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16 December 2013

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

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Dear Dr Boxall,

Review of the Funding Framework for Local Land Services

I write on behalf of the members of the Riverina Eastern Regional Organisation of Councils (REROC) in relation to the above Review. REROC is a voluntary association of thirteen general purpose councils and two water county councils, our members are the councils of: Bland, Coolamon, Cootamundra, Corowa, Greater Hume, Gundagai, Junee, Lockhart, Temora, Tumbarumba, Tumut, Urana, Wagga Wagga and Riverina Water and Goldenfields Water County Councils.

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At REROC's December Board meeting the proposal put forward by the Local Land Services Board of Chairs (LLS BoC) was considered and the members resolved that REROC should make submission which addressed the LLS BoC's Response to the IPART Draft Report on LLS funding.

Following discussion on the proposals our members resolved the following:

- 1. The member councils are strongly opposed to the proposal that LLS rates be applied to properties below 2 hectares.
- 2. The member councils are strongly opposed to the proposal that councils take on the responsibility for the collection of LLS rates. The proposal is ill considered because it fails to recognise the significant financial and resource burden that this task would place on councils and how the LLS intends to address them.

In addition councils are very concerned that as a consequence of providing this service for the LSS, councils will by extension become debt collectors for outstanding LLS rates. This is an unacceptable situation for our member councils.

Finally, it is also unlikely that most ratepayers are going to be able to delineate between the residential rates they pay **to council** and the LLS rates which they will pay **at council**. Consequently the proposal is likely to generate a perception that

councils working together

councils are benefitting from the imposition of the LLS rates. Councils will carry all the burdens that attend the levy (including ratepayer complaints) without any financial benefit accruing to them.

3. The member councils are strongly opposed to the imposition of LLS rates on public land. This proposal flies in the face of a long held convention that one level of government does not levy taxes on another level of government. As the LLS BoC would be aware local government does not levy rates on land held by the State Government. The proposal fails to recognise the significant investment councils already make in natural resource management often in partnership with the former CMAs as well as in biosecurity, particularly through weeds management programs.

Our members would welcome the opportunity to discuss our concerns further with IPART should the occasion arise. While we understand that the LLS BoC is actively seeking pathways to ensure the financial viability of the new Service we do not believe that achieving this goal should come as a result of shifting costs to local government.

Yours sincerely



Cr Paul Braybrooks OAM Chair