

Intergovernmental Agreement to Guide NSW State-Local Government Relations on Strategic Partnerships

2024 - 2027

NSW Government and Local Government NSW

1 PARTIES

This Agreement is made between:

The New South Wales Government, represented by the Premier and the Minister for Local Government;

and

Local Government NSW (LGNSW), represented by the President.

2 PRELIMINARIES

- 2.1 This Agreement is between the NSW Government and the peak local government representative body, Local Government NSW (LGNSW), on behalf of NSW councils and county councils and associated entities (collectively referred to as Local Government).
- 2.2 The Parties to this Agreement recognise the importance of local government and State Government to the NSW community.
- 2.3 This Agreement formally acknowledges that local government and the NSW Government are equal partners in delivering core services to our respective communities.
- 2.4 This Agreement reflects a commitment by these two spheres of government to achieve strong communities through partnerships.
- 2.5 The Parties to this Agreement share a commitment to continuous improvement and will work together to achieve positive social, economic, environmental and civic leadership outcomes.
- 2.6 The NSW Government and local government acknowledge that the effective implementation of their policy agendas relies on an effective and strong partnership to best achieve policy outcomes.
- 2.7 It is intended that this Agreement will serve as a framework under which more specific areas of cooperation and further mechanisms for such cooperation can be agreed – especially around core objectives such as the delivery of affordable and appropriate housing.
- 2.8 This Agreement sets out the agreed understanding of the roles of the Parties and the basis upon which the Agreement is entered into.

3 STRATEGIC PARTNERSHIPS

- 3.1 The Parties acknowledge that throughout the term of this Agreement, local government in NSW is underpinned by strategic policy priorities and plans, including:

- a) The NSW State Infrastructure Strategy 2022-2042, which sets out the NSW Government's long-term infrastructure vision,
- b) the NSW Water Strategy,
- c) the National Housing Accord 2022, and
- d) the National Agreement on Closing the Gap;
- e) Other Regional Plans and District Plans (or City Plans), which will plan for our future population's needs for housing, jobs, infrastructure, health, and a healthy environment; and
- f) Community Strategic Plans, developed by local government in consultation with their communities, identifying the community's main priorities and aspirations for the future, and the planned strategies and resourcing plans for achieving these goals within Integrated Planning and Reporting Frameworks, over a minimum ten-year period.

4 PRINCIPLES

4.1 The Parties to this Agreement commit to the following Principles:

- a) State and local government will work together as drivers of change and improvement to achieve strong and inclusive communities through partnership;
- b) Consultation and communication will be open on the basis of mutual trust and respect;
- c) State and local government will engage with each other collaboratively and with a shared commitment to joint problem solving;
- d) Issues in local government will be addressed with a focus on continuous improvement, innovation and the interests of the community;
- e) The impact of the actions of the parties on each other will be recognised, considered and managed appropriately; and
- f) In working together on the strategic partnerships other stakeholders will be meaningfully engaged.

5 ROLES AND RESPONSIBILITIES

5.1 The NSW Government is responsible for:

- a) Setting a clear policy and legislative framework for local government;
- b) Working with local government in accordance with the agreed principles;
- c) Ensuring that the interests of local government are considered in government

policy, services and projects to support local government to deliver outcomes to the community, informed by their strategic plans and priorities;

- d) Promoting local government and the importance of meaningful engagement with local government to State Government agencies, which may include co-design or involvement of local government in policy and program design;
- e) Building capacity in local government; and
- f) Continuing to provide funding opportunities and mechanisms to enable local government to deliver infrastructure and services to the community.

5.2 LGNSW is responsible for:

- a) Providing leadership to local government across a wide variety of functions including advocacy to the NSW Government on behalf of local government, industrial relations and human resource management as well as working with state government, and encouraging local government entities to support, participate and contribute to state government initiatives where possible, in accordance with the agreed Principles;
- b) Keeping the NSW Government informed of views, significant issues and initiatives of local government; and
- c) Driving the shared vision for local government in partnership with the NSW State Government.

