6%	0.8%	5.4%
Orange	3.6%	-0.2%	0.3%	0.2%	3.9%	0.1%	4.0%
Parkes	3.6%	-0.3%	0.4%	0.3%	4.0%	0.0%	4.0%
Parramatta	3.6%	-0.3%	0.3%	0.1%	3.7%	2.5%	6.2%
Penrith	3.6%	-0.2%	0.3%	0.2%	3.9%	0.0%	3.9%
Port Macquarie-Hastings	3.6%	-0.3%	0.3%	0.3%	3.9%	0.2%	4.1%
Port Stephens	3.6%	-0.2%	0.3%	0.3%	3.9%	0.6%	4.5%
Queanbeyan-Palerang Regional	3.6%	-0.2%	0.4%	0.2%	3.9%	0.0%	3.9%
Randwick	3.6%	-0.4%	0.4%	0.1%	3.7%	0.0%	3.7%
Richmond Valley	3.6%	-0.4%	0.5%	0.2%	3.9%	0.0%	3.9%
Ryde	3.6%	-0.4%	0.4%	0.2%	3.8%	2.9%	6.7%
Shellharbour	3.6%	-0.2%	0.3%	0.1%	3.8%	0.2%	4.0%

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Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Shoalhaven	3.6%	-0.3%	0.4%	0.1%	3.8%	0.0%	3.8%
Singleton	3.6%	-0.3%	0.3%	0.1%	3.8%	0.5%	4.3%
Snowy Monaro Regional	3.6%	-0.5%	1.0%	0.1%	4.2%	1.0%	5.2%
Snowy Valleys	3.6%	-0.4%	0.7%	0.5%	4.3%	0.0%	4.3%
Strathfield	3.6%	-0.5%	0.5%	0.2%	3.8%	3.1%	6.9%
Sutherland	3.6%	-0.4%	0.4%	0.1%	3.7%	1.3%	5.0%
Sydney	3.6%	-0.2%	0.2%	0.1%	3.7%	0.4%	4.1%
Tamworth Regional	3.6%	-0.3%	0.4%	0.0%	3.8%	0.0%	3.8%
Temora	3.6%	-0.8%	1.3%	0.8%	4.9%	0.1%	5.0%
Tenterfield	3.6%	-0.5%	0.7%	0.1%	3.8%	1.4%	5.2%
The Hills	3.6%	-0.5%	0.5%	0.2%	3.7%	2.5%	6.2%
Tweed	3.6%	-0.2%	0.2%	0.2%	3.8%	0.6%	4.4%
Upper Hunter	3.6%	-0.5%	0.8%	0.3%	4.2%	0.1%	4.3%
Upper Lachlan	3.6%	-0.6%	0.9%	0.2%	4.1%	0.9%	5.0%
Uralla	3.6%	-0.4%	0.6%	0.5%	4.2%	0.7%	4.9%
Wagga Wagga	3.6%	-0.3%	0.4%	0.1%	3.8%	0.0%	3.8%
Walcha	3.6%	-0.2%	0.5%	0.1%	3.9%	0.0%	3.9%
Walgett	3.6%	-0.5%	0.7%	0.4%	4.2%	0.0%	4.2%
Warren	3.6%	-0.3%	0.3%	0.2%	3.9%	0.2%	4.1%
Warrumbungle	3.6%	-0.5%	0.9%	0.0%	4.0%	0.0%	4.0%
Waverley	3.6%	-0.3%	0.3%	0.2%	3.8%	0.0%	3.8%
Weddin	3.6%	-0.7%	1.2%	0.4%	4.5%	0.1%	4.6%
Wentworth	3.6%	-0.5%	0.8%	0.6%	4.5%	0.0%	4.5%
Willoughby	3.6%	-0.3%	0.3%	0.3%	3.8%	0.0%	3.8%
Wingecarribee	3.6%	-0.2%	0.2%	0.2%	3.7%	0.2%	3.9%
Wollondilly	3.6%	-0.2%	0.3%	0.2%	3.8%	0.0%	3.8%

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Council	BCC	ESL factor	ESL subsidy catch-up adjustment	Election cost adjustment	Core rate peg	Population factor and adjustment	Final rate peg
Wollongong	3.6%	-0.3%	0.3%	0.1%	3.7%	1.0%	4.7%
Woollahra	3.6%	-0.2%	0.4%	0.3%	4.1%	0.0%	4.1%
Yass Valley	3.6%	-0.5%	0.8%	0.2%	4.1%	0.0%	4.1%

Notes:

The core rate peg is the rate peg before the population factor and adjustment and the final rate peg is the rate peg including the population factor and adjustment.

