

Our ref: R24/0001 OUT-37012

12 April 2024

Independent Pricing and Regulatory Tribunal (IPART)

Email: ipart@ipart.nsw.gov.au

Dear IPART

LGNSW Response to Dams Safety NSW Levy Review

Thank you for the opportunity to provide feedback on the Dams Safety NSW Levy Review. Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the state.

LGNSW strongly objects to the proposed introduction of a dam safety levy on councils, maintaining our long-standing position on this matter. We note that a similar proposal was previously introduced but was withdrawn by the former NSW Government three years ago. The levy would represent yet another example of cost shifting from state government to local government without regard to the ability of regional communities and their communities to pay. LGNSW's latest cost shifting [report](#) was released in November 2023, highlighting a total cost shift to councils of \$1.36 billion in 2021-22, which is the equivalent of more than \$460 per ratepayer annually.

According to the published list of [NSW Declared Dams](#) from Dams Safety NSW there are 58 councils across NSW that carry responsibility for many of the 380 dams targeted by this onerous levy. This includes Local Water Utility, flood mitigation and recreational dams. While councils are committed to the highest levels of safety of all their infrastructure, this levy imposes an additional tax burden on councils already grappling with scarce resources, aging infrastructure and financial sustainability. Perversely, this cost would reduce the funding available for local water utility asset maintenance and specialist skills.



LGNSW shares the sentiments expressed by Northern Tablelands MP Adam Marshall, who observed, "If this proposal were to be adopted, it would be a double blow to regional councils as they are the only ones which will be impacted by this change, and they already pay fees to Dams Safety NSW when local storages are inspected and upgrades required."

LGNSW acknowledges the important role that Dams Safety NSW plays and commends its work, However, LGNSW considers that the service it provides is for the public good and that this service should continue to be funded from consolidated revenue. We urge the NSW Government to reconsider the proposal to introduce a dam levy.

For further information please contact Anthony Luu, Senior Policy Officer at anthony.luu@lgnsw.org.au or 02 9242 4064 or Shaun McBride, Chief Economist at shaun.mcbride@lgnsw.org.au or 02 9242 4072.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Thomas', written over a horizontal line.

Damian Thomas

Director Advocacy