

# City of Casey

## Cost Shifting From Commonwealth and/or State Governments

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### Definitions and Terms of Reference

**Compliance:** Additional costs/resources required as a result of compliance to new/amended State/Federal legislation.

**Under Fund:** Although funding may be provided for new/amended responsibilities it is insufficient or short term (e.g. one-off rather than recurrent).

**Shift:** Clear transfer of State/Federal responsibilities to Local Government Authorities (LGAs) with no associated funding.

**Excess Levy:** New or increased levies imposed on LGAs for no or insufficient return.

**Flow On:** Indirect costs which LGAs are responsible for as a result of compliance, under funding, or shifting of responsibilities.

This document is a preliminary response to the “House of Representatives Inquiry into Local Government Cost Shifting” - Term of Reference No 4:

**“Local government expenditure and the impact on local government’s financial capacity as a result of changes in the powers, functions and responsibilities between state and local governments.”** NB The City of Casey has expanded this Term of Reference to also include impacts of changes in powers, functions and responsibilities between the Commonwealth and local governments.

## 1: Community Protection Service

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>EPA - Industrial and Traffic Noise</b></p> <p>A number of issues are being informally “delegated” by EPA to Environmental Health Officers (EHOs) to investigate and resolve. EPA is not providing support and resources to investigate complaints which are clearly part of their Act and policy area. Specific examples include traffic noise and industrial noise.</p>	<i>Shift</i>	State	<b>\$20,000</b>		<i>Amount of cost shifting unable to be precisely quantified. Amount stated is rough estimate only.</i>
B	<p><b>Tobacco</b></p> <p>Tobacco Unit (Department of Human Services) continues to introduce new legislation which requires LGA enforcement with no associated funding or resources.</p>	<i>Compliance</i>	State			<i>Minimal impact on City of Casey.</i>
C	<p><b>Immunisation</b></p> <p>Immunisation requirements have increased significantly (e.g. required vaccinations etc) with minimal or no additional financial assistance or resources.</p>	<i>Compliance Under fund</i>	State	<b>\$50,000</b>		
D	<p><b>Food Act</b></p> <p>Food Act requirements have increased significantly. The only source of income is from the annual registration fee which does not cover the administrative costs of enforcing the Act.</p>	<i>Compliance Under fund</i>	State	<b>\$221,111</b>		<i>Income from registration fees for food premises \$191,889. Expenditure for implementation Food Act \$413,000.</i>
E	<p><b>Health Act Amendments – Legionella</b></p> <p>LGAs are now responsible for the registration, maintenance, and annual auditing of cooling towers.</p>	<i>Compliance</i>	State			<i>Minimal impact on City of Casey. Cost would be significant to inner urban Councils.</i>

1: Community Protection Service Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
F	<p><b>School Crossings</b></p> <p>School crossings (numbers) and associated supervision and administration costs (e.g. workcover) continue to increase with no additional subsidies/funding.</p>	<i>Under fund</i>	State	\$440,747		<i>Initial State Government subsidy represented 50% of Council expenditure, however of recent times the subsidies have eroded to 45%.</i>
G	<p><b>Parking - State Facilities</b></p> <p>Enforcement of ever increasing parking problems around schools and hospitals. State policy is to not provide funds for parking around schools and hospitals, even if funding is being provided for major infrastructure upgrade.</p>	<i>Shift Under fund</i>	State	\$30,000		<i>Continuing safety issues near schools require significant officer attention, particularly as public schools are not required to provide off street parking.</i>
H	<p><b>Dog Act – Amended Legislation</b></p> <p>New legislation requiring Council to investigate and enforce provisions relating to restrictive dogs (no off set fee or subsidies).</p>	<i>Compliance</i>	State	\$20,000		<i>Council is required to administer and register animal premises, ie. Kennels, training establishments etc. receives no subsidy or income other than a minor registration fee.</i>

