Financial Sustainability

Strategic Objective

Financial sustainability achieved through reformed funding processes and secure financial models that ensure the long-term viability and success of Local Government to deliver services to communities.

Local Governments across Australia are facing mounting financial risks that threaten their long-term sustainability.

Recent Federal and NSW Parliamentary Inquiries including the House of Representatives' Inquiry into Local Government Sustainability (2024–26) and the NSW Standing Committee on State Development's Inquiry into the ability of Local Governments to fund infrastructure and services (2024–25) have demonstrated the constrained financial position of Local Government and reinforced the need for greater State and Federal Government support.

We appreciate the Government's focus and acknowledgment of Local Government's position and hope to work together on solutions.

Challenge	Advocacy Ask
Cost Shifting	Practical action to address cost shifting.
Financial Assistance Grants	Review of the NSW distribution methodology to provide greater equity to councils in need. Return to 1% Commonwealth taxation.
Road Funding	Review of funding allocation model to better reflect needs.
IPART Rate-Pegging	Rates aligned to Consumer Price Index (CPI) increases for actual costs drivers for Local Government services.
Disaster Recovery Funding	Streamline disaster funding and ongoing betterment programs to build council and community resilience.
Escalating Audit Fees	Strengthen trust in Local Government with risk-based compliance and earlier release of the Accounting Code.
Waste Levy	Return a greater percentage of the waste levy to support delivery of waste and circular economy initiatives that deliver on NSW waste targets.
Infrastructure Backlog	Non competitive, long term co-investment plans and funding for asset renewal.
Grant Funding	Non competitive, four-year block funding aligned to councils mandated planning cycles.

As at September 2025