

11 September 2026

Asset Valuation Methodology Review
Sector Policy and Frameworks Team
Office of Local Government
Locked Bag 3015
Nowra NSW 2541

Submitted via email: olg@olg.nsw.gov.au

Re: Local Government Asset Valuation Discussion Paper

Dear Office of Local Government

Thank you for the opportunity to make a submission on the *Local Government Asset Valuation Discussion Paper*. NSROC members hold nuanced and detailed positions on the options outlined in the discussion paper as outlined in their individual council submissions. This overarching submission has been prepared with the input and support of our member councils but should be considered draft until it is formally endorsed by the NSROC Board.

The Northern Sydney Regional Organisation of Councils (NSROC) members are the eight councils in the northern Sydney area: Hornsby, Hunter's Hill, Ku-ring-gai, Lane Cove, Mosman, North Sydney, Ryde, and Willoughby. NSROC brings these councils together to work on projects and common goals to create solutions that benefit not just individual communities, but the entire region. NSROC member councils service an area of 639km² with a population of 662,281 as of 2026 which extends from the Hawkesbury River in the north to Sydney Harbour in the south, west to Meadowbank on the Parramatta River.

Overall, councils support option 3 – the mixed approach using different models for different asset classes. This is because the majority of council assets, including roads, stormwater networks, bridges, footpaths and other community infrastructure, are specialised infrastructure assets held primarily to deliver public services rather than generate cash flows or realise value through sale. For example, Community Land is generally restricted from sale and its value will not be realised through a market transaction. As such, Community Land should not be subject to revaluation as the concept of fair value is not appropriate. It may be more suitable to record Community Land at cost.

To improve consistency in financial reporting across the sector, OLG in consultation with the Audit Office and Councils, should provide comprehensive guidance on transition methodologies, indexation assumptions, reporting requirements and audit expectations.

Given the potential impact on council financial reporting outcomes, it is also important that when implemented the reform is phased in consistently across the sector for each asset class. Councils should have up to five years to achieve full compliance.

NSROC would welcome the opportunity to work with OLG to further refine these reforms and acknowledges that the timing of consultation is not always flexible. However, it would be appreciated if future consultation on significant financial matters could be deferred until after the peak end-of- financial year reporting period.

For any further information, please contact Dr Meg Montgomery, NSROC Executive Director on 0401 640 823 or mmontgomery@lanecove.nsw.gov.au.

Yours sincerely



Dr Meg Montgomery

Executive Director

Northern Sydney Regional Organisation of Councils