

Cr Keith Rhoades AFSM and Cr Bruce Miller
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4 March 2011

Dear Mr Rhodes

Thank you for your pre-election questionnaire on behalf of the *Local Government Association of NSW and Shires Associations of NSW's (LGSA) NSW Election Priorities 2011*.

In your media release issued on the 3 March you raised specific concerns in relation to NSW planning laws, specifically in relation to Part 3A and 'rate pegging'.

In relation to Part 3A, you would be aware that the NSW Labor Government introduced the Part 3A Major Projects planning legislation in 2005 and the amendments were passed with coalition support.. The Labor Party supports its ongoing use as an integral component of the planning framework and a key means for government to facilitate jobs and housing growth in NSW.

The Part 3A system ensures a whole-of-government, streamlined approach to the assessment of major projects which are job-creating projects, projects with high capital investment value; are important to the state's economic growth, and which have a regional impact beyond the specific Council or Shire in which they are physically located.

Since Part 3A was introduced in 2005 major projects worth almost \$60 billion and which have created more than 185,000 jobs have been approved. Indeed Part 3A approvals have directly benefited NSW, and were of significant assistance in maintaining the last 7 quarters of economic growth (unlike any other State) and in delivering the second lowest unemployment rate of any State in Australia.

The LGSA must recognise that many Shires and Councils simply do not have the capacity to deal with these large scale projects. If the Coalition were to repeal Part 3A it would result in the diversion of council resources and clogging up council planning systems. In some respects,, a development application for a coal mine would be treated exactly the same as a development application for a family home.

In regards to rate pegging, NSW Labor supports a system of council rate control which provides councils with moderate annual rate income increases yet protects ratepayers from unjustified rate hikes.

During the last term, the NSW Labor Government made a number of significant improvements to the current system of rate control to ensure that Councils can be granted a special rate variation where these increases can be justified and supported by the community,

These improvements have been welcomed by councils as an appropriate step to ensure they are sustainable both now and into the future.

Detailed responses to your other questions raised are attached.

Yours sincerely

Hon Kristina Keneally MP
Premier

RESPONSE TO THE LOCAL GOVERNMENT SHIRES ASSOCIATION 2011 ELECTION PRIORITIES

1. Improved Local Government financial viability

To improve Local Government financial viability, the LGSA request that the incoming NSW Government:

a) Abolish rate pegging

A NSW Labor government will continue to support a system of rate control which provides councils with appropriate annual rate income increases in line with increases in council costs.

During the last term, we made a number of significant improvements to the current system of rate control to ensure that where, justified and supported by the community, councils can be granted a special rate variation:

- We established the Integrated Planning and Reporting framework to allow councils to better plan and fund their communities short, medium and long term priorities.
- We transferred the calculation of the Local Government Cost Index to the IPART to ensure that the calculation is as open and transparent as possible; and.
- We ensured transparency in of the process of determining rate variation applications by referring them to an independent body with specific expertise in reviewing such applications, the IPART.

b) Cease the practice of cost shifting and enact legislation that requires Local Government's agreement to take on additional responsibilities. If taken on, provide corresponding funding or allow adequate revenue raising capacity.

NSW Labor is strongly committed to the relationships and principles established under the national Inter-Governmental Agreement Establishing Principles Guiding Inter-Governmental Relations on Local Government Matters (National IGA).

This agreement has been signed by NSW and Federal Governments, together with the Australian Local Government Association (on behalf of state associations) and all other states and territories. NSW Labor believes that the framework under the National IGA, which governs how the three spheres of government relate to each other, is integral to ensuring best possible local services for communities are delivered.

The National IGA includes principles for how services and functions between local government and the other spheres of government are funded and delivered. The agreement includes a complaints mechanism to deal with circumstances where a peak association believes these principles have been breached. It is noted that to

date, the LGSA has chosen not to use the complaints mechanism to raise any issues with either federal or state governments on these issues.

The new Integrated Planning and Reporting framework (IP&R) provides the opportunity for councils to engage with Federal and State Government agencies to determine which services should be delivered and by whom. This provides councils with the opportunity to establish partnerships that deliver better services to communities. When forming any partnerships, councils should be aware of the commitments under the National IGA to ensure that where they take on a new service the Federal or State Government agency is required to provide adequate funding. Where funding is not provided, councils must use the community engagement and strategic planning processes under IP&R to determine whether a service is of significant enough priority that the council chooses to fund the service itself.

c) Provide \$6 million to improve Local Government's capacity to undertake financial planning and asset management to support Community Strategic Planning.

Together with our local government partners, the LGSA and Local Government Managers Australia (NSW), the NSW Labor Government was able to secure \$3.25 million from the federal Government's Local Government Reform Fund to financially assist NSW councils seeking to improve their long term asset management and financial planning capacity.

