

Discussion Paper

A New Local Government Act for NSW

SUBMISSION

June 2013



CENTRAL NSW  
COUNCILS



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Centroc's Mission is to be recognised as the lead organisation advocating on agreed regional positions and priorities for Central NSW whilst providing a forum for facilitating regional co-operation and sharing of knowledge, expertise and resources; effectively nurturing sustainable investment and infrastructure development.

[www.centroc.com.au](http://www.centroc.com.au)



Chairman: Cr Ken Keith, Mayor, Parkes Shire Council

27 June 2013

Reference: kk:vp 061327  
Enquiries: Ms J Bennett: 0428 690 935

Mr John Turner  
Chair  
Local Government Acts Taskforce  
C/- Division of Local Government Department of Premier and Cabinet  
Locked Bag 3015  
NOWRA NSW 2541

Dear Mr Turner,

The Board of Centroc is broadly supportive of the direction taken by the Taskforce regarding changes to the Local Government Act. A more principles than prescriptive based approach where possible is laudable. Further, the focus around integrated planning and reporting is also supported by this region.

It should be noted that individual Centroc members may have varying advice to that provided here which is the feedback distilled and agreed from a regional perspective.

Where more detailed advice is provided below, two areas of focus for this region are:

1. Procurement and
2. Enabling regional collaboration where the recent advice from the Independent Review Panel on County Councils needs careful consideration

## About Centroc

Centroc is a large and long standing voluntary association of councils of varying sizes ranging from populations of around 2500 to populations of close to 40,000. It has received national recognition for its work in delivering measurable benefits to the members it serves. This recognition includes commentary and awards at the State and National levels for example the Productivity Commission and most recently the Minister for Local Government for NSW, The Hon Don Page. Most importantly, it is valued by its members.



## Centroc Organisation and Structure

Central NSW Councils (Centroc) comprises the Local Government Areas of Bathurst, Blayney, Boorowa, Cabonne, Cowra, Forbes, Harden, Lachlan, Lithgow, Oberon, Orange, Parkes, Upper Lachlan, Weddin, Wellington, Young and Central Tablelands Water.

It has two objectives, one around advocacy and the other around supporting members operations.

For more detailed advice on Centroc activities please find attached the recent Annual Report 2011/2012.



Centroc Board meeting at Parliament House 23 May 2013

The Centroc Board is made up of the 34 Mayors, elected representatives and General Managers of its member Councils who determine priority for the region. These priorities are then progressed via sponsoring Councils.

For more advice on Centroc programming and priorities, please go to our website at [www.centroc.com.au/publications](http://www.centroc.com.au/publications)

## Specific feedback from the region regarding the discussion paper.

### Proposal number 1.3 – Approach and principles for the Development of the New Act.

*The Taskforce proposes:*

- (i) a flexible, principles based legislative framework, avoiding excessive prescription, written in plain language and in a logical form. The new Act should be confined to setting out the principles of how councils are established and operate. When further detail or explanation is required as to how these principles are to be achieved then regulations, codes and guidelines will be used where appropriate.*
- (ii) a more consistent approach be taken to the use and naming of the regulatory and other instruments, noting that there is inconsistent use of mandatory and discretionary codes, section 23A guidelines, practice notes, discretionary guidelines and the like.*

Centroc is supportive.

### Proposal number 3.1.1 – Purposes of the Local Government Act

*(i) The Taskforce proposes the following draft Purposes of the Act*

*“The purpose of this Act is to provide*

- (1) a legal framework for the NSW system of local government in accordance with section 51 of the Constitution Act 1902 (NSW)*
- (2) the nature and extent of the responsibilities and powers of local government*
- (3) a system of local government that is accountable, effective, efficient and sustainable.”*

Centroc is supportive.

