

Redland
SHIRE COUNCIL

26 July, 2002

Redland Shire Council

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Your Ref:

Our Ref:

File No: **S 649/1**

Contact: Warren van Wyk

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

Dear Sir

Re: Inquiry into Local Government and Cost Shifting


Thank you for your letter dated 13 June 2002, inviting Council to make a submission to the inquiry into local government and cost shifting.

Please find enclosed our initial submission.

Should you have any questions regarding this submission, please contact me on (07)3829-8577.

Yours faithfully


Warren van Wyk
Manager Organisational Planning
Corporate Services
Redland Shire Council

House of representatives Standing Committee on Economics, Finance and Public Administration	
Submission No:	152
Date Received:	26/7/02
Secretary:	

Enclosed

COMMONWEALTH INQUIRY INTO LOCAL GOVERNMENT AND COST SHIFTING

NAME: REDLAND SHIRE COUNCIL
POPULATION SIZE: approximately 118,000
GEOGRAPHIC SIZE: 539 square kilometres
CURRENT BUDGET: (see attached financial statements)

SURVEY COMMENTS

Q1. Regional Arrangements (TOR 3)
 Is your Council a member of a Regional Organisation of Councils?

Yes. SOUTHROC and SEQROC

(a) Could you please provide details of your financial contribution to activities carried out through regional arrangements (including annual subscriptions, if any) over the last five years. (Please include contributions to all activities undertaken through a specific regional organisation, not just through a ROC (eg Economic Development Board, River Improvement Trust, etc).

Type of Regional arrangement (specify)	1997/98 \$ outlays	1998/99 \$ outlays	1999/00 \$ outlays	2000/01 \$ outlays	2001/02 \$ outlays
SOUTHROC			2,175	9,795	12,056
SEQROC				25,789	48,254
Regional Community Development Body - Local Waterway monitoring					40,000
- Moreton Bay Waterways & Catchment Partnership					92,400

(b) Do you consider there is scope for more regional level activities involving Local Government to provide enhanced outcomes and improved services for communities, including more effective use of resources?

Yes No If 'yes', what opportunities do you consider exist:

This is being achieved to some extent by participation of Local Governments in the ROC process. There also seems to be an improved interchange of information between State & Local Governments. An example in Redland Shire is the initiative provided by Queensland Health's Brisbane South Public Health Unit to bring Local Governments within its jurisdiction together on a regular basis to discuss and address relevant Environmental Health issues.

Q2. Agency Arrangements

Could you please identify below specific **contract works** (and value in 2001/02) undertaken for State, Federal or other semi-government agencies. This relates to reimbursable works undertaken on a fee for service basis for these other bodies.

Agency	Nature of activities	Value of contracts (01/02)
Main Roads	Road Maintenance	60,000
Main Roads	Mowing & Slashing	80,000 subsidy (Total cost 200,000)- 120,000 additional cost
Dept Natural Resources & Mines		
Qld Parks & Wildlife Service		
Environmental Protection Agency		
Public Works Dept		
Qld Health		
Qld Education		
Telstra		
Ergon / Energex		
Dept of Primary Industry	Rural Land Protection Act – Precept payment	25,000
Others (specify)	Declared Plant Eradication	10,000

Q3. “Discretionary” Activities

Could you please identify below, specific functions and activities (and value in 2001/02) undertaken by your council, which would not normally be regarded as an activity of local government, or would typically be provided by a State or Federal agency (including corporatised/privatised organisations) elsewhere in Australia. The reason for involvement could be inadequate or non existent services.