We will continue to work with the LGSA to secure any further funding that may be made available and will continue to use the resources of the Division of Local Government to get more councils on board with these important reforms.

In partnership with Local Government Managers (NSW) and the LGSA, we have developed the IP&R capability building program which provides information advice to councils on financial planning and asset management. The program includes a comprehensive webpage which is on the Division's website at www.dlg.nsw.gov.au.

d) Implement a broad based property levy for funding emergency services. If a broad based property levy is rejected, allow councils to recover their contribution through a corresponding increase in their council rates.

Since July 1 2010, the insurance industry, local government and the State Government all make contributions to the funding of NSW emergency services. Councils may apply for a special variation to increase rates to assist in funding increases in the levy for emergency services. IPART includes emergency service costs in the cost index used to calculate the rate-peg limit.

e) Introduce competition, transparency and accountability, in providing and costing energy for general electricity and street lighting.

The Australian Energy Regulator (part of the ACCC) approved of proposed energy network price increases from 1 July 2010 and IPART regulates increases in energy retail prices. Councils may apply for a special variation to increase rates to assist in funding increases in energy charges.

- f) *Allocate a share of mining royalties to Local Government through a system that provides funding to all Councils, with additional funding for councils impacted by the mining industry.***

Mining royalties are currently directed into the state's budget and allocated accordingly across the states priorities.

2. Restore the balance to land use planning

- a) *Undertake a major review and rewrite of the Environmental Planning and Assessment Act (NSW) 1979 to restore the balance in the NSW planning system, and recognise that councils and the NSW Government each have a role to play in planning for and managing the sustainable development of local communities.***
- b) *Repeal Part 3A and similar provisions such as the Major Projects SEPP, and in close consultation with Local Government devise and implement a genuine test for matters of state significance.***

Response to a) and b)

The Government introduced the Part 3A Major Projects planning legislation, and supports its ongoing use as an integral component of the planning framework and a key means for government to facilitate jobs and housing growth in NSW.

The Part 3A system ensures a whole-of-government, streamlined approach to the assessment of major projects which are job-creating projects, projects with high capital investment value, important to the state's economic growth.

Since Part 3A was introduced in 2005 major projects worth almost \$60 billion and which have created more than 185,000 jobs have been approved.

If the Government were to repealing Part 3A it would result in the diversion of council resources and clogging up council planning systems. Councils would treat coal mines exactly the same as a DA for a family home.

Part 3A ensures the community can find out about projects at an early stage, well before a proposal is placed on public exhibition.

Under Part 3A, every proposal is issued with Director-General's requirements prepared after consultation with Government agencies and councils - these set out

the matters which must be addressed before a proposal can proceed to public exhibition.

If it doesn't adequately address the requirements it never even makes it to public exhibition, it's sent back to the drawing board.

Once the requirements have been adequately addressed then the project is placed on public exhibition for a minimum of 30 days so members of the public and other stakeholders can make their submissions all of which are made available on the Department of Planning's website.

The proponent is then required to respond to those submissions and this response is also made publicly available on the website. In many cases they make changes to their projects to address issues raised by the community.

c) *Abolish Joint Regional Planning Panels (JRPPs)*

The Regional Panels make merit-based decisions on regionally significant development and provide advice to the Minister, as needed.

The Regional Panels, made up of members appointed by the NSW Government and local councils, are part of a range of improvements to the NSW planning system, including:

- Changes to local environmental plan (LEP) making: designed to reduce the time taken to prepare LEPs by 50 percent
- Streamlining Development Applications: to provide a quicker, cheaper, simpler way to get a development application assessed in NSW
- Exempt and complying codes: to simplify processes for approving standard types of residential, commercial and industrial development.

The majority of Development Applications are either dealt with by local councils or Regional Planning Panels, and these applications are publicly exhibited, therefore, the concerns of the local community and stakeholders, are given consideration as part of the assessment process.

It is important to remember that councils are not excluded from decisions of Regional Panel process as they play a major role in the process. They:

- are responsible for the public exhibition of the DA;
- receive and consider the submissions made;
- make an assessment of the proposal; and
- write the report that is considered by the Planning Panel.

Significantly, 95% of the Regional Panel determinations were in accordance with the council officers' recommendation, reflecting consistency in decision making for regionally significant development.

- d) Revise the Affordable Rental Housing SEPP to include additional assessment provisions relating to consultation, council involvement, access to public transport, residential character, density, site suitability, accessibility and payment of appropriate development contributions.***

Submissions to the NSW Labor Governments review of the Affordable Rental Housing SEPP recently closed on the 1st of March.

During the review a technical paper was placed on exhibition. Consultation was carried out with councils, community members, housing and building groups and a range of other stakeholders.

