13 December 2013

Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Sir

Local Land Services Board of Chairs’ Response to IPART Draft Report
Review of Funding Framework for Local Land Services (LLS)

In response to the call for submissions on the LLS Board of Chairs’ response released last week I wish to advise that Gwydir Shire Council has the following objections specific to the recommendations concerned with the collection of rates for properties below 2 hectares and the LLS rating council land holdings.

Collection of Rates by Local Government – Holdings under 2 ha

The council supports the IPART recommendation (17) specifically that the minimum rateable land area should be reduced to 2 hectares however the LLS BoC recommendation that LLS rate land holdings below 2 ha is not supported as it has the potential to encroach on council’s rate base.

It is noted that the Board’s recommendation is that local government collect rates on behalf of the LLS on holdings less than 2 hectares only. Whilst it is acknowledged that a fee for service arrangement has been suggested this presents as another cost shifting exercise that will impact on council resources already under significant pressure. Additional resources will be required to undertake debtor/rating procedures, including debt collection and customer enquiries.

In addition to this, regardless of the branding and presentation of the LLS rate/levy there will be the perception that this will be an additional local government levy. This will raise service expectations that Council will not be able to provide.
LLS rating Council Land Holdings

IPART tabled the notion of a base rate and special purpose rates be levied on those who are risk creators and/or beneficiaries of services that LLS provides to manage those risks. Gwydir Shire Council is strongly opposed to LLS BoC’s recommendation that all exemptions for public land holders be removed. This objection is made on the grounds that local government entities invest significantly in public land and natural resource management. Gwydir Shire Council agrees with the position of Local Government NSW that there is no justification for Local Government’s land holdings to be subject to LLS rates.

In closing, Gwydir Shire Council strongly objects to Councils being required to collect or pay rates in respect of land below 2ha and also the proposal for removal of LLS rating exemptions for public landholders.

Yours faithfully

[Signature]

Cr John Coulton
Mayor