

Local Government NSW - Policy Review

April 2016

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Purpose

Local Government NSW (LGNSW) proposes to update its policy framework to better reflect the issues that matter most to members. We are seeking member feedback on the framework proposed.

Over time, LGNSW's Policy Statements have become outdated and grown to a set of 95 statements which cover a very broad range of issues. In short, they have become unwieldy for targeted, effective advocacy.

A refresh of the organisation's policy framework is needed to give LGNSW a clearer 'policy compass' for the core principles that are important to our members. These would be complemented by a set of policy statements on contemporary issues that would be regularly updated and endorsed by the LGNSW Board.

This document has been prepared to seek member feedback on:

- the proposed framework of policy principles and position statements
- the content and wording of the policy principles
- the suggested issues / topics for position statements

Following this consultation, LGNSW intends to submit the proposed framework and draft policy principles for resolution to the 2016 LGNSW Conference.

A set of Draft Policy Principles are presented here for members' feedback. A set of discussion questions are listed at the end of the document, and reproduced in a feedback form circulated with this paper.

Background

A key role of Local Government NSW is to advocate and make representations to politicians, decision makers and influencers about the issues that matter most to its members.

The methods LGNSW uses to understand the issues of concern to members are conference resolutions, Board-endorsed submissions and letters from members. These issues, and our position on them, are then developed into Policy Statements.

LGNSW's Policy Statements have become outdated and grown over time to a set of 95 statements which cover a wide range of issues. This large number of statements is also a legacy issue arising from the merger of the Local Government Association and Shires Association. When the two organisations merged and became LGNSW, the policy statements were combined and became LGNSW's "interim" policy statements. These "interim" statements now need review, and organisation's policy framework updated to give LGNSW clearer guidance on the principles and issues which our members want us to advocate for, on their behalf.

In February 2016, the LGNSW Board formed a Working Committee to review and revise the LGNSW Policy Statements, with the revised policy statement framework/content to be endorsed and referred from the August Board meeting to the 2016 LGNSW Conference.

The Policy Review Working Committee recommended the following approach (framework):

- **Overarching Policy Principles** - The Committee agreed that LGNSW's 95 Interim Policy Statements should be replaced by a smaller, more focused set of overarching Policy Principles to direct our response to key issues. The intent was that these Principles could be referred to in our submissions and interactions with other spheres of government and would be timeless. The Committee's recommendation was that these Policy Principles be put to members for endorsement at the 2016 conference.
- **Position Statements, sitting under the principles** – LGNSW would develop a range of Position Statements on particular issues as they arise or develop. The Position Statements might reflect more than one principle. So while the Policy Principle(s) endorsed by members would remain the same, new Position Statement(s) would be drafted and existing ones updated to reflect current issues. These Position Statements would go to the LGNSW Board for endorsement.

To summarise the process, it is envisaged that:

1. Draft Policy Principles will go to the LGNSW Conference for endorsement by members, and
2. Draft Position Statements will be submitted to the LGNSW Board for approval so they remain current.

Following the Federal Court decision in late March, a fresh vote for some of the LGNSW board director positions needs to be conducted. As a result Board Working Committees are not currently operating. To continue the important work of the Committee, this Discussion paper has been developed to gauge member feedback prior to taking the policy framework and draft policy principles to the 2016 LGNSW Conference.

Current LGNSW Policy Statements

The Local Government Association and the Shires Association had separate policy statements. The formation of LGNSW saw "interim" policy statements adopted, which are a combination of the Associations' policies. The 'interim' policy statements are available on the LGNSW website at: <http://www.lgnsw.org.au/files/imce-uploads/127/interim-policy-statements.pdf>. These statements are pitched at various levels (from high-level principles to specific technical details) and some are out dated. Motions put to conference in the last three years have also tended not to refer to or acknowledge these existing positions and the position statements do not reflect decisions from those conferences.

In 2013 the LGNSW Board endorsed a new approach to developing policy statements which recommended establishing underlying principles and position statements on key issues as they arise.