### **Proposal number 3.1.2 – Role and Principles of Local Government**

*(i) The Taskforce proposes the inclusion of a new Role of Local Government and a set of Principles for Local Government that will replace the charter in the new Act as follows:*

#### **“Role of Local Government**

*The role of local government is to lead local communities to achieve social, economic and environmental well being through:*

- i) utilising integrated strategic planning*
- ii) working in partnership with the community, other councils, State and Commonwealth governments to achieve outcomes based on community priority as established through Integrated Planning and Reporting*
- iii) providing and procuring effective, efficient and economic infrastructure, services and regulation*
- iv) exercising democratic local leadership and inclusive decision-making*

#### **Principles of Local Government**

*Principles to be observed by local government are to:*

- i) provide community-based representative democracy with open, unbiased and accountable government*
- ii) engage with and respond to the needs and interests of individuals and diverse community groups*
- iii) facilitate sustainable, responsible management, development, protection and conservation of the natural and built environment;*
- iv) diligently address risk and long-term sustainability;*
- v) achieve and maintain best practice public governance and administration, and to act fairly, responsibly, ethically, and in the public interest; and*
- vi) optimise technology, and foster innovation and flexibility.”*

Centroc is supportive.

### **Proposal number 3.2.1 – Integrated Planning and Reporting**

*The Taskforce proposes that:*

- (i) IPR be elevated to form a central ‘plank’ of the new Act as the primary strategic tool to enable councils to fulfil their leadership role and deliver infrastructure, services and regulation based on community priorities identified by working in partnership with the community, other councils and the State Government.*
- (ii) other provisions of the Act be drafted so as to better support IPR including accountability to the community, financial sustainability and partnership with the State and others to deliver community outcomes.*
- (iii) where possible relevant provisions from other sections of the Act be incorporated into IPR to reduce duplication. For example, capital planning and expenditure approval provisions could be moved to the IPR resourcing strategy provisions; and community consultation processes should reflect IPR community engagement principles and need not be repeated throughout the Act.*
- (iv) the IPR provisions be simplified to increase flexibility for council to deliver IPR in a way that is locally appropriate.*

Centroc is supportive.

### **Proposal number 3.2.2 – Community Consultation and Engagement**

*The Taskforce proposes the following set of principles to guide councils regarding how consultation and engagement might occur:*

- *commitment to ensuring fairness in the distribution of resources (equity); rights are recognised and promoted (rights); people have fairer access to the economic resources and services essential to meet their basic needs and to improve their quality of life (access); and people have better opportunities to get involved (participation)*
- *ensuring that persons who may be affected by, or have an interest in, a decision or matter should be provided with access to relevant information concerning the purpose of the consultation and the scope of the decision(s) to be taken*
- *ensuring that interested persons have adequate time and reasonable opportunity to present their views to the council in an appropriate manner and format*
- *ensuring that the views presented to the council will be given due consideration*
- *ensuring that council, in exercising its discretion as to how consultation will proceed in any particular circumstance, has regard to the reasonable expectations of the community, the nature and significance of the decision or matter, and the costs and benefits of the consultation process*
- *arranging for special consultative procedures in particular instances.*

While Centroc is generally supportive and notes that the intention here is for guidance and not prescription, other legislation, for example in as mooted in the review of Planning Legislation, is not as positive about notification. Further, the region suggests that where there is a focus on authentic engagement with a community at the strategic end of a process, there may not be such need for informing where care needs to be undertaken in all work with the community to ensure:

- **Deliverability** – consultation and engagement should be undertaken to develop programming and advice that is deliverable
- **Affordability** – the costs to both the consulter and the consulted should be recognised and tailored accordingly.
- **Burn out** – care should be undertaken and is being undertaken in this region, to dovetail consultation across State and Local lines to use the IP and R process to inform a multiplicity of plans for each lga. This will hopefully hep avoid the consultation burnout that se member communities are reporting.

### **Proposal number 3.2.3 – Technology**

*The Taskforce proposes that:*

- (i) as a general principle the Act should support the optimal and innovative use of technology by councils to promote efficiency and enhance accessibility for the benefit of constituents.*
- (ii) the Act allow each council to determine the most appropriate use of technology taking into account the principles for local government and community engagement through the IPR framework discussed above.*

Centroc is supportive noting that the region is yet to appear on the NBN rollout and so may not have the infrastructure required for some technological innovations.

