
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 21 JUNE 2023
MAYORAL MINUTE

1. MAYORAL DIARY

May 2023

2 May	OAM Function for Peter Kierath in Sydney
3 May	Track Master Off Road Caravan Function at the Narromine Showground
5 May	Meeting with Western NSW Health Local Health District
6 May	Track Master Off Road Caravan Club Dinner
8 May	Meeting with Manager Utilities
9 May	Newell Highway Taskforce Meeting via Zoom
10 May	Ordinary Council Meeting
11 May	Local Emergency Management Committee Meeting
15 May	Country Mayors Association Executive Meeting
17 May	Biodiversity Offset Scheme Meeting relating to Bio Credits in Dubbo Meeting with Executive Director Biosecurity Credits Supply
18 May	Welcome to the Glider Pilots for the NSW Aerobatic Championships Meeting with Resident
19 May	Alliance of Western Councils Board Meeting
23 May	Meeting with Film Crew in Trangie
24 May	Extraordinary Council Meeting
25 May	Meeting with NSW Minister for Police and Counter-terrorism
26 May	Country Mayors Association Meeting in Sydney
29 May	Meeting with Members of the Biodiversity Offset Scheme Opposition Team Medal Presentation at Narromine Fire Station
31 May	Meeting with The Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories

RECOMMENDATION

That the information be noted.

2. DEPUTY MAYORAL DIARY

April 2023

6 May	Track Master Off Road Caravan Club Dinner
10 May	Ordinary Council Meeting
22 May	Tomingley Advancement Association Meeting
24 May	Extraordinary Council Meeting
29 May	Womens Shed Biggest Morning Tea

RECOMMENDATION

That the information be noted.

3. DAMAGING INCREASE IN EMERGENCY SERVICES LEVY COSTS

I am calling on Councillors to support representations to the NSW Government in response to the highly damaging increase in the Emergency Services Levy (ESL) imposed on all councils without warning for the 2023/24 financial year.

The ESL is a cost imposed on councils and insurance policy holders to fund the emergency services budget in NSW. The majority is paid as part of insurance premiums, with a further 11.7 per cent funded by councils and 14.6% by the NSW Government. The ESL represents cost shifting at its worse, as it is imposed on councils without any mechanism for councils to recover costs.

The levy increase for the State's 128 councils in 2023/24 amounts to almost \$77 million, with the total cost imposed on the local government sector increasing from \$143 million in the current financial year to \$219 million next year. This represents a 53.1% increase, completely dwarfing the IPART baseline rate peg of 3.7% for 2023/24, and Council's rate increase of 3.7%.

Reporting suggests that the increase in costs this year reflects a 73% increase in the State Emergency Service budget and an 18.5% funding increase to Fire and Rescue NSW. The impact of these large increases on councils' finances will be particularly severe in 2023/24 as a result of the NSW Government deciding to scrap the subsidy for council ESL payments.

For many councils, the unexpected cost hit will absorb almost all of their IPART-approved rate rise for this year and in some cases absorb more than 100%. This is placing local government budgets under enormous pressure as they struggle from the combined impact of the pandemic, extreme weather events, high inflation and wage increases.

IPART-approved rate rises are intended to compensate for the impacts of inflation and increases in council costs. Instead, the rate increase will have to be largely diverted to the significantly higher ESL payments this year. NSW councils will have no option other than to make cuts to infrastructure and services expenditure.

For Narromine Shire Council, the ESL has increased by \$19,982 for 2023/24, bringing the total Council contribution to \$468,810. This amounts to 8.64% of the expected increase in rate income for 2023/24. If the NSW Government's decision is not reversed, it will reduce the level of service Council is able to provide to the community.

The timing of this development is particularly challenging for councils as it comes so late in the local government budgeting cycle, well after IPART's rate determination for the coming financial year.

All councils strongly support a well-funded emergency services sector and the critical contribution of emergency services workers and volunteers (many of whom are councillors and council staff). However, it is essential that these services be supported through an equitable, transparent and sustainable funding model.

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3. DAMAGING INCREASE IN EMERGENCY SERVICES LEVY COSTS (Cont'd)

Local Government NSW has raised the serious concerns of the local government sector with the NSW Government and is seeking the support of councils across NSW in amplifying this advocacy.

This Mayoral Minute recommends that Council calls on the NSW Government to take immediate action to:

- a. restore the ESL subsidy,
- b. decouple the ESL from the rate peg to enable councils to recover the full cost
- c. develop a fairer, more transparent and financially sustainable method of funding critically important emergency services.

This Mayoral Minute also recommends that Council write to IPART advising of the financial sustainability impacts of the ESL.

