PITTWATER COUNCIL

Policy – No 15	**Adopted:**	**OM:03.03.1997**
	Reviewed:	**OM: 03.06.2013**
	Amended:	**OM:20.06.2011, OM:17.10.2011**
	Revoked:	

TITLE: **INTEREST EARNED ON CONTRIBUTIONS LEVIED AND SECURITY DEPOSITS HELD**

STRATEGY: **Business Management**

BUSINESS UNIT: **Finance and IT**

RELEVANT LEGISLATION: **Environmental Planning and Assessment Act, 1979**
Local Government Act 1993

RELATED POLICIES: **None**

Objective

1. To reduce the effects of inflation and hence the future purchasing power of Developer Contributions levied and received under Section 94 of the Environmental Planning and Assessment Act, 1979.

2. To determine the rate of interest applicable for security deposits held and subsequently refunded as required under Section 97(5) of the Local Government Act, 1993.

Policy Statement

That Council, as a matter of procedure, allocate interest on the unspent balance of funds received as Developer Contributions under Section 94 of the Environmental Planning and Assessment Act, 1979. The rate of interest applicable on such funds will be set as per Council's prevailing Contributions Plans.

That Council, as a matter of procedure, allocate interest on the balance of all refundable deposits and bonds held as per Section 97 (5) of the Local Government Act, 1993, which states; "a security deposit (or part) if repaid to the person who provided it is to be repaid with any interest accrued on the deposit (or part) as a consequence of its investment".

Accordingly, the rate of interest applicable on refundable deposits and bonds will be set at the prevailing return for Council's Corporate Cheque Account - General Account held with Council's current banker.