### **Proposal number 3.3.1 – Elections**

*The Taskforce proposes:*

1. *use of postal voting at all council elections as a means of increasing efficiency and voter participation and reducing council election costs.*

Where it is understood that postal voting will be in addition to other voting options, Centroc is supportive

2. *the following possible improvements to electoral provisions:*

a. *the most appropriate voting system – exhaustive preferential; optional preferential; proportional, or first past the post*

Centroc has no policy in this area and directs the taskforce to individual member submissions.

b. *the option of utilising electronic voting in the future*

Centroc is supportive.

c. *mechanisms for removing the need for by-elections, when a vacancy occurs either in the first year following an ordinary election or up to 18 months prior to an ordinary election*

Centroc is supportive.

d. *half term elections for councillors, similar to Senate elections*

While on the face of it this could offer some stability in terms of retaining corporate knowledge, noting that Councils are a much smaller body politic than the Senate, changes in strategic direction led by changes in the numbers every two years could have a very destabilising effect. Also, the IP and R process is four yearly and there is a sense that the Council as a whole is evaluated against its commitments in the Community Strategic Plan. Half term elections run the risk of both undermining IP and R while proffering on those Councillors elected “halfway” with a lower level of accountability.

Therefore the region does not support this suggestion.

e. *the ward system being abolished*

The region has a mixed response to this suggestion. Most Centroc member Councils no longer have wards though there are still some members that support this approach.

f. *improving the adequacy of and access to candidate information prior to elections*

Centroc is supportive.

g. *the enrolment process and maintenance of the non-residential roll, particularly in the City of Sydney*

Centroc has no policy in this area and directs the taskforce to individual member submissions.

### **Proposal number 3.3.2 – Meetings**

*The Taskforce proposes:*

(i) *the provisions relating to council meetings be:*

- *reviewed, modernised and any unnecessary prescription and red tape removed,*
- *designed to facilitate councils utilising current and emerging technologies in the conduct of meetings and facilitating public access; and*

- *consolidated into a generic mandatory Code of Meeting Practice that may if necessary be supplemented to meet local requirements, provided the amendments are not inconsistent with the provisions of the Act and standard Code of Meeting Practice.*

Centroc is supportive.

### **Proposal number 3.3.3 – Appointment of Management and staff**

*The Taskforce proposes:*

*(i) the strategic responsibilities of the council be clearly separated from the operational responsibilities of the general manager in determining the council's structure and be aligned with IPR by:*

- *the general manager being responsible for determining the organisation structure and for recruiting appropriately qualified staff necessary to fulfill each role within the structure*
- *the council being responsible for determining those services and priorities required and to provide the resources necessary to achieve the Council's Delivery Program, and*
- *the general manager being responsible for the employment of all staff and there be no requirement for the general manager to consult with the council in relation to appointment and dismissal of senior staff.*

*(ii) all positions meeting the criteria as a senior staff position be treated as such, appointed under the prescribed standard contract for senior staff, identified as a senior staff position within the organisation structure, and the remuneration be reported in the council's annual report.*

*(iii) in line with the principle of reducing prescription:*

- *each council to determine how it deals with regulatory responsibilities that fall outside of the Local Government Act, rather than prescribe the appointment of a Public Officer, and*
- *the EEO provisions be incorporated with the IPR processes and procedures*

*(iv) the current prescription in the Act relating to the advertising of staff positions and staff appointments be transferred to regulation or to the relevant industrial award.*

Centroc is supportive.

### **Proposal number 3.3.4 – Formation and involvement in Corporations and Other Entities**

*The Taskforce proposes to defer further consideration of this component of the legislation until the work of the Independent Panel is completed.*

Centroc supports the development of fit for purpose entities to facilitate the business of Councils, particularly when operating collaboratively and hope that the Act will be amended accordingly.

Our members note with concern the advice from the Independent Review Panel suggesting the use of the County Council provisions (even with minor changes) for significant tranches of collaborative Council operational activities. More detailed advice is below where the region strongly recommends that serious consideration be given to the workability of a complex of Council operations across a number of Councils under the current County Council legislation where it is the view of this region that this approach is too high risk. In our view the preponderance of language like "tailoring" or "tinkering with existing County Council legislation" suggests that not much will need to happen to the legislation as it stands.

The view of this region is that while the County Council provisions are useful for their existing purpose and may have some scope for regional entities with advocacy and strategic functions, they will not deliver robust, accountable, innovate and nimble operational entities best able to serve their communities into the future.

