

# City of Salisbury Submission

## Inquiry into Local Government and Cost Shifting

### *Transport and Communication*

#### Estimated Cost

#### **Roads - Approval for B-double Transport**

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. There was a push from State Government to gazette as many roads as possible effectively creating a permit free network for B-double road transport, however the issue of maintaining that network was never addressed. The nature of freight is that it is not only local but also a State and National issue

Significant  
additional  
cost but  
difficult to quantify

#### **Roads - Deregulation of Road Freight**

The impact of deregulation of road freight industry by allowing A-Trains to enter 'built-up' industrial areas has put a cost onto Council to modify roundabouts..

Approx  
\$100,000

#### **Roads - Main North/Port Wakefield/Heaslip Roads**

Lack of adequately funded Main North Road and Port Wakefield/Heaslip Roads has reflected on significant freight movement through urban collector roads in Paralowie and Parafield Gardens. There are ongoing repairs to roundabouts, which are not designed for freight movements.

\$60,000  
per annum

#### **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, Council provide and maintain kerbs, storm drains, parking bays and bus shelters along roads that are under the care and control of Transport SA, however, Transport SA does not provide funding. Where Council roads meet Transport SA roads maintenance by Transport SA is limited to the pavement along the Transport SA road and not 30 metres into the junction of the Council Road as was previously the case.

Drainage  
\$20,000  
per annum

Lighting  
\$80,000  
per annum

#### **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.

\$10,000  
per annum

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### *Transport and Communication Continued...*

#### **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 the Councils respond to community demand and in most circumstances are left with full costs.

**Estimated  
Cost**

\$40,000  
per annum

#### **Traffic Management and Law Enforcement**

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. Road safety is provided for the community at large and it is up to Councils to provide it on their streets, however we appear to gain very little from the revenue raising road safety initiatives by Government.

Additional costs but  
no benefits from  
Govt revenue raised

#### **Television Transmission**

The Commonwealth is seeking Local Government funding to support capital and operational costs under the Federal TV black spots program. The maintenance of the facilities will then be left to Council.

Costs will be  
additional to Council

#### **Road Safety – Accident Data**

While it has not yet happened there is a proposal by Transport SA to charge Councils for accident data information that it requests. In addition there is also a proposal to only process data that relates to injury accidents, which will also lead to transferred costs if this information is required.

Possible shift of  
costs

#### **Road Safety – Legislative Changes**

When the Australian Road Rules were introduced there was no funding made available for their introduction and alterations to road traffic facilities such as signs and line marking. There is a new package about to be introduced by the State Government in relation to speed limits and other measures.

Additional  
cost but  
difficult to quantify

#### **Street Lighting Design**

These designs were provided free of charge by ETSA Council is now required to bear these costs

Additional  
cost but  
difficult to quantify

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### *Transport and Communication Continued...*

#### **Security Fencing for Australian National Railways**

Erection, inspection and maintenance were taken care of by the works section of ANR. Recent correspondence from the Australian Rail Track Authority indicates that the rail authorities no longer maintain fencing. Council are in a situation where if the fences are not maintained this could create a dangerous environment and if Council do maintain then the cost will be an additional cost.

**Estimated  
Cost**

\$6,000  
per annum

\$100,000  
for backlog  
maintenance  
due to previous  
neglect

### *Housing and Community Services*

#### **Water Catchment Boards**

Water Catchment Boards have installed trash racks and then asked Councils to maintain them in the long term. The Catchment Board currently fund the Pollution Prevention Project by contributing the costs of the officer's salary. They still expect Council to provide support such as management, equipment etc. This "in kind" contribution towards the costs of the project equals their contribution. The board have also indicated that they want Council to take more ownership of the project and subsequently start contribution to the costs of the salary also. This has not yet taken place.

**Estimated  
Cost**

\$50,000  
per annum

#### **Septic Tanks**

The responsibility for administering septic tanks and soakage systems was transferred to Councils from the SA Health Commission in the mid 1990s

Additional  
cost but  
difficult to quantify

#### **PLEC**

Support for the Power Line Under grounding (PLEC) scheme has been reduced with Councils required to meet increasing costs to underground power lines. Increased expense has been experienced in relocation of services. The design of public lighting schemes is now a cost borne by Councils where this was previously provided by ETSA.

Additional  
cost but  
difficult to quantify

#### **Environment Protection Act**

Council staff have been trained and authorised to administer the Environment Protection Act with regards to storm water pollution issues. There has been no contribution towards the costs associated with the administration of the Act.

Additional  
cost but  
difficult to quantify

# **City of Salisbury Submission**

## **Inquiry into Local Government and Cost Shifting**

### ***Health and Welfare***

#### **Estimated Cost**

#### **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.

\$15,000  
per annum

#### **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. There has been more talk about making certain inspections mandatory, such as cooling towers, hairdressers and swimming pools. Most of these inspections are already undertaken at this Council but there has been no indication of offering any financial contribution to the costs of the inspections if made mandatory.

Additional  
cost but  
difficult to quantify

#### **Food Act**

The new Food Act proclaimed without assurances for Local Government that the additional workloads for Environmental Health Officers can be funded through user pays charges or like fees. Most Councils supported annual licence / registration fees for food businesses yet State government were not supportive. The draft regulations offer Councils the opportunity to charge an inspection fee, but leave the decision to the Councils. This offers some cost recovery but places the political pressure on a Council if they decide to charge a fee. If business owners complain about the fees the State Government can advise them that it was a Council decision to charge the fees not theirs, although they expect Councils to administer the Act.