A number of suggestions in relation to granny flats, studio apartments, boarding houses and low-rise development near public transport and town centres were made and will be considered as Planning NSW develops recommendations that will shape the Affordable Rental Housing SEPP into the future.

- e) Treat Local Government as a partner in future reviews of the Metropolitan Plan for Sydney (2036), Regional Strategies and the State Plan.***

NSW Labor strongly supports working with local government to help set priorities under the state plan, metropolitan and regional strategies. NSW Labor supports the Minister for Local Government and the Division of Local Government actively advocating for local government participation in planning processes across government.

The Intergovernmental Agreement signed in October 2010 between the NSW Government and the LGSA (IGA), commits both parties to use their best endeavours to deliver a land use planning system that recognises respective roles at the State, regional and local level. NSW Labor supports the principles of this agreement will continue to work with the LGSA to drive improvements in our planning system.

The IP&R framework encourages councils to work with State agencies who in turn will be able to use the information that will now be available in councils' Community Strategic Plans to inform their future planning.

3. Stronger support for communities

- a) Guarantee continuing a Local Government management of Home and Community Care (for those councils presently involved) in the transfer of***

control from the NSW Government to the Australian Government. A guarantee of improved local service levels in all areas is also sought.

The Keneally Government is determined to ensure that the new arrangements for HACC agreed by COAG provide simple access and clear pathways for all clients in navigating the new system and streamlined reporting and monitoring processes to reduce red tape for providers, without compromising service quality.

The transition must take place with minimal disruption to clients and existing providers. This includes holding the Commonwealth to its commitment under the National Health and Hospitals Network Agreement to not substantially alter existing service delivery arrangements before 1 July 2015. This will give providers certainty and stability.

Services will continue to be delivered through a mix of local, state/territory and non-government providers with individual providers able to deliver a mix of aged and disability services.

NSW will be seeking joint arrangements with the Commonwealth for information provision and cross-referrals to facilitate seamless client pathways and minimise the need for multiple client assessments.

Older clients receiving disability services will be able to remain with their current service providers and existing arrangements between the NSW Government and disability providers will remain unchanged.

The Keneally Government is committed to maximising the opportunities for an ageing population and will continue to plan for demographic change in a proactive manner, including pursuing opportunities for joint planning with the Commonwealth. However, it must be noted that Commonwealth will have exclusive policy responsibility for aged care services, including those currently provided under the HACC Program for people with a functional limitation aged 65 years and over from 1 July 2011.

b) Provide a \$20 million enhancement to NSW recurrent funding for those councils presently involved in prevention and early intervention services for children.

Labor has overseen the most significant reform to the system of child care and protection in NSW in a generation by implementing the recommendation of the report of the Wood Special Commission of Inquiry.

Any proposals for further funding from Local Councils involved in early intervention will be given due consideration.

c) Increase funding for public libraries by \$5.2 million each year for five years to reach a new recurrent target of \$51.5 million per year by 2015/16.

The Keneally Government announced funding for 44 new library projects are part of the NSW Government's \$3.3 million Library Development Grants.

We are spending \$25.5 million on supporting and developing public libraries across the State in 2009/10.

These grants that will benefit from an extra \$2 million in funding this year.

At the heart of the Keneally Government's plan to deliver first class services in the arts and cultural sector is our network of 368 public libraries and 27 mobile libraries.'

The Keneally Government is focused on:

- Assisting public libraries to improve their buildings and collections;
- Providing specialist services to children, young adults, seniors, indigenous and multicultural groups;
- Maintaining opening hours;
- Improving technical infrastructure; and
- Undertaking library research and promotional activities.

d) Create a Local Government arts and cultural development fund, with a key objective being to improve arts infrastructure outside the Sydney CBD.

Labor has completed a comprehensive cultural audit of cultural facilities outside the CBD and is currently reviewing the results of this audit. We will consider proposals from Local Government for a development fund as part of this review.

Local Government plays an essential role in the arts and cultural life of communities, which Labor has recognized by initiating cultural accords with local councils. Funding for these have recently increased to \$300,000.

The Government has also boosted funding for arts infrastructure outside the Sydney CBD with major announcements in Bankstown and Parramatta.

Western Sydney's arts community received a major boost today with the opening of the new \$5.8 million Bankstown Arts Centre.

The new Bankstown Arts Centre will serve as an arts hub for Greater Western Sydney – catering for music, film, visual arts, theatre, dance, literature and new media.

The new Bankstown Arts Centre now has:

- A fully refurbished theatre;

- Two new rehearsal rooms;
- Three new project rooms;
- A new foyer;
- New exhibition space;
- A wet studio;
- Workshop facilities; and
- New offices.

The centre will host several major projects including Arts Fest, events as part of the 2011 Sydney Writers Festival, community cultural development projects and working partnerships with other Western Sydney cultural institutions.