## Advice regarding County Council provisions

This region has a preference for amendments to legislation for regional collaboration to be purpose built or if existing County Council provisions are to be “tailored”, these be amended to include heads of consideration as follows:

1. Enabling regional procurement and other collaborative programming where regional procurement has been an area of particular deficiency;
2. Self-determining constitutions including provisions for Board membership based on principles of representation and offering both operational and advocacy advice and skills to the entity;
3. Optional binding/mandatory arrangements with guidelines for when these are to be used;
4. Answerability to constituent councils, and
5. Employment of staff under similar arrangement as General Purpose Councils

Unfortunately, the analysis undertaken in this region suggests the current County Council provisions are a long way from delivering on the five heads of consideration as listed above. Indeed, members are very concerned that commentary like “minor amendments” and “tinkering” will not deliver a suitable vehicle for robust operational activities.

Relevant sections regarding County Councils from the current Act are summarized as follows:

1. The Minister establishes, dissolves and amends the constitution of a County Council.
2. The Governor proclaims the County Council as formed where this proclamation includes:
  - a. a description of County Council functions;
  - b. a description of County Council geographical area of responsibility;
  - c. the names of constituent councils; and
  - d. the number of Councillors from constituent Councils to be elected to the County Council.
3. The legal status of the County Council is that:
  - a. it is a body politic;
  - b. it is specifically not a body corporate;
  - c. nor does it have the status, immunities and privileges of the Crown (including the State and the Government of the State); and
  - d. having said that, the law applies to a County Council in the same way to and in respect of a body corporate (including incorporation).
4. Constituent Council elect the County Council Board and are made as part of the proclamation from their elected representatives. The Councillors are responsible for managing the affairs of the County Council.
5. The County Council determines the role of the Chair.
6. The County Council may take on one or more Council functions.
7. A constituent Council may not take on a function proclaimed by the County Council.
8. A County Council must employ a General Manager similar to the General Purpose Council.
9. A County Council must meet at least 4 times per year.

10. The Governor may by proclamation amend the above.

11. Funding of the County Council is determined by regulation and includes;

- a. Contribution purpose;
- b. The circumstances when funding applies;
- c. How contributions are assessed;
- d. Payment of contributions;  
and Recovery of contributions.

12. The balance of General Purpose provisions apply

The Legislation as it stands:

- provides the opportunity for some mandatory regional programming, for example water and sewer, fleet where this can be defined and separated from Council activities;
- has the organisation answering to the State, not to constituent members;
- limits regional programming to what can be described as a function that is not duplicated by the constituent Council, so for example 'advocacy,' 'high level corporate services', 'procurement' and 'training' as Centroc currently delivers could not be included as they would need to be undertaken by member Councils in some capacity for efficiency purposes. There may be some scope here for limiting the scope of activities to "regional" advocacy, strategy and procurement etc. As it stands, the current provisions run the risk of ruling out a significant proportion of regional programming as is delivered by ROCs, Alliances and other collaborations of Councils such as Netwaste;
- provides no opportunity for General Managers to operate at Board level, a model that arguably works very well in this region;
- does not lend itself to being adaptive in its funding streams from constituent Councils and
- insists on a separate General Manager and stand-alone operations though it is noted that these can be devolved to member Councils.

The legislation as it stands has been developed to enable cross Council operations for definable and typically one off functions such as "water supply services" or "weeds management services." Nimble, evolving regional operational collaboration with variable funding streams would not be possible under the County Council current provisions as they stand.

A County Council developed under the existing legislation would have to be either very well designed or very vaguely defined to manage the function provisions as it should mean the end of proclaimed services being delivered by constituent Councils. There may be some opportunity for devolvement of functions back to the constituent Council, though this is arguably too complex. If the provisions were vague enough to enable interpretation this would also open the door to future debate over services between constituent Councils and the County Council and possible destabilisation.

Further, the County Council is answerable to the State, not to its constituent members, which is why it can never be any less than a fourth tier of government. It is not embedded in or answerable to its constituent Council membership, its plans and constitution are proclaimed, owned and administered by the State. Centroc members have also expressed concern that there is a corollary devolution of democratic principles when community assets and programming are effectively administered by the State through a governing body that is not elected by the polity but

rather elected from Councils where there may not be a formula based on capitation.

It is clear that the County Council legislation as it stands is not workable for regional collaboration as currently being delivered in Central NSW, or for that matter as envisaged by those supporting the County Council model including the Independent Panel.

Further, the re-work of legislation to enable much of what has worked successfully for ROCs like Centroc is so extensive that it begs the question of why bother? Why not develop purpose built legislation to enable regional collaboration? The region suggests that the risks of using the current County Council provisions for operational support and asset management at the regional level is too risky.