Figures may not add due to rounding. Percentage changes are calculated from unrounded numbers.

Table 6.2 Population factors and rate pegs for all councils

Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Albury	1.5%	1.2%	0.3%	0.0%	0.3%	4.1%
Armidale Regional	0.8%	0.9%	0.0%	0.0%	0.0%	4.0%
Ballina	0.9%	1.2%	0.0%	0.0%	0.0%	3.8%
Balranald	0.0%	0.2%	0.0%	0.0%	0.0%	4.5%
Bathurst Regional	1.2%	0.4%	0.9%	0.0%	0.9%	4.9%
Bayside	2.8%	0.4%	2.4%	0.0%	2.4%	6.1%
Bega Valley	0.8%	0.0%	0.8%	0.0%	0.8%	4.9%
Bellingen	0.0%	0.4%	0.0%	0.0%	0.0%	4.2%
Berrigan	0.0%	0.2%	0.0%	0.0%	0.0%	4.6%
Blacktown	3.8%	1.9%	1.9%	0.0%	1.9%	5.9%
Bland	0.0%	0.1%	0.0%	0.0%	0.0%	4.2%
Blayney	0.7%	0.8%	0.0%	0.0%	0.0%	3.8%
Blue Mountains	0.7%	0.0%	0.7%	0.0%	0.7%	4.5%
Bogan	0.0%	1.1%	0.0%	0.0%	0.0%	4.1%
Bourke	0.7%	0.0%	0.7%	0.0%	0.7%	5.0%

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Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Brewarrina	0.0%	0.2%	0.0%	0.0%	0.0%	5.1%
Broken Hill	0.2%	0.0%	0.2%	0.0%	0.2%	4.0%
Burwood	4.0%	0.2%	3.8%	0.0%	3.8%	7.6%
Byron	1.7%	0.4%	1.3%	0.0%	1.3%	5.0%
Cabonne	0.3%	0.0%	0.3%	0.0%	0.3%	4.4%
Camden	5.5%	2.2%	3.2%	0.0%	3.2%	7.5%
Campbelltown	2.4%	0.7%	1.8%	0.0%	1.8%	5.5%
Canada Bay	2.4%	0.2%	2.2%	-2.2%	0.0%	3.8%
Canterbury-Bankstown	2.1%	0.2%	1.8%	0.0%	1.8%	5.5%
Carrathool	0.0%	0.3%	0.0%	0.0%	0.0%	4.0%
Central Coast	0.8%	0.3%	0.5%	0.0%	0.5%	4.3%
Central Darling	0.5%	0.0%	0.5%	0.0%	0.5%	5.3%
Cessnock	2.3%	1.5%	0.8%	0.0%	0.8%	4.7%
Clarence Valley	1.1%	0.8%	0.3%	0.0%	0.3%	4.3%
Cobar	0.8%	0.2%	0.6%	0.0%	0.6%	4.5%
Coffs Harbour	1.0%	0.3%	0.6%	0.0%	0.6%	4.6%
Coolamon	1.9%	0.1%	1.8%	0.0%	1.8%	6.3%
Coonamble	0.9%	0.0%	0.9%	0.0%	0.9%	4.7%
Cootamundra-Gundagai Regional	0.2%	0.1%	0.1%	0.0%	0.1%	4.6%
Cowra	0.0%	0.4%	0.0%	0.0%	0.0%	4.2%
Cumberland	3.3%	0.0%	3.3%	0.0%	3.3%	7.1%
Dubbo Regional	1.0%	1.5%	0.0%	0.0%	0.0%	4.2%
Dungog	0.5%	0.8%	0.0%	0.0%	0.0%	4.1%
Edward River	0.0%	0.4%	0.0%	0.0%	0.0%	4.6%
Eurobodalla	0.4%	0.3%	0.1%	0.0%	0.1%	4.1%
Fairfield	1.4%	0.1%	1.3%	-1.3%	0.0%	3.9%