Function	Nature of Activity	Outlays (01/02)	Revenue 01/02 (if any)
Law & Order (eg night patrols)			
Health (eg support for rural doctor, hospital funding)			
Education (eg support to some aspect of primary/secondary education)	Contribution towards:- - Student Centre at Victoria Point High School - Hall @ Hilliards State School - Water connection and irrigation system for irrigation of oval at Wellington Pt State School - Sports shelter and store at St Anthony's Primary School	250,000 25,000 8,909 4,500	

Function	Nature of Activity	Outlays (01/02)	Revenue 01/02 (if any)
Welfare (eg aged care)	Long Hours Centre based Child Care	417,086	417,086
	Family Day Care – shire wide	500,000	500,000
	Outside School Hours Care – coordination of 19 before/after/vacation care services	1,787,587	1,787,587
	Respite Services – centre based respite for aged and young disabled clients plus a community access service for young disabled	534,701	507,436
	Home Assist Secure Service – home maintenance	458,840	458,840
	Family Support (Disability) – develop support plans and provide access to discretionary funds for families caring for a young person with a disability	260,000	260,000
Public Housing (not staff housing)	Community housing for aged care clients	4,947	4,390
Roads/Transport (not Council roads or MRD contract works)			
Environment Protection (eg clean-up of chemical spills)	Environmental Management – Natural area management	50,000	0
	Wildlife Ambulance	10,000	0
Economic Development at local level (Redlands)	Economic Development and Business support advice to new and existing businesses. Increase employment opportunities, sustainability and diversity of economic base.	250,000	0
Redland Tourism Board	Provide information service and improve employment opportunities and sustainability of the tourism industry.	250,000	

Q4. Devolution of Responsibilities (TOR 4)

The following question seeks to identify both costs imposed on Local Government through transfer from Commonwealth or State Governments [part (a)] as well as costs resulting from increased compliance or administrative requirements of other spheres of government [part (b)].

- (a) Do you consider that devolution of responsibilities (ie functions transferred from the Commonwealth or State to Local Government) over the last ten years to your Council have placed an increased financial burden on your council, after allowing for any increased revenues resulting?

Yes No

If “yes”, please identify below those functions or activities that you consider have been devolved from the State or Commonwealth in the last ten years and have resulted in increased financial burdens (eg environmental responsibilities, emergency services, etc).

Increased costs have been experienced by Council due to extra compliance and administrative requirements of other spheres of Government.

Activity / Function	Estimated annual cost	Estimated annual income (ie fees, user charges or specific purpose grants)
Home and Community Care	20,000	
Immunisation (subsidy does not adequately cover Doctor, Nurse EHO and admin support)	30,000	Subsidy 10,000
IPA / IDAS Process		
EPA	160,000	40,000
Dangerous Goods	20,000	10,000
Pontoons & Jetties	70,000	40,000

- (b) Could you please identify other functions and activities where requirements of Commonwealth or State legislation have resulted in increased compliance/administrative costs for Local Government over the last ten years. Could you also estimate the additional annual compliance costs you believe are associated with each activity identified.

Activity / Function	Additional Annual Compliance Cost \$
1. GST impact half an effective full-time employee on account processing, Supply Services	25,000
2. GST on disposal of Fleet vehicles	140,000
3. GST on acquisition of Fleet vehicles	60,000
4. Food Standards Australia & New Zealand (FSANZ) – requirement for extra audits, training & monitoring of food standards.	
5. Administration of the Integrated Development Assessment System since its introduction in 1997 which included: <ul style="list-style-type: none"> • Additional annual compliance costs • Implementation of new management software designed to deal with work flows arising from IDAS • Additional staff needed to manage the system • Ongoing additional time spent by staff explaining procedures and requirements of the IDAS to Council clients • Upgrading IT systems to accommodate the new software and staff to administer it • Increased workload for elected representatives and staff with the change to Development Assessment statutory meeting from fortnightly to weekly meetings in order to meet IPA timeframes • Staff training on new procedures. 	
6. EPA Regulations and Policies	3.5 Technical Staff 1.5 Admin Staff 235,000

Activity / Function	Additional Annual Compliance Cost \$
7. Search Requests	1 Admin Staff 40,000
8. IPA & IDAS & Consequential Legislation	4 Admin & 8 Technical staff 600,000
9. Private Certification Audits & Compliance	2 Admin & 1 Technical staff 130,000
10. IPA Scheme	1 Tech staff 55,000
11. NCP Reforms & Transparency & Full Cost Pricing	1 Tech & 1 Admin staff 95,000
12. Mosquito Control on Crown Land	(Minimum) 400,000

- (c) In relation to both the devolution of responsibilities [part (a) above] or the additional compliance and administrative costs [part (b) above], could you please estimate the number of additional staff required (if any) to meet these additional responsibilities over the last ten years.