**1: Community Protection Service Cont.**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
I	<p><b>Registration of Animals</b></p> <p>Council to collect and pay to State increased levy for registration which has no discernable benefits for resident or LGA.</p>	<i>Excess levy</i>	State	-		<i>The State Government Levy of \$1.00 per animal registered sees Casey paying the State Government \$30,000 per year. However, proposed changes to the legislation will see that payment increase to more than \$75,000 in 2003/04.</i>
J	<p><b>Graffiti Removal</b></p> <p>Removal of graffiti from public authority assets. Discretionary, but unless we do, Council's image affected.</p>	<i>Shift</i>	Federal & State	<b>\$100,000</b>		<i>No graffiti removal arrangements are in place for many Government facilities, in particular, railway equipment along train lines, whilst other government departments like the Post Office and electrical companies have no interest in removing graffiti from their facilities.</i>
K	<p><b>Crime and Safety Programs</b></p> <p>One off grants/funding are provided to establish programs and employ Officers, and then the expectation is that these programs/Officers will be ongoing and all costs will be "covered" by LGAs.</p>	<i>Under fund Shift</i>	State	<b>\$80,000</b>		<i>One off subsidies like the Casey initiated building site crime prevention received only short term funding with has now expired. Drug action grants for the employment of workers is provided by the Government for limited tenure only.</i>

**1: Community Protection Service Cont.**

	<b>Item</b>	<i>Description</i>	Cost Shifting Cause	<i>Estimated Recurrent Impact on Operating Statement</i>	<i>Estimated Ongoing Capital Works Impact</i>	<i>Comments</i>
L	<p><b>Road Safety - Strategic</b></p> <p>Encouragement (and expectation) that LGAs will now have increased roles and responsibilities in respect of road safety and driver education (behavioural change).</p>	<i>Shift Under fund</i>	State	<b>\$60,000</b>		<i>Council employs its own Road Safety Officer.</i>

2: Aged & Disability Services

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>Home and Community Care</b></p> <p>The HACC program is significantly under funded which results in LGAs having to provide sufficient “top up funding” as well as limiting service. State Government policies (such as de-institutionalisation) have increased the “user base” significantly, with no additional funding or resources.</p> <p>Inadequate State and Federal funding to bring LG back to 20%</p>	<p><i>Under fund Shift</i></p>	Federal & State		<p><b>\$280,000</b> + <b>(Minor \$15,000)</b></p>	<p><i>Inadequate unit cost paid to providers to deliver services. Does not reflect true costs. 2001/02 impact was 39%. Cost to Council (incl. management costs).</i></p>

### 3: Children Services

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>Maternal and Child Health</b></p> <p>The unit cost per hour is grossly under funded. Additionally, State Government health policies, such as early release of post natal mothers have resulted in additional workloads for M &amp; CH nurses (funded by LGAs).</p>	<i>Under fund Shift</i>	State	\$26,000	\$250,000 + (Minor \$14,000)	
B	<p><b>Long Day Care</b></p> <p>The loss of operational subsidy that occurred a couple of years ago has had an adverse impact on community child care (reducing service choice). The costs shifted to Council and parents.</p>	<i>Shift Flow on</i>	Federal	\$50,000	(Minor \$14,000)	
C	<p><b>Family Day Care</b></p> <p>The proposed amended government regulations governing the operation and accreditation of Family Day Care have increased workloads for both Council Officers (administration) and Care providers. No increases in funding have been forthcoming to offset increased costs.</p>	<i>Compliance Under fund</i>	Federal	\$100,000	-	
D	<p><b>Child Care / Preschool Building Regulation Changes</b></p> <p>Significant changes to building regulations which are only partially funded but are compulsory.</p>	<i>Compliance Under fund</i>	State		\$850,000 + (Minor \$60,000)	Growth in 0-4 age group in Casey requires one new preschool to be built annually. This is a State responsibility currently met by Council.

