



The District Council of Ceduna

PO Box 175,
CEDUNA SA 5690
Telephone 08 8625 3407
Facsimile 08 8625 3435
Email council@ceduna.sa.gov.au
www.ceduna.net

010.001.000
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19th July, 2002.

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

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:.....	37
Date Received:	24/7/02
Secretary:	Cardell

Dear Sir/Madam,

RE: INQUIRY INTO LOCAL GOVERNMENT & COST SHIFTING

Please find enclosed a supplementary list of functions and costs transferred to South Australian Councils by other Governments.

This is to be included as an appendix to our submission, which has been previously forwarded to you.

Should you have any queries, please direct them to the undersigned.

Yours sincerely,

TONY IRVINE
CHIEF EXECUTIVE OFFICER

Functions and Costs Transferred to South Australian Council's by Other Governments

In September 2001 Councils were surveyed to provide information and examples of functions on-passed by other Governments, raised compliance standards or increased community expectations. Whilst the information provided has been sorted into functional groupings, it has not been verified and therefore may not apply to all Councils.

TRANSPORT & COMMUNICATIONS	
Roads	Decisions by other Governments have reduced the viability of rail as a transport mode, approvals for B-double transport changes in standards and road widths, traffic management issues and the general increase in vehicle ownership and usage have dramatically increased the cost of road construction and maintenance.
Sealed Roads	Sealed roads transferred to Councils 20 years ago now reached end of life. Council's capacity to fund reconstruction limited.
State Controlled Roads	The responsibility for installation, maintenance and renewal work along the shoulders of state controlled roads is a major issue for Council. For example, Councils provide and maintain kerbs, storm drains, parking bays and bus shelters along roads that are under the care and control of TSA. However, TSA does not provide and
Bike Paths	Bike paths were often installed with State funding – with the Adelaide network not complete the funding has been reduced and the demand for completion focuses on Councils.
Bus Shelters	Bus shelters were a State responsibility. In the 1980s a joint funding program saw Councils involved in contributing to the costs. Now the funding has all but evaporated and Councils respond to community demand and in most circumstances are left with full costs.
Traffic Management & Law Enforcement in local streets	Council constructs physical devices to help manage local road traffic. This increases community expectations of Council, even though it does not have a direct responsibility to police traffic laws.
Aerodromes	Twenty-three local aerodromes transferred to country Councils in the early 1990s. The Federal Government provided funding to upgrade them initially but now provides no ongoing support.
Community Transport	In some country areas seed funding was given but no funding for long term sustainability of community transport facilities or transport schemes
Television Transmission	The Commonwealth is seeking Local Government funding to support capital and operational costs under the Federal TV Black spots program.

HOUSING & COMMUNITY SERVICES	
Town Planning	In the late 1960's Councils picked up Town Planning responsibilities - this was largely negotiated and application fees provided some limited additional resourcing – the complexity, volume of issues and particularly the strategic functions continue to expand, however the application fees barely cover the approval processing. Councils now must review their Development Plans every 3 years instead of every 7 years.
Development Act	The roles, responsibilities and administrative duties of Council have increased, for example: <ul style="list-style-type: none"> • The introduction of mandatory notification and inspections of building works. • Reduction in the type and range of applications determined by the Development Assessment Commission. <p>Significant tree legislation. This is an example where Councils have embraced legislation as apposed to responsibilities being specifically given to it or as a result of Governments "stepping back" from providing a service. Funds from application fees insufficient to recover Council costs.</p>
Environmental Management	The new Local Government Act 1999 requires Councils to now undertake a greater range of policy, strategy, reporting, and operational activities regarding environmental and natural resource management. This requires newly developed and resourced programs and projects regarding both new issues of general consideration such as energy and water conservation, or wetland and coastal management - as well as greatly expanded or refined versions of traditional activities. It is not just a case of Local Government taking on roles or responsibilities that have been previously State Government but that this devolution has also been occurring in the context of a dramatic expansion in the scope, awareness and community expectations regarding these activities.
Environmental Protection and Noise	The EPA does not provide resources for low-level environmental harm or nuisance issues, including noise complaints. This places pressure on Councils to undertake this role, without resources or with only short term funding arrangements.
DrumMUSTER	DrumMUSTER was somewhat forced upon Councils by the Federal Government and not all costs can be recovered.
Waste Management and Resource Recovery	Increased responsibilities and higher standards imposed by the EPA on waste management and land fill sites incur significant capital and operational expenditure.
Native Vegetation	Councils have been requested to assisting the Native Vegetation Council with local investigations
Stormwater - CMSS	State funding for the Catchment Management Subsidy Scheme (CMSS) has been cut back requiring a greater contribution from Councils towards stormwater mitigation.

