

**Orana Regional Organisation of Councils**

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16<sup>th</sup> 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

Response to LLS Board of Chairs Submission on funding framework for LLS NSW

The Orana Regional Organisation of Councils (OROC) comprises the Shires of Bogan, Bourke, Brewarrina, Cobar, Coonamble, Gilgandra, Narromine, Walgett, Warren, Warrumbungle, Wellington and Dubbo City Council.

These councils are located in the Central West, Northwest and Far West sectors of NSW. The OROC region covers approximately 20% of the geographical area of NSW and comprises a diverse landscape that covers approximately 190,000 square kilometres.

The region is economically and socially reliant on its strong agricultural foundations and is subject to economic variations driven by climatic conditions. OROC's future is highly dependent on the structure and performance of Local Land Services (LLS) - it is imperative for LLS to get it right.

Although appreciative of the opportunity to comment on the LLS BoC submission, OROC member councils have strong reservations on the potential long term consequences and inadequacies of the proposed recommendations and strongly object to the following **two** key aspects.

- 1. LLS BoC recommends that all risk creators are subject to the LLS rates including land holdings below 2 hectares (excluding commercial and industrial land).**
  - This recommendation includes all land below 2 hectares (ha) including urban residential properties in every metropolitan city, town and village with no risk analysis, apart from the testimony provided at the IPART roundtable.

- The exclusion of commercial and industrial land in effect ignores some of the largest risk creators such as stock feed processors, seed cleaners, abattoirs, saleyards etc.
- The inference in Table 2 gives the distinct impression of the creation of a method to generate a contribution from local government towards LLS (i.e. there is no reference to biosecurity in areas of land less than 2 ha as shown in Table 2)
- There is a concern that the levy on land less than 2 hectares will become just that 'a levy'. This concern is based on the comment from the LLS BoC's submission which outlines an implementation phase for the first two years and nothing after. This is further reinforced by the foundation bodies of LLS being totally inactive in NRM and Environmental issues on urban residential land below 2 hectares (land in every metropolitan city, town and village) in the past.
- OROC Member councils are strongly opposed to any proposal that councils take on the responsibility for the collection of LLS rates.
- However OROC is supportive of the reduction of levied land from 10 hectares to 2 hectares as this proposal properly addresses the real risk profile on an equitable basis.

## **2 The exemptions for public landholders are removed.**

- This recommendation by LLS BoC is totally inadequate and unrealistic. There is an enormous amount of public land in NSW that is controlled by many different organisations and agencies for many different purposes for the benefit of the public. For example sporting fields, cemeteries, schools, parks and gardens, hospitals, religious organisations and National Parks. (Who is included as a public land holder and who is excluded?)
- Local Government has an obligation to maintain land assets in accordance with the Local Government Act and tenancy arrangements. Any new levy or charge from the LLS to council will come from councils' existing NRM budget, therefore reducing the capacity of councils to undertake any on ground works and the works it does in conjunction with CMAs.
- The funding framework proposed by LLS does not identify any additional service(s) that it intends to provide the community.
- This will fly in the face of the convention that one level of government does not tax another level of government and create dangerous precedence. Councils are not entitled to rate crown land some of which will become the assets of LLS, for example Travelling Stock Routes (TSR). Historically in the OROC region TSRs have been the largest revenue source for LHPAs.

Some of the issues raised by the LLS BoC and the seriousness of consequences to local government, communities and individuals are of great concern to the member councils of OROC. We trust serious consideration will be given to these matters.

Surely no decision can be made on the limited information provided to IPART by LLS BoC.

OROC members welcome the opportunity to discuss our concerns further with IPART.

Yours faithfully



Clr Bill McAnally  
**Chair**  
**Orana Regional Organisation of Councils (OROC)**

c.c The Hon Katrina Hodgkinson MP  
Minister for Primary Industries

The Hon Don Page MP  
Minister for Local Government

The Hon Robyn Parker MP  
Minister for Environment

The Hon Kevin Humphries MP  
Minister for Western NSW  
Member for Barwon

Mr Troy Grant MP  
Parliamentary Secretary for Natural Resources

Mr Mark Coulton MP  
Member for Parkes

Mr Ross Woodward  
Chief Executive  
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Mr Noel Baum  
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