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Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Federation	0.7%	0.5%	0.2%	0.0%	0.2%	4.8%
Forbes	0.0%	1.0%	0.0%	0.0%	0.0%	4.4%
Georges River	3.1%	0.4%	2.7%	-2.0%	0.8%	4.4%
Gilgandra	0.3%	0.1%	0.2%	0.0%	0.2%	4.2%
Glen Innes Severn	0.4%	0.0%	0.4%	0.0%	0.4%	4.4%
Goulburn Mulwaree	0.8%	0.5%	0.4%	0.0%	0.4%	4.2%
Greater Hume	1.6%	0.4%	1.2%	0.0%	1.2%	5.3%
Griffith	0.4%	0.5%	0.0%	0.0%	0.0%	4.0%
Gunnedah	1.0%	0.5%	0.6%	0.0%	0.6%	4.7%
Gwydir	0.3%	0.2%	0.2%	0.0%	0.2%	4.2%
Hawkesbury	0.4%	0.4%	0.0%	0.0%	0.0%	3.9%
Hay	0.0%	0.3%	0.0%	0.0%	0.0%	4.3%
Hilltops	0.1%	0.2%	0.0%	0.0%	0.0%	4.4%
Hornsby	1.5%	0.1%	1.4%	0.0%	1.4%	5.2%
Hunters Hill	0.8%	0.0%	0.8%	-0.8%	0.0%	4.4%
Inner West	2.8%	0.3%	2.6%	-2.6%	0.0%	3.7%
Inverell	0.5%	0.3%	0.2%	0.0%	0.2%	4.0%
Junee	2.1%	0.4%	1.7%	0.0%	1.7%	6.2%
Kempsey	0.8%	0.9%	0.0%	0.0%	0.0%	3.9%
Kiama	0.2%	0.2%	0.0%	0.0%	0.0%	3.7%
Ku-ring-gai	2.2%	0.0%	2.2%	0.0%	2.2%	6.1%
Kyogle	0.2%	0.6%	0.0%	0.0%	0.0%	4.1%
Lachlan	0.1%	0.1%	0.1%	0.0%	0.1%	4.3%
Lake Macquarie	1.2%	0.4%	0.8%	0.0%	0.8%	4.5%
Lane Cove	3.6%	3.6%	0.1%	0.0%	0.1%	3.9%
Leeton	0.0%	0.4%	0.0%	0.0%	0.0%	4.4%

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Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Lismore	0.0%	0.5%	0.0%	0.0%	0.0%	3.9%
Lithgow	0.0%	0.9%	0.0%	0.0%	0.0%	4.1%
Liverpool	3.3%	1.0%	2.2%	0.0%	2.2%	6.0%
Liverpool Plains	0.1%	0.7%	0.0%	0.0%	0.0%	4.0%
Lockhart	0.8%	0.1%	0.7%	0.0%	0.7%	4.9%
Maitland	2.5%	0.3%	2.2%	0.0%	2.2%	5.8%
Mid-Coast	0.7%	0.7%	0.0%	0.0%	0.0%	3.8%
Mid-Western Regional	0.5%	0.5%	0.0%	0.0%	0.0%	3.8%
Moree Plains	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%
Mosman	3.3%	0.1%	3.3%	-3.3%	0.0%	3.9%
Murray River	2.4%	1.3%	1.1%	0.0%	1.1%	5.3%
Murrumbidgee	1.1%	0.0%	1.1%	0.0%	1.1%	5.4%
Muswellbrook	1.3%	3.4%	0.0%	0.0%	0.0%	3.9%
Nambucca	0.8%	0.3%	0.5%	0.0%	0.5%	4.6%
Narrabri	0.3%	0.0%	0.2%	0.0%	0.2%	4.3%
Narrandera	0.0%	0.2%	0.0%	0.0%	0.0%	4.0%
Narromine	0.2%	0.2%	0.1%	0.0%	0.1%	4.2%
Newcastle	1.6%	0.2%	1.4%	0.0%	1.4%	5.1%
North Sydney	3.8%	0.0%	3.8%	-3.8%	0.0%	4.0%
Northern Beaches	1.7%	0.0%	1.7%	-1.7%	0.0%	3.8%
Oberon	1.7%	0.9%	0.8%	0.0%	0.8%	5.4%
Orange	0.6%	0.5%	0.1%	0.0%	0.1%	4.0%
Parkes	0.0%	0.4%	0.0%	0.0%	0.0%	4.0%
Parramatta	3.4%	0.9%	2.5%	0.0%	2.5%	6.2%
Penrith	1.6%	1.5%	0.0%	0.0%	0.0%	3.9%
Port Macquarie-Hastings	1.5%	1.2%	0.2%	0.0%	0.2%	4.1%

