

20 March 2024

Carmel Donnelly PSM  
Chair of the Tribunal  
IPART  
2-24 Rawson Place,  
Sydney NSW 2000

Dear Ms Donnelly,

**RE: Wingecarribee Shire Council – Draft Terms of Reference – Review of the NSW Council  
Financial Model**

Thank you for the opportunity to comment on the Draft Terms of Reference relating to the Review of the NSW Council Financial Model.

Council considered this matter at its meeting held on 20 March 2024, and also the advice received from the IPART on 19 March 2024, following the publishing of the business paper, that under section 12A(4) the Premier had withdrawn the referral and that the matter will now be dealt with by the NSW Parliament's Standing Committee on State Development.

Council subsequently resolved to still submit the submission for the IPART's information, as such attached is Council's submission in relation to the review of the NSW Council Financial Model.

If you should have any queries, please to contact Council's [REDACTED]

[REDACTED], on [REDACTED] or via email at [REDACTED]

Yours sincerely,

[REDACTED]

[REDACTED]

*We're with you*

## **Wingecarribee Shire Council – Draft Terms of Reference – Review of the NSW Council Financial Model**

Council welcomes the opportunity to comment on the Draft Terms of Reference relating to the review of the NSW Council financial model. The following feedback is provided on each section of the draft Terms of Reference:

### **1. The visibility of councillors and the community over the financial and operational performance of their councils**

Council supports the proposed scope outlined in the terms of reference.

In considering this point within the draft terms of references, it is suggested that emphasis on simplifying financial reporting should be a focus to ensure that any increase in reporting is simple in nature and does not have a material impact resourcing (both technology and staff).

### **2. Whether the current budget and financial processes used by councils are delivering value-for-money for ratepayers and residents**

Council supports the proposed scope outlined in the terms of reference.

In considering this point within the draft terms of reference, the role of the rate peg and how it operates within Integrated Planning and Reporting framework should be included. The replacement of the rate peg with a strategic approach in levying revenue should also be considered.

### **3. Whether the current funding model will sustainably support the needs of communities**

Council supports the proposed scope outlined in the terms of reference.



of the communities to ensure a holistic approach is taken in considering the impact on the community.

**4. Whether councils (both councillors and staff) have the financial capacity and capability to meet current and future needs of communities.**

Council supports the proposed scope outlined in the terms of reference.

In considering this point within the terms of references, mandatory financial training should be for all elected representatives and accounting based qualifications should be essential for key roles should be included for discussion.

**5. How can better planning and reporting systems improve long term budget performance, transparency, and accountability to the community?**

Council supports the proposed scope outlined in the terms of reference.

In considering this point within the terms of references, funding for the increased depreciation should be considered in reviewing the financial sustainability of a Council.

**6. Any other matters IPART considers relevant.**

As outlined in this submission, consideration of the replacement of the rate peg and aligning rates growth to local service levels and cost growth should be considered to ensure that revenue is aligned to service levels rather than the current, counter intuitive approach. Considerations on how to contain the financial impacts of cost shifting from State agencies to Local Government need to be covered to ensure the community is aware of the burden that external government bodies are placing on ratepayers and the community.

