

Media Release

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Feedback sought on scope of NSW council financial model review

The Independent Pricing and Regulatory Tribunal (IPART) is seeking community feedback on a draft Terms of Reference for a review of the financial model for councils in New South Wales.

IPART Chair Carmel Donnelly said the NSW Premier requested the review, which was recommended by IPART late last year and supported by the Minister for Local Government. "Last year, as part of our review of the local council rate peg methodology, stakeholders raised concerns about the affordability of council rates in the current cost of living climate, as well as community consultation, financial management and financial sustainability of councils in NSW", Ms Donnelly said.

"IPART noted many of the issues raised cannot be fixed by the rate peg or the special variation process and we therefore recommended the NSW Government commission an independent review of the financial model for councils to identify improvements."

"We have received the draft Terms of Reference for this review and we're seeking feedback on them from the community, ratepayers, councils, former and current councillors and council staff."

The draft Terms of Reference asks IPART to investigate and report on the financial model for NSW local councils.

This includes reviewing the councillor and community visibility over the financial and operational performance of their councils, whether current budget and financial processes deliver value for money and whether the current funding model will sustainably support the needs of communities.

The draft Terms of Reference also include reviewing the capacity and capability of councils and how better planning and reporting systems can improve long term budget performance, transparency and accountability to the community.

"You can provide feedback by completing our short 'Have Your Say' survey or making a submission via our website until 15 March 2024," Ms Donnelly said.

"IPART will consider all feedback and may recommend the Premier make changes to the Terms of Reference for the review as a result of submissions we receive."

"There will also be further opportunities this year to participate in the review itself."

The draft Terms of Reference is available on IPART's [website \(www.ipart.nsw.gov.au\)](http://www.ipart.nsw.gov.au).

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