Policy Statements from other jurisdictions

A summary of the approaches taken by other State and Territory Local Government Associations in Australia, and internationally, is at Appendix 1. The general consensus is that, due to the breadth and complexity of issues for which policy positions could be articulated, a core set of fundamental principles that underpin the more issue-specific policies is favoured. This provides a 'policy compass' without being overly prescriptive, and enables our more detailed positions to evolve in step with issues.

LGNSW Draft Policy Principles

The Working Committee developed a set of 12 Draft Policy Principles which are presented here for members' feedback. A set of discussion questions are listed at the end of the document, and reproduced in a feedback form circulated with this paper.

Economic

1. Local government must have control of its revenue raising.
2. Local government demands fair funding for its infrastructure and service responsibilities (ie no 'cost shifting').

Infrastructure

3. Local government is best placed to plan for essential local infrastructure.

Planning

4. Local Government is best placed to lead and influence local and regional planning processes according to the needs and expectations of local communities.
5. Local government planning prioritises community quality of life.

Environment

6. Local government actions reflect Ecologically Sustainable Development principles:
 - a. Intergenerational equity – today's actions maintain or enhance the environment for future generations
 - b. Precautionary principle – prevent environmental degradation
 - c. Conservation of biological diversity
 - d. Improved valuation and pricing of environmental resources – recognising the value of the environment to the community.

Social and community

7. Local government services embody the principles of Social Justice:
 - a. Equity – fair distribution of resources
 - b. Rights - equality for all people
 - c. Access – to services essential to quality of life
 - d. Participation – of all people in their community.

Governance

8. Local government must be constitutionally recognised and respected as an equal sphere of government.
9. Local government is democratically elected to shape, serve and support communities.
10. Local government is committed to the principles of good governance.

Commitment

11. Local government is responsible and accountable to the citizens and the communities they represent through consultative processes, legislative accountabilities, efficient delivery of services and effective customer service.
12. Local government is a responsible and ethical employer.

Suggested Topics for Position Statements

Under the broad Policy Principles, the following are some examples of other areas where specific position statements could be developed:

- Constitutional recognition of Aboriginal people
- Strong and inclusive communities
- Sustainable library services and programs
- Natural resources
- Climate change
- Extended producer responsibility
- Sustainability
- Revenue and funding
- Planning
- Infrastructure
- Constitutional recognition of local government
- Democracy and governance

Examples of Position Statements

The following are draft Position Statements which are provided as examples of what may be covered in a statement where LGNSW may wish to adopt a more detailed position on an issue.

The three examples provided in this paper are:

- Strong and Inclusive Communities
- Infrastructure
- Climate Change

Example 1

Strong and Inclusive Communities – Position Statement

Policy Principles

This Position Statement relates to the following Policy Principles of LGNSW:

2. Local government demands fair funding for its infrastructure and service responsibilities.
7. Local government services embody the principles of Social Justice:
 - a. Equity – fair distribution of resources
 - b. Rights - equality for all people
 - c. Access – to services essential to quality of life
 - d. Participation – of all people in their community.

Current Position

Local government in NSW is central to planning for inclusive communities and building social capital and community cohesion. Local government recognises that there are particular needs arising from communities of geography and identity that require local responses. Local government respects the right to self-determination and supports reconciliation with Aboriginal people.

Local government is well positioned to continue its lead role in building the inclusiveness of the local community, by coordinating and supporting local area activities. As a regulator, Local Government makes a positive impact on the inclusiveness of the community through development controls, public domain management policies and strategic planning.

As a service provider, local government meets the gaps in service provision when there are no other providers, particularly in rural and remote areas. It also supports other providers by accommodating services in council buildings and providing local facilities for services and support activities. Local government is a significant provider of services to all members of the community including older people, people with disability, families, children, young people, aboriginal people and people from all cultures and backgrounds. These services are most effective when they are appropriately resourced, intervene early and take a harm minimisation approach to create safe and liveable communities.

