

Mayor: Cr B Longland

Councillors: P Youngblutt (Deputy Mayor)

D Holdom K Milne W Polglase K Skinner J van Lieshout

Agenda

Extraordinary Council Meeting Tuesday 7 August 2012

held at Murwillumbah Cultural and Civic Centre commencing at 2.00pm

COUNCIL'S CHARTER

Tweed Shire Council's charter comprises a set of principles that are to guide Council in the carrying out of its functions, in accordance with Section 8 of the Local Government Act, 1993.

Tweed Shire Council has the following charter:

- to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively;
- to exercise community leadership;
- to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism;
- to promote and to provide and plan for the needs of children;
- to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- to have regard to the long term and cumulative effects of its decisions;
- to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible;
- to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government;
- to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants;
- to keep the local community and the State government (and through it, the wider community) informed about its activities;
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected;
- to be a responsible employer.

Items for Consideration of Council:

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ORDINARY ITEMS FOR CONSIDERATION

REPORTS THROUGH THE GENERAL MANAGER

REPORTS FROM THE DIRECTOR PLANNING AND REGULATION

MATTERS FOR CONSIDERATION UNDER SECTION 79(C)(1) OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

The following are the matters Council is required to take into consideration under Section 79(C)(1) of the Environmental Planning and Assessment Act 1979 in assessing a development application.

MATTERS FOR CONSIDERATION

- 1. In determining a development application, a consent authority shall take into consideration such of the following matters as are of relevance to the development the subject of that development application:
 - (a) the provisions of
 - (i) any environmental planning instrument; and
 - (ii) any draft environmental planning instrument that is or has been placed on exhibition and details of which have been notified to the consent authority, and
 - (iii) any development control plan, and
 - (iv) any matters prescribed by the regulations,

that apply to the land to which the development application relates,

- the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts of the locality,
- (c) the suitability of the site for the development,
- (d) any submissions made in accordance with this Act or the regulations,
- (e) the public interest.



1 [PR-CM] Council Submission on "A New Planning System for NSW" Green Paper

SUBMITTED BY: Director Planning and Regulation



SUMMARY OF REPORT:

On 14 July 2012, the NSW Government released the document "<u>A New Planning System for NSW – Green Paper"</u>.

The 23 recommendations of the Green Paper is the NSW Government's initial response to the report "The Way Ahead for Planning in NSW" undertaken by an Independent Panel which contained 374 recommendations.

The Green Paper has now been released for community consultation, following which the Government will release a White Paper and Exposure Bill for further public consultation.

The Government intends to present new planning legislation to the Parliament in early 2013.

The Green Paper sets out a blueprint for change in the following areas:

- Community participation The major shift in the new planning system is to engage communities as an integral part of making key planning decisions that will affect the growth of their communities.
- Strategic focus A major shift to evidence based strategic planning in terms of planning effort, community and stakeholder engagement and decision making.
- Streamlined approval A shift to a performance based system in which
 duplicative layers of assessment have been removed, decisions are fast and
 transparent, and code complying development is maximised.
- **Provision of infrastructure** A genuine integration of planning for infrastructure with the strategic planning of land use so that infrastructure that supports growth is funded and delivered.

The Government intends the new legislation to be an 'enabling Act', establishing the broad framework of the planning system. Detailed controls will be contained in guidance and good practice advisory notes.

(NB. Acknowledgement - part of the above summary has been adapted from a web site article of Lindsay Taylor Lawyers dated 17 July 2012.

The submission period on the Green Paper has been extended for local councils until 5 October 2012.

Arising from the discussion held at a Councillors Workshop held on 31 July, and various officer meetings, it is recommended that this report form the basis of a submission to the NSW Department of Planning and Infrastructure on the Green Paper.

RECOMMENDATION:

That Council endorses that this report forms the basis for a submission to the NSW Department of Planning and Infrastructure on the document "<u>A New Planning System for NSW – Green Paper</u>", July 2012.

REPORT:

A New Planning System for NSW

On 14 July 2012, the NSW Government released the document "<u>A New Planning System for NSW – Green Paper</u>".

The 23 recommendations of the Green Paper is the NSW Government's initial response to the report "The Way Ahead for Planning in NSW" undertaken by an Independent Panel which contained 374 recommendations.

The Green Paper has now been released for community consultation, following which the Government will release a White Paper and Exposure Bill for further public consultation.

The Government intends to present new planning legislation to the Parliament in early 2013.

The Green Paper sets out a blueprint for change based on four main themes:

- 1. Community participation
- 2. Strategic focus
- 3. Streamlined approval
- 4. Provision of infrastructure

Further details on the contents of the Green Paper are provided in the section below.

The Government intends the new legislation to be an 'enabling Act', establishing the broad framework of the planning system. Detailed controls will be contained in guidance and good practice advisory notes.

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Outline of the Main Contents of the Green Paper

The Green Paper document provides the following summary of the main objectives of the new planning system:

- involving the community early in guiding planning decisions that will shape the growth and future of our cities, towns, and neighbourhoods;
- placing much more emphasis on preparing good policies upfront to guide growth and development;
- reducing red tape and delay for the assessment of development applications for all types of proposals;
- ensuring that infrastructure is planned and delivered to support new and existing communities;
- promoting a 'can do' culture in the planning system and ensuring that councils and the government are accountable for delivering the results they have committed to; and
- providing greater access to information about planning policies, planning decisions, and your rights in the planning process.

Blueprint Themes

A summary of the details of the four main Blueprint themes are provided below (also refer to Figure 1 for diagrammatic summary):

FIGURE 1 BLUEPRINT FOR CHANGE: A NEW PLANNING SYSTEM FOR NSW

Community Participation

Effective community participation in planning at the strategic stages

- Public Participation
 Charter to require the appropriate level of community participation in plan making and development assessment
- Strategic community
 participation to enable
 effective and early
 community participation
- Transparency in decision making to increase public access to the evidence base for decisions
- Information technology and e-planning to simplify and improve community access to planning information and processes

Strategic Focus

Increased emphasis on strategic planning as the basis for all planning outcomes and to remove duplication

- NSW Planning Policies replace SEPPs and Section 117 Directions and provide practical high level direction
- Regional Growth Plans to align strategic planning with infrastructure delivery
- 7. Subregional Delivery Plans that affect immediate changes to zones, are based on evidence in Sectoral Strategies and linked to Growth Infrastructure Plans
- Local Land Use Plans with strategic context and performance based development guidelines
- New Zones to capture investment opportunities and preserve local character

Streamlined Approval

Faster and less complicated Development Approval as issues are resolved strategically

- 10. Depoliticised decision making with development decisions streamed to independent experts
- 11. Strategic compliance to allow development that complies with strategic planning to proceed
- 12. Streamlined state significant assessment to deliver major projects sooner
- 13. Smarter and timely merit assessment with requirements matching the level of risk
- 14, Increasing code assessment to reduce transactions costs and speed up approvals for complying development
- 15. Extended reviews and appeals to increase the accountability of decision makers

Provision of Infrastructure

Linking planning and delivery of infrastructure to strategic planning for growth

- 16. Contestable infrastructure to enable greater private sector participation
- 17. Growth Infrastructure Plans to link strategic plans with infrastructure provision
- 18. Affordable infrastructure contributions to provide a fairer and simpler system to support growth
- Public Priority
 Infrastructure
 to streamline assessment
 for major infrastructure
 delivery

Delivery Culture

- 20, Chief Executive
 Officers Group to
 provide a whole of
 government approach
 to implementation
- 21. Regional Planning Boards to oversee regional and subregional strategic plan making
- 22. Mandatory performance monitoring to publicly track performance towards achievement of strategic plans at all levels
- 23. Organisational reform to resource strategic planning and improve the culture of planning at all levels

Community participation

The State Government is seeking earlier community involvement at the strategic stage. To improve community participation in planning, the Green Paper proposes:

- a Public Participation Charter to require the appropriate level of community participation in plan-making and development assessment;
- **strategic** community participation (with a focus on public input at the strategic planning phase instead of the individual project application phase);
- transparency in decision-making to increase public access to the evidence base for decisions; and
- **information technology and e-planning** to simplify and improve community access to planning information and processes.

Strategic focus

More decisions on land use, zoning and development control will be made in the strategic stages of the planning process, and planning instruments will change:

- NSW Planning Policies will replace SEPPs and Section 117 Directions and provide practical high-level direction;
- Regional Growth Plans will align strategic planning with infrastructure delivery;
- Subregional Delivery Plans will affect immediate changes to zones, and will be based on evidence in Sectoral Strategies and linked to Growth Infrastructure Plans;
- Local Land Use Plans will be put in a strategic context and will provide performance-based development guidelines; and
- new Zones will capture investment opportunities and preserve local character.

All these plans will have common elements, including:

- integrated land use and infrastructure planning
- operational components to deliver infrastructure and services
- incorporation of all government agency requirements so no concurrence or referrals at the zoning or development application stage; and
- opportunities for streamlined decision-making at development stages.

Streamlined approval

The Green Paper's goal is "that an applicant knows what the assessment path will be, what the requirements for lodgement and assessment will be and who will determine the application". Key streamlining features include:

- depoliticised decision-making independent experts would be given a greater role in development decisions;
- strategic compliance to allow development that complies with strategic planning policies to proceed;
- streamlined State significant assessment to deliver major projects sooner;
- smarter and timely merit assessment with requirements matching the level of risk;

- expanding the scope of complying development and code-based assessment, to reduce transaction costs and speed up approvals for simpler, more standardised forms of development; and
- extended reviews and appeals to increase the accountability of decisionmakers – it appears that avenues for review and appeal will be expanded rather than reduced.

Provision of infrastructure

The intention is to link planning and delivery of infrastructure to strategic planning for growth via:

- contestable infrastructure to enable greater private sector participation in infrastructure delivery;
- Growth Infrastructure Plans to link strategic plans with infrastructure provision;
- affordable infrastructure contributions to provide a fairer and simpler system to support growth; and
- Public Priority Infrastructure to streamline assessment for major infrastructure delivery.

(NB. Acknowledgement - the above summary has been adapted from a web site article of Clayton Utz Law Firm, dated 17 July, 2012).

Recommended Submission Comments and Issues

Introductory Comment

It is considered that the State Government should be commended for their independent, well researched and consultative program that has underpinned the Green Paper, including some of the more notable initiatives:

- Good analysis of the problems of the existing planning system, well informed by a comprehensive consultation with stakeholders;
- Extensive efforts to review current best practice both nationally and internationally;
- Priority given to developing a clearer, more integrated strategic planning framework;
- Mandating early consultation with the community;
- Emphasis on transparency and certainty in decision making; and
- Greater use of e-planning

From an observation of the initial industry feedback on the Green Paper, there appears to be a broader support for the general approach and principles of the new system. However, there are a number of areas which lack detail at this stage, which provide Council with the opportunity to apply their experience and practical knowledge to assist the State Government in shaping a more workable system through the upcoming White Paper process.

The following section provides an identification of those areas which Council have initial concerns with, accompanied by a series of recommended actions for improvement.

Issue 1 - Reduction of Role of Elected Councillors

The role of elected Councillors has traditionally provided the most direct form of democratic representation and influence on local government decision making, particularly in respect of planning and development assessment matters. The Green Paper proposes a fundamental shift of the role of Councillors.

Since the initial public release of the Green Paper, the State Government has produced an additional publication titled "Frequently asked questions for Councils", which is provided as an attachment to this report, and clarifies some of the elements of the proposed role of elected Councillors.

In terms of the proposed role of Councillors, this publication includes the following:

"WHAT IS THE ROLE OF COUNCILLORS IN THE NEW PLANNING SYSTEM?

The new planning system will engage councillors in strategic planning so they are involved in setting the broad direction for both their council area and its communities as well as the surrounding region.

Councillors' role in making decisions on local development applications remains unchanged. However the Green Paper strongly encourages councillors to consider the option of delegating their decision making powers for local development applications to council staff or Independent Hearing and Assessment Panels established by Council.

This approach is already being used by many councils in NSW, including around a quarter of all councils in the Sydney area."

On a broader level, one of the key objectives outlined in the Green Paper is to "depoliticise" the new planning system particularly in respect of decision making on development assessment matters. With the proposed co-existence of Joint Regional Planning Panels and Independent Hearing and Assessment Panels designed to manage larger local development applications, it would appear that it is the State Government's preference at this stage to ultimately exclude elected Councillors from fully participating in development assessment processes, and establishing a role that focuses more on input to regional and local strategic planning processes.

The proposed reduction of the role of elected Councillors is considered to threaten the extent of local representation of local communities on major development and policy decisions. This loss of community representation has already been experienced to date through the creation of Joint Regional Planning Panels (JRPP) to determine major development applications, whereby there have been a number of instances where the local community and elected Councillors clearly opposed developments that were approved by the JRPP.

It is considered that the State Government can achieve its goals of a transparent, depoliticised process by establishing clear standards of performance and transparency to enable elected Councillors to continue to participate in a development consent role for non-Code assessable proposals, and also be represented on the proposed Regional Growth Boards, thereby allowing them to have more meaningful input to the preparation of regional plans and subregional delivery plans, at the front end of the planning process.

This is a critical issue for local councils particularly in light of the upcoming debates on the future role and structure of local government through the proposed reform processes of the State Government's Destination 2036 Action Plan.

Given the complexity of the proposed cultural change in the NSW Planning System, there also appears to be merit in all newly elected Councillors to be provided with mandatory training on relevant planning legislation and decision making.

Recommended Action:

That Council:

- a. Advises the State Government that it opposes the complete removal of a development assessment role among elected Councillors; and
- b. Requests the State Government to consider a form of continuing involvement of Councillors in the development assessment process, to be accompanied by a mandatory training program for newly elected Councillors in town planning.

<u>Issue 2 – The Ability of the Community to Effectively Influence the New Planning System</u>

The Green Paper provides a range of highly commendable mechanisms for community groups and individuals to participate in the New Planning System, particularly through the proposed Public Participation Charter and the emphasis on an earlier input at a strategic planning stage.

However, the State Government has not sufficiently outlined to date how local community members will be given the necessary incentive and education to have effective input and representation on high order strategic planning processes, a process which has proven to date to be very difficult to gain participation and broader representation at such an early stage of the development planning cycle.

This concern is heightened by the lack of detail in the Green Paper regarding the resourcing and future management of the Regional Plans and Regional Board proposals.