RECOMMENDATION

1. That Council writes to the Treasurer, the Minister for Emergency Services, the Minister for Local Government and local State Member(s):
 - a. Expressing Council's strong opposition to the NSW Government's last-minute decision to impose an enormous Emergency Services Levy (ESL) cost increase on councils for 2023/24 by scrapping the ESL subsidy for councils and at a time after Council has publicly advertised its Operational Plan and annual budget to the community;
 - b. Noting that as a consequence of the unannounced 73% increase in the State Emergency Service budget and an 18% increase in the Fire and Rescue NSW budget, Council's 3.7% rate increase to provide essential community services and infrastructure has been significantly eroded.
 - c. Advising that the Government's decision may/will lead to a reduction in important local services and/or the cancellation of necessary infrastructure projects;
 - d. Calling on the NSW Government to take immediate action to:
 - i. restore the ESL subsidy in 2023/24
 - ii. urgently introduce legislation to decouple the ESL from the rate peg to enable councils to recover the full cost
 - iii. develop a fairer, more transparent and financially sustainable method of funding critically important emergency services in consultation with local government.
2. That Council writes to the Chair of the Independent Pricing and Regulatory Tribunal (IPART) advising that Council's forced emergency services contribution is manifestly disproportionate to the 2023/24 rate cap, which has resulted in additional financial stress.
3. That Council writes to the President of LGNSW seeking the Association's ongoing advocacy to bring about a relief in the burden of Councils' emergency services contribution.

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4. DELEGATES REPORT – ALLIANCE OF WESTERN COUNCILS

Attached is my delegate report on the Alliance of Western Councils board meeting held on 19 May 2023 **(See Attachment No. 1)**.

RECOMMENDATION

That the information be noted.

5. DELEGATES REPORT – COUNTRY MAYORS ASSOCIATION

Attached is my delegate report on the Country Mayors Association meeting held on 26 May 2023 **(See Attachment No. 2)**.

RECOMMENDATION

That the information be noted.

Cr Craig Davies
Mayor

DELEGATE REPORT

COUNCILLOR REPORT ON ATTENDANCE AT:

Alliance of Western Councils (AWC) Board Meeting

COUNCILLOR: Cr. Craig Davies – Chair of AWC

DATE ATTENDED: 19 May 2023

1. Main Purpose of Conference/Visit/Meeting

Quarterly Meeting

2. Key Messages/Highlights of Relevance to Council

- It was resolved to further advance plans to establish a Regional Local Government Water and Sewer Training Facility in our region, with a Funding Case to be undertaken.
- Emergency Services Levy increases were discussed, with the issue to be referred to Country Mayors Association.
- There was an update provided on the Biodiversity Offset Scheme, advising that there will be a recommendation put forward to the review board and there is confidence that there will be changes.
- Discussion was held regarding the substandard phone service still occurring within many Shires. It was resolved to request an update from Telstra on the status of improvements.
- The Hon Tara Moriarty, MLC – new Minister for Western NSW, Minister for Regional NSW and Minister for Agriculture attended the meeting giving members the opportunity to introduce themselves and provide any feedback.
- The Hon Dugald Saunders, MP and Mr Roy Butler, MP were also in attendance to provide an update on their electorates and discuss any issues arising.
- Representatives from Federal Department of Water and the Murray Darling Basin Authority provided an update on the department and their responsibilities, along with an update on the Basin Plan Implementation.
- Professor Damien Limberger from Charles Sturt University delivered a presentation to the group about the School of Rural Medicine initiative. The purpose of the program is to train students to become high quality rural doctors with the aim to create a generation of medical professionals by taking local people, training them over 5 years across the region with the intent that they remain in Regional NSW and the communities they train in.

3. Benefits to Narromine Shire Council

The aim of the Alliance of Western Councils is to advocate to State and Federal Government, collaborate with Councils on common issues, support each LGA on issues specific to their Council, network together for the benefit of delivering better local governance and outcomes for their communities and to resource share where possible.

4. Suggestions for Future Action (if appropriate)

Continued attendance at all Alliance of Western Council Meetings. Next meeting to be held 11 August 2023 in Dubbo.

Signature: Craig Davies

Date: 2 June 2023

DELEGATE REPORT

COUNCILLOR REPORT ON ATTENDANCE AT:

Country Mayors Association Meeting

COUNCILLOR: **Cr Davies**

DATE ATTENDED: **26 May 2023**

1. Main Purpose of Conference/Visit/Meeting

To collaborate and co-operate with all Country Councils in NSW

2. Key Messages/Highlights of Relevance to Council

Keynote speakers included:

- The Hon Jenny Aitchison MP - Minister for Regional Transport and Roads
- The Hon Rose Jackson, MLC - Minister for Water, Minister for Housing and Minister for Homelessness.
- Chair of IPART, Carmel Donnelly.

All speakers gave an update on activities within their respective portfolios. I have invited Minister Aitchison to attend our next Alliance of Western Councils meeting to discuss roads across Western NSW and I have also invited Minister Jackson to Narromine to discuss Essential Worker Housing and possible funding for the proposed Water and Sewer Training facility in Trangie.

The new Ministers have shown a willingness to engage with Local Government and a desire to work with us, which has been very refreshing. Establishing working relationships with them is very helpful particularly with an incoming Minister. I will continue to develop relationships where it is in the interests of either Narromine Shire Council or the Alliance of Western Councils.

I also used the trip to meet with The Hon Yasmin Catley, MP – Minister for Police and Counter-terrorism, to bring to her attention some of the challenges we are facing in Western NSW with regard to rural crime and bail conditions of repeat offenders. I was in the company of the Mayors of Bourke and Bogan for this meeting.

3. Benefits to Narromine Shire Council

Collaboration and opportunities to discuss issues pertaining to rural and regional Councils.

4. Suggestions for Future Action (if appropriate)

Maintain an active role in this organisation as it has become an effective Local Government forum for all Rural and Regional Councils.

Signature: Cr Davies

Date: 2 June 2023