**4: Community Services**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
A	<p><b>Libraries</b></p> <p>Libraries are under funded in respect of both operational grants and capital/infrastructure upgrades. The “gap” is where feasible addressed by LGAs.</p>	<i>Under fund</i>	State	<i>\$1,126,000</i>		<p><i>Basis of funding used to be 50:50</i></p> <p><i>Currently about 75:25</i></p>



## 5: Community Development and Youth

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>School Focussed Youth Service</b></p> <p>A program funded by State Government to improve links between local school and community agencies to ensure improved service delivery to young people. Future funding has not been confirmed in which case the service will disappear unless funded by LGAs.</p>	<i>Under fund</i>	State			<i>Currently auspiced by Uniting Care Connections (Grassmere Youth Services) – future not certain. Expectations that Council would pick up the service.</i>
B	<p><b>Youth Services Grant</b></p> <p>The current State Government has indicated that this long term grant will not be available for the same purpose next year (contribution to Youth Support Worker salary and youth programs) which will mean the service is reduced or LGAs will need to compensate.</p>	<i>Under fund</i>	State	<b>\$50,000</b>		<i>New application to be made for up to \$50,000 to meet guidelines of new funding. Has service implications.</i>
C	<p><b>FReeZA</b></p> <p>Funded since program's inception in 97/98 at \$20,000 per year. Current year funding has been reduced to \$17,850 per event.</p>	<i>Under fund</i>	State	<b>\$15,050</b>		<i>\$2,150 x 7 events = \$15,050</i>
D	<p><b>Gambling</b></p> <p>New state gaming legislation (and policy) states that LGAs should always (as only entity entitled to) prepare and submit a detailed Social and Economic Impact Statement in response to any new EGM gaming application in a specific municipality.</p>	<i>Compliance Under fund</i>	State	<b>\$10,000</b>		

5: Community Development and Youth Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
E	<p><b>Housing</b></p> <p>New state housing initiatives (e.g. Social Housing Innovation Project) focus on partnership arrangements for the provision of community housing in a local area (between State, LGA and Community Housing organisations). Costs for Council can include land provision, rezoning and lease/legal documentation.</p>	<i>Under fund Shift</i>	State			<i>No impact on Casey.</i>
F	<p><b>Disability Discrimination Act</b></p> <p>Ongoing implications for upgrade in infrastructure to meet requirements</p>	<i>Compliance</i>	Federal & State		<b>\$50,000</b>	
G	<p><b>Youth Activities Service (YAS) and Family Liaison Support Service (FLSS)</b></p> <p>Currently 1 year through a 3 year funding period – funding has not increased in real terms and Council subsidises this program.</p>	<i>Under fund</i>	Federal	<b>\$10-15,000</b>		

**6: Arts & Leisure**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
A	<p><b>Child Care Facilities</b></p> <p>Regulations regarding child care services at Leisure Facilities have significantly increased operating and capital costs.</p>	<i>Compliance</i>	State			<i>No impact on Casey.</i>

## 7: Corporate Services

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>GST</b></p> <p>The GST legislation for Councils is complex, as Council provides GST free supplies, supplies attracting GST and Division 81 supplies which makes certain supplies, at the discretion of the Minister, outside the legislation. The Government could have allowed Councils to be GST exempt which would have administratively much simpler.</p> <p>LGAs have been responsible for initial set up costs (eg software, audits etc) and ongoing operational costs.</p>	<i>Compliance</i>	Federal			<i>Legal/Tax advice at time of introduction of GST \$20,000 software changes \$5,000</i>
B	<p><b>Superannuation Unfunded Liability</b></p> <p>As a result of State directed amalgamations, many employees were made redundant causing a huge drain on the LAS Defined Benefits Fund resulting in LGAs having to make a substantial contribution towards the unfunded liability.</p>	<i>Compliance</i>	State			<i>One off cost of \$5,900,000</i>
C	<p><b>National Competition Policy and Competitive Neutrality</b></p> <p>From 1994 Councils are required to comply with NCP and CN. This meant Councils are now subject to Part 1V of the Trade Practices Act and must comply with competitive neutrality for any significant business activity Council provides. This has significant resource implications for administration and reporting.</p>	<i>Compliance</i>	Federal	<b>\$273,400</b>		<p><i>Workload being offset by annual Government Grant. 2002/03 \$273,400..</i></p> <p><i>As yet, the Government has given no indication that they will be paying future compliance payments after the current year.</i></p>