Recommended Action:

That Council requests the State Government to consider:

- The resourcing of a comprehensive program of community education on the new NSW Planning System as a means of encouraging a more effective participation in the proposed regional planning processes and administration of Regional Growth Boards;
- b) Providing a clearer explanation on the level of involvement of community groups and individuals in the preparation of Regional Growth Plans, and
- c) Professional training for newly elected Councillors in strategic or community planning.

Issue 3 – Strategic Focus

The State Government's commitment to a comprehensive, integrated and evidence based strategic planning hierarchy should be commended.

However, there are major gaps in the processes within the Green Paper surrounding the timing, sequencing, resourcing and administration of the Regional Plans and the Regional Growth Boards.

Tweed Shire Council seeks certainty in understanding if it will be defined as a growth area to allow for the appropriate levels of resourcing to be allocated from the State Government for strategic planning.

It would appear that the State Government has strong expectations that local councils will provide the main financial and staff resourcing of the regional processes, which is a major concern given the expected decline in income that councils will be able to derive from the fees of the new, streamlined development approvals processes.

There is also further uncertainty on the future role and operations of these regional planning processes in relation to the emerging local government reforms of the State Government's Destination 2036 Action Plan (Attachment 2 of this report provides some relevant excerpts from this Action Plan). In this regard, the State Government needs to provide clearer direction on the criteria and timing for formulating new regional administration and growth areas, beyond those identified in the Green Paper. Without that direction it is difficult for local councils, let alone local communities, to begin to conceptualise how this new regional process will be implemented.

As mentioned above in Issue 1, there are major concerns for the extent of local community representation in these regional planning processes should Councillors be excluded from participating on the Regional Growth Boards, which poses the further question, who will ultimately be accountable for the decision making of these processes? Local communities are being asked to place a lot of faith in the Green Paper's emphasis on up-front consultation for determining the future patterns of development, and the resulting deemed approval of those code complying developments. It is considered important that local communities have adequate representation in the initial strategic planning processes.

The State Government has a major task in seeking a collegiate and integrated approach from other government agencies, and other levels of government in implementing the new State and Regional Plans. The lack of co-ordination of the other agencies on major planning policies has been a significant problem in the past.

Other pertinent matters that need to be explained in the White Paper are the life span, the owners of the process, and the expected review periods of the proposed regional plans.

The effectiveness of any regional planning process will also be influenced by the ability to resolve at a high order the very technical and complex development issues relating to other relevant legislation such as the Commonwealth Environment Protection and Biodiversity Act, and the State based Threatened Species Conservation Act 1995 (through s5A of the EP&A Act) and Part 6 of the National Parks and Wildlife Act 1974 as it relates to Aboriginal objects and places. The assessment of these legislative instruments currently generates a major time and resource burden at the lower level DA stage. Priority must be given in any higher order regional planning processes for relevant Commonwealth and State Government agencies to work closely and co-operatively with Regional Growth Boards in providing a more certain path for new development to proceed, and thereby reduce the extent of assessment required in the later DA stage.

The effectiveness of any future regional strategic planning has an added complexity for the Tweed Shire given its cross-border issues and relationships with the Gold Coast, one of the largest cities in Australia. The Lower Tweed is an integral and continuous part of the Gold Coast/Tweed urban area with a combined population of around 612,000, and, reciprocally shares in the combined areas economic, social, sporting, leisure, health and public transport resources. Any northern region planning needs to address and respond to these issues.

Recommended Action:

That Council requests the State Government to:

- (a) Provide greater clarity, timing, sequencing, resourcing, representation and administration of the Regional Plans and the Regional Growth Boards, and reinforce the importance of a more effective, integrated and co-operative input from other NSW government agencies, and other relevant levels of government in these regional processes, particularly in providing higher order assessment and certainty under their own related legislation; and
- (b) Provide institutional arrangements in a future planning act to enable strategic landuse and infrastructure planning of Tweed Shire to be in partnership with relevant Queensland Government agencies and the Gold Coast City Council.

Issue 4 - Simplifying Local Land Use Plans

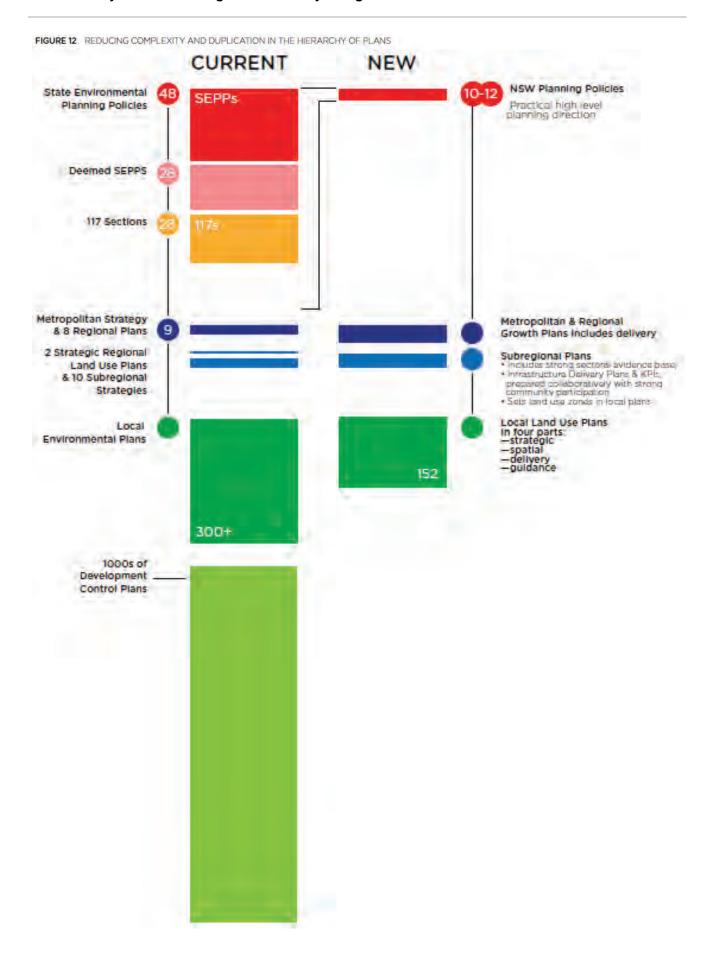
The Green Paper's proposal to move away from rigid development controls to local land use plans (LLUP) that provide first and foremost a strategic vision and context, which is then reflected in the actual zoning scheme, is to be commended in terms of its best practice approach.

The LLUPs are comprised on four discreet but interconnected parts whereby the strategic context embodying the planning and development outcomes is to be underpinned by an outline of the supporting infrastructure servicing and flexible development guidelines that are desirable to the market. Performance and monitoring indicators for ascertaining the achievement of the strategic objectives are also proposed.

LOCAL LAND USE PLANS PART A PART B PART C PART D Spatial Land Infrastructure Strategic Development **Use Plan Guidelines** and and Services Performance Monitoring This part will provide: This part will provide: This part will provide: This part will provide: a clear, simple, plain English explanation of Standardised zoning based on a reformed more flexible standard An outline of All necessary guidelines/ infrastructure (local, regional and State) to be provided to support performance measures for development. the strategic framework that the plan is trying to implement. It will reflect: Development guidelines/ instrument development including performance measures Local land use allocation timing and delivery mechanism will inform and provide context to assist in NSW Planning Policies to reflect strategic planning the assessment of -regional (including This part will be closely development proposals metropolitan) and linked to the local infrastructure funding subregional planning outcomes Provisions for code plan assessable development -Local council strategic Key performance indicators and monitoring requirements to assess direction -Community expectations the Plan's performance in achieving the planning and development -concise statements on the desired planning and outcomes articulated in Part A development outcomes to be achieved across the local government area This part will draw on the existing *Community* Strategic Plans prepared by councils

FIGURE 11 PROPOSED STRUCTURE OF LOCAL LAND USE PLANS

Whilst the move to embody these important structural elements is generally supported, the Green Paper fails to acknowledge the important role that Development Control Plans (DCPs) have played in both protecting important and sensitive places from inappropriate development, while at the same time allowing for a range of uses otherwise permissible within the LEP zones as a means of enabling the flexibility LEPs do not currently possess, and as a mechanism for establishing character and urban attributes that local communities aspire to and that otherwise reflect the environmental and individuality of local areas within the region. These positive attributes of DCPs have been overshadowed by the Green Paper's intent that the proposed "Development Guidelines" should be more evidence based and flexible, which contradicts the State Government's broader objective of providing greater certainty in the planning system.



The concern is that Council has invested heavily in preparing DCPs with extensive consultation and public participation and in more recent times has embedded significant and appropriate strategic contexts within those plans, such as the Hastings Point and Pottsville Locality Plans.

In summary, it is considered that the Green Paper has not adequately articulated how this previous local planning will be incorporated in any new planning system.

Recommended Action:

That Council request that the State Government provides clearer explanation on how councils' existing development controls will be assessed for their relevance for incorporation into Local Land Use Plans, and how local issues will be addressed with the same level of certainty.

Issue 5 – New Zones

The Green Paper proposes three new land-use zones aimed at capturing investment opportunities, indicating future use prior to programming infrastructure investment and to give greater certainty in areas where the local community want to preserve local character:

- Future Urban Release Zone
- Suburban Character Zone
- Enterprise Zone

The Enterprise Zone is generally considered to be a good planning initiative whereas the remaining two raise some concern, as discussed below.

Future Urban Release Zone

In recent decades, Tweed Council has had mixed experiences with the use of a comparative zoning 2(c) Urban Expansion zone in the Tweed Local Environmental Plan 2000.

Whilst the current 2(c) zones were underpinned by the rationale of earlier strategic studies, it has been Council's experience that the timing and co-ordination of the necessary infrastructure and services to these sites, including the desired environmental protection outcomes, has not always corresponded with the owners' intent to move forward on the development of the sites. This has resulted in a number of zoned sites left undeveloped at this stage, and creating an impression of a ready supply of developable sites.

It is therefore considered that in any advancement of the Green Paper initiatives that a strong commitment to integrated land use and infrastructure is implemented, with a clear program and sequencing of infrastructure to be provided to meet the timelines and availability of any "Future Urban Release Zones".

Recommended Action:

That Council request that the State Government provides:

a) A clearer explanation on the level of assessment, in regard to environmental and infrastructure considerations, that is required at the subregional planning stage to support the identification of any future urban release areas; and

b) An explanation as to how the current Part 6 Urban Release Area clause of the Standard Instrument and those areas identified under it by councils will be affected by the proposed new zoning, which presently require more detailed investigation of the use of the site prior to development being approved, that is, what level of certainty and input local councils and communities will have into the ultimate use of an urban expansion zone.

Suburban Character Zone

The suburban character zone is identified in the Green Paper as a zone for preserving areas that have proven significance of character or with established development patterns and amenity. The zone is intended to preclude development that adversely impacts on character.

It is considered that this zoning may be inconsistent with the general intent of providing for flexible and innovative development outcomes, and it is queried how this zoning will provide a better alternative than the current DCP framework.

Local areas characterised by unique qualities rarely remain static or totally adverse to change over long periods of time and are typically comprised of urban structures that can accommodate many development types, but within more defined parameters. This new zone proposes to preclude development rather than regulate it to within acceptable limits, typically occurring through a place based DCP. In this regard the Green Paper has failed to properly acknowledge and respond to the complex dynamics that make up the more sensitive local urban environments, and that in supporting housing supply, many of those areas can assist, albeit on a smaller scale, providing that there is a balanced approach between flexibility in the application of the LEP statutory zoning provisions and the regulatory element currently residing in DCPs.

Recommended Action:

That Council request that the State Government provides clearer explanation of:

- The options available in the application of the Suburban Character Zone to ensure that a certain level of innovation and flexibility in the design of new developments is retained; and
- b) The basis or criteria for 'proving' the quality or character of an area.

Issue 6 – Streamlined Approval

The Green Paper's principle of creating a much clearer hierarchy of strategic planning to provide greater certainty in the development assessment process is to be commended.

However, it is considered that the Green Paper presents an imbalanced view of the ability of local government to deliver a more efficient and transparent development assessment system. Much of the proposed "streamlining" of current assessment processes fails to acknowledge that it is not only local government that needs to improve upon its performance, but that it is also the private sector that needs to perform better in terms of the preparation of quality application submissions and the certification of new developments. The use of accredited private certifiers in the NSW Planning System has proven to be a major concern to date, and the State Government has failed to adequately safeguard against and respond to the many instances of poor practice among the certifiers, which in turn has necessitated the waste of substantial community resources in local government officers having to rectify jobs that have gone wrong. The State Government therefore has a major role in terms of seeking a higher standard of professional practice and performance among both local government and the private sector operators.

In terms of the Green Paper's reliance on a greater use of "code assessable" systems to reduce the amount of merit based development applications, a fundamental issue that the State Government needs to address is the complexity of the current Exempt and Complying SEPP Codes, which have proven to date to be a major inhibitor to the take up of non DA processes. In order to achieve the more affordable and timely assessment times that the Green Paper aspires to, there will need to be a roll back on the extent of technical assessment required, particularly for smaller scale developments.

The different streams of Code Assessable developments proposed through the Green Paper are currently quite confusing and need to be clarified, and appear to have conflicting objectives. In particular, the State Government needs to better explain the relationship between the proposed Code Assessable controls of State Plans, a Regional Growth and Subregional Delivery Plans, as well as any Local Plan development guidelines. The Green Paper purports to establish a greater degree of certainty by the predominant use of Code Assessable Development, but then also allows for merit assessed variations from the Code, the introduction of more flexible zones, and performance based Local Plan controls. These apparent conflicts need to be reviewed as part of the White Paper process.

Another concern in the greater emphasis given to code assessable development is the potential to erode the local and diverse character of existing communities, through the imposition of more generic development standards. It is considered that the State Government needs to provide some compromise to allow local councils to retain some form of control over the scale and form of developments within its more sensitive, local character areas.

