



DUNGOG SHIRE COUNCIL

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File EF12/94

CFD

18 December 2013

Dr. Peter Boxall AO
Chairman
Independent Pricing and Regulatory Tribunal of NSW
PO Box Q290
QVB Post Office NSW 1230

Dear Dr. Boxall,

Local Land Services Board of Chairs Submission on Funding Framework

I wish to advise that Council considered the submission made to IPART at their meeting on 17 December 2013 and resolved to make a submission to express Councils concern as regards the paper lodged by the Board of Chairs of Local Land Services.

The report to IPART from the Local Land Services Board of Chairs appears to reflect an approach to revenue raising that will leave Local Government carrying the burden in a number of ways which I would contend is contrary to the inter-governmental agreement.

Background:

It is acknowledged that in the Hunter region the majority of Councils associated with the Hunter Councils Inc, the regional body representing the Councils of the Hunter are required to levy properties that contribute to the catchment of the Hunter River for the Catchment Management Authority. In my time with the Council (14 years) it is fair to say that this levy has been questioned individually by Councils over the years, the General Managers Advisory Committee of Hunter Councils Inc. and more importantly by members of the community as the process in recent years has not been transparent to the ratepaying community.

In Dungog Shire Councils area there are only 8 rateable properties on the eastern fringe of the LGA that are not levied the Catchment Management levy, the residual 4,600 assessments are levied and this year Council is meant to collect approx. \$143,500. Council staff are regularly queried and challenged in relation to this levy when it appears on the rates notice as people try to understand the rationale behind such. It should be noted that this levy is applied on an ad valorem rate in the dollar based upon land value, not area.

Concerns

1.) Collection of base rate proposal

There are a number of issues that have only been loosely touched on in their submission to IPART which reflects a lack of knowledge as regards a Councils rates database. The core information (land values) that Council relies on is generated by the NSW Valuer Generals

office. Council sources relevant changes to property ownership from the Land & Property Information Service and maintains our rates book as regards mailing address changes.

The LLS should levy and collect their own rates and not rely upon Local Government to undertake to fulfil the role. It is quite evident that the LLS already has the capacity to levy landholders without Local Government involvement the former agencies hold and source the same information as Council. This enables transparency as regards direct interaction between the ratepayers and the taxation body.

2.) Removal of public land exemptions

Council strongly objects to the removal of all exemptions for public landholders, in many instances Council has effectively inherited significant areas of public lands to control. Communities wear the brunt of meeting costs surrounding the protection and maintenance of these lands without any material benefit or support from the Crown, Council has in the past been appointed the trustee of environmental lands by gazettal, with limited financial resources the Council endeavours as best as practicable to protect these lands.

If the Council is to be taxed for such lands it is advised that the Council will seriously consider handing back the control of such lands to the Crown. The Dungog Shire Council experiences the pressure of visitation to the State Forests and National Parks plus the heavy vehicles involved in the timber industry conveying logs out of the State Forests all of which puts significant pressure on our local road network.

Yet the Council cannot levy other statutory bodies despite their running of business operations within our LGA that provide financial dividends back to the State Government and accordingly Council strongly protests at any proposal to levy Councils for public lands.

3.) Abolition of Land Area threshold of 2 Ha

Council supports the position as stated by Local Government NSW in relation to this matter as I am not certain as to whether any urban landholders would have contemplated that the LLS would impose a levy on urban households, if that was an early intention it is quite evident that the broader community is not aware of such which is a concern.

This further emphasises that the LLS need to collect and be accountable for their own finances and not look to shift elements of such on to Local Government.

Thank you for the opportunity to provide comment in relation to this matter.

Yours sincerely

A black rectangular redaction box covering the signature of Craig Deasey.

Craig Deasey PSM
General Manager