

Murray and Mallee Local Government Association.

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

Submission No: **268**

Date Received:

Secretary:

Chief Executive Officer.

Pindari,

54 Thiele Rd,

Murray Bridge. 5253.

8th. August, 2002.

The Berri Barmera
Council

Coorong District Council

Susan Cardell,
Inquiry Secretary,
The House of Representatives Economics Committee,
Parliament House,
Canberra... 2600.

District Council of
Karoonda East Murray

Dear Susan,

This Association has previously advised that it wished to forward a submission to the "Inquiry into local government and cost shifting". We now submit the following.

District Council of
Loxton Waikerie

The Murray and Mallee Local Government Association (M&MLGA) comprises 8 Councils (see left) formed by Charter under the provisions of the Local Government Act, 1999. The region is located in the Murraylands Statistical Region in eastern South Australia and is dissected by the River Murray. It covers a large area in excess of 50,000 km² taking in the areas from the Riverland in the north, agriculture areas in the central, west, south and east along the Victorian border, and south westerly to the coast and lakes. Rural based communities throughout the area share a common interest in agriculture/horticulture, with towns primarily servicing the farming and horticultural communities and supporting a growing tourism sector. The region has a population base of approximately 68,000 (approx. 4.6% of the State population).

Mid Murray Council

The Rural City of
Murray Bridge

District Council of
Renmark Paringa

The M&MLGA is a member of SAROC (South Australian Regional Organisations of Councils). SAROC has been established within the Constitutional framework of the Local Government Association of South Australia and addresses the interests of rural Councils and communities where there are issues relative to that sector.

The principle issues.

The M&MLGA is aware of and endorses the submission lodged by the Local Government Association of South Australia.

Southern Mallee
District Council

There has been an evolving role for Local Government over the last 2 or 3 decades. Councils are today carrying out many things that were once the responsibility of another level of Government. While the M&MLGA supports the principle that services should be delivered by

the level of Government best placed to do so, nevertheless those services should be properly resourced and they should not be devolved to Local Government purely as a cost shifting exercise.

The Councils of the M&MLGA have seen a decline in funding support from other levels of Government. It has been our experience that Governments establish programs/projects within communities and after a period of time withdraw funding and resources, either totally or in part. However what generally occurs is a community expectation that the program/project will continue. Consequently the community looks to Local Government to fill the void. This decline has resulted in Councils being faced with a funding crisis. Consequently Councils have generally resorted to "balance the books" by reducing the level of maintenance and renewal of infrastructure with the subsequent asset decline.

There is recognition that communities generally have a high level of trust in Local Government as the most tangible level of Government. They continue to support and seek a greater role for Local Government.

Councils have reached a point where they are revisiting their roles, responsibilities and future commitments as there is a need to generate sufficient funds to properly fulfill them.

The M&MLGA specifically.

The M&MLGA believes that by strategically expanding the roles and responsibilities of Local Government there can be an increase in efficiency and effectiveness of service delivery to the community.

The M&MLGA is one of two Regional LGA's that is presently pursuing a Partnership Project with the State Government. Under the umbrella of the Partnership Agreement – initially between the LGA and the former Liberal Government and we understand accepted principally by the Labor Government – the regional agreement has the following aims –

- to jointly identify opportunities to work in partnership to progress agreed social, economic, environmental and related priority outcomes for local communities of the constituent Councils of the Association;
- to jointly identify specific initiatives for joint action to achieve improved service delivery arrangements at the regional and local level, including as appropriate, options to achieve more effective coordination of service delivery arrangements or address gaps and overlaps in service delivery;
- to facilitate the development of innovative approaches to State Government agencies and Local Government within the region working together and to promote new models which may have broader applicability; and
- to work towards a sustainable, long term framework for partnering between the State and Local Government in the region.

However in accepting those aims the M&MLGA, and its member Councils, will ensure that the matter of resourcing is paramount to any change in delivery arrangements.

It is not uncommon for member Councils to suggest that they have reached 'breaking point' and their involvement will only be considered if appropriate resources are available to support any change in delivery that might occur.

Summary.

We submit that the Councils of the M&MLGA have developed a professional and mature approach to their roles and responsibilities. However as revenue sources have not increased and grant and supporting funds from other levels of Government have declined Councils are now questioning their involvement in the delivery of services outside of their traditional role. We submit that this will be at detriment to the community but Councils, who are already operating at substantial net deficits, are also acutely aware of their legal responsibility to address asset and infrastructure decline.

It is understood that member Councils have made submissions individually on aspects that impact on their specific roles and responsibilities.

Yours faithfully,



Ken Coventry.
FLGMA, Dip.LG, JP.
Chief Executive Officer.
28th. August, 2002.