

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**

Ref: SM: SF5845

Tamworth Regional Council wishes to make a submission in response to the Local Land Services Board of Chairs' (BoC) response to the IPART draft report Review of Funding Framework for Local Land Services (LLS).

Council is opposed to having any role in the collection of any rates, fees or levy's on behalf of LLS's as suggested in Table 2 of the BoC submission. This would create the illusion that LLS has some relationship with local government and would draw local government into arguments about the tax/rate levied and the level of service provided by LLS. The LLS taxes/rates are a payment to the NSW Government and must be seen as totally separate to and having no relation with local government.

In addition to the above confusion this proposal would cause, there would also be many practical issues such as;

- How would the amounts fall due;
- How would payments be allocated and remitted;
- How would disputes and payment arrangements be handled.

Council is supportive of the rateable land size being reduced to 2 hectares based on the same general risk principle being suggested by the BoC. However, Council is totally opposed to any land of less than 2 hectares being included as LLS rateable land as suggested by the BoC recommendation 2. It is considered that this proposal would be too difficult to manage to justify the benefits and that the proposed reduction from 10 hectares to 2 hectares addresses the risk profile.

Further reducing the rateable land size would also create confusion with land owners where local government is rating the property for a different category (eg residential) than the LLS (farming or grazing activity).

All correspondence should be addressed to the General Manager:

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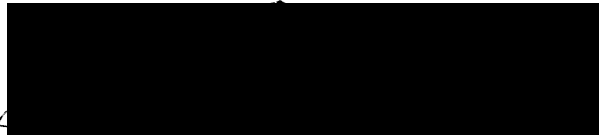
www.tamworth.nsw.gov.au

Council is extremely concerned with the BoC recommendation 5a that the rate 'exemption for public landholders be removed'. Councils are not entitled to rate Crown land including that owned or controlled by LLSs, eg Travelling Stock Reserves, and would not wish to do so. This seems to fly in the face of the convention that one level of government does not tax another level of government.

Council is concerned that the removal of this rate exemption implies that council roads should be rateable land for LLS, either as source or recipient of weeds. Roads are not a revenue generating asset for councils. They are a public asset for which Local Government has the responsibility of road maintenance. That function should not make local government also responsible for other matters relating to road reserves. Any LLS responsibility relating to road reserves should be funded directly from LLS revenues and not indirectly through local government rating.

Should you have any queries in regard to this or any other matter, please do not hesitate to contact me.

Yours faithfully

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Robert Charlesworth  
**Director of Corporate and Governance**

Contact: Seon Millsteed (02) 6767 5405

19 December 2013