



Northern Grampians
Shire Council

20 August, 2002

PE:PN - 01 10 004A
Enquiries: Peter Elliott (03) 5358 8734

The Secretary
Standing Committee on Economics, Finance and Public Administration
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

INQUIRY INTO LOCAL GOVERNMENT AND COST SHIFTING

Council provided a brief response to the call for submissions to the abovementioned Inquiry and indicated further information would be provided.

Attached for your information is a more detailed outline of Council's concerns.

Yours sincerely

PETER ELLIOTT
DIRECTOR CORPORATE SERVICES

Encl.

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:.....	254
Date Received:	
Secretary:	

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COST SHIFTING

▪ **DESTRUCTION OF INJURED WILDLIFE**

In rural areas injuries to wildlife on roads are quite common. The Department of Natural Resources and Environment (DNRE) is the responsible body in these cases but the failure to respond means that Councils are often called upon to act outside their area of responsibility.

▪ **LACK OF ENFORCEMENT OF MASS LIMITS BY VIC ROADS**

Truck drivers can obtain permits from VicRoads to carry heavier loads on designated routes and this can also include approval from Local Government. What is happening is that truck drivers obtain permits for declared roads and use any local road they wish, including bridges, knowing that no, or limited, enforcement is occurring on local roads. Even if they are caught on a local road the risk of receiving a fine is lower than the benefits of overloading. B-Doubles from interstate are the major offenders. Vic Roads is paying for upgrades of declared road bridges but Council is left to fund testing and upgrading of local road bridges.

▪ **CORELLA CONTROL PROGRAM**

DNRE is responsible for corella control (a major problem in many areas) but is reluctant to act. Councils are often called upon and sometimes find it necessary to commit resources because of DNRE inaction. Recently DNRE has advised of community training to deal with the problem – a further shifting of costs.

▪ **STOCK CONTROL ON DECLARED ROADS**

VicRoads only provide a minimum ranger service for stock issues on declared roads. They will readily reimburse Council to provide this service but rely heavily on Councils goodwill.

The policy seems to be that if you wait long enough the stock will have moved off the declared onto a local road to avoid the higher traffic volumes and it then becomes Council's problem.

▪ **EMERGENCY RESPONSE ON DECLARED ROADS**

The maintenance of these roads are contracted out but in the case of an emergency declared roads have to be often closed by the police until the VicRoads contractors arrive, often with a lengthy wait.

Further, if an arterial road is closed by, say burning trees which is in danger of falling in a major emergency the response is often very slow and Council resources have to be redirected to declared roads to open then to traffic. This has the impact of local roads having to wait for emergency work until declared roads are open to traffic, adversely affecting the ratepayers.

There is no question that VicRoads will reimburse Council, the issue is that we cannot set our own priorities to respond to ratepayer's needs in an emergency following the contracting out of VicRoad Services.



- **BUILDING CONTROL ENFORCEMENT**

Building control regulations change periodically and almost invariably place extra burdens on Councils. Fees payable are not sufficient to cover extra costs incurred by Councils.

Legislation is passed with no funding for the incurred inspectors. E.g. swimming pools, rescode, essential services, aged care, cooling towers and energy efficiency.

- **WEED MANAGEMENT**

DNRE fail to recognise the enforcement role (or entry works) is important for then to perform in the control of weeds. The stigma of an entry gang is often as important as the cost of the work being carried out. Council wants to support the adjoining owner who does control his or her weeds.

- **BOOT SCHEMES WHERE EVEN THE PLANNING PERMIT HAS NOT BEEN OBTAINED**

Council is concerned that State Government authorities are entering BOOT schemes where the contractor is required to obtain planning amendments and planning permits for a concept. These contractors have no community involvement and just want to make a quick dollar and do not engage the local community. This same community is often the authority's own ratepayers and any undertakings by the contractor are often hollow and very short term.

- **EPA NOISE ENFORCEMENT**

The power to enforce noise was also given to Council by the EPA in a very discrete way. When the EPA now have a complaint about noise it is referred to Council to deal with. It is a simple case of setting standards but asking Council to enforce it. Council often does not have the knowledge, skill or inclination to enforce other authority controls.