Estimated additional staff required for (a) and (b) above:

Indicated in part (a) and (b) above. In addition at least Environmental Health Officer \$45,000 plus vehicle.

Q5. Rationalisation of Roles (TOR 5)

- (a) Are there any specific areas of service provision in your local area which are currently undertaken by State or Commonwealth Government departments or agencies which you feel could be better undertaken by your Council in terms of better use of resources and better service outcomes?

Yes No

If "yes" could you please identify the specific services or functions you are referring to.

Function/Service	Why better outcome?
Environmental management of compliance needs of the community arising from the EPA. Eg. management of noise compliance issues within commercial development sites.	The shire wide management of environmental harm would be more coordinated and consistent and receive more urgent attention and the community would be aware that swift penalties (where appropriate) would occur.
Family Support (Disability Services)	
Youth Services	
Family Support Services (General)	
Advocacy for Older Persons	
Place Management in respect to Human Services	

- (b) Are there any specific roles of Local Government that you consider would be better undertaken by the State or Commonwealth Governments?

Yes No

If 'yes' could you please identify the specific services or functions you are referring to.

Function / Service	Why better outcome?
Community Housing – Aged Sector	

Q6. Other Issues

Are there any other issues relevant to funding arrangements for Local Government that you consider are important to bring to the attention of this Inquiry? If so, what are they.

- (i) SEQROC Environmental Health Sub-Committee
- (ii) SEQROC Food Sub-Committee
- (iii) SEQROC Animal Control Sub-Committee
- (iv) SEQROC Environmental Protection Sub-Committee
- (v) Contiguous Local Authority Group (CLAG)
- (vi) Mosquito & Arbovirus Research Committee (MARC)

Q7. Other Comments

Additional comments in relation to this Inquiry and its Terms of Reference.

Request that the Education Dept provide funding for the Young Citizen's Program (YCP).

Redland Shire Council has a successful program to educate school children about their community and the role of local government.

The program's primary objective is to provide classroom talks, field trips and information on Council services in a way that complements the school curriculum. The talks, field trips and other services link to some of the key learning outcomes in Studies of Society & Environment (SOSE), Science and the Arts and health. Teachers can also include Maths, English and Technology activities when developing units of work lined to these council services.

In the short term, YCP aims to educate young people about the role of local government in the community and how Council affects them and their families, right now. The long term goal is to create an electorate that is informed and involved in local decision making.

Annually the calculation of staff hours involved in this program is approximately 195 hours (approx 5 weeks, 2 days) and approximately 16 hours (2.5 days) of Councillors time.

Funding for Public Transport Facilities

Annually Redland Shire Council spends approximately \$130,000 on provision and maintenance of bus shelters which should be a state government responsibility. Income from advertising on bus shelters currently covers this expense.

Over the years, but not every year, Council has funded a Marine Transport project which should be a State Government responsibility. For example, we funded the replacement of Macleay Island Jetty about 10 years ago which cost us \$150,000. We carried out reclamation and construction of car parking at Toondah Harbour about 5 years ago which cost approximately \$1M. Council have budgeted \$1.6M (2002/03 Budget) to provide a Marine Terminal at Weinam Creek this year.

Funding calculations for grants

There is a disparity in the calculations which should line up with industry instruments that we use. Currently these are calculated on suggested figures, eg. funding received for 10 people @ \$20 per hour rate, when the appropriate hourly rate should perhaps be \$25

Privacy legislation

Conformance of local government to this legislation will result in significant implementation costs, eg. the training of all staff

Local Government to consider undertaking responsibility for:

- Policing
- Main Roads
- Hospitals
- Schools