

Our Ref: 77/1 (995017)

20 December 2013

Submission to IPART – Review of funding framework for Local Land Services

Maitland City Council is presenting submission on its concerns regarding the review of funding for Local Land Services. Local Government overall is seen by the proposal to again be collecting on behalf of the State Government.

Maitland City Council objects to the proposal on the following basis:

- The Council will be required to be a collection agency. The Council is already collecting monies for the Hunter Valley Catchment Management Trust and this collection legally and properly on behalf of the Catchment Management Trust. To impose Council to collect monies for another will make the situation such that more Council resources will be required to manage the collection of the monies. It will be an additional administration burden with no financial return to Council.
- Also, Council has staff employed, as well as a debt collection agency to recover outstanding rate payments which would add additional time and resources if Council was the collection agency for the Local Land Services. Again Council as the collection agency would be forgoing their own time and resources to collect monies for the Local Land Services. The State Government must understand and come to terms with the fact that many residents in a local government area question their annual rate notice and the factors that make up the final amount on the annual and also the quarterly notice that is sent to ratepayers of the city. Some owners of properties will continually question the rate notice they receive and if additional line on the notice for the monies for the Local Land Services, there would be hours of time spent by the staff exploring the legality and purpose of such a charge on the rate notice.

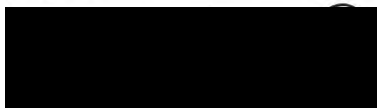
Council is very disappointed in the proposal to impose the suggested Local Land Services on public land. Maitland City Council has just completed a twelve (12) month consultation programme with the community and the main focus of that consultation was the ten (10) year financial plan of the city and the deficit Council will be in, in ten (10) years' time. Now, there is a proposal to impose a tax on public land, something that has not occurred before

and something which will further plunge the Council into deficit with no compensating access to increase in rates to cover the additional cost. IPART should be aware that there is a convention between all levels of Government in Australia that the relevant taxes are not taxed on the other levels of Government. This proposed tax will break that convention and open the flood gates in relation to all other taxes across Australia.

In addition the proposal will impact properties less than two (2) hectares, which is the majority of properties in the Maitland City Council Local Government area.

Finally the impost such a rate to the community and the administrative burden to Council, makes the commencement unrealistic and difficult to administer.

Regards



Graeme Tolhurst
Public Officer