

List of issues for discussion and members

31 July 2024

At the Council Reference Group (CRG) inception meeting on 22 July 2024, the CRG workshopped the priorities it proposes the Tribunal consider for setting the 2025-26 rate peg, and for future CRG discussions. All issues the CRG proposed be considered are listed in the table below.

Table 1 Issues raised at the CRG inception meeting

Issues group	Issues
Priority issues for the 2025-26 rate pegs	<p>For the next CRG meeting:</p> <ul style="list-style-type: none"> • cyber security costs • asset costs • election costs • labour costs • audit costs (including costs of audits, revaluations, compliance) • Emergency Services Levy (ESL) subsidy catch-up • other external costs. <p>For the subsequent CRG meeting:</p> <ul style="list-style-type: none"> • ESL levy factor • population factor • productivity factor • rating structures • capital improved values • effect of cost shifting (including Dam Safety Levy)
Issues for consideration for the 2026-27 rate pegs	<ul style="list-style-type: none"> • climate change and resilience-related costs • build to rent impacts in the population factor • growth (NSW Government housing and infrastructure requirement impacts) • removing the rate peg • transition to forward-looking methodology • timing of NSW Government levies to be accounted for in rates
For consideration for future rate pegs	<ul style="list-style-type: none"> • Food organics & garden organics (FOGO) costs • council satisfaction
Issues that were beyond the rate peg	<ul style="list-style-type: none"> • Special variation process and interactions with Integrated Planning and Reporting framework and how to measure sustainability of councils (including asset cost revaluations, backlog and renewals) • rate exemptions and concessions • statutory and pensioner fees not indexed by CPI • greater visibility about the rate peg and improving communication and understandability • audit cost impacts from changes in the OLG code • capped Developer Contributions – essential infrastructure • other revenue for cyber security costs • labour costs related to mental health costs and workers compensation • other funding sources such as non-rate funding sources across different councils and the interaction between rates and financial assistance grants • council expenditure comparisons with state government and other sectors • cost of living considerations including councils not taking up the rate peg • costs included in the ESL and state contributions to volunteer emergency services • reporting • other issues covered in IPART 2019 Review of the Local Government Rating System.

The IPART Secretariat will maintain a forward agenda for the CRG.

Council Reference Group members

In attendance at the Council Reference Group inception meeting on 22 July 2024:

- Andrew Butcher, President, NSW Revenue Professionals
- Daniel Papps, Manager Legal & Industrial, United Services Union (on behalf of Graeme Kelly, Secretary, United Services Union)
- David Reynolds, Chief Executive Officer, Local Government NSW
- George Cowan, General Manager, Narrandera Shire Council
- Glen Magus, Director Corporate Support, Hornsby Council
- Ian Clayton, Manager Property and Revenue, Mid-Western Regional Council
- Michael Chorlton, Manager Financial Services, Tweed Shire Council
- Richard Sheridan, Chair of the Local Government Finance Professionals Network, and Director City Performance, Bayside Council
- Seon Millsteed, Revenue Accountant, Tamworth Regional Council, NSW Revenue Professional
- Shaun McBride, Chief Economist, LGNSW
- Tina Baldock, Principal Projects Officer, Office of Local Government
- Vicki Mayo, Chief Executive Officer, Local Government Professionals NSW
- Wayne Rogers, Director Corporate Services, Blacktown City Council
- Wendy Forrester, Acting Manager, Policy, Office of Local Government