



Shelley Hancock
Minister for Local Government

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GOVERNMENT RESPONDS TO COUNCIL RATING REVIEW

Following extensive consultation with the local government sector and the community, the NSW Government has today released its response to IPART's Review of the Local Government Rating System.

Minister for Local Government Shelley Hancock said the Government is committed to an equitable rating system that is responsive to changing community needs.

"Having considered IPART's report at length, the Government will continue to work to ensure councils have a stable and reliable revenue base so they can plan and deliver services for their communities into the future," Mrs Hancock said.

"In recent years, particularly in Sydney's growth corridors, there has been a substantial increase in population. At the same time councils rating bases have come under significant pressure as the expectation and demand for more services and infrastructure grows.

"The Government will focus on ensuring that councils can align income growth with population growth. This will be complementary to reforms to reduce the cost of infrastructure contributions currently being considered by the NSW Productivity Commissioner. These changes will assist councils to provide services and infrastructure for growing communities."

The NSW Government will also work to provide greater flexibility in the current system through the creation of additional rating categories and sub-categories in close consultation with the local government sector.

"With individuals, families and businesses across the State battling the impacts of drought, bushfires and the COVID-19 pandemic, now is not the time for rating upheaval," Mrs Hancock said.

"However, these well-reasoned and sensible adjustments to the rating system will provide options for councils to generate revenue in a more sustainable way."

The NSW Government has already introduced a range of measures to ensure flexibility in the State's rating system, with the Local Government Act recently amended to allow councils to apply the annual rate peg more flexibly to respond to changing economic conditions.

"The Government will continue to work hard to ensure NSW has an equitable and flexible rating system for councils and communities across the State."

The Government's response to the IPART rating review can be found on the Office of Local Government [website](#).

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