The centre will also provide accommodation for professional arts organisations Urban Theatre Projects and Bankstown Youth Development Service, along with local art groups, Bankstown Arts Society, Bankstown District Lapidary Club and Bankstown Theatrical Society.

In addition, Labor has funded a \$24.6 million makeover of the Old King's School site in Parramatta— preparing it to become a major arts and education precinct for Western Sydney.

This is the single largest capital investment in arts for Western Sydney by any State Government in the State's history.

The refurbishment of the buildings on the site will prepare them for use in the future as:

- Galleries;
- Multi-purpose community spaces for arts organisations; and
- Education facilities.

e) Scale down the size of the Central West and Murrumbidgee Local Health Networks and give local councils a seat on the governing councils of all country Local Health Networks.

The creation of Local Health Networks is central to national health reform. NSW is the first state to implement this important reform and our LHNs are already up and running.

LHNs will deliver improved patient centred care, strengthen local decision making, manage budgets and develop and implement strategic plans to deliver improved health services to their communities.

The new structure will also ensure we tap into clinical knowledge resulting in more effective delivery of health services and better tailoring of those services to meet the needs of local communities.

The NSW Government undertook an extensive consultation process to ensure we got the new system of local health networks right in rural and regional NSW.

The LHN model was developed following extensive consultation with clinicians, stakeholder organisations and communities across NSW. This included nearly 400 submissions.

LHN boundaries were based on specific criteria which included:

- A population based health needs approach;
- Population growth and change;
- Self-sufficiency;
- “Natural communities” and flow patterns;
- Capacity to maintain clinical service networks; and
- High standards of patient safety and quality of care.

The State Government will also enter into a Statement of Intent with the Local Government and Shires Association regarding ongoing collaboration on important issues like workforce, recruitment and improvement of local facilities. We know this is a priority in our rural and regional LHNs. This will facilitate formal agreements between LHNs and local government.

f) Provide a \$10 million increase to NSW recurrent funding for those councils presently involved in preventative health initiatives.

The NSW Government is focused on keeping communities healthy, particularly as we face the challenges of an ageing population.

Our record since 2005 includes investing:

- \$13 million in 2009/10 for anti-obesity initiatives.
- \$6.5 million over four years for childhood obesity prevention programs *Live Life Well@School* and *Munch and Move*.
- \$4 million for the new Get Healthy Information and Coaching Service, providing free lifestyle coaching for adults in NSW on 1300 806 258.
- \$2.2 million for the Fresh Tastes @ School – NSW Healthy School Canteen Strategy.
- \$5 million towards a range of chronic disease prevention programs in schools, local councils, and child care centres.
- \$20 million over four years to the Australian Better Health Initiative, including:
 - \$6 million towards the National “Measure Up” Campaign and supportive local activities; and
 - \$4.5 million towards the Live Life Well Prevent Diabetes Program being trialled in Sydney South West Area Health Service.
- \$1.1 million for the Go4Fun program encouraging parents of young children to take a whole-of-family approach to exercise and healthy dietary choices.
- The NSW Quitline telephone counselling service with extensive callback and referral facilities.

- Delivery of school-based smoking prevention program.

g) *Work in collaboration with Local Government to ensure the Australian Government carries out proper socio-economic analysis in developing the Murray-Darling Basin Plan, and provides early, well-targeted mitigation and transition measures to help communities adapt to the final Murray-Darling Basin Plan.*

Labor is always willing to work with Local Government to develop effective responses to these challenges. In its response to the Guide to the Murray-Darling Basin Plan, the NSW Government has reaffirmed its commitment to working cooperatively with the Australian Government and Local Government to ensure that the final Basin Plan balances the needs of the environment and Basin communities.

h) *Strengthen programs to support population growth and economic development in regional and rural NSW (including programs such as, or similar to, Evocities and PORTS).*

The Government will continue to build on the success of its existing programs and will work with Local Government to address these issues in the future.

i) *Set new requirements for Government strategic planning to address social justice or social inclusion.*

The NSW State Plan includes a range of strategies focusing of Fairness and Opportunity, with extensive services that promote social justice and reduce disadvantage. Likewise councils' Community Strategic Plans are required to be based on the NSW Government's social justice principles of equity, access, participation, and rights.

j) *Introduce new restrictions on the sale of alcohol at pubs and clubs across NSW as proposed in the Last Drinks campaign.*

The Keneally Government shares community concerns about alcohol-related violence and is addressing this issue in several ways, however does not believe that a standard one size fits all approach to closing hours is either warranted or desirable.

Last year, the Premier launched Hassle Free Nights – the Government's plan to reduce alcohol-related violence in high risk precincts. The plan contains measures to improve community safety, including targeted action against high risk venues in specified precincts. It also provides the Director-General of Communities NSW with greater regulatory powers to reduce a venue's trading hours and impose or vary licence conditions where there are adverse impacts on the community.

