

# Submission - Strengthening Your Community

(NSW Independent Local Government Review Panel -  
Consultation Paper - July 2012)

## Introduction

Given that the timeframe for the 'Strengthening Your Community' submissions coincides with the local government elections and the NSW local government caretaker provisions, this submission has been prepared on behalf of the Council by Randwick City Council staff. The submission will be presented to the new Council in October 2012 for endorsement. If the submission is not endorsed by the new Council, a further submission will be forwarded to the NSW Independent Local Government Review Panel in October clarifying Council's position.

Randwick City Council prides itself on its proactive approach to innovation and its commitment to shaping the local government of the future. Randwick has been instrumental in promoting analytical thinking about the issues and challenges that the industry faces and in promoting debate and discussion around possible solutions. Our commitment to innovation and original thought is evident in a number of industry leading projects and initiatives, including our:

- Online Guide for Candidates and Councillors
- Randwick App
- Mobility project (integrated computer system in Council trucks)
- Integrated Planning & Reporting framework (Randwick has become the industry benchmark)
- Long Term Financial Plan (Randwick has become the industry benchmark)
- Environmental projects.

Randwick has demonstrated a strong commitment to sharing our knowledge and experiences within the industry.

Randwick City covers an area of 37.42 square kilometres and includes 13 suburbs. The City is located in the eastern suburbs of Sydney, bounded to the north by Centennial Park, to the east by the Pacific Ocean and to the south by Botany Bay. Its natural coastline stretches for 29 kilometres, encompassing eight beaches, six ocean pools, extensive foreshore areas and a number of rocky headlands.

Our City's major regional facilities include the Randwick Hospitals Complex, the University of New South Wales, Randwick TAFE and many public and private schools. Part of the Port Botany area is within Randwick City. These facilities and our location close to the Sydney Central Business District (CBD) and Sydney Airport contribute to Randwick's relationship with the broader economy of Sydney. Apart from our famous surfing beaches, Randwick City is also the home to regionally significant recreational facilities such as Randwick Racecourse and five major golf courses. Randwick City consists mainly of residential areas and features small commercial/retail centres. More than 60 per cent of the City's dwellings are multi-unit and attached housing. Despite the high level of urbanisation, a significant proportion of Randwick's area (26 per cent) is designated as open space. The City has more than 70 parks and reserves, providing a habitat for more than 500 species of indigenous plants and 250 species of native animals.

In making this submission, Randwick City Council acknowledges that councils across NSW face unique challenges and that all councils face a broad and diverse range of issues within an environment of varying constraints (including financial sustainability, infrastructure backlogs, resource and skills shortages, housing affordability and other social issues).



## 1. What are the best aspects of NSW local government in its current form?

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- NSW local government councils currently have a high degree of **flexibility** in the way in which they respond to residents' expectations and needs. This allows for councils to deliver services using a variety of service delivery methods and that are tailored to the needs of the local community.
- Local councils in NSW are **leaders in their communities** as evidenced by:
  - Councils lobbying role
  - The range of services councils provide (from infrastructure provision to recreational services to community services, environmental services and local events)
  - The role of elected persons (ie. councillors represent the interests of the community and provide leadership)
  - Councils presence in the community (via local events; local newspapers and the media; and the internet and social media).
- The NSW **Integrated Planning & Reporting Framework** provides a mechanism that partners sound planning for the future with participatory democracy. It also provides a consistent platform that could be more fully utilised for regional planning and service delivery.
- NSW local government provides a range of services, seamlessly, under the umbrella of **one organisation for local communities**. Unlike State or Federal governments which also provide a range of services, but across many different organisations. Local government has the opportunity to better meet the community's needs, given the one organisational structure.
- Local councils are able to identify and **offer facilities and services that are tailored to their specific location and communities**. Given that local councils are the most accessible level of government, they can be more responsive and efficient (than other levels of government) in providing the services that their communities require and at the level that the community can afford or is willing to pay.
- Councils in NSW have many formal and informal means of **collaboration** with other councils, other levels of government and other organisations (both private and public sector) in order to best plan or provide for their communities.
- Local government is **directly accountable to local residents** and the community. This encourages service and infrastructure provision that is tailored to the community's specific requirements (including ability to pay).
- Local councils have the ability to **positively impact the community** (including the local business community) and this is evident in councils role in leading the community through change and in providing services that are tailored to their community's needs.