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Rate pegs for NSW councils for 2025-26

Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Port Stephens	1.4%	0.8%	0.6%	0.0%	0.6%	4.5%
Queanbeyan-Palerang Regional	1.8%	2.7%	0.0%	0.0%	0.0%	3.9%
Randwick	4.5%	0.1%	4.4%	-4.4%	0.0%	3.7%
Richmond Valley	0.0%	0.0%	0.0%	0.0%	0.0%	3.9%
Ryde	3.5%	0.6%	2.9%	0.0%	2.9%	6.7%
Shellharbour	1.8%	1.6%	0.2%	0.0%	0.2%	4.0%
Shoalhaven	0.4%	0.5%	0.0%	0.0%	0.0%	3.8%
Singleton	1.0%	0.4%	0.5%	0.0%	0.5%	4.3%
Snowy Monaro Regional	1.4%	0.4%	1.0%	0.0%	1.0%	5.2%
Snowy Valleys	0.0%	0.1%	0.0%	0.0%	0.0%	4.3%
Strathfield	3.4%	0.3%	3.1%	0.0%	3.1%	6.9%
Sutherland	1.4%	0.1%	1.3%	0.0%	1.3%	5.0%
Sydney	5.9%	0.4%	5.5%	-5.1%	0.4%	4.1%
Tamworth Regional	1.1%	1.3%	0.0%	0.0%	0.0%	3.8%
Temora	0.6%	0.5%	0.1%	0.0%	0.1%	5.0%
Tenterfield	1.4%	0.0%	1.4%	0.0%	1.4%	5.2%
The Hills	4.4%	1.8%	2.5%	0.0%	2.5%	6.2%
Tweed	1.0%	0.4%	0.6%	0.0%	0.6%	4.4%
Upper Hunter	0.3%	0.3%	0.1%	0.0%	0.1%	4.3%
Upper Lachlan	1.8%	0.9%	0.9%	0.0%	0.9%	5.0%
Uralla	1.1%	0.4%	0.7%	0.0%	0.7%	4.9%
Wagga Wagga	0.6%	0.7%	0.0%	0.0%	0.0%	3.8%
Walcha	0.0%	1.7%	0.0%	0.0%	0.0%	3.9%
Walgett	0.1%	0.4%	0.0%	0.0%	0.0%	4.2%
Warren	0.2%	0.0%	0.2%	0.0%	0.2%	4.1%
Warrumbungle	0.0%	0.0%	0.0%	0.0%	0.0%	4.0%

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Rate pegs for NSW councils for 2025-26

Council	Change in population	Supplementary valuations percentage	Population factor before adjustment	COVID-19-related population adjustment	Population factor after adjustment	Final rate peg
Waverley	3.0%	0.0%	3.0%	-3.0%	0.0%	3.8%
Weddin	0.1%	0.0%	0.1%	0.0%	0.1%	4.6%
Wentworth	1.2%	1.2%	0.0%	0.0%	0.0%	4.5%
Willoughby	3.1%	0.0%	3.1%	-3.1%	0.0%	3.8%
Wingecarribee	0.6%	0.4%	0.2%	0.0%	0.2%	3.9%
Wollondilly	3.3%	3.3%	0.0%	0.0%	0.0%	3.8%
Wollongong	1.2%	0.3%	1.0%	0.0%	1.0%	4.7%
Woollahra	2.1%	0.1%	2.0%	-2.0%	0.0%	4.1%
Yass Valley	0.6%	1.2%	0.0%	0.0%	0.0%	4.1%

Notes:

Councils with a population factor after adjustment that is greater than zero are shown in blue bold font.

Figures may not add due to rounding. Percentage changes are calculated from unrounded numbers