The proposed use of an "Amber Light Approach" to enable applicants to take a time out in considering how to move forward on a potentially problematic application is considered to be a good proposal. Tweed Shire Council has traditionally applied a development assessment practice of working with applicants to reach good development outcomes, particularly on larger, more complex applications. However, in applying this practice, Council has been penalised under the State Government's Local Development Performance Monitoring (LDPM) reporting system for allowing applicants to take additional time to provide additional information and amended plans. The current "stop the clock" monitoring is currently skewed against local councils as the annual reporting provides a substantial focus on Gross Determination Days, and a much lesser recognition of the Net Determination Days, which is in fact a measurement of the applicant's performance in achieving a complete and technically adequate application. It is therefore considered that the State Government should consider reviewing its current LPDM reporting system to provide a more balanced performance monitoring in any advancement of the "Amber Light Approach".

Council's previous concerns raised in an earlier submission on the State Government's proposed changes to Planning Proposals (or rezonings) are further reiterated in reviewing the Green Paper. These previous changes were identified under the "Draft Policy Statement – Plan Making and Delegations". Council's previous submission highlighted some of the unrealistic timeframes and impact upon the resourcing of Councils generated by the proposed streamlining of Planning Proposal processes. These issues will be heightened by the need for councils to devote a significant staff resourcing to the input to the new regional and local strategic plan processes proposed through the Green Paper.

The Green Paper proposals for a greater role of Joint Regional Planning Panels in development assessment processes needs further clarification in the White Paper. The current support for the JRPPs from Council officers to development assessment processes is already quite substantial, and any proposal for the JRPP to have closer input throughout the entire development assessment process raises the question of the increasing impact upon the resources of Council's assessment officers. Similarly, any proposal to introduce Independent Hearing Assessment Panels for local councils also needs to be evaluated in terms of their potential impact on application processing times, and the additional resources that are needed to service these Panels. The resourcing of these independent panels has even more significance in more isolated, regional areas.

The Green Paper fails to acknowledge that one of the principal causes of time, effort, cost and delay in the development assessment process is the interaction of the Threatened Species Conservation Act 1995 (through s5A of the EP&A Act) and Part 6 of the National Parks and Wildlife Act 1974 as it relates to Aboriginal objects and places. The process imposed by these two subsidiary acts is overly complicated and subjective and leads to a high degree of uncertainty of outcomes. Untangling the relationship of these two acts with a new planning act will be necessary to achieve the government's objective of providing more speed and certainty in the development approval process.

Recommended Action:

- (a) That Council requests the State Government to present a clearer explanation of the proposed streams of Code Assessable development, and to further consider the reduction of the current technical complexity of the State's Exempt and Complying Development. Council also calls upon the State Government to acknowledge the need to seek improved standards of professional performance, cost effective and efficient administration for not only local government, but also the private sector, independent assessment panels, and relevant government agencies.
- (b) That Council requests the State Government to examine and streamline the interaction of the Threatened Species Conservation Act 1995 as it now operates through s5A of the current Environmental Planning & Assessment Act 1979 and also Part 6 of the National Parks and Wildlife Act 1974 as it relates to Aboriginal objects and places

<u>Issue 7 – Provision of Infrastructure</u>

The financial sustainability of the current system of infrastructure changes for new developments is a major issue for regional areas. Tweed Shire Council has identified major gaps in its capacity to fund even the most basic of public infrastructure for new major developments under the current developer contribution cap, and is currently lobbying the State Government to consider the re-classification of a number of Council's major roads in order to achieve a State based funding of their future enhancement and maintenance.

The Green Paper's proposals to introduce a clearer hierarchy and system for infrastructure charges and delivery are to be commended.

Despite these favourable elements, the Green Paper also proposes a drastic reduction in the infrastructure that will be provided by developers of new urban areas and subdivisions, who will only provide the land for parks, sportsfields and community buildings. It is implied that the financial burden for embellishment of raw land to create parks and sports fields and construction of community buildings will be transferred to Councils.

The following table from the Green Paper summarises the contributions process.

FIGURE 20 OPTION FOR FOR DEVELOPMENT CONTRIBUTION REFORM

INFRASTRUCTURE	LOCAL INPRASTRUCTURE PLAN	REGIONAL OPEN SPACE FUND	GROWTH INFRASTRUCTURE PLAN	RESPONSIBLE DELIVERY AUTHORITY*
LOCAL ROADS	•			LOCAL COUNCIL
LOCAL DRAINAGE WORKS	•			LOCAL COUNCIL
LAND FOR COMMUNITY FACILITIES	•			LOCAL COUNCIL
LOCAL OPEN SPACE		•		LOCAL COUNCIL
LOCAL AND REGIONAL DRAINAGE LAND		•		LOCAL COUNCIL
REGIONAL OPEN SPACE		•		NSW GOVERNMENT
NEW AND UPGRADED REGIONAL ROADS			•	NSW GOVERNMENT
LAND FOR HEALTH AND EDUCATIONAL FACILITIES			•	NSW GOVERNMENT
LAND FOR EMERGENCY SERVICE FACILITIES			•	NSW GOVERNMENT

MAY BE DELIVERED BY PRIVATE SECTOR

Under this system, developers may be levied by Councils in "Local Infrastructure Plans" for contributions for local roads, local drainage works and land for community facilities only. It is unclear how land for local parks and sportsfields would be delivered, presumably through the "Regional Open Space Levy". What is clear is that the developer would no longer be responsible for the works/cost required in transforming raw land into parks and sportsfields, or buildings associated with community facilities, parks and sportsfields. It is therefore presumed that these costs will be transferred to Council. This is a major departure from the current "user pays" system where the developer provides for these facilities and passes on the cost to land/home buyers. In the new system it seems likely that these costs will be borne by the general ratepayers, or that new subdivisions will be released without any of the basic community, sporting and local open space facilities.

The proposal for regional roads presents a marked change. Currently Council collects contributions for these roads through the Tweed Roads Contribution Plan (TRCP), but as has been reported in recent years this system is breaking down as the cost of arterial roads substantially exceeds the contributions that are, and will be collected. This has caused Council to request the State Government to take over responsibility for these roads as "State Roads". Under the Green Paper proposals, Council would no longer be responsible for these roads and funding responsibility would devolve to the Regional Planning Boards. This would be a positive outcome for Council.

Due to the narrow range of developer contributions permissible under the Green Paper proposals, contributions Council currently collected for the following facilities would no longer be permitted:

- Regional drainage (eg Western Drainage Scheme CP2)
- Community facilities
- Libraries
- Bus shelters
- Cemeteries
- Parks and playing fields
- regional sports facilities (Arkinstall Park)
- regional open space facilities (Jack Evans Boat Harbour)
- Cycleways

Except for "Regional Roads" the Green Paper would continue the actions taken by the previous government to even further restrict the range of community facilities to be provided by developers and transfer the cost of providing these facilities to the general ratepayer.

Recommended Action:

- (a) Council supports the principle of combining strategic planning of infrastructure with strategic land use planning at the regional level and ensuring the participation of all state agency infrastructure providers;
- (b) Council supports the responsibility of provision of "Regional Roads" to support urban growth being transferred from Councils to a state funded "Regional Planning Board"; and
- (c) Council objects to the loss of community facilities, parks and sporting fields required for urban expansion areas now provided by developers (through the developer contribution system) or to the transfer of these costs from the developer to Council and the general ratepayer.

Issue 8 - Voluntary Planning Agreements

The Green Paper also identifies a need that Voluntary Planning Agreements (VPA) need to be phased out or significantly modernised and simplified. In doing so it speaks about the intention of VPAs being linked to larger precinct development that typically arise for negotiation between developers and the State and possibly the council, which it envisages will occur in future in a way that is tailored to suit the parties. In doing so they are to be qualified by established benchmarks aimed at:

- Defining infrastructure performance outcomes
- Defined negotiation time frames that recognise holding costs, and

 Enable more developer contributions in-kind and innovations to improve cost effectiveness

Planning agreements like any substantial contract preparation involves a high degree of negotiation and careful drafting that responds to the complexity of the issue. It is agreed that mechanisms should be in place to standardise aspects of the process where possible. However, it is unclear what standardised inducements or shortcuts can be applied to a process where no two issues and consequently the agreements are exactly the same. More importantly, whilst it is acknowledged that VPAs are frequently found to relate to very large scale development where councils may neither be the consent authority nor infrastructure provider, the use of VPAs by developers/councils is on the rise and in many instances it is the only real and affordable mechanism for the developer/landowner to proceed with a proposal that would not otherwise occur and correspondingly they afford councils with greater certainty and financial protection against potentially higher risk development. Given that VPAs are there as an inducement or process that has brought greater opportunity for development than previously existed and is premised on ensuring that the additional opportunity to the landowner, which is voluntary, is not at the expense of the broader community, there seems to be no clear explanation as to why they should be phased out or on what additional procedure or standardisation can be deployed to reduce negotiating time and cost.

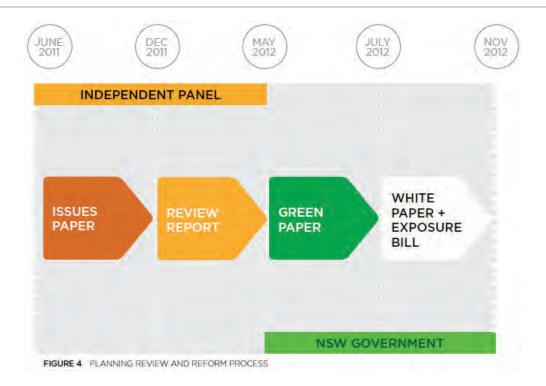
Recommended Action:

That Council request that the State Government provides clearer explanation of:

- a) And examples of how or why, in their view, the Voluntary Planning Proposal process is not working at a local government level given that it is a voluntary process that is enabling developments that may not otherwise occur to the benefit of the developer under that system of voluntary engagement and the broader community, and
- b) What alternative mechanism is available in lieu of the Voluntary Planning Proposal process to enable a landowner to approach a council with an incentive to investigate and proceed with strategic investigations of land with the certainty that the council will not be liable for costs associated or incidental to the development above those ordinarily required.

Issue 9 – The Review and Reform Process

The Green Paper is identified as the third out of four steps in the process of reforming the NSW planning system. In practice there are four steps in the process given that many of the detailed provisions of implementation are contained in delegated legislation by way of regulations.



The significance of the procedural changes advanced through the Green Paper are likely to give rise to a significant response from councils, industry and community that will likely raise issues not addressed and options not considered. It is therefore considered appropriate for the State Government to include a further step in the process prior to drafting a White Paper and exposure bill which involves the production of a detailed response to the submissions made in respect of the Green Paper, to give all the stakeholders the confidence that the best alternatives have been analysed and commented upon.

Recommended Action:

- (a) That Council request that the State Government considers an additional step in the planning review and reform process comprising a secondary issues paper responding to the issues raised through the consultation phase of the Green Paper and prior to drafting of the White Paper and exposure bill, and
- (b) That the planning reform and review process be updated to reflect the need for a Regulation, which will provide many of the implementation and procedural details required for the Act's operation.

Community Awareness of the Green Paper

It is considered that the Tweed community would benefit from the Council staff organising an information session on the Green Paper. It is therefore proposed that one information session will be organised within the public exhibition period of the Green Paper.

OPTIONS:

- 1. That Council endorse the issues raised in this report to form the basis of a submission to the State Government on the Green Paper, or
- 2. That Council identifies additional issues to those raised in this report to form the basis of a submission to the State Government on the Green Paper.

The officers recommend Option 1.

CONCLUSION:

It is considered that the proposed new Planning System for NSW outlined in the State Government's Green Paper presents an exciting vision for improving the quality of strategic planning, greater opportunities for community participation, and more transparent and streamlined development assessment processes. However, as identified in this report, it is important that the State Government provides greater clarity on a number of the major system changes identified in the Green Paper, in order for councils and the local communities to gain greater assurance that their interests will be adequately and fairly represented.

COUNCIL IMPLICATIONS:

a. Policy:

Major implications for Council's corporate and strategic planning processes and development assessment practices.

b. Budget/Long Term Financial Plan:

Major financial implications for the funding of future strategic planning processes, the ability of Council to gain income from future development assessment processes, and a major review of the current developer contribution systems.

c. Legal:

Significant legislative reform expected.

d. Communication/Engagement:

Consult-We will listen to you, consider your ideas and concerns and keep you informed.

The Green Paper aims to raise the standards of community engagement, particularly in major strategic planning processes.

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- Civic Leadership
- 1.5 Manage and plan for a balance between population growth, urban development and environmental protection and the retention of economical viable agriculture land
- 1.5.1 Sustainable management of the population in accordance with strategic decisions of previous councils, the NSW and Commonwealth Governments and the Far North Coast Regional Strategy, including provision of amenities, infrastructure and services
- 1.5.1.1 Preferred population or environmental carrying capacity of the Tweed
- 1.5.1.1.1 Council planning documents are prepared in accordance with the State Plan and North Coast Regional Strategy

UNDER SEPARATE COVER/FURTHER INFORMATION:

- 1. A copy of the NSW State Government's information sheet titled "Frequently Asked Questions for Councils" (ECM 54150980)
- 2. Excerpts from the NSW State Government's Destination 2036 Action Plan that are relevant to the Green Paper (ECM 54150983)

REPORTS FROM THE DIRECTOR TECHNOLOGY AND CORPORATE SERVICES

2 [TCS-CM] Destination 2036 - Submission to NSW Independent Local Government Review Panel - Strengthening Your Community Consultation Paper

SUBMITTED BY: Director



SUMMARY OF REPORT:

The NSW Government in conjunction with the Destination 2036 Implementation Steering Committee and the Government appointed Independent Local Government Review Panel has been allocated Initiatives and Key Actions (documented in Appendix A of the Destination 2036 Action Plan) for developing options to improve the strength and effectiveness of local government in NSW.

This report deals only with the comments in relation to those Initiatives and Key Actions that the Independent Local Government Review Panel is responsible for and are currently seeking comment on in their July 2012 Strengthening Your Community Consultation Paper.

The Panel will be consulting widely throughout the review process seeking the views of communities, councils, businesses, unions and anyone else with an interest in stronger, more effective local government for NSW.

Consultation will take place in stages and in different ways as the review progresses. There will be ongoing opportunities for councils and the community to provide comment as the review progresses, with the Panel to report to Government in July 2013.

The first stage of consultation, which started with the launch of the 'Strengthening Your Community' Consultation Paper, July 2012 will look at the issues facing local communities and the councils that serve them now and over the next 25 years. To assist in this process the panel are calling for written submissions addressing the following questions:

- 1. What are the best aspects of NSW local government in its current form?
- 2. What challenges will your community have to meet over the next 25 years?
- 3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

Submissions close 14 September 2012.