Where assets and operations of Councils may not lend themselves to County Council provisions as they stand there may be scope for an advocacy based entity that could work within existing amended provisions and deliver advocacy and strategy in regional development and infrastructure priority. Such an entity would have a relationship with the State as envisaged by Mr Graham Sansom in his advice 1 May in the Sydney Morning Herald where Councils need to be “working at a more strategic level to advance community interests and deliver on the agenda of the state-local agreement.” Further, the presentations in Parkes and Bathurst 4 and 5 June by Mr G Inglis suggest that a strategic regional grouping of Councils that has a robust relationship with the State and Federal Governments is the priority of the Panel.

In agreement, the Centroc region suggests that the real game in innovation in local government in NSW going into the future is around enabling a more authentic and robust and meaningful relationships between State, Federal and Local government levels. Building structures that have integrated planning and reporting at their heart, where State and Federal agencies truly capitalize on the work being undertaken on the ground with local government, and authentically respond to these, where there is some type of Local Government structure spread across NSW to respond to this could be of real benefit.

It must be noted that this region has pushed hard to get a seat at the table and that gradually this recognition is coming, but it is a slow process. Mr Inglis’ suggestion of legislating the State’s engagement is certainly refreshing. Whether this Legislation would appear is unknown, though the Taskforce is encouraged to suggest amendments to Legislation as they see fit including providing advice on amendments to other Legislation as appropriate.

Once again the region suggests caution when mooting the use of County Council provisions for this regional strategic entity. Besides the concerns as expressed above, if the main game is building better relationships across all levels of government why saddle the entity with the regulatory and reporting burdens of general purpose Councils? Further, if the main game requires legislative change to encourage the State to the table, it is difficult to see how tinkering with County Council provisions will enable this.

#### **Proposal number 3.3.6 – Code of Conduct**

*The Taskforce is not proposing any changes to the conduct provisions of the Act.*

Centroc is supportive noting that the new provisions are currently being road tested in this region. If advice regarding their amendment becomes available that has a fit with the amendments timetable, this will be provided.

### **Proposal number 3.3.7 – Pecuniary Interest**

*The Taskforce proposes that:*

- (i) the pecuniary interest provisions be reviewed to ensure they are rewritten in plain language, easily understood and any unnecessary red tape removed.*
- (ii) consideration be given to utilising available technology to assist with the submission and maintenance of pecuniary interest disclosures and to facilitate appropriate access to this information.*

Centroc is supportive.

### **Proposal number 3.3.8 – Delegations**

*The Taskforce proposes that the provisions in the Act relating to delegations be reviewed to ensure they are streamlined; written in plain language; and are reflective of the roles and responsibilities of the council and the general manager to facilitate the efficient, effective and accountable operation of local government.*

Centroc is supportive making note that delegations enabling regional procurement and other activities need to be enacted.

### **Proposal number 3.3.9 – Financial Governance**

*The Taskforce proposes:*

- (i) there be greater scope for a focus on principles and the definition of financial systems/minimum standards within a new legislative framework and for assimilation with the mechanisms of IPR in line with frameworks proposed for other parts of the legislation.*
- (ii) there be a rebalancing of the regulatory focus of the legislative framework towards systems and risk management rather than process prescription.*
- (iii) to await the Independent Panel work on many of the issues associated with fiscal responsibility including; rating issues; asset and financial planning; rates and charges; management of expenditure; and audit practices before recommending legislative positions on these matters*

Centroc is supportive of the suggestions provided, though notes that the Taskforce is reserving its advice regarding rate pegging and the like until definitive advice has been provided by the Independent Panel. Given that the event in Dubbo launching the Destination 2036 identified funding and financial management as the key to strengthening local government, the removal of rate pegging where this is linked to the integrated planning and reporting framework is commended.

