

Author name: S. Murru

Date of submission: Tuesday, 19 May 2015

Submission: Council would like to commend the NSW State Government on the decision to appoint IPART for the review of all Fit for the Future (FFF) submissions, and would also like to provide positive feedback on the consultation session held in Dubbo on Friday 15 May which was attended by Warrumbungle Shire Council.

In regard to the proposed Methodology for Assessment of Council Fit for the Future Proposals, Council is concerned about the proposed methodology for the treatment of Financial Assistance Grants (FAGs Grants) when measuring Council's performance against the sustainability criterion.

Section 3.3.1 and Table 3.3 of the Assessment Methodology indicates that Council's following the Rural Council model (i.e. Councils completing Template 3) will be able to classify FAGs Grants as part of their Own Source Revenue when measuring their performance against the sustainability criterion. Council agrees that this is a very sensible suggestion as FAGs grants are a stable and important income source for all councils (especially rural councils), and should rightfully be included as own source revenue.

Council is however, concerned that the inclusion of FAGs grants as own source revenue has not been extended to all councils, particularly rural councils completing Template 2. Warrumbungle Shire Council is a rural Council (in terms of location) but will be completing Template 2 per the recommendations of the Local Government Review Panel.

Council is of the opinion that the inclusion of FAGs grants as own source revenue should be extended to all councils particularly all councils in regional NSW, as to not do so will unfairly disadvantage councils such as Warrumbungle Shire Council that are rural in nature but are following the LG Review Panels recommendations and completing Template 2.

Council therefore requests that IPART recognise the fact that FAGs grants provide a stable income source for all councils in rural areas and also allow rural councils completing Template 2 to classify their FAGs grants as Own Source Revenue for the purpose of assessing the sustainability criteria.

Feel free to contact Council if you require any further information or have any questions on this submission.

Yours Sincerely

Stefan Murru
Director Corporate and Community Services
Warrumbungle Shire Council

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Please refer enquiries to: **Stefan Murru**

19 May 2015

Methodology for Assessment of Council Fit for the Future Proposals
Independent Pricing Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Sir/Madam

RE: Methodology for Assessment of Council Fit for the Future Proposals

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In regard to the proposed Methodology for Assessment of Council Fit for the Future Proposals, Council is concerned about the proposed methodology for the treatment of Financial Assistance Grants (FAGs Grants) when measuring Council's performance against the sustainability criterion.

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Council is of the opinion that the inclusion of FAGs grants as own source revenue should be extended to all councils particularly all councils in regional NSW, as to not do so will unfairly disadvantage councils such as Warrumbungle Shire Council that are rural in nature but are following the LG Review Panels recommendations and completing Template 2.

Council therefore requests that IPART recognise the fact that FAGs grants provide a stable income source for all councils in rural areas and also allow rural councils completing Template 2 to classify their FAGs grants as Own Source Revenue for the purpose of assessing the sustainability criteria.

Feel free to contact Council if you require any further information or have any questions on this submission.

Yours faithfully



STEFAN MURRU
DIRECTOR CORPORATE AND COMMUNITY SERVICES
