

Dear Clr Scott

This week I will introduce the *Local Government (Amendment) Bill 2019* to Parliament. Since my appointment as Minister for Local Government, I have been meeting with and listening to Mayors, Councillors and stakeholders to hear first-hand issues facing the sector. I am pleased this Bill takes the first step to address matters councils have identified as key priorities for the local government sector.

Firstly, the Bill seeks to give councils more time to have important conversations with their communities regarding the conduct and cost of future local government elections and rates harmonisation in councils established in 2016.

As you would be aware, the NSW Government has commissioned the Independent Pricing and Regulatory Tribunal (IPART) to review the cost of local government elections conducted by the NSW Electoral Commission. The findings of this review will be available later this year and will help to inform councils' decisions on the conduct of the 2020 elections. The amendments proposed in the Bill give councils an additional six months to consider the IPART findings and nominate a preferred election provider.

The Bill also seeks to provide more time for those councils merged in 2016 to complete their rates harmonisation process. While many councils have been working closely with their communities to prepare for the end of the Rates Freeze period, I appreciate that the process of rates harmonisation presents particular complexities in some local government areas. The Bill seeks to give councils the choice of delaying rates harmonisation for a further 12 months to allow for further community consultation. Those councils that are ready to proceed with harmonisation from 2020 would still be able to do so under these proposals. Those who choose to wait would implement their new rating arrangements from 2021.

The Bill also seeks to remove some of the current limits on local government procurement, and proposes further amendments to cut red tape and reduce the regulatory burden on councils and local communities.

Specifically, it proposes to increase the tender threshold for councils to \$250,000 and provides sensible exemptions on disclosing fees to prevent councils from being commercially disadvantaged in procurement negotiations. Councils have been asking for these changes for some time and I am pleased to bring them forward along with further options to utilise pre-qualified professional services, directly procure services from disability employment organisations and engage nationally pre-qualified road and bridge construction firms.

Additionally, the Bill proposes further steps towards enabling cost-sharing and service provision between neighbouring councils by allowing for agreed delegation of regulatory functions and mutual recognition of Section 68 approvals, where appropriate. Councils have been asking for these voluntary measures for some time and they will help to provide savings and improved services for local communities. It will be up to each council to decide whether it chooses to use these provisions.

The Bill is scheduled to be debated in Parliament over the coming sitting weeks and I look forward to bringing these matters before the House on your behalf. Further information will be available shortly on the NSW Parliament website [www.parliament.nsw.gov.au](http://www.parliament.nsw.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Shelley Hancock', written in a cursive style.

**Shelley Hancock MP**  
Minister for Local Government