### **Proposal number 3.3.10 – Procurement**

*The Taskforces proposes:*

- (i) the adoption of a more principles-based enabling approach to procurement combined with a medium level of regulation designed to ensure support of the principles of value for money, efficiency and effectiveness, probity and equity, and effective competition.*
- (ii) in relation to the current tendering threshold of \$150,000 rather than the legislation setting a dollar value threshold a more flexible principles based approach be taken to councils setting the threshold based on risk assessment of the proposed procurement.*

*(iii) the delegations section of the Act be reviewed to facilitate councils entering into collaborative procurement arrangements such as via ROCs and allowing councils to delegate procurement to general managers with a 'report back' mechanism.*

*(iv) any regulation of council procurement support councils utilising available technologies that can assist with efficient, effective and economic procurement processes that are accessible to all relevant stakeholders and are fair, open and transparent*

This region is highly supportive of amendments to the Act to enable the growth in activities of ROCs and other collaborative Council arrangements and thanks the Taskforce Members for addressing this area that requires a significant rework.

Currently Centroc is a Section 355 Committee of Forbes Shire Council and next financial year will have a budget of close to \$7m, a significant proportion of which is grant funded programming and regional spends on contracts such as sewer pipe relining. The growth in regional procurement is substantial as members avail themselves of the growing regional capability in this sector. The savings on just advertising of tenders is \$5K per Council. There is also substantial cost savings in tender assessment, contract negotiation and administration where Local Government Procurement recently suggested savings were in the range of \$15-\$25K<sup>1</sup>. Even if this is exaggerated, multiplying cost savings of only \$10K per Council across all Centroc members saves \$170,000 every time the region goes to tender.

As it stands, Forbes Shire Council has the task of signing all funding agreements and entering into contracts on behalf of the region. This is a rapidly growing, inappropriate workload and risk for Forbes Shire Council.

Further, member Councils must sign individual contracts on the larger procures such as fuel, electricity, pipe relining and the like and this generates an avalanche of paper work and consideration. If Councils could receive a report up front that makes a commitment to a defined process, they should be able to proceed without having to go over the same ground at the end of a procurement process.

Solid thought should also be given to legislation for spot market procurement enablement such as the electricity and fuel markets.

Regarding the specifics of the recommendations:

- (i) agreed
- (ii) agreed
- (iii) agreed
- (iv) agreed

### **3.3.11 Capital Expenditure Framework**

*The Taskforce proposes:*

*(i) that a capital expenditure and monitoring framework be developed to enable the appropriate management of risk by councils. This framework should be tailored to risk levels, including significance of the project (including materiality and whole of life costs) and not based on arbitrary monetary thresholds or procurement vehicles.*

Agreed.

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<sup>1</sup> Local Government Procurement News May 2013

### **3.3.12 Public Private Partnerships**

*The Taskforce proposes that PPP projects continue to be subject to regulation and aspects that could be streamlined or simplified be identified and mechanisms for ensuring PPPs be considered for inclusion in the IPR framework.*

Centroc has no policy in this area and directs the taskforce to individual member submissions.

### **3.3.13 Acquisition of land**

*The Taskforce proposes:*

- (i) no change at this time to the acquisition of land provisions as they remain essential to council's continued service and infrastructure delivery, are generally working well and there are no strong reasons to support change.*
- (ii) council plans for the acquisition of land be linked with the IPR processes, and in particular the expressed opinion of the community in the community strategic plan on the need for additional public land or the sale of public land, be included in Delivery Program provisions.*

Centroc has no policy in this area and directs the taskforce to individual member submissions.

### **3.3.14 Public Land**

*The Taskforce proposes:*

- (i) the current processes for council land management, being complex and inconsistent with the Crown Lands regime, be simplified and complementary.*
- (ii) the Local Government Act:*
  - require councils to strategically manage council-owned public land as assets through the IPR framework*
  - balance reasonable protections for public land use and disposal where the land is identified as having significant value or importance*
  - end the classification regime of public land as either community or operational land and instead, require the council resolution at the time of acquiring or purchasing land to specify the proposed use or uses*
  - provide that a proposed change in the use or disposal of public land, including consultation mechanisms, should be dealt with through the council's asset management planning and delivery program*
  - retain the requirement for a public hearing to be held by an independent person where it is proposed to change the use or dispose of public land identified as having significant value or importance. The results should be reported to and considered by the council before a decision is made and proposals should be addressed through council's community engagement strategy*
  - recognise the LEP zoning processes and restrictions applying to council owned public land*
  - review the prescribed uses to which public land may be applied to accommodate other uses appropriate to the current and future needs of the community*
  - cease the need for separate plans of management for public land to be prepared and maintained, and in lieu, utilise the asset management planning and delivery program*
  - cease the need for a separate report to be obtained from the Department of Planning and Infrastructure where proposed leases and licences of public land are referred to the Minister for Local Government for consideration.*

Centroc has no policy in this area and directs the taskforce to individual member submissions.