## 7: Corporate Services Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
D	<b>Superannuation Guarantee</b>	<i>Compliance</i>	Federal	<i>\$135,000</i>		<i>Change from 8% to 9% superannuation.</i>
E	<b>Best Value Reporting</b>  Cost of compliance with legislation.	<i>Under fund</i>	State	<i>\$40,000</i>		<i>Additional staff member appointed for Best Value. However 'specialist' staff also required for Compulsory Competitive Tendering.</i>
F	<b>Whistleblowers Legislation</b>  Costs involved in setting up procedures and purchasing of required guides. Ongoing costs associated with compliance yet to be determined.	<i>Compliance</i>	State			
G	<b>Privacy Legislation</b>  Costs associated with implementing the provisions – audit, policy and compliance statements. Ongoing costs associated with compliance yet to be determined.	<i>Compliance</i>	Federal & State			<i>Consultant advice and publications \$12,000.</i>
H	<b>Valuations</b>  LGAs are now required to do a valuation every two years instead of every four years (with little direct or indirect benefit for LGAs). The amount of information required to be collected during the valuation has substantially increased.	<i>Compliance Under fund</i>	State	<i>\$300,000</i>		

**8: Information Technology**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
A	Increased projects/responsibility to service areas (including staff) will usually have an IT component, which is rarely fully funded externally (e.g. new equipment, software applications, licenses).	<i>Flow On (Indirect)</i>	Federal & State	<i>\$10,000</i>	<i>\$15,000</i>	
B	Software enhancements (required by Federal or State Government legislative changes) generally have no funding.	<i>Compliance</i>	Federal & State	<i>\$5,000</i>		
C	State and Federal Government “E based” Projects (e.g. Local Government On Line Services and Networking the Nation) are generally provided with initial funding, however for the objectives of the Federal/State Government to be maintained ongoing resourcing, hardware, software and communications maintenance become recurrent funding issues for LGAs.	<i>Under fund Shift</i>	Federal & State			<i>Input provided from existing staff resources.</i>

## 9: Engineering and Environmental Services

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>Asset Renewal</b></p> <p>State Government placing greater emphasis on Council's asset renewal program without increasing funding to maintain assets thereby forcing LGAs to divert funds from other non-asset programs.</p>	<i>Under fund</i>	State		<b>\$4,500,000</b>	<i>Victorian Auditor General has raised the matter of Asset Renewal as a significant issue. The Victorian Auditor General is endeavouring to require Councils to maintain assets to prescribed service levels. The cost implications of this proposed requirement of the Auditor General is very substantial.</i>
B	<p><b>Public Lighting</b></p> <p>VicRoads costs shares 50% of the lighting on declared roads and Council pays 100% of cost.</p>	<i>Not funded</i>	State		<b>\$60,000</b>	<i>Current arrangement is Council pays 1/3 and VicRoads pays 2/3 on approved lighting schemes. VicRoads however are not entering any schemes and hence if Council wants lighting we pay 100%</i>

**9: Engineering and Environmental Services**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
C	<b>Waste</b> Landfill levy is being applied by EPA at a rate of \$4/tonne	<i>Levy/cross subsidy</i>	State	<b>\$260,000</b>		<i>Rate should fall to \$3/tonne next year, but Government keeping rate at \$4 to fund new regions an effective annual increase of \$45,000. Levy used to rehabilitate poorly managed rural landfills – cross subsidy of metropolitan to country.</i>
D	<b>Open Space</b> Regulation regarding one-way valves on water systems and cost of hydrants, maintenance etc.		State			<b><i>Minimal impact in Casey.</i></b>



