



Our ref: R13/0002 Out-22028

9 October 2013

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

Dear Mr Boxall

Review of Funding Framework for Local Land Services NSW

Thank you for your invitation to make a submission to IPART's Draft Report of its Review of a Funding Framework for Local Land Services NSW (LLS).

Local Government NSW commends IPART on this comprehensive report and supports in principle the cost recovery framework proposed in it. Local Government NSW already made a substantive submission to IPART's issues paper and would like to provide some additional comments as follow:

- Further analysis should be undertaken with respect to the potential impact of reducing the LLS rate base threshold to 2 hectares of land area on the ability of councils to raise rates and on the community's capacity to pay. This is particularly relevant where the lowering of the threshold results in an encroachment of LLS rates into urban and peri-urban areas.
- Service level decisions by LLS boards determined through their strategic planning process should include consideration of councils' community strategic plans and delivery programs (these council instruments should be listed on page 103 of the draft report). Councils' community strategic plans and delivery programs are likely to contain various objectives relevant to the activities of LLS boards. LLS activities should not impinge on, duplicate, or charge for, environmental programs that are already undertaken (and funded) by councils in urban and peri-urban areas. For that reason, Local Government NSW does not support any further lowering of the land area threshold below 2 hectares.
- Further clarification is needed as to the treatment of council owned land and Crown land under council management both in terms of the potential liability to pay LLS rates and charges and in terms of coordination of public land management between councils and LLS boards. This is particularly relevant where councils already undertake natural resource management and/or manage biosecurity threats on their land (e.g. bushland reserves) or on Crown land (e.g. conservation areas, caravan parks). This is also relevant for other larger council landholdings such as open spaces or parks in urban areas. It is also important that charges, levies and rents already paid to the NSW Government in relation to such lands are taken into account. These issues could be dealt with by way of an adequate exemption and discount regime.

- Further clarification is needed as to the treatment of land owned by Aboriginal Land Councils both in terms of the potential liability to pay LLS rates and charges as well as in terms of coordination of public land management.
- The final report should make it very clear that councils would need to agree to any request from LLS boards to collect LLS rates on their behalf. Currently, the draft report states that LLS boards "...should be able to seek the services of local government to collect some...rates...". However, there should not be any automatism. Collection services should only be undertaken by councils if they agree to it.

For further information on Local Government NSW's comments please contact Mr Shaun McBride, Senior Strategy Manager on 9242 4072 or shaun.mcbride@lgsa.org.au.

I hope our comment are of assistance and look forward to the implementation of an adequate funding framework for Local Land Services.

Yours sincerely

A handwritten signature in blue ink that reads "Shaun McBride per". The signature is written in a cursive style.

Noel Baum
Director – Policy