### **3.3.15 Approval Orders and Enforcements**

*The Taskforce proposes:*

*(i) regulatory provisions be reviewed to ensure that the Act provides guidance on regulatory principles but contains flexibility and less prescription in their implementation, with statutory minimum standards or thresholds the council must meet, and councils discretionary 'on-the-ground' functions.*

Centroc agrees.

*(ii) within this framework, the prescriptive processes of approvals and orders be streamlined and, subject to risk assessment, be placed into regulations where possible, allowing the Act to focus on high priority areas and principles.*

Centroc agrees.

*(iii) certain approvals be repealed or transferred to other legislation, such as the installation of manufactured homes and the operation of caravan parks and camping grounds. Installation of domestic oil and solid fuel heating appliances should be transferred to the Environmental Planning and Assessment Act; approvals for filming activities on public land be deleted or transferred to other legislation; approvals for amusement devices be transferred to health and safety legislation; and approvals for engaging in activities on public roads be transferred to roads and transport legislation.*

This region would also add weeds management be referred to Local Land Services.

*(iv) given that maximum penalties have not increased since 1993, penalties for offences in the Act and Regulation be reviewed to ensure they are proportionate to the seriousness and nature of the offence, and act as a deterrent to re-offending.*

Centroc agrees.

*(v) to have regard to the findings and recommendations of the reports by IPART as they affect local government that are due mid-2013.*

Centroc agrees.

*The Taskforce invites comments as to whether there are currently activities requiring approval that are low-risk or redundant and therefore can be removed from the legislation.*

### **3.3.16 Water Management**

*The Taskforce will await the report and recommendations of the Independent Panel on water management so that the regulation of water by local government in NSW can be further considered. This will involve the determination of appropriate governance structures for water and sewerage delivery in those areas currently serviced by LWUs and water county councils. It will also resolve whether the constitutional and regulatory arrangements for new structures should remain in the Act or relocated into a more appropriate integrated legislative framework.*

This region is firmly committed to local communities retaining control over their water assets.

Members note that the recent IRP Paper supports this position.<sup>2</sup> Centroc members have formed a voluntary alliance called the Centroc Water Utilities' Alliance that has achieved national recognition for its efforts in delivering quality secure water supplies and sewerage services to 2059. Where both the State and the Federal Government have a growing recognition of the benefits of delivering best practice programming regionally, grants and other programming is being progressed through the CWUA. This is escalating rapidly contributing to over \$5m in next year's budget. The Centroc Board has recently approved the CWUA five year procurement program and work has commenced with the NSW Office of Water on reducing duplication. Legislation enabling regional programming will enable even greater benefits.

Please note that the region is looking for legislation enabling a growth in voluntary engagement by members. This would include enabling delegations and procurement provisions as well as allowing use of corporations and/or developing purpose built legislation enabling regional collaboration.

### **3.3.18 Performance of Local Government**

*The Taskforce will await the report and recommendations of the Independent Panel before considering any legislative provisions but invites submissions on whether the performance of local government and its constituent entities should be further monitored and reported.*

The region suggests that the Taskforce take great care to not introduce legislation that becomes a compliance burden of little value. There is great merit in benchmarked advice on Councils where process improvement is the outcome. There has been the suggestion of "just one report" where various State agencies draw their advice from the report.

While not in the remit of the Local Government Act, the Taskforce could also recommend a review of other regulations and State agencies with a view to rationalising the compliance burden. Centroc has been doing a lot of work around water and sewer compliance which it is currently negotiating with NSW Office of Water.

### **4.1 City Of Sydney Act**

*The Taskforce proposes that a separate Act for the City of Sydney be retained (pending the report and recommendations of the Independent Panel) noting that the Council is also subject to the provisions of the Local Government Act.*

Not applicable.

For further advice about this Submission please contact the Centroc Executive Officer, Ms Jennifer Bennett on 0428 690 935.

Yours sincerely,



Cr Ken Keith  
**Chair**  
Central NSW Councils (Centroc)

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<sup>2</sup> Independent Local Government Review Panel, Future Directions for NSW Local Government