## 10: Works & Operations

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>Maintenance of Median Areas</b></p> <p>Areas previously funded by VicRoads are no longer funded and therefore are maintained by LGA (at cost to LGA).</p>	<i>Shift</i>	State	<b>\$500,000</b>		<i>VicRoads currently maintain road reserves. If Council wishes to maintain at a higher intervention level, Council to fund the difference.</i>
B	<p><b>Maintenance for On and Off Road</b></p> <p>Maintenance funding for both “on road” and off road” has remained the same for past 6 years. Additionally, changes to who will fund which portion of the assets within the road reserve have meant LGAs are shouldering additional financial burden.</p>	<i>Shift Under fund</i>	State	<b>\$1,200,000</b>		<i>Melbourne Water drainage reserves and main drains maintained by Council to a higher standard and maintenance of new wetland features in estates.</i>
C	<p><b>Management of Roadsides/Adjacent to Freeways</b></p> <p>After construction of freeways (i.e. Hallam by pass) land (adjacent) is handed over to Council for ongoing maintenance with no ongoing funding (only one off payments).</p>	<i>Shift Under fund</i>	Federal & State	<b>\$800,000</b>		<i>Significant costs due to landscaping and path maintenance activities along freeway reserves.</i>
D	<p><b>Black Spot Funding</b></p> <p>Black Spot funding occurs on projects with a Benefit Cost Ratio of 3 or more. The Council required to fund legitimate Black Spot projects that cannot be funded and still exceed BCR 3.</p>	<i>Under fund</i>	State		<b>\$200,000</b>	<i>Council does meet fund blackspot projects. These projects are re-submitted to VicRoads for consideration if not funded. The projects maybe by Council if large amount of resident pressure.</i>

## 10: Works & Operations Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
E	<p><b>Heavy Vehicle Road Limit Variations</b></p> <p>Changes to load limits to allow heavy vehicles such as B-Doubles and B-Triples on local roads have had an impact upon the local road network. No funding allocation or additional funding has been provided to compensate for the required accelerated expenditure that will be realised down the track.</p>	<i>Under fund</i>	State	<i>\$500,000</i>		<i>Increased road maintenance activities and rehabilitative programs.</i>
F	<p><b>Ancillary Infrastructure - Hospitals/Schools</b></p> <p>State Government developments such as hospitals and schools which occur without the appropriate ancillary infrastructure improvements (as required by other developers) to address particularly parking and traffic demands. Council consequently is required to fund traffic management works, parking controls and enforcement to deal with the consequences of these developments and address safety and amenity issues for the community.</p>	<i>Shift Under fund</i>	State	<i>\$100,000</i>	<i>\$20,000</i>	<i>Traffic management devices and additional infrastructure required eg. parking and pedestrian facilities.</i>

## 10: Works & Operations Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
G	<p><b>50km/h Speed Limits</b></p> <p>The introduction of the 50km/h speed limits within local streets has resulted in a community demands that roads of this type that have 85th percentile speeds in excess of the new limit require implementation of local traffic management devices to assist in containing vehicle speeds.</p> <p>Other than one off funding for the provision of new signage and signage changes at the commencement of the new speed limit no additional or compensatory funding has been provided and Council is required to absorb the associated costs with implementing these devices. This also includes numerous sites which have previously been treated to achieve the previous 60 km/h limits and now have a perceived speeding problem.</p>	<i>Compliance Under fund</i>	State	<b>\$80,000</b>	<b>\$600,000</b>	<i>Implementation of new traffic calming devices including the routine and on-going maintenance of infrastructure.</i>
H	<p><b>Road Funding</b></p> <p>Risk of over expenditure shifted. Legitimate project variances are not being accepted by VicRoads as a claimable costs.</p>		State	<b>\$30,000</b>		<i>Black spot funded projects where funding is supplied by VicRoads is a set amount.</i>
I	<p><b>Tree Clearance</b></p> <p>Tree Clearance near Powerlines. This was previously the responsibility of the SEC.</p>		State	<b>\$250,000</b>		<i>Council currently undertakes this responsibility. This may increase in the future due to extensive growth of the area.</i>