The Independent Review Panel is looking to undertake its work over the next 12 months in the following 4 stages:

- Stage 1 Exploration investigating issues and exploring ideas (July September 2012)
- Stage 2 Options options for change (October 2012 January 2013)
- Stage 3 Directions what can work and where (February May 2013)
- Stage 4 Reporting Recommendations to the NSW Government (June July 2013)

The Stage 1 consultation process aims to:

- Provide council representatives across NSW with the opportunity to discuss with the Panel the challenges faced by the region
- Provide the Panel with options and ideas to strengthen the role of local government in contributing to stronger communities
- Gather relevant information to allow the Panel to fully explore the Terms of Reference for the Review.

It is important to note that this is Stage 1 of consultation and there will be further consultation opportunities during the other Stages of the Panel's work.

The Stage 1 consultation process has been programmed for Monday 13 August 2012, at Ballina. During this consultation process, Council will be afforded a '5 minute' window to provide a viewpoint, therefore it is necessary for Council to consider this report at this time to frame a position for presentation by the Mayor and General Manager at this consultation session and to act as a written formal submission to be tabled at that session.

RECOMMENDATION:

That the:

- 1. Destination 2036 Submission to Independent Local Government Review Panel Report be provided to the Local Government Independent Review Panel in response to the Stage One Consultation Phase.
- 2. Submission provide the basis for the presentation from Council to the Local Government Independent Review Panel at Ballina on Monday 13 August 2012.

REPORT:

In March 2012 the New South Wales State Government announced that the voluntary amalgamation of local government authorities would be considered.

The decision was made as a consequence of the Destination 2036 conference which was held in Dubbo in August 2011. It was also supported by a request from the Local Government and Shires Associations.

The Local Government Minister, the Hon. Don Page, announced the establishment of an independent expert panel to investigate structural arrangements in the context of the financial sustainability of councils across NSW. The Minister indicated that the Independent Local Government Review Panel would investigate ways to create stronger and better councils in the future. The review will drive key strategic directions identified in the Destination 2036 initiative and support the broader objectives of the State as outlined in NSW 2021: *A Plan to Make NSW Number One* (the State Plan).

The panel will investigate and identify options for governance models, structural arrangements and boundary changes for local government in NSW, taking into consideration:

- ability to support the current and future needs of local communities
- ability to deliver services and infrastructure efficiently effectively and in a timely manner
- the financial sustainability of each local government area
- ability for local representation and decision making; and
- barriers and incentives to encourage voluntary boundary changes.

The panel is comprised of Professor Graham Sansom (Chair), Ms Jude Munro AO and Mr Glenn Inglis and is expected to report to the Minister within 12 to 14 months from the start of the review.

In conducting the review the panel will:

- Ensure recommendations meet the different nature and needs of regional, rural and metropolitan communities.
- Consult widely with the broader community and key stakeholders.
- Take into account the work completed, and future work to be completed, under the Destination 2036 initiative.
- Take into account the broader interests of the State including as outlined in the State Plan
- Consider the experiences of other jurisdictions in both the nature and implementation of local government reform.
- Take into account the Liberal-National's 2011 election policy of no forced amalgamations.

Past and present governments, both at a State and Federal level, have often targeted local government to deliver better efficiencies and economies of scale in relation to public administration and the delivery of services. In reality there appears to be widespread consensus that the community would benefit from a removal of one tier of government and increased regional governance; however given that this is unlikely to occur in the short term the focus is upon the operation of the 152 local governments in New South Wales.

New South Wales had 175 local government authorities in 1982, which increased to 176 in 1990 and 177 in 1995, however in 2007/2008 the number of local governments authorities reduced to 152. It is likely that the current review will reduce the existing number of local government authorities further given that up to 18 are not deemed to be financially sustainable.

It has been suggested by the Centre for Local Government (2009) that in general, Australian structural reform of local government has four noteworthy features.

First, amalgamation is almost always the favoured policy instrument of state governments. It typically involves the consolidation of two or more small local authorities into a single entity, often small rural shires surrounding larger regional centres in the form of so-called 'doughnut' councils.

Second, council amalgamation is seldom voluntary and almost always occurs under various degrees of state government coercion, ranging from outright compulsion to financial incentives and penalties. It is thus entirely a 'top-down' policy phenomenon (May 2003).

Third, State Government policymakers invariably prescribe additional measures designed to ameliorate the immediate effects of compulsory consolidation. For instance, the dramatic Victorian restructuring program was followed by a two-year freeze on property taxes, and the more recent New South Wales amalgamation was accompanied by a three-year moratorium on involuntary redundancies amongst council employees.

Fourthly, no systematic official attempt has ever been made to evaluate the outcomes of amalgamation programs, despite confident often detailed pre-consolidation forecasts by state government politicians of substantial savings derived from enhanced efficiency. A cynical view of this neglect might suggest that policymakers sense that cost savings have not eventuated and thus they deliberately avoid a public review that would demonstrate the counter-productive effects of amalgamation.

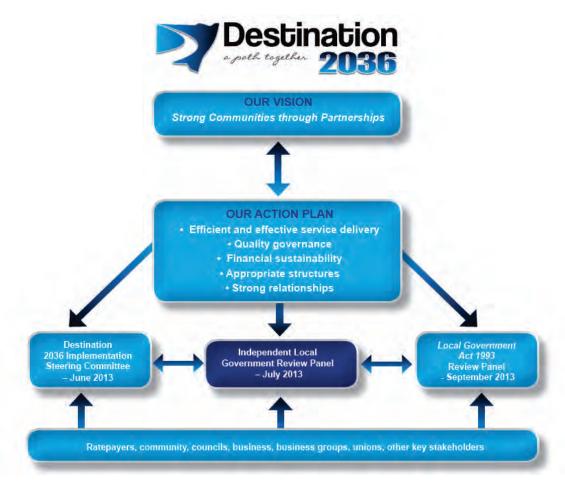
It is worth noting that the United Services Union has suggested an independent review of the current financial status and viability of the most recently merged councils and compare them to the adjoining or non merged councils. It calls for a report to clearly demonstrate whether the new merged entities are in the long term more financially viable or efficient than those who have not merged.

Councils across NSW have served their communities well for many years, but today local needs are much more varied and complex than they were even 50 years ago. Yet today, NSW councils are basically structured and governed in the same way, with the same laws applying to each council regardless of whether it is in the middle of Sydney or in a rural area, and whether it serves 2,000 or 200,000 people.

Capable and effective local government is vital to provide essential community services and maintain our quality of life. But across NSW many councils are struggling with financial problems, growing infrastructure backlogs, and difficulties in attracting and retaining skilled staff and councillors.

The NSW Government in conjunction with the Destination 2036 Implementation Steering Committee and the Government appointed Independent Local Government Review Panel have been allocated Initiatives and Key Actions (documented in Appendix A of the Destination 2036 Action Plan) for developing options to improve the strength and effectiveness of local government in NSW.

This report deals only with the comments in relation to those Initiatives and Key Actions that the Independent Review Panel is responsible for and are currently seeking comment on in their July 2012 Strengthening Your Community Consultation Paper. Submissions close 14 September 2012.



In this first stage of consultation the Review Panel requires Council's view on three key questions:

- 1. What are the best aspects of NSW local government in its current form?
- 2. What challenges will your community have to meet over the next 25 years?
- 3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

The Initiatives and Key Actions that the Review Panel is responsible for are as follows:

<u>Direction</u>: Efficient and effective service delivery

Initiative 2: Encourage and facilitate innovation.

Key Actions:

- 2a Develop options and models to enhance collaboration on a regional basis through ROCs
- 2b Undertake research into innovation and better practice in Local Government in NSW, Australia and internationally.

Direction: Financial Sustainability

Initiative 5: Review the revenue system to ensure greater flexibility and self reliance.

Key Actions:

5b Examine current Local Government Revenue System, to ensure the system is contemporary, including rating provisions and other revenue options.

Direction: Appropriate Structures

Initiative 8: Develop a number of different structural models for Local Government.

Key Actions:

- 8a Examine the pros and cons of alternative governance models.
- 8b Research and develop alternative structural models, identifying their key features and assessing their applicability to NSW.
- 8c Identify barriers and incentives to encourage the voluntary amalgamation or boundary adjustments of councils.

Direction: Strong Relationships

<u>Initiative 9</u>: More clearly define the functions, roles and responsibilities of Local and State Government.

Key Actions:

9a Identify those functions that are clearly state or local government responsibility, those that cannot be readily defined and those that have been legislated/ regulated as core functions.

The submission has been structured to answer each of the three questions in relation to the Key Actions of the respective Initiatives and Directions.

SUBMISSION

<u>Direction</u>: Efficient and effective service delivery

Initiative 2: Encourage and facilitate innovation

Key Action 2a: Develop options and models to enhance collaboration on a regional

basis through ROCs

2a.1. What are the best aspects of NSW local government in its current form?

Council is a member of the Regional Organisation - NOROC which has the four key priorities of:

- Increasing regional profile and communication
- Facilitating joint activities
- Supporting research and advocacy
- Strengthening structure and capacity

NOROC is an association representing the local government areas of: Ballina Shire, Byron Shire, Clarence Valley, Kyogle, Lismore City, Richmond Valley, Tweed Shire - as well as Rous Water and Richmond River County Council.

The Mayors and General Managers are Council's representatives to this body.

In recent times NOROC has worked together on the following:

- Waste Management (NEWF North East Waste Forum)
- General Insurance
- Workers Compensation Insurance
- Aerial Photography
- Councillor Professional Development
- Bio Diesel and Natural Gas
- Statutory Training
- Community Surveys
- Joint Tendering

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

(i) There are many opportunities for regional collaboration which could include almost every aspect of local government.

With regard to regional governance and representation, in 2000, Brian Dollery estimated that the ratio of councillors to population in NSW was one per 3,643 persons and average council area populations were 37,887. However, these ratios and average populations varied considerably between large metropolitan and small rural councils.

In Victoria the ratio is somewhat higher and the estimates more recent, with the metropolitan average being one Councillor per 10,872 persons and the State average Councillors being one per 10,000 persons (2012).

For the Northern Rivers councils, there is an overall population of approximately 300,000 with 64 Councillors representing the seven local government authorities meaning that the Councillor to voter ratio is one Councillor per 4,688 persons, which is under half the State average in Victoria.

Within the Tweed Shire the ratio is higher than the rest of the region and the State, based on the 2000 figures with the Councillor voter ratio being one Councillor per 12,900 persons, whilst in Kyogle, the ratio is one Councillor per 1,100 persons and in Byron Shire it is one Councillor per 3,700 persons.

There are different ways the ratio of Councillors can be influenced. For example, boundary changes, regional governance, reduction in the number of Councillors, or introduce a fixed number of Councillors per capita or geographic size of a council.

There is some merit in the further investigation of how a regional governance model may improve services to ratepayers and reduce the administrative burden. One of these options may be through different governance models that redefine areas that will be subject to regional governance, both from a council boundary perspective, but also from a delivery of services perspective.

Challenges will include:

- Resource sharing
- Affordability of service and infrastructure provision
- Prioritisation of funding streams
- Lack of local identity including elected member representation
- Communication and collaboration
- Regionalisation
- Population demographics
- Cost shifting including diversity of functions
- (ii) Membership of ROCs is currently optional and at this time they are neither regulated by the Local Government Act or are parties to any industrial award. Any regional body formalisation should be captured and recognised by the Local Government Act.
- (iii) There are other regional models that a significant amount can be learnt from. The Northern Rivers is fortunate to have NOROC that is already established. As previously noted, if the role and responsibility of ROCs is to increase recognition/formalisation under the Local Government Act is suggested. This framework needs to be built upon with the development of a more formalised regional structure.

The G21 model is worthy of further investigation.

"G21 - Geelong Region Alliance (G21) is the formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five member municipalities — Colac Otway, Golden Plains, Greater Geelong, Queenscliffe and Surf Coast.

G21 works as a forum to discuss regional issues across interest groups and municipalities resulting in better co-ordinated research, consultation and planning.

G21 supports the delivery of projects that benefit the region across municipal boundaries and is a platform for the region to speak with one voice to all levels of government.

G21 is also the official Strategic Planning Committee for the G21 region and, as such, is responsible for leading the development and implementation of the region's strategic plan. In this role, G21 works closely with, and provides advice to, Regional Development Australia (RDA), the Regional Management Forum (RMF) and the state and federal governments on the region's needs and priorities. The G21 alliance is made up of more than 300 community leaders and specialists who are passionate about the future of the G21 region and volunteer their time to be involved in G21 as directors, 'pillar' members and within working groups.

As a not-for-profit organisation, the majority of G21's financial support comes from the five councils it represents, along with government grants and its membership base.

G21 is a registered company.

G21's Pillar Groups are at the heart of G21. There are eight Pillar Groups based on the region's key priorities: Arts & Culture, Economic Development, Education & Training, Environment, Health & Wellbeing, Planning & Services, Sport & Recreation and Transport.

Pillars are made up of key decision makers and experts within the Pillar categories, who meet on a regular basis and work towards implementing 'The G21 Geelong Region Plan'. G21 also has several working groups and taskforces to address key issues confronting our region. Examples include G21 National Broadband Network (NBN) Taskforce, Disadvantage Taskforce, G21 Regional Growth Plan Project Steering Group, the Bicycle Infrastructure Group and the G21 Climate Change Taskforce. These groups include Pillar and non-Pillar members." (http://www.g21.com.au/)

(iv) It would be worthwhile investigating the features that have made the Wellington, Blayney and Cabonne Alliance a success as opposed to what elements led to the disbandment of the New England Strategic Alliance.

2a.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

(i) The ability of the Northern Rivers Regional Organisation of Councils (NOROC) to be credible and deliver extended regional resource sharing and governance above that already identified in 2a.1. is hampered by its lack of internal democracy in terms of proportional representation, for example under the current system Tweed Shire Council's monetary contribution, as the largest council in NOROC, does not reflect its voting entitlement which determines regional priorities and funding allocation.

