

<u>MORNINGTON PENINSULA SHIRE COUNCIL</u>		
<u>SUBMISSION INTO INQUIRY ON LOCAL GOVERNMENT AND COST SHIFTING</u>		
	<p><u>Definitions</u></p> <p>Compliance <i>Additional costs or resources required as a result of compliance with new or amended legislation</i></p> <p>Under fund <i>Although funding may be provided for new or amended responsibilities, it is either insufficient or short term</i></p> <p>Shift <i>Clear transfer of State/ Federal responsibilities to local government with no associated funding</i></p> <p>Excess levy <i>New or increased levies imposed for no or insufficient return</i></p> <p>Flow on <i>Indirect costs which local government is responsible for as a result of compliance, or under funding, or shift in responsibilities</i></p>	
1	<p>Aged Care – Home and Community Care This Council provides some \$700k of additional funding to attempt to satisfy the client demand; and we still have waiting lists! State Government policies such as ‘deinstitutionalisation’ greatly affect the client base and work load, without adequate funding.</p>	Under Fund Shift
2	<p>Building Survey – Essential Services Council is required to ensure all essential services in buildings are maintained. The previous Act was such that only extremely poorly maintained buildings could be ordered to provide additional safety measures.</p>	Compliance Shift
3	<p>Building Survey – Retrospective legislation Introduction of retrospective legislation in the following areas requires the Municipal Building Surveyor to ensure that</p> <ul style="list-style-type: none"> • Existing building stock (Residential Care Buildings) have fitted a sprinkler system • Pools (constructed prior to 8 April 1997) associated with dwellings, have effective barriers installed. <p>It should be noted that it is proposed to introduce additional retrospective legislation requiring</p> <ul style="list-style-type: none"> • Pool barriers associated with flats and hotels be provided with effective barriers • Installation of smoke detectors to bed & breakfast style buildings (in excess of 100 throughout this Shire) • Sprinkler systems to be installed in backpacker/boarding house style accommodation. 	Compliance Shift
4	<p>Building Survey - Private Building Certification Whilst this Council does not issue building permits, the first port of call for most complainants against Private Building Surveyors is Council. Whilst the complainant is generally directed back to the PBS for resolution, should no satisfactory outcome be achieved, the complainant is normally referred back to Council by the PBS. Council</p> <ul style="list-style-type: none"> • Must then inspect to ascertain compliance or to substantiate claims • Pursue enforcement action as necessary <p>A service fee not payable and is a huge drain on resources and finances</p>	Compliance Shift
5	<p>Building Survey - Temporary Structures Responsibility of issuing and enforcement of occupancy permits for temporary structures is to be transferred from the Building Commission to municipal or private building surveyors</p>	Compliance Shift

	As this has been the realm of the Commission since the commencement of the Regulations, (July 1994) very little relevant knowledge is known outside of the Commission.	
6	Community Development – Gambling State legislation states that Councils must (as the only entity entitled to) prepare and submit a detailed Social and Economic Impact Statement in response to any new proposed gaming facility.	Compliance Under Fund
7	Community Development – Disability Discrimination Act Council is incurring significant costs (both in infrastructure and consultation) due to this legislation.	Compliance
8	Economic Development Whilst there is no doubt that Economic Development activity has local benefits, Council invests a significant amount into the area. Historically this was not a mainstream Council activity (in fact now within the Local Government Act) which was previously a State responsibility.	Shift
9	Enforcement – Boat Sheds Whilst it may be local to this Council, there is a significant commitment in managing the issues of boatsheds on Crown Land.	Compliance Excess levy
10	Enforcement – Liquor Control The State Government has transferred responsibility to Council for the inspection of licenced premises and granting approval under the Planning and Environment Act.	Shift
11	Environment Protection – Agricultural activities There has been a progressive reduction in advice on agricultural matters and a general lack of field officers. This Council has been forced to fill this void with a farm liaison officer.	Shift
12	Environmental Health - Tobacco New legislation in relation to Tobacco compliance has necessitated local government enforcement with no additional funding or resource.	Compliance
13	Environmental Health - Food Act Food Act requirements have increased significantly, and the registration fee (prescribed by the Act) is insufficient to cover all operational and administrative costs. This area has and still is undergoing many changes with the introduction of the requirements for every premises to have a Food Safety Programs(FSP) and a Food Safety Supervisor(FSS). These requirements are having an impact on the workload for EHO's in a number of ways. It is estimated that in order to fully comply with the legislation an additional 2 EHOs and administration support would be required (say \$180,000).	Compliance
14	Environmental Health – Cooling towers Council is now responsible for registration and inspection of cooling towers.	Compliance
15	Environmental Health – Health Registrations Provision of data under the VicFin legislation is required, but minimal funding is provided to allow compliance.	Compliance
16	Family and Childrens – Maternal and Child Health The level of M&CH grants have remained constant over many years and therefore, with cost increases, the percentage being met by Council has	Under Fund Shift