A key initiative in the plan is to establish Precinct Liquor Accords to develop and implement measures to minimise or prevent alcohol-related violence and anti-social behaviour and to protect and support the good order or amenity of key entertainment precincts.

The Government has also imposed additional licence conditions on the licences of the most violent venues in NSW. The list of venues in the scheme is revised every six months having regard to updated alcohol-related incident data, including assaults. There are 42 licensed premises in the scheme from 1 December 2010. It is a condition of some venues in the scheme that they comply with a “lock out” after 2am and other strict conditions regarding the sale and consumption of alcohol.

These initiatives follow other liquor reforms introduced by the Government in recent years to address community concerns about alcohol-related crime and anti-social behaviour.

A new Liquor Act commenced on 1 July 2008 and provides a range of enhanced regulatory tools so that effective action can be taken quickly where licensed premises contribute to alcohol-related problems.

In October 2008, the Government introduced a freeze on the grant of new applications for 24 hour liquor trading which has meant that new liquor licences and venues that have permanent extended trading approved are now subject to a mandatory six-hour closure.

This reform was accompanied by new powers which enable police and council enforcement officers to confiscate and tip out alcohol when it is being consumed in an alcohol-free zone. More recently, these powers were extended to alcohol prohibited areas established by local councils in public places such as beaches and parks. An extension of the provisional driver licence period for young people caught using false identification to gain access to alcohol and licensed premises has also been introduced.

These Government initiatives are driving significant behavioural change in venues by reducing intoxication, increasing patron safety and helping to prevent alcohol-related incidents. NSW Bureau of Crime Statistics and Research data indicates that over the 24 months to September 2010, recorded assaults on licensed premises have fallen by 9 per cent. There has also been an 83 per cent reduction in the number of venues recording 19 or more violent incidents a year since the introduction of the violent venues scheme in December 2008.

The Government’s latest initiatives build upon earlier reforms and represent a sustained effort to tackle alcohol-related violence and anti-social behaviour.

k) Give due consideration to the five issues for future NSW Government action to reduce the impact of cancer on all NSW communities (as outlined in the Cancer Council of NSW “Saving Life” Campaign).

Indoor smoking has been banned from 3,500 licensed venues and tobacco display bans apply to 12,000 retail settings. The *NSW Government’s Strategic Directions for Tobacco Control in NSW 2011-16 Discussion Paper* was released late last year for public comment. It proposes key actions to reduce smoking rates and critically reduce the exposure of non-smokers to tobacco. It includes a key proposal to extend the *Smoke-free Environment Act 2000* to prohibit smoking in commercial outdoor eating areas and other public outdoor spaces. The discussion paper also includes a possible ban on tobacco sales on the internet and a reduction in exposure to tobacco smoke around children’s playgrounds, and sporting stadiums. The final *NSW Tobacco Strategy 2011-2016* will be released shortly based on public feedback from the discussion paper.

l) Provide additional recurrent funding to NGOs offering mental health services in rural areas.

The NSW Labor Government maintains very strong partnerships with the NGO sector. In fact, we’ve increased funding to NGOs by 233 per cent in the past six years, now totalling almost \$57 million.

In rural and regional NSW, our partnerships with NGOs ensure the improved access to and delivery of services to those living with a mental illness and their families and carers. This includes \$2.48mil per annum (from 2010/11-2012/13) for delivery of the Family and Carer Mental Health Program throughout the regional and rural areas of Greater Southern AHS, Greater West AHS, the North Coast and Hunter New England AHS. The program provides funding to non-government organisations and all Local Health Networks to support families and carers through education and training, advocacy, individual and peer support and promoting greater participation of families and carers in the treatment and recovery of their loved ones. (The program is funded at \$4.96mil p.a for all of NSW)

The NSW Labor Government also funds NGOs in the delivery of the Housing and Accommodation Support Initiative – a \$38million per annum program providing more than 1,100 packages across NSW to support those living with a mental illness who are at risk of homelessness. Of those, around 450 people are supported in regional and rural NSW. NGOs work closely with clinicians and Housing NSW to ensure participants are assisted in their recovery and the long term management of their illness, particularly through re-engaging them with their community and social support networks.

m) Work in collaboration with Local Government to ensure the Australian Government provides more funding for residential aged care and for ageing in regional and rural NSW.

Labor is committed to working with both Local Government and the Commonwealth to address these issues.

n) Reform NSW Police recruitment, transfer and sick leave policies to ensure all regional, rural and remote stations are always staffed at authorized operational levels.

The NSW Labor Government has provided record police numbers across the state, with the authorised strength of the NSW Police Force currently a record 15,806 officers.