Additional  
cost but  
difficult to quantify

#### **Home Assistance Scheme**

Salisbury managed a regional Home Assistance Scheme. When a neighbouring Council decided to manage the scheme for its own area the State and Commonwealth Government allowed this without compensating for the loss of administrative economies. In order to maintain the level of service Council has had to put in additional funds from its own source.

\$90,000  
per annum

# City of Salisbury Submission

## Inquiry into Local Government and Cost Shifting

### *Health and Welfare Continued...*

#### **Estimated Cost**

#### **State Based Administered Funding**

This is an overall comment in relation to the funding to Council's community services in terms of recurrent cycles. This occurs primarily in Aged and Disability Services and Neighbourhood Houses and is about the continuity gap that Council's are forced to fund. Invariably once an existing funding agreement between Council and the funder expires there can be a significant lag time before a new agreement is struck and new funds start to flow. In a recent case for us, even following direct lobbying to the Premier it has been inferred that the Council will have to "cover" until the funds renewal are announced. Specifically in the Home and Community Care funded areas that are recurrent, the State actually count Council's direct contribution as theirs and rely on it to grow the State HACC budget. There is little appreciation in this area and the Neighbourhood House program of the huge amount of inkind resourcing that is required for physical and administrative infrastructure to enable Council to deliver these funded services. There are also significant increases in tendering and evaluation requirements for these funds, which also compound Council's inkind resources.

Additional cost but difficult to quantify

### *Recreation & Culture*

#### **Estimated Cost**

#### **Library Services**

The State Government initially provided 50% of library operating and capital costs. Over time this has been reduced to around 25%. There are no subsidies for capital expenditure available now.

Approx  
\$600,000 per annum  
and significant  
capital costs

#### **Sporting and Community Organisations**

State Government introduced gaming machines mainly into hotels and generating a significant revenue stream. This has significantly undermined the revenue raising capacity of sporting and community groups on Council property resulting in pressure on Council to provide greater financial support. There is little return of gaming tax revenue to the local community.

Approx  
\$100,000

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## Inquiry into Local Government and Cost Shifting

### *General Public Services*

	<b>Estimated Cost</b>
<b><u>Taxation</u></b>	
Local Government was once free of taxation imposts. Now the cost of administering and paying GST, FBT and Training Levies are significant.	\$250,000 including cash flow impact
<b><u>Postal Voting</u></b>	
Mandatory postal voting replaced manned booths in 2000 with an increase in cost to Council..	\$140,000
<b><u>Rate Rebates</u></b>	
The new Local Government Act 1999 broadened the scope of mandatory rate rebates to community organizations resulting in additional costs to Council	\$80,000
<b><u>Community Lands</u></b>	
The new Local Government Act required identification of land, exclusion processes and management plans for Community Land.	\$80,000
<b><u>Citizenships</u></b>	
Council act as an agency for the Federal Government for Citizenships. Council is required to pay membership to enable receipt of official certificates for the ceremonies. There are considerable amounts of administration costs involved to act as an Agency with no financial assistance received while the government receive enormous benefits by having Councils administer this function.	\$25,000 per annum
<b><u>Collection of Levies</u></b>	
The State have created Catchment Water Management Boards and required Councils to collect the revenue for them by way of property tax. There are still more administration costs incurred to collect the revenue eg extra time explaining the levy when customers are paying their rates, computer systems , explanatory brochures, debt collection etc.	Additional cost but difficult to quantify

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## Inquiry into Local Government and Cost Shifting

### *General Public Services Continued...*

#### **Financial Assistance Grants**

Some years ago the payment of Financial Assistance Grants was made at the start of the financial year. The amount of funding has been reduced from that provided by the Commonwealth in order to pay for the administration of the State Grants Commission. It is now paid quarterly resulting in a loss of investment income.

**Estimated  
Cost**

Additional  
cost but  
difficult to quantify

#### **Fines on Rates**

State legislation reduced the fines applicable on outstanding rates resulting in a loss of revenue to Council.

Approx  
\$70,000 per annum

#### **Stamp Duty on Loans**

Loans through the Local Government Finance Authority of SA used to be exempt from stamp duty until about 5 years ago. Although this may be regarded as a competitive neutrality measure the fact is there is an additional cost to Council and income for the State

\$10,000 per annum

### *Public Order & Safety*

#### **Crime Prevention**

In the 2002 State Budget \$800,000 was cut from payments to Local Government for Crime Prevention Programs. The Minister was reported as saying "We will be working to persuade Local Government to step in and help fund the programs...". The Local Crime Prevention Program has been funded by the Justice Department for the past 10 years and as a result has become a core function of Council. Council will be left with either no or significantly reduced funding.

**Estimated  
Cost**

Additional  
cost but  
difficult to quantify

#### **Dog Fees**

Increased costs in administering the Dog and Cat Management Act each year have not been matched with increases in Dog Registration fees leaving Councils bearing the net additional cost. The collection cost (renewal notices, receipting, tags etc) to Councils could also be reduced if registrations were for a 3 year period rather than annually.

Additional  
cost but  
difficult to quantify

#### **Swimming Pool Safety Fences**

Increased costs and responsibilities with safety fences (approval and inspection) moved from State legislation (Swimming Pool Safety Fences Act) to the Development Act administered by Local Government

Approx  
\$4,000 per annum



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