

COUNCILLOR ROBERT BELL B.Sc.

Mayor

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23 August 2002

The Secretary
House Of Representatives Standing Committee On Economics
Parliament House
CANBERRA ACT 2600

House of representatives Standing Committee on
Economics, Finance and Public Administration

Submission No: 259

Date Received:

Secretary:

Dear Sir/Madam

I refer to the inquiry into the cost shifting onto Local Government and appreciate the opportunity for this Council to comment on the matter.

It is noted that the Local Government Association of New South Wales has prepared a template to assist Councils who wish to make individual submissions and accordingly the following is provided:-

- **Name:** Gosford City Council
- **Population size:** Approximately 161,000
- **Geographical size:** 1,029 square kilometres
- **Current budget:**
As Council is a Water Authority as well as a general purpose Council, its budget is in the order of \$200 million per annum.
- **Any relevant demographic information:**

Overview of historical development of the Council

Gosford City itself has been in existence for a considerable number of years, having been amalgamated with two adjoining shires many years ago. The City has been one of the fastest growing areas in Australia for a number of years and this trend is continuing.

- **Is the Council a member of a Regional Organisation of Councils:**
Yes, Council has an association with its neighbouring Council, Wyong Shire Council.
- **Outline any contract works Council has undertaken for any State, Federal or other agency during 2001/02, and its value:**
The following examples are provided:-

Department of Employment, Education and Training –
Work for the Dole

\$74,780



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<i>Department of Ageing and Disability and Home Care –</i>	
<i>Aged Worker</i>	\$53,006
<i>Client Voices Project</i>	\$10,000
<i>HACC Reform Project</i>	\$5,435
<i>National Heritage Trust –</i>	
<i>Bush Care</i>	\$27,661
<i>Department of Agriculture –</i>	
<i>Noxious Weeds</i>	\$35,941
<i>Environmental Protection Authority –</i>	
<i>Industrial Catchment Management</i>	\$277,804
<i>Stormwater Education Project</i>	\$47,936
<i>Gosford Wharf – Marine Sewage Pump-out</i>	\$58,970
<i>NSW Rural Fire Service –</i>	
<i>Section 44 Claim</i>	\$488,552
<i>Department of State and Regional Development –</i>	
<i>Somersby Industrial Park – incorporating Aboriginal heritage</i>	\$38,944
<i>Department of Urban Affairs and Planning –</i>	
<i>Public spaces for young people</i>	\$29,500
<i>NSW Premier's Department –</i>	
<i>Peninsula Drug Action Team</i>	\$11,250
<i>Safer Towns and Cities</i>	\$43,572
<i>Roads to Recovery –</i>	
<i>Gallipoli Avenue</i>	\$242,742
<i>Springwood Street</i>	\$27,537
<i>Showground Road</i>	\$261,233
<i>Willoughby Road</i>	\$36,463
<i>Wyoming Road (stage 1)</i>	\$285,780
<i>Roads and Traffic Authority –</i>	
<i>State Road Maintenance Contract</i>	\$2,697,478
<i>Regional Roads Block Grant</i>	\$1,938,175
<i>Russell/Althorp Roundabout</i>	\$141,298
<i>Brisbane Water Drive – Penang</i>	\$174,895
<i>Brisbane Water Drive – Collard</i>	\$11,366
<i>Pedestrian facility – Renwick Street</i>	\$149,040
<i>Pacific Highway – water supply</i>	\$35,639
<i>Safety audit works – Charlton and Railway Streets</i>	\$2,196

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<i>Pacific Highway – Argyle Avenue – bus bays</i>	\$43,419
<i>Ocean Beach Road – Rawson Road – blackspot</i>	\$191,553
<i>Avoca Drive – Dunlop Hill</i>	\$49,120
<i>Manns Road</i>	\$195,765
<i>Avoca Drive – Davies Street</i>	\$8,144
<i>Terrigal Drive - Serpentine Road</i>	\$769,212
<i>Sun Valley Road roundabout</i>	\$14,263
<i>Avoca Drive – Davistown Road – medians</i>	\$28,706
<i>Erina Valley Road closure</i>	\$199,580
<i>Regional roads – traffic facilities</i>	\$331,253
<i>Road Safety Officer and projects</i>	\$120,427
<i>Avoca Drive, Kincumber – pedestrian facility</i>	\$8,264
<i>Point Clare cycleway</i>	\$557,574
<i>Cycleway – Frost Reserve</i>	\$51,183
<i>Ryans Road</i>	\$17,103
<i>Department of Transport –</i>	
<i>Gosford commuter car park</i>	\$4,085,457
<i>State Rail Authority –</i>	
<i>Maintenance of Gosford parkway</i>	\$62,759
<i>Maintenance of Woy Woy parkway</i>	\$65,421
<i>Maintenance of Gosford interchange</i>	\$61,150
<i>Maintenance of Woy Woy interchange</i>	\$30,142
<i>Waterways Authority –</i>	
<i>Wharf rehabilitation programme</i>	\$5,248
<i>Gosford Wharf – marine sewage pump-out</i>	\$5,361
<i>Patonga boat ramp</i>	\$128,394

- ***Outline any activity Council has undertaken during 2001/02 which would not normally be part of Council's activities, or traditionally has been provided by the Federal or State Government, and its value:***

Although it is difficult to quantify in dollar terms, there is no doubt that Council has in the past 12 to 18 months received additional requests from local community organisations for financial assistance in the form of grants and donations.