At the moment, approximately 33% of officers are based in rural and regional areas – which is a strong commitment to policing in country areas. This authorised strength is set in recognition that not every single officer will be available on the frontline 24 hours a day.

The authorised strength levels for a command are set in recognition that at any one time some officers may be on leave, on training, at court, or working part time.

Of course, police may be reallocated between commands or stations on a short term basis, if for any reason they are understaffed.

This model allows for maximum flexibility for Region Commanders and Local Area Commanders to make operational decisions in regards to policing in local communities based on the day to day circumstances.

This funding model has applied since 1988 and is the tried and tested model for police number funding.

Ultimately, the decision as to the where police officers are allocated needs to be left to the experts – that is the NSW Police Force Executive and Local Area Commanders.

In terms of policies in managing our injured or sick officers, our Police put their bodies on the line to protect the community and make sure criminals are put before the courts.

Our commitment is to support injured cops so that they can either return to work as quickly as possible, or move on with dignity and with financial security. In 2006, the Safety Command, staffed with specialists to improve the case management of injured staff, was established.

The Safety Command plays a key role in developing return to work plans in consultation with the injured officer, the local area command and the treating doctor. And we are doing more to improve injury management - for example Welfare

Scoping Interviews to actively engage injured officers in a degree of self determination in managing the injury.

We take the safety and welfare of our officers seriously – staff are the most precious resource we have when it comes to reducing and managing crime and keeping communities safe across NSW.

The Government is also committed to a death and disability scheme to ensure injured police officers get adequate compensation.

This commitment was reaffirmed as part of the finalisation of the last salary award with the Police Association.

An in-principle agreement has been reached that there will be no change to benefits, entitlements or employee contributions that exist under the current Death and Disability Award for the next 2 years.

The Labor Government has committed to maintaining full funding of the scheme to ensure that injured officers get adequate compensation.

4. Greater natural environment protection

To provide greater natural environmental protection, the LGSA request the incoming NSW Government:

a) Fully hypothecate the waste levy a so councils can use alternative waste technologies, joint ventures and education to reduce the waste stream.

The NSW Labor Government supports the Waste and Environment Levy as it is driving waste reform and funding environmental programs. Recycling in NSW has increased by 80% since 2003. Since 1995 the amount of waste going to landfill has dropped from 430 kilograms to 278 kilograms per person per year.

b) Endorse the NSW Climate Change Action Plan and provide resources to councils to address the significant environmental, economic and social impacts of climate change.

This Government has provided significant resources to councils to address climate change.

The NSW Labor Government introduced the \$150 million Energy Efficiency Strategy – the strongest in Australia – to directly help households, businesses, schools and community organisations save energy, cut bills and help reduce greenhouse gas emissions from electricity consumption in NSW. The investment is expected to return more than \$400 million in avoided electricity costs to the NSW economy. We

also delivered more than 300,000 households rebates for water and energy efficient appliances from the \$170 million Home Savers program, saving 4.5 billion litres of water, 397,000 megawatts of electricity and 425,000 tonnes of greenhouse gas emissions. NSW Labor also established the \$2 million Climate Change Impacts and Adaptation Research Program to study the impact of climate change on the coast, biodiversity, invasive species, bushfires and human health, to provide a sound basis for our adaptation policies.

c) *Increase funding allocated to weed management to \$20 million and commit to an ongoing role of Local Government in weed management.*

A NSW Labor Government work will continue to work with Councils, and will consider an increase in funding for weed management.

d) *Fund a “City and Country 2” Environment Restoration Program, including a significant funding allocation to Local Government.*

A NSW Labor Government is committed to investing in environmental restoration and providing funds to councils to aid in this process.

e) *Review the NSW Building Sustainability Index (BASIX) to establish whether it is meeting its goals, where improvements can be made (including whether it can be extended to commercial premises) and whether it can be converted to a minimum rather than maximum standard.*

BASIX is a multiple award-winning initiative which has resulted in an average 40% reduction in energy and water use in new homes, compared to homes built before its commencement in 2004.

In doing so, BASIX has to date saved NSW households more than 24 thousand mega litres of water and avoided around 700,000 tonnes of greenhouse gas emissions.

BASIX is also supporting the green building industry by recognising and rewarding the use of sustainable building products and systems.

Put simply, BASIX is best practice in terms of achieving sustainable outcomes in the built environment.

Nonetheless, to ensure this remains the case, just such a review is currently being undertaken by the Department of Planning.

The review will inform further alignment of BASIX and the Building Code of Australia on energy efficiency as well as potential revisions of BASIX water and energy savings target.