6 HOW THE PARTIES WILL WORK TOGETHER

- 6.1 In working together on the strategic direction for Local Government to achieve strong communities through partnerships, the Parties agree the following:

MEETINGS AND COOPERATION

- 6.2 The NSW Government commits to an annual meeting during the term of this Agreement between the Premier of NSW, the Deputy Premier, the Minister for Local Government and LGNSW to discuss strategic initiatives that impact on all parties, with a particular emphasis on the following 12 months.
- 6.3 The Premier of NSW, the Minister for Local Government, or an appropriate delegate will address the LGNSW Annual Conference each year.
- 6.4 As required, more specific areas of cooperation and further mechanisms for cooperation may be agreed between LGNSW and the Agency Heads of key NSW State agencies, with a strong direct relationship to local government. Such arrangements should be formalised, where possible, through mechanisms such as a Memorandum of Understanding. The Office of Local Government can assist

in enabling and facilitating this process.

- 6.5 The Parties may agree to meet additionally, as required.
- 6.6 As required, the NSW Government and LGNSW will jointly advocate to the Federal Government on common policy issues to benefit the NSW community.
- 6.7 Subject to any requirements of applicable law or Convention, the NSW State Government will use its best endeavours to consult with and seek the views of LGNSW in advance of introducing any laws or significant policy initiatives that will impact the viability or administration of the local government sector.
- 6.8 Without breaching confidence, LGNSW will keep the NSW Government informed of any significant issues and initiatives of local government that will impact on the NSW Government.

FINANCIAL SUSTAINABILITY OF LOCAL GOVERNMENT

- 6.9 Where the NSW Government requires local government to provide a new or expanded function or service, the NSW Government will consider the budget cycles and financial capability of Local Government, and where possible alleviate budgetary impacts.
- 6.10 The NSW Government and LGNSW will work together to strengthen the financial sustainability of local government through appropriate levels of government funding to councils, minimising the impact of cost shifting and optimising value for money in use of public funding.
- 6.11 In line with its pre-election commitments to LGNSW, the NSW Government will undertake a review of the rate peg, in close consultation with LGNSW and councils.

COMMITMENT TO DEMOCRATIC LOCAL GOVERNMENT

- 6.12 The NSW Government opposed the former Government's forced amalgamations of councils and will not progress any local council mergers or boundary changes, which have not been requested by the relevant councils, throughout the term of this Agreement.
- 6.13 The NSW Government commits to ensuring that the term of any Administrator appointed under the *Local Government Act 1993* is as brief as possible necessary, with a view to quickly returning the council to democratically elected representatives as soon as practicable.

7 TERMS OF THIS AGREEMENT

- 7.1 This Agreement will commence on the date it is signed by the Parties and will

expire on the day prior to the 2027 NSW State General Election.

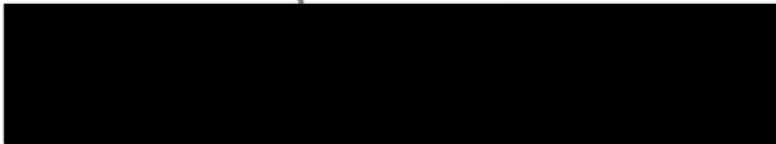
- 7.2 The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.
- 7.3 The Agreement may be terminated earlier or extended as agreed in writing by the Parties.
- 7.4 The Parties agree to review the operation of this Agreement in a timely manner, prior to its expiration.
- 7.5 Any variation to this agreement must be agreed to in writing by all of the parties. Any such variation will take effect from a date that the parties have mutually agreed in writing.

SIGNATORIES



**THE HON. CHRIS MINNS MP
PREMIER**

on behalf of the State Government of New South Wales



**THE HON. RON HOENIG MP
MINISTER FOR LOCAL GOVERNMENT**

on behalf of the State Government of New South Wales



**CR DARRIEA TURLEY AM
PRESIDENT
LOCAL GOVERNMENT NSW**

on behalf of New South Wales Local Government

on this day of

20th August.