Functions and Costs Transferred to Councils by Other Governments

Water Catchment Boards	Water Catchment Boards have installed trash racks and then asked Councils to maintain them in the long term.
Septic Tanks	The responsibility for administering septic tanks and soakage systems was transferred to councils from the S.A. Health Commission in the mid 1990's.
PLEC	Support for the Power Line Under grounding (PLEC) scheme has been reduced with Councils required to meet increasing costs to underground power lines
Overhead Power Cables	Councils must fund the cost to trim street trees around overhead power cables to ensure community expectations/standards are met.
HEALTH & WELFARE	
Supported Residential Facilities	The new Supported Residential Facilities Act introduced in 1996 has increased the roles and costs for Councils who are now responsible for resourcing the assessment, inspection, and administration often with court costs involved. Local Government was reassured that this would be cost neutral however income from license fees is insufficient.
Aged Care	Councils are contributing resources to the cost of constructing aged care facilities due to Commonwealth funding limitations.
Senior citizens Centres	Were built or transferred to Councils in the 1960s and 1970s with heavy Commonwealth and State funding. Now there is virtually no funding assistance for maintenance or replacement.
Health Inspections	The advent of diseases such as Legionnaires Disease has triggered a requirement for Council inspection of cooling towers – as a result of the Public and Environmental Health Act. No resourcing is provided to Councils for this work.
Food Act	New Food Act proclaimed without assurances for Local Government that the additional workloads for EHO's can be funded through user pays charges or like fees. Most Councils supported Annual License / registration fees for Food Businesses yet State Govt. were not supportive.
Doctors & Health Centres	Many rural Councils are responding to the critical shortage of GP's and Allied Health Services in Country areas. This includes incentives to attract GP's and the provision of houses and health centres.
Disability Discrimination Act	Councils are required to develop and implement a 10 year plan to ensure public buildings and facilities comply with the Federal DDA standards.

RECREATION & CULTURE	
Recreation	Recreation funding from the State and Commonwealth has reduced or been focused on major sport or State/National facilities. Now approximately \$1 in every \$8 of Council funding goes on recreation or sporting facilities or venues. Often the State provides small grants to sporting groups to establish or expand clubrooms on Council property with ongoing implications, particularly in the event of club failure, falling to Councils.
State Government Surplus Land Sales	Councils are required to purchase significant/important land surplus to the needs of the State Government at full market value, eg schools, open space. Previously this was transferred to Councils for community purposes at a notional value.
Libraries	In the 1970s Councils took on library management and development as part of a well supported Library Development Program in SA. Communities and Councils have supported it strongly. However it began with a 50/50 funding approach between Councils and State Government including capital development, now the figure is closer to 75/25 with Councils picking up all the capital costs. Country Councils received public internet access terminals at no up front cost but there is no ongoing commitment to hardware maintenance/replacement costs.
Native Title	Councils are required under the Native Title Act (Cwth) to ensure audit of properties to ascertain non-extinguishment and development of appropriate administration regimes and protocols. This also requires major consultation with the local indigenous and non-indigenous community.
Jetties	Most country jetties have been transferred to the Councils to maintain (with significant capital costs met be the State Govt.)

GENERAL PUBLIC SERVICES	
Tax collection	Councils are required to collect revenue/levy for Catchment Water Boards. This saves the State Government a large amount of money.
Postal Voting	Mandatory postal voting introduced in 2000 has increased the cost of Council elections.
Rates	Quarterly rate billing introduced in 2001 has increased the cost of rate collection
Consultation	The new LG Act 1999 has introduced compulsory community consultation on a broad range of Councils functions and this is a very resource intensive exercise if it is to be useful.
Taxation	The GST has required Local Government for the first time to implement taxation administration systems from 1 July 2000. The cost of compliance is significant, including negative cash flow implications.
FAGS	Quarterly payment of FAGS and Local Road grants, which were previously paid annually up front, has cost Councils income from investment.
PUBLIC ORDER & SAFETY	
Crime Prevention	Increased demand and expectation placed on Council to lead this area, including management of graffiti. However, increased funding from Attorney Generals to Local Government has been inequitable.
Dog Management	Councils were led to believe that dog registration fees and other income was to cover the costs to administer the legislation. Collectively Councils recover only 75% on the costs. The State has recently declined Local Governments request to increase fees.