



**Submission Number: 235**  
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**The Office of the General Manager**

12 February 2013

Mr Glenn Worthington  
Secretary  
Joint Select Committee on the Constitutional Reform of Local Government  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Mr Worthington

**Re: Submission on Constitutional Reform of Local Government**

Thank you for the opportunity to make a submission on the proposal to reform the Australian Constitution to include Local Government.

**Willoughby City**

Willoughby City is located in Sydney's northern suburbs - about 9 kilometres from the Sydney GPO. We are a medium sized metropolitan council covering an area of approximately 23 square kilometres with a population of 71,600 and spanning the suburbs of Artarmon, Castle Cove, Castlecrag, Chatswood, Middle Cove, Naremburn, Northbridge and Willoughby, as well as parts of Gore Hill, Lane Cove, St Leonards and Roseville, Willoughby City is a region of contrasts.

Willoughby is at the centre of the North Shore of Sydney with the Chatswood Central Business District being recognised as one of the leading retail and commercial centres in NSW. Chatswood is also a central transport node for the North Shore with a major train and bus interchange catering for over 50 million people a year.

We have a mix of land uses including industrial, retail, residential and special uses. We maintain 288 km of sealed footpaths and 181 km of roadway and look after 425 hectares of public open space including bushland reserves, walking trails and playing fields.

The population is of multicultural origin. In fact, one in four of our residents is from a non-English speaking background with Chinese, Korean, Armenian, Japanese and Italian nationalities featuring strongly.

**Willoughby City Council Submission**

Like many other councils throughout Australia, Willoughby Council provides a wide range of facilities and services which touch everyone in the population. Facilities such as council-built roads, kerb and guttering, stormwater drainage, footpaths, parks and recreation areas, swimming pools and sporting fields. Services such as garbage and recycling; green waste removal, planning and building standards; climate change adaptation measures; environment, conservation; libraries, art galleries and museums;

## Willoughby City Council

social and welfare services such as childcare, youth services and aged care; public health services such as food inspection, animal licensing, immunisation and public toilet facilities are but some of the many and diverse services provided by local councils.

The diversity of these services continues to expand as local government is recognised as being the best level of government to effectively and efficiently meet these challenges.

Despite the fact that local government is constantly being called upon to accept additional services, it is not receiving any extra funding or resources to help meet these demands. In NSW, councils' rate income - its primary source of funds - is capped by the State Government. This has meant that councils are consistently under pressure to deliver a greater variety of services with a diminishing revenue stream. It has resulted in certain councils making decisions to reduce some services or delay repairs to ageing infrastructure.

Councils have to diversify their revenue streams so that they are less reliant on rates to fund their operations. This has resulted in councils increasing their fees and charges and/or entering into entrepreneurial activities with a view to augmenting their income.

The only other way that councils have of meeting these demands is to receive funding from the other 2 tiers of government. For many councils, these grants are essential for them to deliver even the basic services that local government is expected to provide.

The fact that grants from the Commonwealth Government to Local Government are under challenge because of the recent legal rulings by the High Court in the *Pape Case* and the *Williams Case*, makes it imperative that positive action is taken to ensure that such funding is not placed in jeopardy. Important and successful programs such as Roads to Recovery are crucial to many local councils and their communities.

Willoughby Council's share of the Roads to Recovery grant from the Federal Government during the life of the program of \$1,378,387 is modest in comparison to many other councils but, nevertheless, it has enabled Council to undertake important work to maintain and improve its road infrastructure and provide a safer environment for its citizens.

Local councils are the voice of their communities and because they are the level of government closest to communities, they are able to identify community needs and find solutions. Councillors usually live locally in their communities. Councillors and Council staff are generally the closest point of contact between the people and government. It is this close proximity to the community which differentiates local government from the other two tiers of government.

Local Government is in a position where it can consult with the community in a range of ways - liaison groups, stakeholder engagement, public forums and working groups - to find local answers to local issues. Neither the Federal nor State Governments have such a close relationship with their constituents where they can achieve this sort of interaction. This is one of the distinguishing features that set Local Government apart from the other levels of government.

Reference: F01-0001

Phone: 9777 1020

## **Willoughby City Council**

The attributes that local government "brings to the table" enables it to work in partnership with federal and state governments, as well as with businesses and other service providers, to deliver the most appropriate services to the community.

### **Summary**

Willoughby Council contends that local government is a legitimate third tier of government in the modern Australian political landscape and that this must be recognised in an updated Australian Constitution. Not only will formal recognition in the Constitution confirm local government's place in Australian society but it will eliminate some of the legal uncertainty over the Federal Government's direct funding of local government to maintain local roads, infrastructure, services and facilities.

Whilst noting the recent recommendations from the Joint Select Committee on Constitutional Recognition of Local Government, Council calls on the Federal Government to support the campaign from local government for a referendum to change the Australian Constitution to recognise local government as the third tier of government in the Australian political system.

Yours faithfully

Nick Tobin  
GENERAL MANAGER