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PSC2005-4421

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 Mr Boxall

Re: LLS Board of Chairs Response on Funding Framework for LLS NSW

I write to strongly support the concerns raised by Local Government NSW regarding the Local Land Services Board of Chairs' response to IPART Draft Report on its Review of Funding Framework for Local Land Services NSW.

Port Stephens Council's specific concerns include:

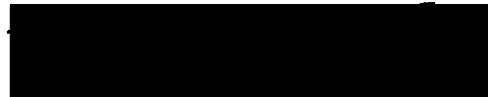
- **The recommendation that all risk creators are subject to the LLS rate including land holdings below 2 hectares**
 - Council strongly objects to lowering the land area threshold as it would result in LLS rates for urban and potentially strata properties.
 - The overall tax burden on ratepayers needs to be considered, not just the LLS rate in isolation.

- **The proposal that councils should collect the base rate and the rate for natural resource management for land with an area below 2 hectares**
 - Council collecting LLS rates or charges would create the illusion that LLS had a financial relationship with Council and would draw us into the inevitable arguments about the level of rate levied and service provided by LLS.
 - Experience with other 'collection' for State Agencies such as Hunter Central Rivers Catchment Management Authority (HCRCMA) indicates that the ratepayer does not differentiate between the collection agency (Council) and the beneficiary (State agency) when paying these fees. This creates animosity towards Council for charging the fee and an expectation of some type of service from Council which can not be provided.
 - Council currently levies rates for HCRCMA and retains 5% commission which does not cover Council's costs for administration associated with the levy and collection of this rate.
 - The transferring of administration to Council for properties below 2 Ha indicates that LLS perceive these to be insignificant parcels of land which they are not prepared to manage and be accountable for.
 - As Council's land area data is incomplete additional resources would be required to measure land.
 - This is not Council's core business and there is no justification for transferring the administration burden to Council.

- **The recommendation that all exemptions for public land holders be removed**
 - Port Stephens Council already applies significant resources to public land management and natural resource management. This expenditure more than offsets any obligation to pay rates for LLS purposes. There is no justification for Council's land holdings to be subject to LLS rates.

Should you require further information or wish to discuss the matter please contact Tim Hazell on 4980 0259.

Yours faithfully



Tim Hazell
Financial Services Section Manager