- **ELECTRICAL WIRING INSPECTIONS**

To get a house connected to the power for a prescribed connection you have to engage an inspector at a fee who has to travel up to two hours one way to carry out the inspection. Inspectors try and share the travelling and reduce the cost per property but this may also mean that the connection is delayed for a longer time. The end result is that rural properties have both a higher cost and waiting time than metropolitan areas.

- **LACK OF FIRE PREVENTION FROM DNRE AND VICTRACK**

DNRE have many properties to maintain for fire hazards. In some years with high regrowth areas have to be cut twice. However the resources provided are that an DNRE employee or contractor can cut the areas once a year in a given time frame. If you happen to adjoin a reserve that is cut last in the time frame you may have an extreme fire hazard for two months adjoining your property. This would not be permitted with private land.

In relation to V Line land to even find out the contractor that has to cut the fire hazards in the township is very hard in the first place and to get them to cut is near impossible. Council had to write to the Minister of Transport to get some action. Rather than cost shifting this is a lack of service which is a common problem in the rural areas.

- **TIP LEVY TO FUND EPA AND ECO RECYCLE**

Councils used to run tips and if they charged on user pays basis they would just cover their costs. We now pay an EPA levy of \$2.00 per tonne municipal and \$3.00 per tonne, which will rise to \$8.00 per tonne for commercial waste. This is used to fund EPA and Eco Recycle. Council has been advised that they recovered capital grants equal to the levy for waste services and recycling. However the real cost is that the Councils are paying for some of the administrative costs of Eco Recycle, EPA and waste groups and this is to increase up to 400%.

- **LACK OF LITTER ENFORCEMENT BY DNRE**

The illegal dumping of offal and litter on crown land bushland reserves is not being policed enforced by DNRE, and Council by default is being asked to police this crown land issue.

- **LIBRARY SERVICES**

The State Government contributes a proportion of funding based on population which Councils match. This is therefore considered to be a 50/50 cost share but in reality the costs of operating library services continue to rise with the difference being met by Councils. The MAV estimated in a previous examination that costs were more accurately reflected at 60/40 to Councils detriment.

- **HEADLICE**

Head lice detection was a state funded program until the late 1990's. Many Councils still operate the program at their own expense based on community needs and expectations.

- **HUMAN SERVICES PLANNING**

The Department of Human Services (DHS) disbanded its planning section and has chosen to devolve responsibilities to processes such as Primary Care Partnerships (PCPs) and Local Learning Education Networks (LLENs). Each of these processes involve substantial input from local organisations (and DHS or allied agencies) and on the surface may appear a positive step in that addressing future needs is planned by the community most affected by the activity but where the responsibility for research, administration etc into needs and planning for them was with DHS, this has now been spread amongst other organisations, including Local Government.

- **WORKCOVER AND SAFETY REQUIREMENTS**

Councils, and presumably other employing bodies, now have responsibility to ensure that contractors engaged by them are fulfilling requirements such as observing safety plans and Occupational Health and Safety requirements. These are not regulations imposed by Councils and while we accept that it is in our community's interest to be certain that contractors are adhering to safety and other requirements, the cost involved in monitoring this adherence is borne by the employing body rather than the regulatory body.



▪ **HACC FUNDING**

DHS introduced Output Based Funding to the HACC Program a matter of years ago. Rates have not been increased to match inflation and Award conditions – in particular, unit costs are still based on old Award rates for kilometres.

The Meals of Wheels (MOW) subsidy is \$1.10 and remains the same after more than ten years.

▪ **MATERNAL AND CHILD HEALTH**

DHS also introduced OBF in this area and unit costs have not met CPI, Award or Enterprise Bargaining agreement increases. DHS makes no differentiation between rural and metropolitan services despite rural costs being much greater. The MAV and DHS have signed an agreement on behalf of Local Government Authorities indicating a 50/50 split in funding. Based on our 2001/2002 budget the split is 60/40 and increasing in favour of DHS.

▪ **CHILD CARE**

The Federal Government has funded capital for child care centre. DHS is the regulator and has introduced amendments to the Children's Services Act 1998 which have not been funded by State or Federal Governments and which have had to be funded by Councils.

▪ **BABY CAPSULE PROGRAM**

This program was funded by the State until 1996. Most Councils still operate the program, based on a community need and expectation, at their own expense.