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Upper Lachlan Shire Council

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19 December 2013

Chairman
Independent Pricing and Regulatory Tribunal NSW
PO Box Q290
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Dear Chairman,



REVIEW OF FUNDING FRAMEWORK OF LOCAL LAND SERVICES NSW

Upper Lachlan Shire Council thanks the Independent Pricing and Regulatory Tribunal (IPART) for this opportunity to have input into the review process of Local Land Services NSW (LLS).

Upper Lachlan Shire Council commends IPART on the review report and generally supports in principle the cost recovery framework proposed. Council has considered all issues addressed in the draft report and has resolved to make a submission addressing the following issues as follows:-

1. The IPART draft report indicates that LLS Boards should be able to seek the services of local government to collect rates. Upper Lachlan Shire Council does not oppose individual negotiated commercial agreements or contracts related to rates collections, however Council is eager to ensure the final report by IPART does not recommend mandatory rating and collection services be provided by councils to LLS Boards.

It is noted within the LLS Board of Chairs submission to IPART "that they propose the concept that for areas below 2 hectares Councils utilise their existing processes and databases to collect the rates." Upper Lachlan believes this implied mandatory rating concept is lacking detail for any proposed processes.

IPART needs to consider the resourcing and funding issues facing all NSW local government councils. In that context the proposed concept above may amount to further cost shifting from a NSW state agency to local government without adequate recompense for local councils. Upper Lachlan Shire Council believes if this recommendation is mandatory the administration costs for local councils may increase significantly without compensation. Also, the ability for the landholder to differentiate between council rates and the LLS state agency rates may be impaired by such a concept.

Upper Lachlan Shire Council opposes the above LLS Board of Chairs implied mandatory rating concept due to lack of detail for such a proposal, unknown implications on council rate base and notional yield, and the lack of community consultation and consultation with local government.

2. Further clarification is necessary in relation to the potential imposed liability for councils to pay LLS rates and charges. There is potential financial and logistical issues related to both council owned land and Crown lands controlled by councils. Council responsibly manages various public lands on behalf of the Crown with little income derived and the management provided is more as a public duty than as a business operation. Upper Lachlan Shire Council respectfully recommends the exemption of such lands owned by Council and Crown land controlled by Council from LLS rates and charges remain in place.
3. Further analysis should be collated with respect to the impact of reducing the LLS rate base threshold down to 2 hectares of land area.
4. Upper Lachlan Shire Council supports Local Government NSW's submission that identifies the need for a strong partnership between the LLS Board and councils. The LLS Board strategic planning processes require consideration of the priorities and action plans from councils, other state agencies and local communities. All NSW Councils prepare Community Strategic Plans and Delivery Program which provide links to the NSW State Plan and addresses the State Government Regional Action Plans; i.e. Southern Highlands and Tablelands Regional Action Plan. Through the preparation and implementation of Council's Community Strategic Plans the issues of natural resource management, biodiversity, noxious weeds control and feral animal control are addressed and there is no need for duplication by other agencies.

The Upper Lachlan Shire Council holds the abovementioned views. In that regard Council appreciates the opportunity to address the IPART draft report "Review of Funding Framework for Local Land Services" and supports the intent of the review report. Council trusts that the issues raised within this submission will be considered further by IPART in their deliberations in relation to the review.

Yours faithfully,



Councillor John Shaw

Mayor

Upper Lachlan Shire Council