	<p>increased significantly. Generally M&CH is considered a joint Local/State service with an expectation that the cost would therefore be jointly shared (ie 50/50). Traditionally this was the case (although most Councils tended to meet slightly more than 50% of the cost).</p> <p>Our current expenditure budget for M&CH is approx. \$1.156 Mil of which about \$415 K is received in grants (ie only approx 36% from the State).</p> <p>To add to this problem, changes by the State in order to address problems that it has faced in the Public Hospital system has also placed extra strains on the M&CH service. Increased pay and conditions being offered to Hospital Nurses has meant that we are having trouble attracting and keeping M&CH nurses. Unless this issue is addressed we might find that we are not able to fill vacancies and therefore unable to meet the State imposed targets for this service. On the other hand, increased pay that might address this issue is unlikely to be funded by the State - therefore again we (Local Government) end up paying.</p>	
17	<p>Family and Childrens – Family Day Care This program used to be fully funded, however over time, Council has had to supplement funding. Also, recent requirements for accreditation have increased workloads without funding. Also workcover for Family Day Care has meant that Councils have incurred this burden without recourse to additional funding.</p>	Under Fund
18	<p>Family and Childrens – Youth Services The State Government has indicated that this subsidy will be redefined next year, which may well mean that Councils are forced to supplement the funding. Also, the successful FREEZA program has recently had funding reduced. The Council however has no practical choice but to continue to fund this program. A 'sleeper' is the remuneration strategies for Youth staff. Already we are having difficulty in competing with other organisations who can offer tax incentives (salary sacrificing) to their staff. This will only be compounded if a proposed change to the award salary for Youth staff goes through at a State level. Even if the State increases it's grant to us for the services it funds, it would have a flow on effect to all the services that we provide which are not State funded.</p>	Under Fund
19	<p>Family and Childrens – Child Care regulations Council is responsible for the maintenance of the buildings and ensuring that they meet Preschool standards. The State however are continually revising (and upgrading) these standards which means that we are left to met this cost. Generally these are not significant in the greater scheme of things, however recent changes were made to the regulations regarding fencing (for all child care facilities were material.</p>	Compliance Under Fund
20	<p>Finance – GST compliance Whilst a Federal responsibility, the significant set up costs and administration are a material impost on Councils.</p>	Compliance
21	<p>Finance – Unfunded superannuation Whilst Councils always had a liability within the scheme, the fact that we were forced to fund that liability (which only became necessary through the impact of State-directed amalgamations) causes financial impacts.</p>	Compliance
22	<p>Finance – Valuations The State Valuer General inspired two yearly valuation process is neither cost effective or beneficial to a Council. The timelines mean that a valuation is used before the valuation objection process is completed, there are insufficient private valuers to satisfy the need for a two yearly cycle, we must collect and return much data that is of no direct or indirect benefit to Council, and we carry the</p>	Compliance Under Fund