## 2. What challenges will your community have to meet over the next 25 years?

Key challenges for local government and communities are likely to be:

- ➔ **Financial sustainability** – in this regard, a review of the taxation system is required in order to ensure local government gets an equitable and reasonable share of the taxation revenue. The Financial Assistance Grants system should also be completely overhauled as the current process is outdated.
- ➔ **Integrated planning and reporting** – Randwick City Council supports the integrated planning approach. The challenge for the sector, however, is in taking full advantage of the IP&R Guidelines to assist with financial sustainability, asset management (including reduced infrastructure backlogs), human resource management, community collaboration and other sustainability issues. The guidelines provide a consistent platform that could be more fully utilised for regional planning and service delivery.
- ➔ **Social change** – population growth, aging population, attraction and retention of staff and housing affordability are all key issues for both the community and the local government sector. The pressures likely to be encountered are those attributed to built up areas experiencing low to medium but steady growth, such as; maintaining active and passive recreation spaces; traffic and transport issues; affordable housing/gentrification; safety concerns and environmental pressures. Broader demographic trends, such as an ageing population, also need to be planned for and addressed.
- ➔ **Regional responsibilities** – such as environmental responsibilities, transportation, regional sporting and entertainment facilities etc. Local councils need to be able to plan for change as part of a sound regional framework. Population growth in adjacent areas, for example, may impact on the facilities in another LGA e.g. use of beaches, parks, sports facilities, etc. Local councils need to be involved in this regional planning process.
- ➔ **Community involvement and engagement** - planning for change is, and will increasingly be, a challenge for local councils. Local and State governments need to work better together on gaining a common understanding of the community's needs.
- ➔ **Infrastructure planning and funding** – this issues goes hand in hand with long term financial sustainability and integrated planning and reporting. Long term planning for infrastructure needs must be dependable and reliable. Opportunities exist for operational and process improvements in service delivery, changes to roles, and generally fostering an environment in which the innovations of councils and/or community members are supported and fostered.
- ➔ **Governance issues** – local representation and the interaction between elected representatives and the community is the corner stone of local government. Residents pay land rates to local councils and expect their local council, in return, to deliver a range of services to them. As local issue become more complex, elected representatives will be under more pressure (with respect to time and knowledge) from local communities. This needs to be considered in the context of Councillor remuneration and training.



### 3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

1. **Review the revenue base** – Financial sustainability is the most important issue in NSW local government. Councils' sustainability hinges on five main factors: demographic trends, council revenue, council expenditure, financial management and council governance. NSW local government has three main sources of revenue: property taxes, fees and charges and intergovernmental grants. By international standards this is a very narrow funding base. It has been further limited by legislative restrictions on revenue-raising such as rate-pegging, falling grants in real terms and limits on charges and fees, all of which have stunted revenue growth and has resulting in local government income in NSW not keeping pace with either the growth in state or federal income or growth in state and national gross domestic product. Options to address these issues, such as the ability for a council to set its own rates based on the IP&R Guidelines and long term financial planning, need to be implemented. Expenditure is obviously a key factor in council sustainability. A key feature of expenditure resides in cost-shifting. The chief problem with cost-shifting is not the shifting of expenditure functions away from state and federal governments but rather the lack of accompanying funding.
2. Improve the efficiency of service delivery through **greater role definition** between elected representatives and staff and greater role definition of local government (which would in turn reduce cost shifting from the State Government).

With respect to inter-government roles and relationships - clear, unambiguous agreements and processes need to be established to allow the state and local governments to work together in an effective and efficient manner.

With respect to intra-government roles and relationships – Randwick believes training of Councillors should be mandatory. Diversity of Councillors should be encouraged and remuneration should certainly be increased.

3. More formal structure around **community engagement** – which needs to be tailored to the demographics of an area. The industry does not have a clear and shared understanding of the term 'community consultation' or 'community engagement' and there is confusion as to when it should occur and how it should be undertaken. There is no 'one size fits all' approach to engagement activities. There needs to be a consistent understanding across all levels of government of the definition of community engagement, the different levels at which engagement can be undertaken, and the principles for best practice community engagement.
4. **Greater resource sharing and cooperation** - Randwick City Council supports greater resource sharing and regional cooperation as an alternative to amalgamations. In this regard, Council supports the strengthening of Regional Organisations of Councils (ROCs) to provide for Regional and Sub-Regional Boards and suggests the establishment of Regional Boards (of General Managers) and Sub-Regional Boards (of Mayors and General Managers) to investigate major issues such as resource sharing, resource allocation and operational efficiencies. Providing a modified model for ROCs should result in the efficiencies of amalgamation while maintaining local democracy.
5. **Establish local government as an employer of choice** – there needs to be a transformation of external perceptions of local government. The objective of local government should be to create a high performance workplace and characterised by creativity, innovation, flexibility and competitiveness. Councils need to provide workplaces where there is synergy between personal missions and work challenges, and organisational achievement and a sense of community which will contribute to the overall social cohesion of local government and communities. In simple terms, this4



means that people will choose to work for local government as a career option. Part of working towards becoming an employer of choice sector needs to be the development and implementation of a mechanism for promoting and facilitating best practice industry wide. This needs to be considered in the context of Councillor remuneration and training.