## 11: Building Services

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<b>Building Surveyor Inspections</b>  Increased roles and responsibilities for Municipal Building Surveyor as a result of legislative changes which require increased inspections (e.g. Essential Services Inspections, Special Care Building Audits, Swimming Pool and Barrier Inspections, Smoke Detector Inspections).	<i>Compliance Shift Flow on</i>	State	<b>\$70,000</b>		<i>Additional staff required to perform task (1).</i>
B	<b>Increased Building Surveyor Audits</b>  Increased audits of Building Surveyors (by Tax Office, Building Commission etc) have a substantial impact on resources.	<i>Compliance</i>	State			<i>Small impact on Casey absorbed within current staff compliment.</i>
C	<b>Consents and Reports – Building</b>  Proposed laws regarding “consents and reports” will provide additional work for Building Surveyors which the fee will not cover. Building Control Commission (BCC) previously charged \$200 for this service whilst LGAs will only be allowed to recover \$100. Collection of Building Levy on Behalf of State Government. Collection of HIH levy and insurance gap.	<i>Shift Under fund</i>	State	<b>\$70,000</b>		<i>Additional staff required. Additional money required to cover expenditure.</i>
D	<b>Lodgement Fees</b>  Legislated lodgement fee of \$15.00 for provision of information (to solicitors, surveyors etc) is insufficient (with more realistic cost estimates in the vicinity of \$150.)	<i>Under fund</i>	State	<b>\$200,000</b>		<i>Additional money required to cover cost of carrying out role.</i>

## 11: Building Services Cont.

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
E	<p><b>Section 29 Building Act Demolition and Report</b></p> <p>Section 29 Demolition and Report is a complex piece of legislation to administer and the fee is capped at \$50.00 (with more realistic cost estimates in the vicinity of \$100.)</p>	<i>Compliance Under fund</i>	State			<i>Little impact on City of Casey – Significant impact on some other Councils.</i>
F	<p><b>Sewerage/Water</b></p> <p>Relevant sewerage and water authorities are no longer checking plumbing water/sewerage fixtures. Further, no assistance / resources are provided when fixtures are causing nuisance. This has become responsibility of LGAs.</p>	<i>Shift</i>	State			<i>No impact on City of Casey. Significant impact on some other Councils.</i>
G	<p><b>Private Surveyors Complaints</b></p> <p>BCC is now referring all complaints about private surveyors to LGAs, even though they are the responsibility of the Commission.</p>	<i>Shift</i>	State	<b>\$50,000</b>		<i>Additional staff resources required.</i>

**12: Planning**

	<b>Item</b>	<b>Description</b>	<b>Cost Shifting Cause</b>	<b>Estimated Recurrent Impact on Operating Statement</b>	<b>Estimated Ongoing Capital Works Impact</b>	<b>Comments</b>
A	<b>Rescode</b> Introduction of Rescode has had a dramatic effect on the time taken to assess planning applications (far more complex legislation and higher level of expertise required to administer.)	<i>Compliance</i>	State	<i>\$60,000</i>		<i>Additional workload approximates one additional staff member.</i>
B	<b>Planning Fees (general)</b> Inadequate set planning fees which do not cover cost of administering the Planning and Environmental Services Act.	<i>Compliance Under fund</i>	State	<i>\$300,000</i>		

### 13: Strategic Development

	Item	Description	Cost Shifting Cause	Estimated Recurrent Impact on Operating Statement	Estimated Ongoing Capital Works Impact	Comments
A	<p><b>Economic Development</b></p> <p>Prior to 1994, Economic Development for a local area was not a mainstream Local Government activity. Now a requirement as part of the Local Government Act.</p>	<i>Shift Compliance</i>	State	<i>\$230,000</i>		<i>Council now employs three business development officers who deliver the economic development outcomes for the City.</i>