Effective linkages between local, other spheres of government and the private sector are essential to creating inclusive communities. Funding for community development positions in Local Government is augmented by Local Government by around 60% on average, representing a significant value add to the investment by NSW and Commonwealth governments.

Future Direction

Local government must be funded for the role it plays in community capacity building and supporting inclusion. In particular, local government must be funded to develop Disability Inclusion Action Plans.

Date Created: 8 March 2016

Date reviewed:

Example 2

Infrastructure – Position Statement

Policy Principles

This Position Statement relates to the following Policy Principles of LGNSW:

1. Local government must have control of its revenue raising.
2. Local government demands fair funding for its infrastructure and service responsibilities.
3. Local government is best placed to plan for essential local infrastructure.

Current Position

Local government is an effective and efficient infrastructure planner and deliverer, and is very good at identifying local needs based on their strategic integrated planning processes. Our infrastructure responsibilities include local road and bridge networks, local water and sewerage utilities, stormwater and water cycle management, buildings and facilities, regional airports and aerodromes, parks, recreation, cultural, family and community services facilities, and a range of other infrastructure vital to local communities.

Infrastructure comprises the assets needed to provide people with access to economic and social facilities and services. In general, infrastructure facilities are fixed in place, are expensive and time consuming to plan and build, are durable and have on-going operating costs. Infrastructure requires increasing maintenance as the asset ages and periodic replacement of components is required to compensate for wear and tear to prolong the asset's life. Infrastructure often has environmental and social benefits that cannot be fully recovered by user charges.

NSW local government strongly advocates increased infrastructure investment by all spheres of government and recognises the need for strategic planning and investment across Australia and within NSW for these shared infrastructure responsibilities. Councils are at the coalface when it comes to infrastructure. They are acutely aware of their own infrastructure backlogs and they are equally aware of the national and state infrastructure deficiencies in their communities.

It is also necessary to understand the financial impacts on councils often associated with large scale national or state infrastructure projects and population growth generally. Growth generated by such projects often creates additional demand for local infrastructure and facilities (e.g. parks, roads, sporting facilities, community facilities). Programs need to recognise this and ensure financial assistance is provided to councils where required.

Future Direction

LGNSW supports fairer funding of infrastructure provided through long established partnerships between Australian, NSW and local governments for shared infrastructure and service responsibilities.

Date Created: 8 March 2016

Date reviewed:

Example 3

Climate Change – Position Statement

Policy Principles

This Position Statement relates to the following Policy Principles of LGNSW:

- 6..Local government actions reflect Ecologically Sustainable Development principles:
- Principle of integration – consideration of environmental, economic and social impacts in decision making.
 - Intergenerational equity – today’s actions maintain or enhance the environment for future generations
 - Precautionary principle – lack of full scientific certainty should not delay action to protect the environment; avoid serious or irreversible damage to the environment wherever practicable, and an assessment of the risk-weighted consequences of various options.
 - Conservation of biological diversity
 - Improved valuation, pricing and incentive mechanisms – including polluter pays; prices include the full life cycle of the costs of providing goods and services; and environmental goals should be pursued in the most cost effective way to enable those best placed to maximise benefits or minimise costs to develop their own solutions and responses to environmental problems.

Current Position

Local government recognises four priority areas for action to address climate change:

- reduction of Australia’s carbon emissions through effective mitigation strategies;
- planning for and adapting to a changing climate;
- significant structural adjustment in businesses and communities which may arise from transitioning to a low carbon economy and adapting to the impacts of climate change; and
- the provision of leadership and support for both councils and their communities.

NSW local government supports an integrated approach to the development and implementation of climate change mitigation and adaptation strategies, including shared responsibility and collaboration across all levels of government, industry and the community.

Local government supports long term and strategic consideration of climate change issues across the range of local government functions and services.

NSW local government supports reducing carbon emissions through a polluter pays market mechanism rather than financed through limited public funds. Measures to reduce emissions should come from all sectors of the economy including energy generation, mining, transport, waste, buildings and agriculture.

NSW local government also supports policies that promote the use and further development of renewable energy; and practices that conserve energy and/or increase energy efficiency. Complementary policies also need to focus on adapting to the impacts of climate change.

