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Contact: David Marshall

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Dr Peter J Boxall AO
Chairman
Independent Pricing and Regulatory Tribunal of NSW
PO Box Q290
QUEEN VICTORIA BUILDING NSW 1230

Dear Mr Boxall

LOCAL LAND SERVICES BOARD OF CHAIRS SUBMISSION ON FUNDING FRAMEWORK FOR LOCAL LAND SERVICES NSW

I refer to the Local Land Services (LLS) Board of Chairs' submission to IPART on its Review of a Funding Framework for LLS NSW.

Kuring-gai Council shares the concerns of Local Government NSW about the Board of Chairs' submission which, if implemented, would significantly alter the funding framework proposed by IPART and transfer additional administrative costs and tax burden onto local government.

Kuring-gai Council opposes the Board of Chairs' proposal to impose general taxation such as a base rate and a rate for natural resource management as:

- It is contrary to the principle in IPART's draft report that general taxpayer funding of LLS should be a last resort only where it is not feasible, efficient or cost effective to charge fees for service.
- The imposition of a LLS rate on properties would increase the overall tax burden and detract from the revenue raising capacity of local government. At a time of ever increasing demand for services and the challenge of renewing aging infrastructure, an additional rates burden from LLS would severely impact on the financial sustainability of local government.
- Kuring-gai Council already raises an Environmental Levy. It would be inappropriate to charge our ratepayers twice to manage the natural resources in the area.

Kuring-gai Council opposes the Board of Chairs' proposal for land of less than 2 hectares to be subject to a LLS rate. This would encroach into urban areas and impact on small properties, possibly including strata properties. This is also contrary to the basic principle in IPART's draft report that LLS should recover their cost in the first instance by targeting risk creators and/or beneficiaries.

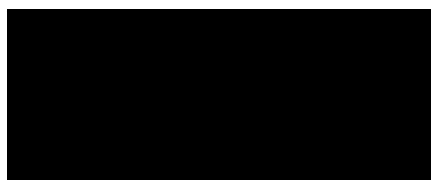
Kuring-gai Council opposes the Board of Chairs' proposal for local government to collect the LLS rates. This would remove the accountability from LLS boards as there would not be a direct link to the ratepayers. In addition, it would unnecessarily impose a complex administrative burden on

152 local councils when the NSW Office of State Revenue could more readily and transparently undertake this same service for the LLS.

Ku-ring-gai Council opposes the Board of Chairs' proposal to remove exemptions for public land holders. There is no justification to impose LLS rates on local government as councils already incur significant cost in managing public land and natural resources.

The LLS Board of Chairs' submission proposes fundamental changes to the financial model exhibited for consultation and is contrary to the principles established in the IPART Draft Report. It should either be rejected by IPART or a new consultation process commenced to fully incorporate and consider the impacts of these alternative proposals.

Yours faithfully



John McKee
General Manager