- (ii) Regional based service delivery (similar to the Richmond Tweed Regional Library) for common Council functions such as waste management, bridge building, and community services etc.
- (iii) The Northern Rivers Regional Organisation of Councils could be structured in either of the following manner:

Northern Rivers Councils Incorporated

The Northern Rivers Regional Organisation of Councils could be structured into Northern Rivers Councils Incorporated, with the Board comprising the Mayors of the constituent councils. This Board would meet to discuss advocacy issues for the region and determine a position from a Regional perspective. This body would not be able to make binding decisions on behalf of the Constituent member councils, but would be able to promulgate submissions from a broad regional perspective, which are then lodged to the various government authorities on behalf of the region. Individual councils are not bound by this combined approach and are able to lodge submissions on their own behalf.

The Northern Rivers Councils Incorporated Board would meet primarily as a Regional Advocacy and Lobby Group.

Northern Rivers Councils Limited

The General Managers of the constituent councils would meet under the auspice of a Trading Company, being Northern Rivers Councils Limited, (or a similar name).

This Limited Company would be wholly owned by Northern Rivers Councils Incorporated and could have various agreed Business Units trading under this area.

The general intent of these Business Units (as agreed), is that through their trading and profitable activities, the Constituent Councils annual contributions are covered through these activities, which other than underwriting these activities; there is no necessity to pay an annual contribution.

The General Managers meet as a Board of Directors under the terms set down by Department of Fair Trading. There would be an agreed Memorandum of Understanding, between the Councils and the Northern Rivers Councils Limited, for the provision of specific functions of the councils, which would be undertaken by delegation of authority to undertake these functions.

<u>Direction</u>: Efficient and effective service delivery Initiative 2: Encourage and facilitate innovation

Key Action2b: Undertake research into innovation and better practice in Local

Government in NSW, Australia and internationally

2b.1. What are the best aspects of NSW local government in its current form?

Councils around the state freely share their ideas, innovations and faults with other councils which in turn aids the sector in better practice. Council supports the current

Better Practice Reviews as a way to assist councils to meet their statutory obligations, community expectations and deliver efficient cost effective services.

Other mechanisms such as the AR Bluett Award and other industry awards also serve an important and positive role to benchmark and strive towards.

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

To encourage innovation and better practice the submission highlights the following areas which are a current challenge to aid improvement, technology, economies of scale and reduced legalism:

- (i) Software facilitates the planning process, the regulatory process, the financial process; it underpins the governance process and serves as a gateway for private individuals to access public entity information. Councils are constrained by cost and expertise to efficiently adopt technology changes. Varying technology platforms limit Information Technology and software resource sharing. For example of the seven NOROC councils, no one platform for property and rating, financial management or record keeping exists. Councils use different vendors (TechnologyOne, Civica, Tower, etc). Any forced standardisation has the negative consequence of reduced competition in the market place driving up cost and reduced innovation.
- (ii) Regulatory functions of Local Government are labour intensive and customer orientated which means a greater demand for services requiring more staff; economies of scale are more difficult to achieve in these service functions. Whereas administrative services can achieve economies of scale.
- (iii) Local Government must comply and enforce an enormous number of Commonwealth and State legislation and put into practice an equal number of State Agency rules and models in addition to providing reports, statistics and other information required by State Agencies. The legal complexity in which local councils must deal with on a daily basis places a substantial cost onto Councils. Point 5 of the New Zealand Government Better Local Government paper - March 2012 touches on this same topic.
- (iv) Local government is restricted by legislation that limits the flexibility to effectively recruit quality staff and properly undertake succession planning. The unintended outcomes of the well intentioned EEO principles can result in sub-optimal recruitment outcomes for the council organisation. Local government should have more freedom in the recruitment area.
- (v) Over the next 25 years technology will change the way people interact with their local council in an administration sense. However regulatory functions, being onsite inspections, rangers etc, will still require face to face interaction supplemented by technology advancements.
- (vi) The possibility of Commonwealth Constitutional change through people's choice to recognise Local Government in the federal system of governments may affect or enhance funding sources available to Local Government.

(vii) The State Government's concurrent review of the NSW Planning Act, for which the vision has been articulated through the recent release of a Green Paper, has been the subject of extensive independent assessment, including the research compiled in the accompanying exhibition document, "A Review of International Best Practice in Planning Law". It is expected that the State Government's aspirations for a best practice planning model will have significant impact on the role and function of local government.

2b.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

- (i) Local government should have more freedom in the recruitment area.
- (ii) More flexible business structures should be permitted so that Councils can set up subsidiary company structures to manage selected areas of its business and service delivery in a private industry model.
- (iii) Standardise practices common to all councils by State provided templates.
- (iv) Standardise key performance indicators.
- (v) Acknowledgement of Local Government in the Commonwealth Constitution.
- (vi) Removal of rate pegging.
- (vii) Full compensation for cost shifting from State and Federal Government reallocation of services.

<u>Direction</u>: Financial Sustainability

<u>Initiative 5</u>: Review the revenue system to ensure greater flexibility and self reliance

<u>Key Action 5b</u>: Examine current Local Government Revenue System, to ensure the system is contemporary, including rating provisions and other revenue options.

5b.1. What are the best aspects of NSW local government in its current form?

- (i) The current revenue rating system is transparent; ratepayers are aware that the determination of the unimproved land valuations is done independently of Council.
- (ii) Some may argue that rate pegging may benefit housing affordability as rating increases are minimised for rate payers which benefits not only home owners but renters. However, rates form only one component of housing affordability.
- (iii) Rate pegging constrains expenditures of Council and reduces the ability to undertake unnecessary projects/services.
- (iv) Until the introduction of the Developer Contribution Cap, contributions from developers largely funded the acquisition of new infrastructure and new

community facilities that were required as a consequence of their new development.

5b.2. What challenges will your community have to meet over the next 25 years?

- (i) There has been some discussions about whether the current unimproved value of land to determine rates should change to the improved value of the land. This could have a negative effect on the economy as investors may choose other forms of investment other than property ownership and owners may under invest or under capitalise on properties to minimise their rates.
- (ii) The equality of the rating system is open to debate. Property ownership itself is not necessarily commensurate with a person's capacity to pay (i.e., pensioners with coastline properties bought many years ago).
- (iii) Limits on development density such as height restrictions are counter-productive to financial sustainability. This is evidenced by higher density councils in metropolitan areas generally being in a better financial position than rural councils with large geographic areas, dispersed infrastructure and lower density.
- (iv) Rate pegging means that local government authorities can never be in charge of their own financial destiny. Whilst local governments are encouraged to plan strategically about how assets and services will be delivered to their communities, they are then required to make these decisions within the confines of the rating caps that are applied.
- (v) If rate pegging remains, it will become increasingly difficult for local government authorities to deliver new infrastructure and services as there is likely to be a focus on simply renewing and maintaining the assets that already exist. This will also result in a greater reliance on the State and Federal Government to fund new infrastructure with local government only being involved in maintenance and renewal.
- (vi) Entrepreneurial opportunities for local governments to generate income from other sources should be encouraged, but managed and subject to strict criteria and risk assessment.

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

(i) No other tier of government has to go through the consultation process or have their revenue capped like NSW local government. A review of rate pegging or a simplified s508(2) or s508A applications process, particularly in regard to the level of community support is needed to provide a positive outcome. Additionally, the age old line about efficiency gains have been realised within the sector and it is now impacting on the level of maintenance of assets.

Any removal of rate pegging or simplification of the s508 application process should be to fund the existing infrastructure backlog and not used to subsidise new development or developer caps.

Local government needs to be given more flexibility in the application of special rates

- (ii) The capping of developer contributions places an unfair burden on the rest of the rate base whom have paid their fair share of developer contributions through their land/property purchase. It is worthy of note that the recently released Green Paper for Planning appears to seek to reduce the amount of qualifying infrastructure that can be recovered by councils through developer contribution levels. It also appears to suggest that some of the cost of the infrastructure should be met by future generations and the community as a whole through the general rate base. This methodology is not supported by Council and would negatively impact on the cost of living and long term housing affordability through total cost of ownership as well as exacerbating the financial sustainability issues that Destination 2036 is trying to address. A better approach to reduce Developer Contribution Plans is to increase density provisions, thereby reducing infrastructure costs per lot.
- (iii) The current development assessment process is subsidised by ratepayers as the statutory fees have not kept pace with the cost of assessment.

The level of statutory fees must be raised to allow for at least 75% cost recovery if not 100%, especially in relation to statutory and strategic planning.

There are also concerns raised in respect of the State Government's Green Paper proposals to give greater emphasis to the creation and implementation of new Regional and Local strategic plans, and create more assessment opportunities for private certifiers, as this is likely to have a major impact on the income recovery that councils derive from the current development assessment system.

(iv) Transport infrastructure costs could be assisted by the introduction of a flat fee on Motor Vehicle Registrations combined with an increase in the fuel levy; much like how the water industry is funded. Using the 3x3 grant model as an example -Council's annual transport infrastructure funding shortfall of \$4m per annum could be funded by an additional 6c/litre increase in fuel prices. (Calculated by the fact that the current 3c/litre levy provides \$2 million worth of grants).

A levy on fuel or car registrations supports the user pays principle. Property ownership does not necessarily translate to road usage particularly in high density areas reliant on public transport. As an analogy many people who visit Norton Street in Leichhardt are not residents or rate payers of Leichhardt but yet consume and place demands on the transport infrastructure. Similarly councils in coastal areas experience high visitation and demands on services from visitors which is currently funded by the rate base. In Tweed's particular case many of the users of the transport infrastructure are from the north in Queensland.

If there is a transport infrastructure backlog across the Australian local government sector, the levy would need to be applied nationally to be effective and to ensure no anomalies in pricing exist in border regions.

- (v) Pension rebates should be funded by other levels of Government In March 2007 the University of New England in conjunction with Guyra Shire Council released a Working Paper on pensioner rebates in NSW, particularly in relation to cost shifting. The research was funded by an Australian Research Council. The paper found that the provision of pensioner rate concessions by local authorities meets this definition of an unfunded mandate since it is mandatory (i.e. non optional) for councils to provide the rebate under the Local Government Act 1993 (i.e. state government legislation) and sufficient (i.e.100%) funding is not provided to cover the cost of the requirement (i.e. the rebate). In addition, the pensioner rate concession falls under the 'legislative requirements' class of cost-shifting identified by Dollery, Crase. and Johnson (2006) Australian Local Government Economics, University of New South Wales Press.
- (vi) Grant funding should be increased or at a minimum remain at current levels so the infrastructure gap and financial sustainability does not become a greater issue. In addition the grant application process is overly burdensome and costly.
- (vii) State Government must cease the practice of having Local Government collect fees and charges on its behalf (Waste Levy, Plan First). This sends the message to the community that the fees and charges for local government have increased.
- (viii) Sale of Community Land As community land is land generally vested in Council as public reserves to satisfy open space requirements in residential subdivisions, these public reserves are usually zoned 6(a) Open Space and have no dwelling entitlements.

To consider the sale of any public reserves, currently Council will have to undertake an LEP amendment to:

- (a) Re-classify the land to operational land;
- (b) Re-zone the land from 6(a) Open Space to a more appropriate zone that reflects its location and proposed use; and
- (c) As part of the re-zoning establish an express intention to allow a dwelling to be approved on the land, that is, generate a dwelling entitlement on the rezoned and re-classified land.

An LEP amendment is an arduous process, and section 32(2) of the *Local Government Act 1993* details the matters to be addressed to show that Council is satisfied that the land is unsuitable for the provision of public amenities and services.

Council must show that the land is unsuitable in any one or more of the following:

- The size of the land
- The shape of the land
- The topography of the land
- The location of the land
- The difficulty of providing public access to the land

Council must specify in the resolution the grounds on which it is satisfied that the land is unsuitable, section 32(3) of the Local Government Act, 1993 and that before making the resolution, public notice must be given of the proposed resolution with a 28 day submission period (section 32(4)).

The Minister for Planning issued a Fact Sheet "More local, more accountable plan making" in March 2012. This fact sheet discusses changes to the making of LEPs and proposes that Councils be delegated to make LEPs without seeing the Minister's approval, in certain circumstances, these include:

- Spot re-zonings consistent with an endorsed strategy
- Reclassifications of land supported by an open space study
- Heritage LEPs supported by an endorsed study
- Mapping alterations/corrections, and
- Amending references to documents/agencies, minor errors and anomalies.

Council endorses these amendments to the Local Government Act, 1993 as they allow Council to dispose of superfluous land that is no longer required or fully utilised by Council which generate costs in ongoing maintenance.

Direction: Appropriate Structures

Initiative 8: Develop a number of different structural models for Local Government

Key Action 8a: Examine the pros and cons of alternative governance models

8a.1. What are the best aspects of NSW local government in its current form?

(i) Identity of Council Areas

Local Government provides a means for the community to determine its vision for the character of an area and the means to achieve that vision. This vision is achieved by guiding and coordinating land use development, economic development, provision of public buildings and spaces, infrastructure, community development and provision of services. To develop a vision for a Council area, its community firstly need a sense of identity with and ownership of the area, need to care about the area and its people and want to shape the character and future of the area and its people.

Local government authorities have changed and altered over the years. Whilst there is recognition of a strong local identity with areas, Councils or Shires, the level of importance that some of those working or involved directly in local government place upon this recognition is sometimes in direct contrast to the community. There will be always those in the community that possess a great affinity with local government and "the Shire", "City" or "Council", however for the vast majority of the community, their interaction with local government will be minimal and will only be to undertake specific transactions or deal with one off events. The community watches on a regular basis as gas and electricity companies change names and with every change of government as new Departments replace old with new variations. The community manages to continue to operate and communicate with these entities. There is a temptation to romanticise the "identity" of a local government authority, however in many cases this identity can be preserved when an area is experiencing

regionalisation. For example in Victoria, Daylesford is part of Hepburn Shire, but the identity of Daylesford remains very strong from a tourism perspective and a community perspective. Port Fairy is part of Moyne Shire, and is in a similar position to Daylesford, with strong community ownership. The bigger question to ask is does a community associate itself more with its town or suburb than it does with its local government authority?

If strong regional governance models are to be developed they need to clearly define the regions. The regions need to be replicated by the other levels of government or agencies. For example if there is to be a Northern Rivers Region this needs to be reflected in

- Departmental boundaries
- Catchment boundaries
- Tourism boundaries
- Strategic planning boundaries
- Agency and emergency services boundaries
- (ii) Communities in council areas with a strong sense of identity are more likely to find common ground and agreement for the vision and future character of such an area.
- (iii) Council areas with a strong sense of identity are much better positioned to respond to the aspirations of the community and provide advocacy and leadership for the shared vision for the area.
- (iv) Councils with a strong sense of identity and purpose will better attract quality staff that identify with and care about the area and want to make a difference.
- (v) The current governance model is simple and well understood by residents.

