



# URANA SHIRE COUNCIL

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Ref: ..... 137/5 JSH:GR

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

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No: .....	244
Date Received: .....	13/8/02
Secretary: .....	Sadell

Dear Secretary,

## SUBMISSION TO INQUIRY INTO COST SHIFTING ONTO LOCAL GOVERNMENT

Council is pleased to forward this submission to the Standing Committee, on the inquiry into cost shifting onto local government. In doing so, Council is aware that peak industry associations will forward submissions on behalf of their members, as will the Riverina Eastern Regional Organisation of Councils, of which Urana Shire is a member. Council's submission will, therefore, focus upon only those matters which it believes are central to the terms of reference of the inquiry.

The Urana Shire Council is situated in the central/south west of New South Wales, with a population of some 1,600 and an area of 3,361 square kilometres. Council's current annual budget is approximately \$6.5 million, and includes the servicing needs of the five small townships/villages of Urana, Oaklands, Rand, Boree Creek and Morundah. Council provides the typical range of services and programs which might be expected of a small to medium sized rural Council, with the townships of Urana and Oaklands also connected to sewer. The Urana Shire Council is well governed, and is in a sound financial position. In addition, Council has established close and effective links with development associations, town improvement committees and other self help groups within its respective communities, all of which are of great assistance to Council in ensuring the efficient and effective provision of identified service needs.

Whilst it is certainly the case that the devolution of services (unfunded mandates) over recent years has placed additional financial burdens on this Council, it is difficult to measure those changes, in dollar terms. Examples of such devolution are found in the areas of animal control and health but the greatest impacts, for this Council, concern the ability of staff to satisfy the ever increasing demands for Federal and, in particular, State Government compliance/administrative requirements. Since the recruitment of additional staff, is, for financial reasons, not an option, existing staff are in the position of having to continually re-prioritise their work to satisfy external reporting deadlines whilst, at the same time, ensuring that the core functions of their positions are properly carried out, and in a timely manner.

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For this Council, significant impacts arise in the area of community services, an area of activity in which Council has little involvement. The compliance/administrative requirements must nevertheless be met, irrespective of the size of the Council or the staff resource available to carry out those functions.

The immediately preceding observation leads to a point which Council considers to be of the utmost importance to the deliberations of the Standing Committee. The point simply is that "one size does not fit all", and Council exhorts the Standing Committee to remain mindful of that in any conclusions and recommendations for action which may follow finalisation of the inquiry. It is extremely difficult, indeed, to draw meaningful comparisons (of any kind, really) between the local governing authorities throughout New South Wales, since they are all so very different. Council is certain that members of the Standing Committee are very alert to that reality, and equally certain that the same recognition will be reflected in the results of the inquiry.


Mindful of the sometimes enormous differences in the range, quality and financial magnitude of services provided by Local Government, Council would willingly embrace the opportunity for greater and more meaningful participation in government services, at the local level. The pre-condition to that occurring is, of course, agreement as to who shall be responsible to provide the additional resources, across the board, which would obviously be required. Whilst Council commends Minister Tuckey on his wish to examine an enhanced role for local government in the ongoing development of this nation, the Standing Committee is respectfully requested to carefully examine the matter of who shall pay, when considering "ways forward for service provision."

Council was also pleased to note that the terms of reference of the inquiry include the subject of current funding arrangements for local government. It is certainly the case that the single greatest cause of discontent between communities and their Council is, in rural areas at least, the raising and levying of the annual rate. Whilst rates may be paid by instalments, the fact remains that the initial notice is delivered as a lump sum payable, and it is undeniably the case that the community perception of the Council is soured, each year, by the arrival of the rate notice. By and large, ratepayers and residents are quite content with both the type and quality of services which their Councils provide. Council suggests to the Standing Committee that there is no greater impediment to the building of good relationships between Councils and their communities than the reviled rate notice, especially during times of economic adversity in the rural areas of New South Wales.

In similar vein, Council invites the Standing Committee to carefully examine the present arrangements for the raising of rates on properties owned by Councils (thus reducing available revenue) together with the financial responsibility of Councils in the payment of pensioner rate concessions, in New South Wales. The present arrangements, in both of those cases, are injurious of the opportunity for local government to raise its own revenue.

Council thanks the Standing Committee for this opportunity to make a brief submission to the inquiry into cost shifting onto local government, and looks forward to advice of the outcomes of its deliberations, in due course.

Yours faithfully,

  
JOHN S HUNT  
GENERAL MANAGER