



**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE NSW COALITION AND THE NSW LOCAL GOVERNMENT AND SHIRES ASSOCIATIONS**  
**SECURING THE FUTURE OF NSW LOCAL GOVERNMENT**

31 October 2006

**1. INTRODUCTION**

This Memorandum of Understanding (MOU) is between the NSW Coalition and the NSW Local Government and Shires Associations (the Parties).

It reflects the desire of the Parties to create an environment conducive to the sustainability and future health of NSW Local Government.

The Parties recognise the significant, growing economic and social contribution that Local Government makes to the State.

**2. PURPOSE**

This agreement creates a framework designed to improve the sustainability and future health of NSW Local Government by:

- a) ensuring the efficiency, effectiveness and coordination of service and infrastructure provision by State and Local Government;
- b) promoting transparency and accountability in both spheres of Government;
- c) promoting open and timely communication and consultation between State and Local Government;
- d) enhancing councils' accountability to their communities and their capacity for self-governance;
- e) recognizing the diversity of councils' financial capacity and the State Government's fiscal position; and
- f) promoting shared strategic directions.

**4. TERM OF AGREEMENT**

This Agreement binds the parties until the end of the term of Government to be elected in 2007.

**3. KEY COMMITMENTS**

Under the Agreement, a Coalition Government will work with the NSW Local Government and Shires Associations to achieve key outcomes which include the following:

**Intergovernmental Agreement**

A Coalition Government will enter into the attached Intergovernmental Agreement.

**Amalgamations**

A Coalition Government will acknowledge that councils are autonomous and should only be amalgamated by mutual agreement.

**Rate Pegging**

A Coalition Government will review rate pegging arrangements in consultation with the NSW Local Government and Shires Associations.

**Integrated Planning, Budgeting and Program Delivery**

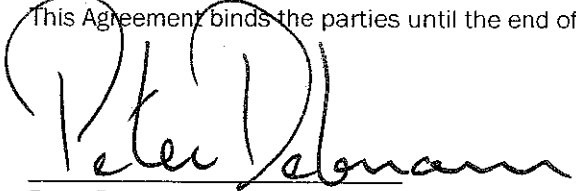
A Coalition Government will ensure that State, agency and Local Government plans driving policy setting, budgeting and program delivery complement one another to ensure that State and Local Government priorities are integrated and that services are provided as efficiently and effectively as possible.


**Integrated State, Regional and Local Land Use Planning**

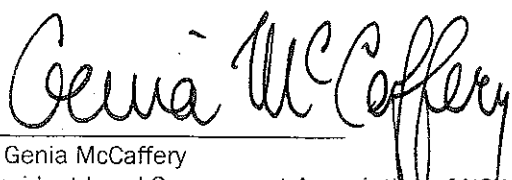
A Coalition Government will review the Environmental Planning and Assessment Act to ensure that it reflects that the land use planning and development assessment system is jointly managed by State and Local Government with both playing important roles.

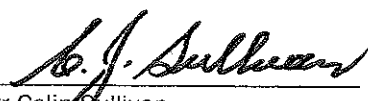
**Strengthening Local Government**

A Coalition Government will work in partnership with the Local Government and Shires Associations to build the strength and capacity of Local Government.

  
Peter Debnam MP  
Liberal Leader

  
John Turner MP  
Shadow Minister for Local Government

  
Cr Genia McCaffery  
President Local Government Association of NSW

  
Cr Colin Sullivan  
President Shires Association of NSW