

FACT SHEET

Fit for the Future Assessments

27 April 2015

The NSW Government has appointed the Independent Pricing and Regulatory Tribunal (IPART) as the Expert Advisory Panel to assess local government Fit for the Future (FFTF) proposals. The FFTF reforms require all councils to assess their current position against the Independent Local Government Review Panel's (ILGRP) preferred options and submit a proposal by 30 June 2015.

This fact sheet provides information about how we propose to assess council proposals, including what we have been asked to do, our process and timetable. It also outlines how stakeholders can participate and provide input to our assessments.

1 What have we been asked to do?

Our terms of reference ask us to develop a methodology to assess FFTF proposals in a way that is consistent with the NSW Government's reform agenda, and then to assess councils against that methodology.

The first aspect we need to consider is whether a council has sufficient scale and capacity. This should be broadly consistent with the objectives of the preferred options recommended by the ILGRP. These options vary for different councils and include mergers, joint organisations or other structural improvements. Councils that choose not to follow these recommendations will need to provide a sound argument that they have the appropriate scale and strategic capacity.

Councils able to demonstrate the required scale and capacity will also be assessed against a set of specific benchmarks for their financial sustainability, infrastructure and service management, and that they are operating in an efficient way for ratepayers.

All councils will be rated as either 'fit' or 'not fit', or will be 'deemed not fit' if they do not submit a proposal by the 30 June 2015 deadline.

2 How will we undertake the assessments?

On 27 April 2015 we began consultation on our proposed methodology for undertaking the FFTF assessments with the release of a Consultation Paper. We will be consulting with councils and other stakeholders throughout May, before finalising our approach in early June. We are seeking feedback on issues such as:

- ▼ How can we improve our approach to assessing scale and capacity of a council, consistent with the Office of Local Government guidance?
- ▼ What are the most relevant defining characteristics for a rural council?
- ▼ How can we improve our assessment of sustainability, infrastructure management and efficiency, consistent with the Office of Local Government guidance?
- ▼ How should we assess the way in which councils have engaged with their communities?
- ▼ How should council performance against FFTF proposals be monitored?

Table 1 Proposed timetable for the FFTF assessments

Milestone	Date
Release of Consultation Paper – Assessment Methodology	27 April 2015
Public Forum – Sydney (webcast)	11 May 2015
Public Forum – Dubbo	15 May 2015
Public Forum – Coffs Harbour	18 May 2015
Public Forum – Wagga Wagga	21 May 2015
Close of submissions on Consultation paper	25 May 2015
Release of Final Report – Assessment Methodology	w/c 1 June 2015
FFTF proposals due from councils	30 June 2015
Close public submissions on council FFTF proposals	31 July 2015
Request additional information or meet with councils as required	Until end Aug 2015
Provide FFTF decisions to Minister	October 2015

3 How can you have your say?

We are accepting submissions on our proposed approach to assessing FFTF proposals during May. The Consultation Paper is available on our website, www.ipart.nsw.gov.au and submissions close on **25 May 2015**. There will also be opportunities to provide input at public forums in Sydney, Dubbo, Coffs Harbour and Wagga Wagga during May.

While this consultation is focused on the methodology, community members wishing to provide comment on their council's proposal should provide their feedback directly to their council. Public submissions will be accepted directly by IPART once the council proposals have been lodged by 30 June. Submissions from the public on council proposals will close on 31 July to enable them to be considered as part of the assessment process.

You can also subscribe for updates on our FFTF assessment process on our website: http://www.ipart.nsw.gov.au/Home/Footer_Links/Subscribe_for_updates.