As an example, the BASIX has significantly increased the installation of energy efficient hot water heaters in new homes. From 2005 to 2008....74% of BASIX Sydney homes selected gas hot water heaters....with nearly all others selecting solar or heat pump operated systems. Inefficient electric hot water systems.... previously installed in over 65% of homes....are all but phased out in new dwellings in NSW.

f) *Support the continuation of Catchment Management Authorities, reviewing their role with the aim of improving their autonomy and enhancing their funding.*

A NSW Labor Government will support the continuation of Catchment Management Authorities (CMAs). This Government established 13 CMAs to ensure local communities are involved in natural resource management decisions. To date CMAs have invested \$667 million of NSW and Australian Government funds in on-ground action, protecting, repairing, enhancing, treating and/or rehabilitating at least five million hectares of land – or 6% of the State.

5. Enhanced infrastructure provision and maintenance

To enhance local infrastructure provision, and maintenance, the LGSA request the incoming NSW Government to:

a) *Create a \$1 billion Local Government Infrastructure Fund*

The NSW Local Infrastructure Fund has been established as an interest-free loan scheme to bring forward infrastructure projects which have been delayed due to a lack of funding. The funding will provide an immediate local economic boost as water, sewer, drainage and roads infrastructure projects worth more than \$1 million are provided to local communities. The funding will also trigger construction in areas of high population growth and will assist in increasing the supply of serviced land for housing and employment. The Fund is a NSW Treasury Fund administered by the NSW Department of Planning.

Together with our local government partners, the LGSA and Local Government Managers Australia (NSW), the NSW Labor Government was able to secure \$3.25 million from the federal Governments Local Government Reform Fund to financially assist NSW councils seeking to improve their long term asset management and financial planning capacity.

A draft implementation plan has been developed for the Local Government Asset and Financial Management Project – NSW. This will be used to assist in training for financial planning and asset management.

Councils may also apply for a special variation to increase rates to assist in funding infrastructure and should be able to determine funding requirements through the

long term financial planning and asset management planning required under the IP&R framework.

b) *Quarantine town water supplies from the application of sustainable water diversion limits set by the Murray-Darling Basin Authority.*

NSW Labor supports this. In its response to the Guide to the Murray-Darling Basin Plan, the NSW Government has reaffirmed its commitment to working cooperatively with the Australian Government and Local Government to ensure that the final Basin Plan balances the needs of the environment and Basin communities.

c) *Ensure Local Government retains ownership and control of council owned and operated local water and sewerage utilities in regional NSW.*

The NSW Office of Water (NOW), Department of Environment, Climate Change and Water has been undertaking a review of council Local Water Utilities. NOW has consulted extensively with councils, the Division and other stakeholders. The Division has supported collaboration between councils as a way of building LWU strategic and resource capacity.

The NSW Labor Government supports the Waste and Environment Levy as it is driving waste reform and funding environmental programs. Recycling in NSW has increased by 80% since 2003. Since 1995 the amount of waste going to landfill has dropped from 430 kilograms to 278 kilograms per person per year.

d) *Continue to provide capital funding for council owned and operated local water and sewerage utilities in regional NSW, including a remote communities water and sewerage program. Also commit to funding new infrastructure necessary as a result of impacts of climate change on water supplies.*

Under the Local Government Act councils may already raise a charge for such things as water supply services, sewerage services and drainage services. Furthermore, a special rate variation can be raised to meet the costs of any works, services, facilities or activities provided or proposed to be provided (other than waste management services), A special rate can be levied on such rateable properties that benefit or will benefit from the works and services.

e) *Continue the Aboriginal Communities Water and Sewerage Program and widen the program by adding adequate funding for capital works required to upgrade water supply and sewerage systems in Aboriginal communities.*

Labor will continue to build on its successful programs and will consider any proposals to expand those that have been shown to be effective.

f) Work with Local Government to develop long term solutions for funding community infrastructure requirements in both greenfield and infill areas.

The NSW Local Infrastructure Fund has been established as an interest-free loan scheme to bring forward infrastructure projects which have been delayed due to a lack of funding and are essential to urban development. The funding will provide an immediate local economic boost as water, sewer, drainage and roads infrastructure projects worth more than \$1 million are provided for local communities. The funding will also trigger construction in areas of high population growth and will assist in increasing the supply of serviced land for housing and employment. The Fund is a NSW Treasury Fund administered by the NSW Department of Planning.

Councils may apply for a special variation to increase rates to assist in funding for greenfield and infill infrastructure. The Local Government Act allows councils to raise a charge for such things as water supply services, sewerage services, drainage services and waste management services. Furthermore, a special rate can be raised to meet the costs of any works, services, facilities or activities provided or proposed to be provided (other than waste management services). A special rate can be levied on such rateable properties that benefit or will benefit from the works and services.

g) Improve road funding assistance to Local Government, with special emphasis on regional roads and timber bridges.