8a.2. What challenges will your community have to meet over the next 25 years?

Larger More Sustainable Council Areas ("How" Should Councils Do What they Do?)

- (i) Local Government areas/populations and as a result the council organisations need to be large enough to effectively provide leadership/ advocacy for the community and to efficiently deliver services.
- (ii) Councils with populations of less than 60-70,000 seem to struggle to provide organisations with the economic base, service delivery capability and specialist skills to adequately deliver the broad range of services demanded by modern communities.
- (iii) Resource sharing is seen by some as a substitute for amalgamating councils into larger more sustainable areas. Resource sharing is a poor substitute for failing to amalgamate. It is often difficult to collectively manage equitably for all participating Councils, local politics can interfere with optimising management and the arrangements mostly lack permanence. Resource sharing is a legitimate and desirable activity for collective local government areas, it is only criticised

when proposed as a substitute for amalgamating small unsustainable local government areas.

In some cases however, amalgamating councils may make the local government more sustainable but it could have the inverse affect or expense of the actual rural towns sustainability and viability as local jobs are centralised. Job losses in the local government sector can also affect other town services and businesses that rely on a vibrant local economy and a minimum population base such as schools, health services, clubs, hotels, etc.

- (iv) Selection of areas to be included in new, larger local government areas and the drafting of these boundaries needs to ensure a sense of identity is achieved. Area identity may be based on geographical demarcation of boundaries and the inclusion of areas that have a focus that brings about some sense of unity. Boundary adjustments should be mindful of ensuring that rural town employment and centres are sustained.
- (v) The need for the new larger council areas to have a strong identity means that one size does not fit all. A range of geographical and population sizes can still be accommodated.
- (vi) It is worth noting that bigger does not always constitute financial sustainability. For example Blacktown City Council, with a population equalling some states but with a much smaller geographic area currently has a \$1 Billion infrastructure backlog (similar to that of Camden who has a lesser population and rate base). Blacktown also struggles with the same issues concerning developer contribution capping as other growth areas such as Tweed. It would be unjust to expect the existing Blacktown rate base to subsidise new development in the area due to the growth imposed on the Sydney basin by population growth and immigration levels driven by other tiers of government. Blacktown City Council provides an excellent case study of a Council that is economically sustainable but still struggles to maintain and fund existing infrastructure and services as well as deliver new infrastructure for new developments under the current state imposed developer contribution cap.

8a.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

Larger More Sustainable Council Areas ("How" should councils do what they do?)

(i) Larger councils, for example, Brisbane and the Gold Coast have enormous economic bases, delivery capability and specialist skills; however they often struggle with complex/ineffective internal communications/governance and can be much slower to respond to changing circumstances than smaller council organisations.

There may be an ideal size somewhere between say 70,000 and 300,000 population or for rural areas the size may be an ideal geographic area or size over which it is no longer sustainable to support and service from a single entity. Larger City Governments can be justified in some circumstances and in such cases local government area populations of several million may be ideal,

particularly if models such as the City of London (London Assembly and London Authority) or Metro Vancouver are considered as an ideal alternative for strategic cities such as Sydney. In this respect there could be a City of Sydney that is responsible for the integrated strategic planning and transport plans but regional councils with communities of interest (for example, Inner City, Northern Beaches, South Sydney, Inner rim/ Central, South Western, Western and North West) responsible for service delivery, community services, and maintenance.

The Metropolitan Sydney Council (City of Sydney) would provide the regional government operating as an overarching strategic body, maintaining local representation and coordinating existing councils.

- (ii) Introduce half term Councillor election (similar to the Senate) to provide continuity of Council business.
- (iii) Limit the number of terms a person can serve as an elected Councillor to perhaps three terms or 12 years. This allows new ways of thinking to be introduced to the chamber and potentially younger people to get involved in local government.
- (iv) Increase the remuneration of councillors to provide greater incentives for participation and to remove existing barriers.
- (v) Consider a formula for the number of elected councillors per capita or geographic area with an upper and lower limit.

Direction: Appropriate Structures

<u>Initiative 8</u>: Develop a number of different structural models for Local Government <u>Key Action 8b</u>: Research and develop alternative structural models, identifying their key features and assessing their applicability to NSW

8b.1. What are the best aspects of NSW local government in its current form?

Refer to response provided to Key Action 8a.

8b.2. What challenges will your community have to meet over the next 25 years?

There is substantial work that has been carried out by academics in relation to alternative structural models. From a practical position, many in local government in NSW believe that substantially more could be done in relation to regional collaboration.

For example, in the Northern Rivers Region there are 7 Mayors and 7 General Managers, is one possible model to look at a true regional model, reducing the number of Mayors and the number of General Managers?

Is there a role for a regional mayor, supported by a regional general manager, with a number of deputy general managers?

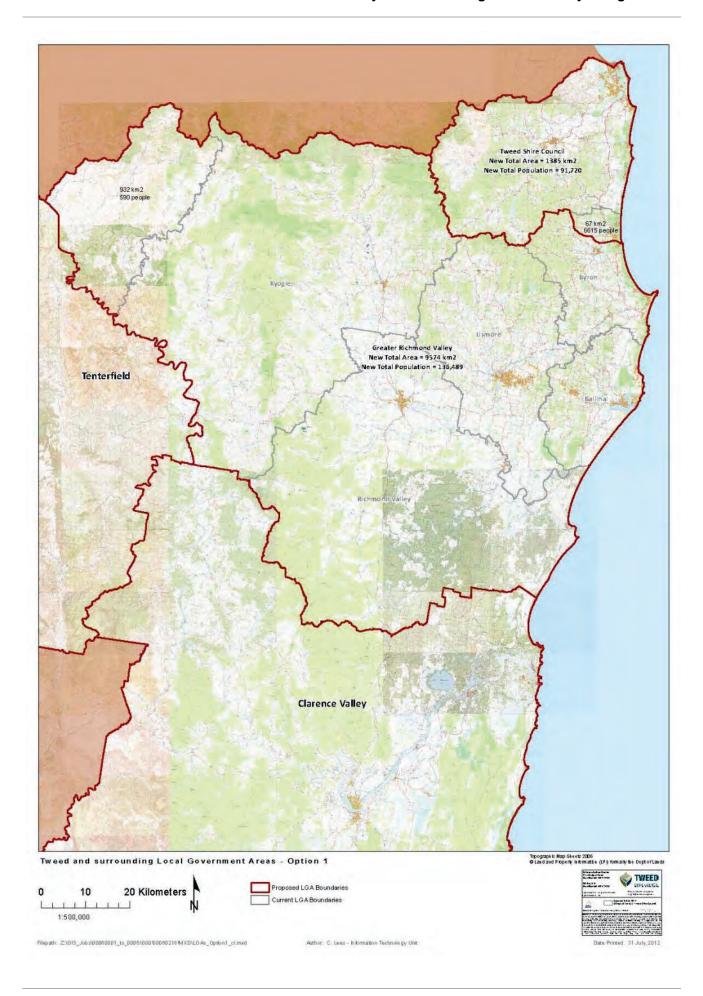
8b.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

Council has prepared alternative structural boundaries for the seven councils (Tweed, Byron, Ballina, Lismore, Kyogle, Richmond Valley, and Clarence Valley) in the Northern Rivers to serve as points of discussion/ consideration. Each of these options and the corresponding maps are provided below in more detail:

Option 1: Minor boundary adjustment to Tweed Shire Council boundaries to include the Marshalls Creek Catchment. This would take in Ocean Shores, Billinudgel and Marshalls Creek Hinterland which has some community of interest with Pottsville and the greater Tweed and would include the whole of the Wyong Nature Reserve which is currently split between the Tweed and Byron Local Government Areas. This adjustment would increase the Tweed LGA by 67sq/km and a population by approximately 6,615, bringing the total new area of Tweed to 1,385sq/km and population to 91,720.

Boundary adjustment to existing Tenterfield and Kyogle boundaries to excise part of the Tooloom/ Upper Clarence Valley within Tenterfield. This Valley has a community of interest and similar geography to Casino/ Kyogle and would result in Tenterfield being a primarily tableland council. This would increase the existing Kyogle LGA by 932sq/km and estimated population of 590.

The most significant suggestion for Option 1 is to then amalgamate the Kyogle, Richmond Valley, Lismore, Byron and Ballina Local Government areas into a single Council (Greater Richmond Valley) with a combined area of 9,574sq/km and a population of 136,489. Importantly this amalgamation would provide three councils in the Northern Rivers, each centred around a major river (Tweed, Richmond, Clarence) catchment.



Option 2: Minor boundary adjustment to Tweed Shire Council boundaries to include the Marshalls Creek Catchment. This would take in Ocean Shores, Billinudgel and Marshalls Creek Hinterland which has some community of interest with Pottsville and the greater Tweed and would include the whole of the Wooyung Nature Reserve which is currently split between the Tweed and Byron Local Government Areas. This adjustment would increase the Tweed LGA by 67sq/km and a population by approximately 6,615, bringing the total new area of Tweed to 1,385sq/km and population to 91,720.

Boundary adjustment to existing Tenterfield and Kyogle boundaries to excise part of the Tooloom/ Upper Clarence Valley within Tenterfield. This Valley has a community of interest and similar geography to Casino/ Kyogle and would result in Tenterfield being a primarily tableland council. This would increase the existing Kyogle LGA by 932sq/km and estimated population of 590.

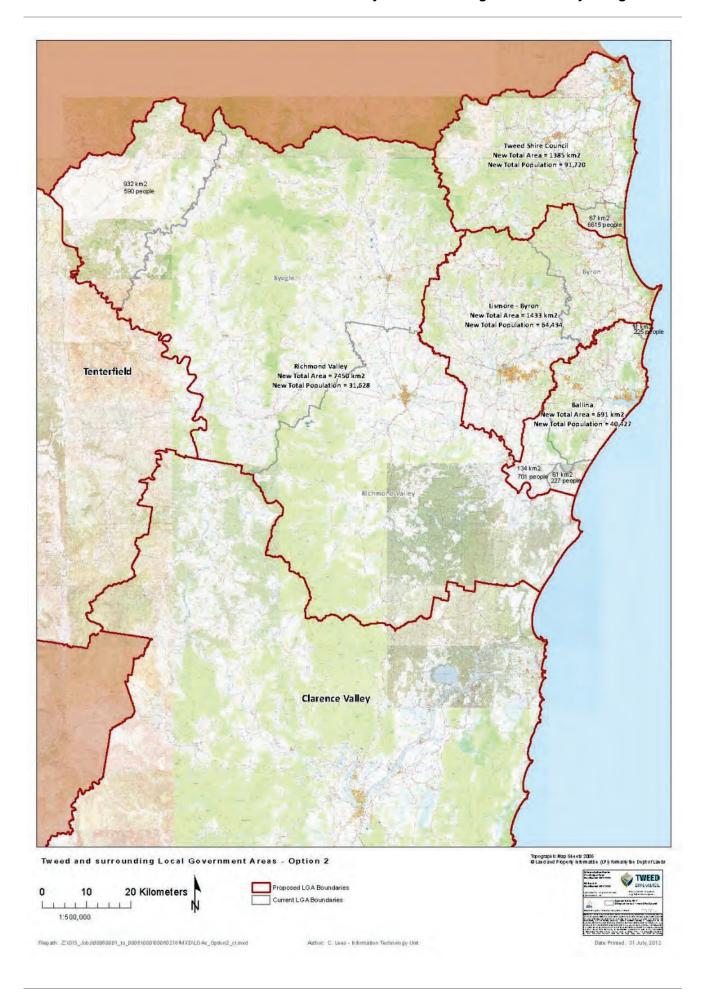
Boundary adjustments to Ballina Council to include the area South of Broken Head of approximately 11 sq/km from Byron Shire Council encapsulating a population of 225.

As well as this part of Byron, boundary adjustments to Ballina Council to include the lower Richmond Flood Plain from Lismore and Richmond Valley and the town of Broadwater which has a community of interest with Ballina. This will increase Ballina Shire by a further 195sq/km and estimated population of 928.

The proposed boundary changes to Ballina would increase its total area by 206sq/km, population by 1,153 and bring their total area and population to 691sq/km and 40,427.

This option then proposes to amalgamate the balance of Lismore City and Byron Shire to provide a larger sustainable Lismore/ Byron council area which will strengthen Lismore by providing it with a growth area, strengthen the tourism industry and provide a coastal connection. Byron will be strengthened by having a more sustainable economic base and sufficient size to deliver much needed infrastructure improvements. The new area and population of Lismore/Byron would be 1,433sg/km and 64,434 respectively.

This option also proposes the amalgamation of Kyogle and Richmond Valley to form a larger more economically sustainable inland council area but still retains the growth area and coastal strip around Evans Head. The new area and population of Richmond Valley would by 7,450sq/km and 31,628 respectively.



Option 2A: This option provides the same boundary adjustments as Option 2, but provides an alternative governance structure. This model suggests the creation of a Borough or elected Community/ Local Board with their own budget and specific programs and projects within two alternative defined areas:

- B1 Suggests the creation of a Borough/ elected Community/ Local Board for the towns of Byron Bay, Ewingsdale and Suffolk Park.
- B2 Suggests the creation of a Borough/ elected Community/ Local Board for the towns included in B1 plus Mullumbimby, Bangalow and the immediate Hinterland.

In each example the greater Lismore/Byron Council would provide the major administration functions and service delivery but the Borough or elected Community/ Local Board would have responsibility for setting strategic planning, service standards, projects, etc within its defined geographic area.

Such a governance model exists in New Zealand and the Borough of Queenscliff in Victoria is another example.



Option 3: Minor boundary adjustment to Tweed Shire Council boundaries to include the Marshalls Creek Catchment. This would take in Ocean Shores, Billinudgel and Marshalls Creek Hinterland which has some community of interest with Pottsville and the greater Tweed and would include the whole of the Wooyung Nature Reserve which is currently split between the Tweed and Byron Local Government Areas. This adjustment would increase the Tweed LGA by 67sq/km and a population by approximately 6,615, bringing the total new area of Tweed to 1,385sq/km and population to 91,720.