Local government supports global agreements to reduce carbon emissions and believes that Australia should be a signatory to a binding global response and strategy.

Future Direction

Local government calls on other spheres of government to continue to work with and support councils to reduce the risk of climate change impacts on the community.

Date Created: 8 March 2016

Date reviewed:

Questions for response

Please consider the following questions and provide your feedback via the enclosed form.

1. What do you see as the purpose of the LGNSW policies?
2. Do you agree with the approach of having high-level principles with more detailed position statements on issues? If not, please specify preferred approach.
3. What do you think should be the process for determining policy principles and position statements – Conference, Board or LGNSW staff initiated? Other? Please specify.
4. What should our policy principles cover, and should the principles be aligned to the LGNSW Strategic Plan?
5. What key areas should we develop position statements for?
6. What form/format should the position statements take?

Appendix 1 – Approaches in Other Jurisdictions

Victoria (Municipal Association of Victoria - MAV)

MAV sets out its policy directions for each year (financial) in the form of a strategic plan, rather than a standalone set of policy statements.

“The broad work plan addresses core issues impacting local government in Victoria. Actions are based on their capacity to assist councils effectively and efficiently carry out their operations in the context of persistent economic uncertainty and fiscal constraint.

A smaller number of issues are identified as high priority. These are based on issues consistently identified by members through consultation sessions and assessed as rating highly against the following criteria:

- *the magnitude of impact the issue is likely to have on councils and their communities;*
- *the number of councils affected by the issue;*
- *the political ramifications of the issue for effective intergovernmental cooperation;*
- *the immediacy of the issue; and*
- *the likelihood of influencing an outcome in local government’s favour.”*

Local Government Association of South Australia (LGASA)

http://www.lga.sa.gov.au/webdata/resources/files/LGA_Policy_Manual_-_2012.pdf

The LGASA takes its direction from three documents; its Constitution, Policy Manual and Strategic Plan. The Policy Manual contains firm policy statements and seems to be more of a roadmap for member councils to adhere to than a set of statements describing the policy positions of the Association for the interest of others. The overarching principles of the LGASA are:

1. People have a right to involvement in a local democratically elected system of Local Government to shape, serve and support communities.
2. Councils are responsible and accountable to the citizens and the communities they serve through elections, consultative processes, legislative accountabilities, efficient delivery of services and effective customer service.
3. Councils will better serve their communities if Councils work together to achieve organisational efficiencies.
4. Councils make better decisions when their communities are informed, aware of available options, able to access relevant information, and able to make their views known to their elected representatives.
5. Local Government has a right to participate as an equal partner in the Australian system of government and has a right to an equitable share of public resources commensurate with its responsibilities.
6. Councils will better serve the South Australian Public if they speak with one voice on key issues through the Local Government Association of SA.

7. The LGA has a leadership role within Local Government and a representative role with other spheres of government and Parliaments on behalf of Councils.

Western Australia Local Government Association (WALGA)

<http://walga.asn.au/AboutWALGA/WALGADetailsContacts/StrategicPlan20102015.aspx>

WALGA does not appear to have a standalone policy document. Broad policy directions are set out in the strategic plan which spans five years (2010-2015). Some discrete policy areas do have their own policy statements, for example, genetically modified foods or waste management.

“Our Strategic Plan sets the Association’s broad policy direction for the next five years, identifying those issues which require priority focus and forming the foundation for all other planning. It is the result of considerable work undertaken collaboratively by the Association’s State Council and staff, and incorporates significant consultation with our Members.”

Local Government Association of the Northern Territory (LGANT)

LGANT has a standalone policy statements document which comprises a set of specific policy positions endorsed by LGANT. The policy statements themselves make no mention of their relationship to LGANT’s strategic plan but the strategic plan does indicate that it “provides overarching guidance for the determination of LGANT policy and programs”.

“LGANT develops policy statements on behalf of its members setting the sector wide stance on a variety of issues.”