The Roads and Traffic Authority (RTA) continues to develop cases for additional funding, based on need. The Minister for Roads will continue to call on the Commonwealth Government to provide additional funding across the NSW road network. Councils may also apply for a special variation to increase rates to assist in funding for roads. The NSW Grants Commission currently considers road and bridge length for the calculation of the Financial Assistance Grants.

6. Better local governance

a) Further develop and implement the NSW and Local Government Intergovernmental Agreement to establish a mechanism that will determine which sphere of government should deliver a particular service in a given scenario. Also ensure that the sphere of government which is given the responsibility is also given corresponding adequate funding or revenue raising capacity.

NSW Labor is strongly committed to the relationships and principles established under the national Inter-Governmental Agreement Establishing Principles Guiding Inter-Governmental Relations on Local Government Matters (National IGA).

To complement the National IGA an Intergovernmental Agreement between the NSW Government and the Local Government and Shires Associations (NSW IGA) was signed in October 2010 and includes provisions:

- To ensure the efficient, effective and coordinated provision of services and infrastructure by State and Local Government
- Recognise the diversity of councils' financial capacity and the need to strengthen this capacity
- Commits to meaningful consultation and to consult with the LGSA before it introduces legislation which imposes new services and functions impacting on local government.
- Commits to financial transparency
- Provides for an annual review of activities and achievements.

The new Integrated Planning and Reporting framework provides the opportunity for councils to engage with Federal and State Government agencies to determine the services that a council will deliver. This provides councils with the opportunity to establish partnerships to deliver services that their communities need. When forming any partnerships, councils should be aware of the commitments under the National IGA to ensure that where they take on a new service the Federal or State Government agency is required to provide adequate funding. Where funding is not provided, councils will need to use the community engagement and strategic planning processes under the IP&R framework to determine whether a service is of significant enough priority that the council chooses to fund the service itself.

b) Support the national Local Government campaign to recognise Local Government in the Australian Constitution, to ensure the Australian Government can directly fund Local Government nationwide.

NSW Labor supports this matter in principle. We will consider it in more detail once a model is developed.

c) Create the option for councils to run their elections locally, with an independent returning officer, to save money and restore local confidence.

NSW Labor believes that the community has a right to expect that council elections are run to the same high standards as those for State and Federal elections.

For the 2008 local government elections the NSW Electoral Commission successfully conducted 332 individual elections in more than 140 council areas across NSW.

For councils that did have concerns in relation to the cost of these elections, the Electoral Commission, on a case by case basis, considered requests to spread payment of these costs over two financial years. It is understood that the majority of these requests were granted.

- d) Set up an Intergovernmental Commission for Future Local Government involving representatives from all levels of Government, the LGSA and independents. The aim of the Commission would be to guide a comprehensive program to strengthen Local Government for the coming term and future 40 years, as outlined in the outcomes of LGSA' Modernising Local Government Initiative.**

The Division of Local Government is committed to working with the local government sector to achieve meaningful reforms within the scope of the NSW Inter-Governmental Agreement.

- e) Provide legislation or Premier's directive for NSW Government agencies to incorporate local Community Strategic Plans in state planning processes.**

NSW Labor strongly supports working with local government to help set priorities under the state plan, metropolitan and regional strategies. NSW Labor supports the Minister for Local Government and the Division of Local Government actively advocating for local government participation in planning processes across government.

The purpose of the Community Strategic Plan (CSP) is to identify a community's main priorities and aspirations for the future and to plan strategies for achieving these goals. In doing this, the planning process will consider the issues and pressures that may affect the community and the level of resources that a council realistically has available to achieve its aims and aspirations.

While a council has a custodial role in initiating, preparing and maintaining the CSP on behalf of the local government area, it is not wholly responsible for its implementation. Other partners, including State agencies and community groups, may also be engaged in delivering the long-term objectives of the Plan.

It is critical that during the engagement phase of developing a CSP that the autonomy of councils, State agencies and other stakeholders is respected. Each will have their own priorities, resource constraints and objectives. The CSP is the opportunity to recognise and work towards achieving common goals.

- f) Provide funding for a significant long-term mentoring program aimed at improving the diversity of councillors (\$600,000 per year for eight years).**

A NSW Labor Government through the Division of Local Government will continue to undertake a range of initiatives to promote the diversity of elected Councillors. These are detailed on the Promoting Diversity in Local Government webpage at www.dlg.nsw.gov.au.

- g) Remove the concept of a 'body politic' from the Local Government Act (NSW) 1993.**

The 2008 amendments to the Local Government Act 1993 removed the corporate status of local councils, thereby ensuring that councils enjoy the protection of the NSW industrial relations system rather than being subject to the Federal Work Choices system (as it then was) and the Fair Work Act (at present).

NSW Labor is strongly committed to ensuring that council workers have access to the NSW industrial relations system.