Boundary adjustment to existing Tenterfield and Kyogle boundaries to excise part of the Tooloom/ Upper Clarence Valley within Tenterfield. This Valley has a community of interest and similar geography to Casino/ Kyogle and would result in Tenterfield being a primarily tableland council. This would increase the existing Kyogle LGA by 932sq/km and estimated population of 590.

Boundary adjustments to Ballina Council to include the lower Richmond Flood Plain from Lismore and Richmond Valley and the town of Broadwater which has a community of interest with Ballina. This will increase Ballina Shire by 195sq/km and estimated population by 928.

It is then proposed to amalgamate Ballina with the balance of Byron Shire to form an enlarged Ballina/ Byron Shire. This new area will have a much higher sustainable population and economic base than its constituents and has a common interest in coastal management and management of a burgeoning tourist industry and significant urban growth. The new area and population of Ballina/Byron will be 1,102 sq/km and population 62,796.

It is then proposed to create a Greater Richmond Valley inland council with the amalgamation of Kyogle, and the balance of Lismore and Richmond Valley. This option provides a larger more economically sustainable inland council area but still retains the growth area and coastal strip around Evans Head and has the advantage of providing a major city centre at Lismore. The new area and population of Greater Richmond Valley would by 8,472sq/km and 73,693 respectively.

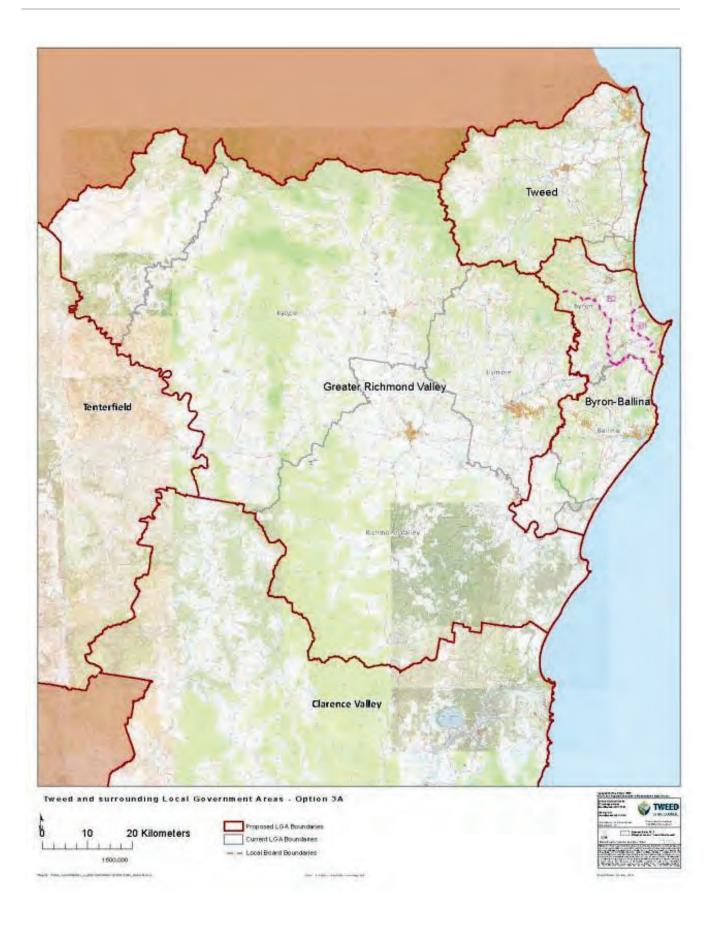


Option 3A: This option provides the same boundary adjustments as Option 3, but provides an alternative governance structure. This model suggests the creation of a Borough or elected Community/ Local Board with their own budget and specific programs and projects within two alternative defined areas:

- B1- Suggests the creation of a Borough/ elected Community/ Local Board for the towns of Byron Bay, Ewingsdale and Suffolk Park.
- B2 Suggests the creation of a Borough/ elected Community/ Local Board for the towns included in B1 plus Mullumbimby, Bangalow and the immediate Hinterland.

In each example the greater Ballina/Byron Council would provide the major administration functions and service delivery but the Borough or elected Community/ Local Board would have responsibility for setting strategic planning, service standards, projects, etc within its defined geographic area.

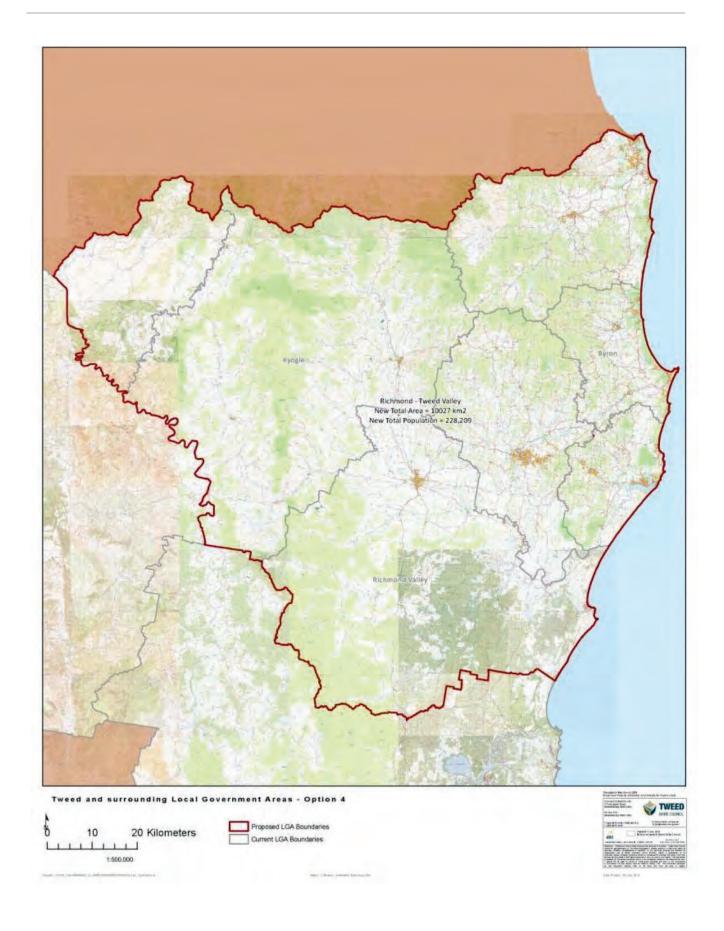
Such a governance model exists in New Zealand and the Borough of Queenscliff in Victoria is another example.



Option 4: This option provides for no boundary adjustments but rather an amalgamation of the Richmond/Tweed Council's of Ballina, Byron, Kyogle, Lismore, Richmond Valley and Tweed Shires into a new Council (Richmond Tweed Valley Council).

This would allow a more inclusive approach to regional strategic planning for such issues as an Integrated Transport Strategy, Regional and sub regional growth plans (as proposed by the Department of Planning Green Paper), waste management and community services.

The new area and population of an amalgamated Richmond Tweed Valley Council would be 10,027sq/km and 228,209 respectively.

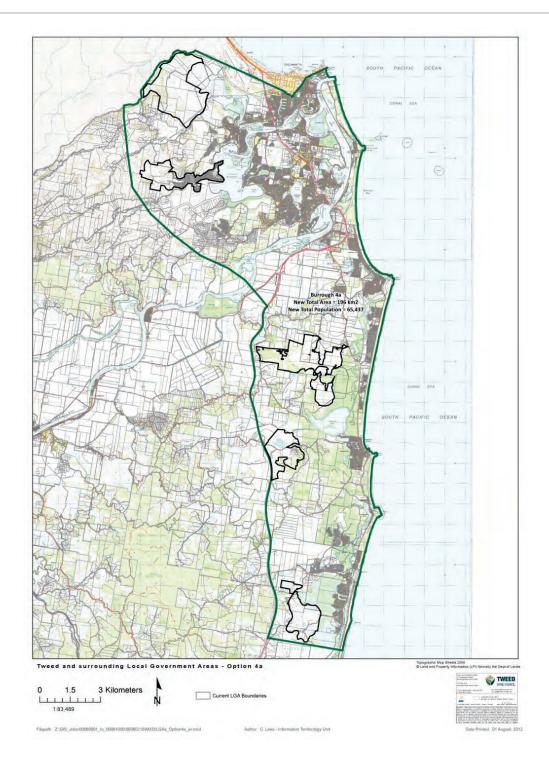


Option 4A: This option provides the same boundary adjustments as Option 4, but provides an alternative governance structure. This model suggests the creation of a Borough or elected Community/ Local Board with their own budget and specific programs and projects within the urban and urban growth area of Tweed Heads and the Tweed Coast to Dunloe Park.

B1 - Suggests the creation of a Borough/ elected Community/ Local Board for the city of Tweed Heads and the urban and coastal areas of Bilambil, Bilambil Heights, Tanglewood, Cobaki, Kings Forest, Tweed Heads West, Tweed Heads South, Banora Point, East Banora, Terranora, Chinderah, Kingscliff, Cabarita, Casuarina, Hastings Point, Cudgen, Pottsville, Bogangar, Pottsville, Heritage Pacific and Dunloe Park.

This would allow a more strategic planning approach that deals with coastal hazards and urban development in the high growth population area that has a close affinity to south east Queensland and the Gold Coast.

The area and population of the proposed Borough would be 196sq/km and 65,437 respectively, which would reduce the total population of Option 4 from 228,209 to 162,772.



Option 5: This option provides for no boundary adjustments but rather a total amalgamation of the NOROC Council's of Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Shires into a new Council (Greater Northern Rivers Council).

This would allow a more inclusive approach to regional strategic planning for such issues as an Integrated Transport Strategy, Regional and sub regional growth plans (as proposed by the Department of Planning Green Paper), waste management and community services. The disadvantage is that Tweed's regional planning is more closely aligned to the north and Gold Coast City Council than to Grafton for example.

The new area and population of Northern Rivers Council would be 20,468sq/km and 277,874 respectively.



County Councils

A recent Council report on the Structural Reform Business Case - Rous Water, Richmond River County Council, Far North Coast Weeds resulted in the following resolution:

"RESOLVED that Council supports structural reform of the Far North Coast County Council in principle and notes the reports of University of Technology Sydney: Centre for Local Government (UTS:CLG) and Mr Brian Wilkinson, but defers any decision on the preferred governance model and structure (options within the UTS:CLG report) for consultation with the Destination 2036 Steering Committee and the Independent Local Government Review Panel to ascertain the most appropriate structural framework in light of the Destination 2036 Action Plan and corresponding Directions."

Direction: Appropriate Structures

<u>Initiative 8</u>: Develop a number of different structural models for Local Government <u>Key Action 8c</u>: Identify barriers and incentives to encourage the voluntary amalgamation or boundary adjustments of councils

8c.1. What are the best aspects of NSW local government in its current form?

Refer to response provided to Key Action 8a.

- 8c.2. What challenges will your community have to meet over the next 25 years?
 - (i) The barriers to change to a large degree have already been identified through the municipal amalgamations that have occurred in Victoria and Queensland, and that are proposed to occur in Western Australia.
 - (ii) In addition to these barriers there will be the fear of change and potential job losses that will come from specific parts of the community and potentially unions.

In Victoria there are some people that still rue the day the amalgamations took place, but in reality there are very few. In Queensland, despite predictions of community upheaval and municipal chaos, the local government system is working well and continues to be a major employer.

There is a tendency to think that the local government of yesteryear was a friendlier place, where the stringency of budgets was less of an issue and that there were always more than enough staff to repair a pothole or empty a bin. This perception is not always accurate and often the community looks back in time with rose coloured glasses.

- (iii) The real barrier is political will.
- (iv) Additional barriers are the contractual arrangements that local governments continue to enter into that make it more and more difficult to align the procurement of shared services, especially in the areas of information technology, financial software, purchase of plant and machinery, insurances and other contracted services.
- (v) As identified in the emerging debate on the review of the NSW planning system, it can be difficult to achieve compatible development outcomes across large

regions. Even within the current sized NSW local government areas, there can often be quite varying views among the community on a scale and character of development best suited to certain localities. The State Government's Green Paper proposes to address these challenges through a greater emphasis on regionally based, strategic planning to provide a clearer direction to development assessment and public infrastructure outcomes. The challenge for local communities and councils will be to ensure that there is adequate and equitable representation of their views in these regional processes.

Further barriers include:

- Financial implications or reform or maintaining the status quo
- Community perception of local government
- Organisational capacity to respond to the future needs of communities
- Funding for strategic planning
- Increased infrastructure backlog by amalgamating with poorer councils

8c.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

- (i) Incentives to encourage voluntary amalgamations include reforms to the revenue system as discussed in Key Action 5b.
- (ii) Ensuring the maintenance and improvement of local service delivery.
- (iii) Providing some form of local representation.
- (iv) Providing boundaries with communities of interest.
- (v) Ensuring currently sustainable councils are not disadvantaged by taking on larger geographic areas or councils with fiscal issues and/ or large infrastructure backlogs.

Direction: Strong Relationships

<u>Initiative 9</u>: More clearly define the functions, roles and responsibilities of Local and State Government

Key Action 9a: Identify those functions that are clearly state or local government responsibility, those that cannot be readily defined and those that have been legislated/regulated as core functions

9a.1. What are the best aspects of NSW local government in its current form?

In preparing the 2011/2021 Community Strategic Plan, Council consulted with the community, resulting in the following services being deemed as being of high priority:

- Decisions based on sustainability
- Sustainable population
- Effective and transparent consultation
- Respond to community input
- Public transport particularly rail services
- Footpaths and cycleways

- Protect village character
- Safe communities
- Health services
- Support for community organisations
- Urban design/ protect open space
- Protect agriculture/agricultural land
- Create employment opportunities
- Ecotourism
- Establish Tweed as clean, green food bowl
- Public transport
- Rejuvenate Tweed Heads CBD
- Protect biodiversity
- Water management including water tanks
- Sustainable development/housing
- Sustainable population

A number of these priorities carry with them cross government responsibilities and at this present time, this cross fertilisation is working amicably.

An impressive aspect of the current implementation of functions is that, council and its community has a level of choice and freedom of service availability. Should there be a greater degree of legislation and regulation this choice may not exist.