“The Local Government Association of the Northern Territory develops and advocates policy positions on behalf of its member councils for a number of key areas. Policy priorities and decisions are made through LGANT General and Executive meetings. Many issues also arise from Territory and Australian government policies and programs.”

Local Government Association of Queensland (LGAQ)

http://www.lgaq.asn.au/c/document_library/get_file?uuid=9cf7049be6c833be8c23370ab5adad88&groupId=10136

LGAQ does have a standalone policy statements document produced each calendar year. The document is presented and seems to be used in a fashion fairly similar to that of the LGASA’s policy statements.

“The Local Government Policy Statement provides a comprehensive record of the fundamental principles and position of Local Government on the diverse range of issues impacting on Local Government.

Policies for Local Government are developed in a variety of ways. These policies are then included in the Policy Statement, subject to approval at the LGAQ Annual Conference.

The three mechanisms by which new and amended policies are developed include:

- *On the basis of resolutions at the LGAQ Annual Conference;*

- *On the basis of resolutions of the LGAQ Policy Executive between Annual Conferences; and*
- *Annual review of the Policy Statement involving the LGAQ Policy Executive, Directorate and LGAQ Reference/Advisory/Segment Groups.*

Local Government Association of Tasmania (LGAT)

The Strategic Plan is presented as the document which guides the work of the Association.

“The Association develops and advocates policy positions on behalf of its member Councils. Policy priorities and decisions are made through the General Meetings of Councils. Many issues also arise from state and national government proposals and priorities.”

International approaches

A number of Local Government peak bodies from the UK Local Government Association to the League of California Cities have moved away from having compendious Policy Statements in favour of a range of more strategic approaches.

The UK Local Government Association works on a short but well worded vision covering the following four lead ideas (namely: ‘changing lives’, ‘efficient’, ‘accountable’ and ‘reliable’) and an annual LGA Business Plan which focuses on achieving outcomes. These in turn are supported by campaigns. [The UK Local Government Association has 423 local authorities as members including English local councils, Welsh councils via the Welsh LGA, and fire, national park, passenger transport and police authorities, plus one town council.]

The 2015-16 Business Plan focuses on:

1. **Funding for local government** – reforms to the finance system give councils the confidence that their financing is sustainable and fair, opportunities to raise more funds locally and greater ability to promote collective working across local public services.
2. **Devolution** – a radical re-think of governance and accountability achieves a real shift in power to local people.
3. **Promoting health and wellbeing** – councils are well placed to support their citizens to live healthy, active lives and to remain at home and independent for as long as possible.
4. **Economic growth, jobs and housing** – councils are recognised as central to revitalising local economies.
5. **Sector-led improvement** – councils are responsible for their own performance, effectiveness and efficiency, accountable before all else to their local communities.

The League of California Cities also appears to work in similar way. Every year the League of California Cities members and leadership work together to set strategic priorities for the next 12 months. These priorities focus their legislative and advocacy activities and serve as a tool for advancing local control. [The League of California Cities is an association of California city officials who work together to enhance their knowledge and skills, exchange information, and

combine resources so that they may influence policy decisions that affect cities. In California Mayors and senior staff are covered by the term 'city officials'.]

The 2016 Strategic Goals are:

- 1. Increase Funding for Critical Transportation and Water infrastructure.** Provide additional state and federal financial assistance and new local financing tools to help meet the critical transportation (streets, bridges, active transportation and transit) and water (supply, sewer, storm water, flood control, etc.) infrastructure maintenance and construction needs throughout California's cities.
- 2. Improve Housing Affordability.** Increase state and federal financial support, reduce regulatory barriers, and provide additional incentives and local financial tools to address chronic homelessness and improve housing affordability and availability in cities throughout the state.
- 3. Update the Local Government Tax Structure to Respond to the New Economy and Stimulate Economic Growth.** Consistent with existing constitutional protections for property, sales and local taxes, develop and enact reforms to the local government tax structure to respond to the growth in e-commerce, the shift from the consumption of goods to the consumption of services, changing patterns of commerce and innovations in technology.