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19 December 2013

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

Dear Dr Boxall

### **REVIEW OF FUNDING FRAMEWORK FOR LOCAL LAND SERVICES NSW**

On behalf of the Mid-Western Regional Council I would like to make the following submission to IPART on the Review of Funding Framework for Local Land Services NSW (LLS). We are aware that the Board of Chairs for the LLS has provided you with comments and my Council wish to make the following comments.

#### **Properties under 2 hectares**

My Council is of the opinion that properties under 2 hectares that are not urban or residential should be subject to LLS rates for the proposed rate base if they can be identified as risk creators or beneficiaries of the work done by LLS. There are a number of properties within our region that we firmly believe contribute to work that will be created by the LLS and therefore they should make some form of rate payment to the overall operation and management of LLS Boards. However we make it very clear that this should not include any urban or residential properties.

#### **Blind Tenure for rating**

Council considers that the rates should be levied regardless of owner if the land is a risk creator or beneficiary. There are numerous examples where land owned by the Crown creates significant risk and therefore will require action by the LLS. This includes weed infestation and control of feral animals.

#### **Local Government collecting the rates for LLS**

The Mid-Western Regional Council strongly opposes using councils to collect LLS rates on the following grounds:

- It will result in a lack of accountability for LLS Boards as ratepayers are likely to perceive any LLS rate/levy collected by a council as a Local Government levy, even if the rates notice indicates that it is an LLS charge;
- Making the LLS responsible for both expenditure and revenue collection would create in built controls on its expenditure growth and ensure appropriate transparency in the collection of the tax;

- There would be considerable collection costs and complexity in using 152 councils to collect LLS rates;
- It would create complications in those instances where a Local Government Area is divided between two LLS regions; and
- It would cause confusion for urban property owners.

#### Cost Shifting

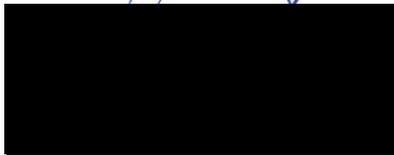
The Mid-Western Regional Council is concerned that the development of LLS Boards could lead to reduced funding from State and Federal Governments towards the activities of LLS Boards. It is important that in all the consideration by IPART and recommendations to the Government that State and Federal Governments be required to honour all current funding commitments.

#### Local Government Land

Mid-Western Regional Council oppose the rating of Local Government land for LLS boards until such time as further information is made available. Rating Council owned land may have a significant impact on the financial viability of Council. Until such time as information is available regarding the rate amount and to what land it will be applied Council opposes this additional cost on ratepayer.

Thank you for the opportunity of making this submission.

Yours sincerely

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WARWICK L BENNETT  
GENERAL MANAGER