It appears that grants and donations etc from the State Government over this period have reduced significantly, perhaps even extending back to the 2000 Olympic Games, and as these organisations could not access funds from the State and Federal Government, they have been approaching Gosford City Council.

Council has only been able to marginally increase the funds available from its recurrent budget to assist these organisations, resulting in a wider spread of the funds being applied

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by Council, but of course a lesser amount to a lot of organisations who would receive more consideration from Council.

- ***Does the Council believe that devolution of services over the last 10 years has placed additional financial burdens on Council?***

The answer to this is Yes. The additional costs to Council are substantial and the trend is continuing.

- ***Outline what services have been devolved and the approximate annual cost and income:***

It is believed that over this period of time in particular, the human services section of this Council has increased considerably.

Examples of this can be provided in the Child Care Centres, Aged Services Centres and more particularly in the Youth Development area which historically has been the responsibility of the State Government. As an example, in the last 12 months, Council has found it necessary to engage an additional two (2) full-time Youth Workers in order that Council's Youth Centres may remain open for reasonable hours to provide services to youth.

Council has three (3) Youth Centres. However, due to lack of funding from the State Government where Council would normally expect to receive recurrent funding, two of the three Centres were only open for a maximum period of eight (8) hours per week. This of course is totally unacceptable. Given that Council provided the land on which the Youth Centres were constructed and the Centres were constructed by funds under Section 94 of the Local Government Act, it is appropriate that the State Government fund the actual operational costs of those Centres.

This has not been forthcoming and therefore, in the last 12 months, Council has had to allocate some \$60-\$70,000 for the employment of the two (2) Youth Workers.

A further example can be provided with respect to Surf Lifesaving activities within the Council area. Historically, the State Government has been responsible for the operations of Surf Lifesaving Clubs which supply significant voluntary hours to the community, yet it has been necessary for Council to engage some five (5) additional full-time Lifeguards in order that an appropriate service can be provided to the community over the swimming season. The cost to Council has been \$125,000 per annum. Further, due to the deterioration of the existing buildings, Council has recently resolved to reconstruct six (6) Surf Lifesaving buildings, which are located on State Government owned land, at a cost \$1 million each. During 2001, Council constructed two (2) Surf Lifesaving buildings at a total cost of \$2.2 million.

Council has also recently resolved to construct a Regional Aquatic Centre at a total cost of \$16.35 million. The State Government has not indicated that it will contribute any funds to

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the project, despite its obviously regional significance which transcends Local Government boundaries. No such facility currently exists within the region.

With respect to Child Care Services, Council now has seven (7) Long Day Care Centres each being licensed to have some forty (40) children under the age of 5 years at any one time. This is also seen as a State Government responsibility which has been placed onto Local Government.

Council has provided land for the Child Centre Centres and the funding for those Centres has historically been provided by the Federal Government. Although it is expected that each of the Child Care Centres should be run financially neutral, given the number of Child Care Centres, including Occasional Child Care and After School Care, Council has found it necessary to engage a full-time Co-ordinator for its Child Care Services at a cost to Council of some \$40,000 per annum.

• **Outline costs incurred by Council in meeting Federal and State compliance administrative requirements:**

A number of examples in this regard can be provided:-

- a) *The Threatened Species Act – This has resulted in Council being required to engage an additional Development Application Assistant at a cost of approximately \$45,000 per annum;*
- b) *The recently introduced Privacy legislation resulted in Council being required to engage a consultant to undertake Privacy training throughout the organisation at a cost of \$33,000. This does not include the time of the staff attending the three-hour sessions and, bearing in mind that some 800 staff members attended the sessions, the cost to the organisation is quite considerable;*
- c) *Environmental legislation – Gosford City Council is in an extremely environmentally sensitive area. With regard to the water and sewerage operations which it has undertaken, it has been necessary to ensure the highest standard of disposal takes place. The higher standard has resulted in at least one (1) full-time employee being engaged to monitor the environmental aspects of Council's sewerage works in particular. The cost is in the order of \$80,000;*
- d) *The GST legislation introduced by the Federal Government resulted in a considerable cost to all organisations, including Local Government, in ensuring that appropriate software was developed to properly handle the GST requirements and further to this, at least .5 of a person is now allocated to the responsibility of ensuring that Council's GST requirements are being met. The cost to Council of this would be in the order of \$30,000 per annum.*

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- **Has Council had to employ additional staff to provide devolved services or meet additional compliance administrative requirements?**

This has been referred to above.

- **Outline any Council services that could be better provided by another sphere of Government or the private sector:**

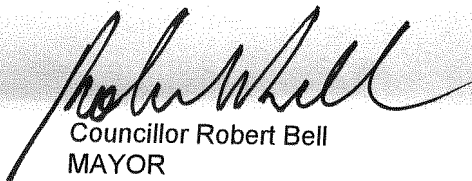
Council engages on an irregular basis expertise from the private sector to undertake particular projects. For example, experts in flooding and drainage problems, leaching and soil analysis (in the case of proposed development on former service station sites).

- **Outline any services currently provided by other spheres of Government that could be better provided by Local Government:**

There may be a significant number of services currently provided by other spheres of Government which could be undertaken by Local Government. However, it is suggested that such would result in a thorough review of the operations of State Government and the possible development of regional Councils throughout Australia to undertake those specific services.

I trust the foregoing will be of assistance to the inquiry.

Yours sincerely



Councillor Robert Bell
MAYOR

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