The current level of cost shifting from the other spheres of government is accepted within the community due to the availability of services. If the cost burden was to increase at the detriment of an identified community benefit or council initiated function, council would have to determine a definitive priority matrix for the delivery of these functions.

As a rural regional entity, council has the carriage of a large number of functions and must budget accordingly to satisfy the community's desire for these services.

The table below lists the current responsibilities of the three tiers of Government. No discussion of the best aspects or negatives of the current responsibilities has been included in this table.

Function	Local	Core	Community Benefit	Council Initiated	State	Commonwealth
Economic and Property Development	Х			Х		
Business and Economic Management	Х			Х	Х	
Holiday Parks	Х		Х		Х	
Airfield and Saleyards					Х	
Communications and marketing	Х		Х			
Media	Х		Х			
Publications and Tweed Link	Х			Х		
Festivals and Events	Х			Х		
Community Engagement	Х		Х			
Customer Service	Х			Х		
Budgeting and Long-term Financial	Х	Х				
Planning	Х				Х	
Accounts Payable	Х	Х				
Payroll	Х	Х			Х	

Function	Local	Core	Community Benefit	Council Initiated	State	Commonwealth
Taxation	Х	X				X
Grant Funding		X			Χ	Х
Investments	X	X			Χ	
Asset Management	X	Х				
Financial Reporting	X	X				
Land Rating and Property Information	X				X	
Land Valuations					X	
Water Consumption	X	Х				
Debt Collection	Х	Х				
Pensioner Rebates					Х	
Waste Management Weighbridge	Х		Х			
Workplace Health and Safety					Х	X
Recruitment and Employee Relations	Х			Х		
Performance Management	Х		Х			
Career Development and Training	Х			Х		
Industrial Relations					Х	Х
Network and Data Security	Х		Х			
Core Business Systems Administration	Х			Х		
Business Process Analysis	Х			Х		
Computer Help Desk	Х			Х		
Internet and Intranet sites	Х		X			
Geographic Information Systems	Х		Х		Х	
Corporate Record Management	Х	Х				
Internal Audit	Х	Х				
Corporate Performance	Х			Х		
Access to Information	Х	Х			Х	
Enterprise Risk Management	Х	Х				
Council Meetings	Х	Х				
Development Assessment	X	X			Х	
Development Compliance	X		Х		X	
Tree Preservation Order Assessment	Х		Х		Х	
Subdivisions Assessment and Supervision of works	X	Х				
Issue of Construction and Subdivision certificates	Х	Х				
Engineering Assessment for Development Applications	Х	Х				
Local Environmental Plan	Х	Х			Х	
Planning Proposals	Х	Х			Х	
Strategic Planning for Urban Land Release	Х	Х			Х	
Locality Plans	Х	Х				
Land Mapping	Х	Х			Х	
Urban Design	Х	Х			Х	
Development Control Plans	Х	Х				
Companion Animals	Х	Х			Х	
Compliance Public Spaces - Litter, Car Parking, Beach Access	Х	Х			Х	
Building and Development Approval and Inspection	Х	Х			Х	
Health Inspections and Licences, Food Premises	Х	Х			Х	
Compliance Building and Environmental Health	Х	Х			Х	
On-site effluent Disposal	Х	Х			Х	
Caravan Park Compliance	X	X			X	

Function	Local	Core	Community Benefit	Council Initiated	State	Commonwealth
Emergency Services			Х		Х	
Water and Soil Testing Services -	Х			Х		
Tweed Laboratory Centre						
Mechanical and Electrical Services	Х			Х		
Assets Management	Х	Х				
Strategic Business Planning	Х			Х		1
Infrastructure Planning and	Х			Х		
Procurement						
Operations and Maintenance - Dams,	Х	Х				
weirs, reservoirs, reticulation networks,						
pumping stations and treatment plants,						
telemetry, SCADA						
Water Cycle Education	Х			X	Х	
Community Development - Aged and				Х	Х	X
Disability, Youth Aboriginal and Torres						
Strait Islander - Social Planning						
Cultural Development				X	Х	
Museums				X	Х	
Art Gallery				Х	Х	
Community Options				Х	Х	
Libraries				Х	Х	
Community Facilities, Halls etc	Х			Х		
Coastline and Beach Management			Х		Х	
Waterways			Х		Х	
Biodiversity			Х		Х	
Sustainable Agriculture					Х	
Sustainability			Х		Х	
Pest Management	Х		Х			
Refuse, Green waste and Recyclables	Х	Х				
Collection						
Landfill Operations		Х			X	
Education				X	Х	
Traffic, Parking and Road Safety	Х	Х			Х	
Management						
Infrastructure Planning	X		X		X	
Floodplain Management and Mitigation			X		Х	
Street Lighting	X		X		X	
Design and Design Consultants			Х		Х	
Surveying			X		X	
Property and Legal's		Χ			X	
Open Space provision			X		X	
Contracts Management, Supervision	X		X			
and Advice						
Tender Administration				X	X	
Policy and Procedures Administration				Х	X	
Transport services, Roads and Bridges	X		X			
Cycleways and Footpaths			X		X	
Stormwater Drainage	X		X			
Construction and Maintenance Works	X		X			
Vehicle and Plant Fleet	X		X			
Fleet, Depots and Stores	X		X			ļ
Quarries	X		X			
Roads and Traffic Authority Grants and			Х		Х	X
Works	<u> </u>	<u> </u>				
Cleaning	X		X			
Parks and Reserves	Х		X	<u> </u>		<u> </u>

Function	Local	Core	Community Benefit	Council Initiated	State	Commonwealth
Sportsfields	Х		X			
Surf Life Saving			Х		Х	
Public Swimming Centres	Х		Х			
Civic Centres, Community Buildings and	Х		Х			
Facilities						
Landscape Design Cemeteries	Х		X			

9a.2. What challenges will your community have to meet over the next 25 years?

Define and limit the Functions of Council ("What" should councils do?)

(i) Councils complain of inadequate funds to carry out their functions, but rarely consider that the expenditure side is perhaps the real problem. Local government has expanded its role and the range of functions/programs/services provided and this expansion of functions has increased the demand for income well beyond that caused by inflation.

There are many reasons for the expansion of functions; cost shifting by state government; political pressure from residents and community groups; increasing awareness of social, economic and environmental needs that can be resolved by Council involvement/expenditure.

There are many deserving sectors that would benefit from Council involvement, Local Government over time has demonstrated an inability to say "no" and as a result Council's effectiveness and financial capability to respond to priority issues has been diluted and compromised.

Councils will never solve the income/expenditure conundrum until there is clearer definition and firm limit on "what" activities they should be involved in. The "how" part that receives the most attention is really of secondary importance. Point 1 of the New Zealand Government *Better Local Government* paper - March 2012 makes similar statements.

(ii) The State Government's Green Paper also aims to redefine the role of local councils and communities in future planning and development assessment systems. The proposed planning system is seeking to depoliticise development assessment decisions for both state and local governments through an extension of the current practice of creating independent assessment bodies to deal with those applications beyond the general realm of Council officer delegations. In advocating for this approach, the State Government is challenging government departments and councils to focus more on strategic planning, rather than interfering with the detail of development assessment at a micro level.

9a.3. What 'top 5' changes should be made to local government to help meet your community's future challenges?

Define and limit the Functions of Council ("What" should councils do?)

(i) Councils will never solve the income/expenditure conundrum until there is clearer definition and firm limit on "what" activities they should be involved in. The "how"

part that receives the most attention is really of secondary importance. Point 1 of the New Zealand Government *Better Local Government* paper - March 2012 makes similar statements.

- (ii) A resolution of the "what" council's should be involved in requires agreement between the three levels of Government. It can never be a definitive prescriptive agreement, but could at least set some basic guidelines, limit the scope of "what" Local Government can be involved in or at least set some criteria to be met before Councils venture into a "new" or significantly expanded activity.
- (iii) Limiting the range of functions and services Councils deliver would enable them to focus on the priority issues that impact on their communities and free them to do more effective strategic planning of these priority areas.
- (iv) Any limits on the scope of "what" councils do would need to be flexible enough to adapt to changing circumstances, but, sufficiently restrictive to control the proliferation of Council functions.
- (v) State government has an important role to play in critically analysing each piece of new legislation it proposes to ensure impacts that require increased resources from Local Government are minimised. A kind of impact statement for each piece of legislation that examines whether the legislation will have a significant impact on Local Government resources and if so, what state compensation/income is needed to redress the impact.

4. Considering Destination 2036 in the context of the Department of Planning and Infrastructure Green Paper

A review of both the State Government's "Green Paper" and "Strengthening Your Community" provides strong synergies that will require strong guidance and leadership for the various reform agendas to be advanced.

Planning and new development are key aspects of local communities and their governance. The extent and timing of new development plays a critical role among the business economy, social well being and financial prosperity of a local area.

The proposed reform of the current NSW planning system, as outlined in the Green Paper, will have a significant impact upon the "Five Big Issues" identified in the NSW local government reform document "Strengthening Your Community", as summarised below:

Council's ability to support the current and future needs of local communities

The Green Paper places a great emphasis on the importance of good strategic planning at a state, regional and local level, with a corresponding program of infrastructure delivery.

It is intended that this updated hierarchy of planning provides the platform for overall State based objectives to filter through to new developments, including the promotion of economic development and competitiveness, connecting people and places, protecting the environment, improving people's quality of life, resolving trade-offs based on social, economic and environmental factors, and to effectively manage growth and change.

The Green Paper reforms will challenge local government's ability to influence planning and development decisions, as it is the clear intent of the State Government to "depoliticise" future decision making, including the reduction in the role of elected Councillors. This view is not fully supported. Local politics has a very legitimate role in local planning, particularly at the strategic level.

The opportunity exists to draft a process that permits and regulates the legitimate exercise of local politics in local planning. This is preferable to the current "Green Paper" proposal to disenfranchise the community by entirely removing local politics from local land use planning.

Council's ability to deliver services and infrastructure efficiently, effectively and in a timely manner

The proposed Green Paper reforms to infrastructure planning and co-ordination (commonly referred under the current Planning Act as Section 94 developer contributions) promote quite a bold, revised approach, including increased provision for private sector delivery of public infrastructure through contestable bids, new Growth Infrastructure Plans to integrate the planning and provision of infrastructure with planning for growth, prioritised infrastructure delivery for important State based projects, and the creation of fairer, simplified and more affordable system for infrastructure contributions.

The financial sustainability of each local government area

Financial sustainability is a clear goal of the Planning Act reform, which is highlighted in the Minister's statement: "The new planning system must support the Government's priority to facilitate NSW being the number one choice for business investment, enable the sustainable growth of our cities and towns as great places to live an ensure that planning and environmental outcomes reflect the expectations of the community".

It would appear that the State Government has strong expectations that local councils will provide the main financial and staff resourcing of the regional processes, which is a major concern given the expected decline in income that councils will be able to derive from the fees of the new, streamlined development approvals processes.

The ability of councils to provide local representation and decision making

The community through their elected representatives have a legitimate role in being a major party in determining the land use vision and outcomes for their local government area.

The role of elected councillors has traditionally provided the most direct form of democratic representation and influence on local government decision making, particularly in respect of planning and development assessment matters.

Some councils treat planning decisions in an ad hoc manner, are unpredictable, are easily swayed by small but vocal pressure groups and fail to follow or frequently change adopted long term strategic planning policies. This problem can be solved by more comprehensive and binding state and regional planning plans, more prescriptive codes of conduct for Council consideration of planning issues and mandating rules for adherence to (except in special circumstances) strategic policies.

Whilst one of the key objectives outlined in the Green Paper is to "depoliticise" the new planning system, the proposed reduction of the role of elected councillors to a minimal role on the new Local Plan preparation is considered to threaten the extent of local representation of local communities on major development and policy decisions. This loss of community representation has already been experienced to date through the creation of Joint Regional Planning Panels (JRPP) to determine major development applications, whereby there have been a number of instances where the local community and elected councillors clearly opposed developments that were approved by the JRPP.

The Green Paper also provides a range of highly commendable mechanisms for community groups and individuals to participate in the New Planning System, particularly through the proposed Public Participation Charter and the emphasis on an earlier input at a strategic planning stage.

However, the State Government has not sufficiently outlined to date how local community members will be given the necessary incentive and education to have effective input and representation on high order strategic planning processes, a process which has proven to date to be very difficult to gain participation at such an early stage of the development planning cycle.

This concern is heightened by the lack of detail in the Green Paper regarding the resourcing and future management of the Regional Plans and Regional Board proposals.

Barriers and incentives to voluntary boundary changes

There are major gaps in the processes within the Green Paper surrounding the timing, sequencing, resourcing and administration of the Regional Plans and the Regional Growth Boards.

Totally removing councillors from the development control process and severely limiting their role in the strategic planning process of "subregional growth areas" as proposed in the "Green Paper" effectively removes elected councillors from the planning process.

It would appear that the State Government has strong expectations that local councils will provide the main financial and staff resourcing of the regional processes, which is a major concern given the expected decline in income that councils will be able to derive from the fees of the new, streamlined development approvals processes.

There is also further uncertainty on the future role and operations of these regional planning processes in relation to the emerging local government reforms of the State Government's Destination 2036 Action Plan.

In addition to the major concerns for the extent of local community representation in these regional planning processes through the proposed exclusion of participation of elected councillors, the further question is posed: Who will ultimately be accountable for the decision making of these processes and to whom will they account?

OPTIONS:

Options for structural reform, governance models and to improve the financial viability and sustainability of local government are included in the body of the report.

CONCLUSION:

This report provides a submission and points of consideration to the NSW Independent Local Government Review Panel on Strengthening Your Community Consultation Paper July 2012.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy Not Applicable.

b. Budget/Long Term Financial Plan:

Council's budget and Long Term Financial Plan is based on the current structure. TCorp is currently doing an analysis of the financial sustainability and asset management backlog of every council.

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- 1.2.1 Council will be underpinned by good governance and transparency in its decision making processes.
- 1.2.2 Decisions made relating to the allocation of priorities will be in the long term interests of the community.
- 1.2.3 Financial requirements and the community's capacity to pay will be taken into account when meeting the community's desired level of service.

UNDER SEPARATE COVER/FURTHER INFORMATION:

- 1. Strengthening Your Community Consultation Paper July 2012 (ECM 53157707)
- 2. Destination 2036 Action Plan June 2012 (ECM 54190406).