	public back lash for objection to valuations that are really the concern of the State Land Tax office.	
23	Fire Prevention and Protection The Country Fire Authority are proposing to change the relationship between the Municipal Fire Prevention Committee and Council. At present there is no legally stated obligation on Council to take the committee's advice. It is now being proposed that Council must comply with the advice of the Committee – but at what cost??	Compliance Under Fund
24	Governance – National Competition Policy/ competitive neutrality Again whilst this is a Federal responsibility, and Council's are grateful for the share of funding received through the NCP payments, the funding ceases next year even though there is on-going compliance.	Compliance Flow on
25	Governance – Insurances Schemes for non-profit organisations are welcomed, however they are regularly at the cost of Council.	Flow on
26	Governance – Legislative compliance Examples <ul style="list-style-type: none"> • Whistleblowers Protection Act • Privacy Act 	Compliance Flow on
27	Infrastructure – Roads Council has recently resolved to hand back responsibilities for VicRoads road, in part due to the fact that there was never adequate funding to maintain them at the level expected by VicRoads. Further, in 1989 the State Government reclassified some of our roads from government to local roads, leaving Council with the cost of maintenance and reconstruction.	Under Fund Shift
28	Infrastructure – Road Safety There is a clear expectation that Council will play a lead role in the whole road safety strategy. Regrettably, there is inadequate funding provided to allow for this to occur. Also, the simple fact of changing speed zones in residential areas to 50 kph was a large impost on Councils without any real consideration of cost implications.	Under Fund
29	Infrastructure – Tree clearance near power lines This was previously the responsibility of State authorities and is now local governments.	Shift
30	Infrastructure – Public Transport This Council contributes in excess of \$420k to supplement the inadequate public transport systems on the Peninsula.	Shift
31	Infrastructure – Waste Management Levy This Shire contributes towards this levy, with at best an inequitable return to the Shire.	Excess Levy
32	Infrastructure – Vegetation Management Council contributes significant funding to manage the problem of noxious and environmental weeds on private and public land.	Shift
33	Infrastructure – Sewerage Back log Council plays a lead role in advocating for works such as these. Further, there is often significant repair costs to local assets required after the works are completed, at cost to ratepayers.	Under fund

34	<p>Infrastructure – Management of Crown Reserves Whilst Council may be acting as Committee of Management of Crown Reserves, funding levels (for maintenance and refurbishment) are inadequate. This is made more complex in that whatever funding is available has no continuity and is not guaranteed (reassessed each year).</p> <p>Because these are local assets, Council regularly picks up the responsibility. In one small case (Olivers Creek Crown reserve 15 ha.) the estimated annual maintenance and protection cost to Council has been estimated at circa \$7k.</p>	Under Fund Shift
35	<p>Infrastructure – Regional Drainage The Mornington Peninsula has no regional drainage authority. Therefore the Shire by default must assume responsibility for necessary regional drainage. We do not however receive any funding by way of Catchment Management Authority levy.</p>	Shift
36	<p>Infrastructure – Regional Parks Residents of the Mornington Peninsula pay an annual Parks Levy, as does the majority of metropolitan Melbourne. The fact that the Bellarine Peninsula does not pay the levy is a clear inequity within the levy process.</p> <p>More significantly however, this Shire contributes a large amount of ratepayer funds to the maintenance of foreshores and major parks and reserves that are used regularly by visitors, without any support (funding or physical) from the Parks Levy.</p>	Under Fund
37	<p>Infrastructure – Boat launching facilities There is a general inadequacy of funding and a responsibility shift to local government for most matters coastal.</p>	Under Fund
38	<p>Local Laws – School Crossings There is insufficient funding to cover the cost of operating existing crossings or to establish necessary new crossings.</p>	Under Fund
39	<p>Local Laws – Provision of adequate parking and parking enforcement around schools The State Government does not provide adequate parking around schools but then expects local government to enforce regulations to control the problems that without exception occur.</p> <p>Council's regularly need to fund additional car parking themselves to satisfy the reasonable concerns of residents.</p>	Under Fund Shift
40	<p>Local Laws – Animal controls The progressive toughening of animal controls requires Council to enforce the legislation, without adequate funding.</p> <p>Also, Council is expected to collect and forward onto the State Government a registration levy, from which Council or its residents don't receive any specific benefit.</p>	Compliance Excess levy
41	<p>Natural systems – Flora and Fauna enforcement In relation to the enforcement of provisions of the Flora and Fauna Guarantee Act, the Department of Natural Resources and Environment continue to demonstrate that they will not legally enforce individual cases despite clear breaches. The Shire is left to prosecute under the provisions of the Planning and Environment. In one current case (Mornington tourist rail line) the cost would be a minimum 45 hours of officer time so far.</p>	Compliance Shift

42	Public libraries Our understanding is that the share of State funding into public libraries (compared to total funding) has reduced from 44% in 1980 to 20% in 2000.	Under Fund
43	Statutory Planning – Rescode The implementation of Rescode has had a significant impact on the time taken to assess planning applications.	Compliance Under Fund