

MINISTER'S LOCAL GOVERNMENT FORUM

MEETING NOTES

15 OCTOBER 2003 10.00 AM – 12.30 PM

ADELAIDE TOWN HALL

Present

Hon Rory McEwen MP, Minister for Local Government
Hon John Hill MP, Minister for Environment and Conservation
Hon Jay Weatherill MP, Minister for Urban Development and Planning
Hon Stephanie Key MP, Minister for Social Justice
Councillor John Legoe, President, Local Government Association
Ms Wendy Campana, Executive Director, Local Government Association
Councillor Jeff Burgess, Northern Areas Council
Mayor Ivan Brooks, City of Mitcham
Mayor Tony Zappia, City of Salisbury
Mr Steve Gawler, Chief Executive Officer, City of Holdfast Bay (Metropolitan Chief Executive Officers Association)
Ms Judith Jones, Chief Executive Officer, The Barossa Council (Local Government Managers Association)
Ms Anne McEwen, Australian Services Union
Mr Tim O'Loughlin, Chief Executive, Department of Transport and Urban Planning
Mr Jeff Walsh, A/ Executive Director, Planning SA
Mr John Comrie, Executive Director, Office of Local Government

Ms Marjorie Schulze, Independent Reference Group
Mr Ted Byrt, Independent Reference Group

Apologies

Mayor Felicity-ann Lewis, City of Marion, represented by Mayor Ivan Brooks
Mr Tim Jackson, Chief Executive Officer, City of Playford, represented by Ms Judith Jones
Ms Nari Jarrett, Australian Workers' Union

Observers

Observers of the meeting represented the LGA, the Metropolitan CEO's Association and various State agencies.

1. WELCOME AND INTRODUCTION

The Minister for Local Government welcomed members to the fifth meeting of the Minister's Local Government Forum.

The Lord Mayor welcomed the Forum to the City of Adelaide, and expressed his desire for the Adelaide City Council to work closely with the family of Local Government.

2. NOTES OF PREVIOUS MEETING

The notes of the previous meeting were accepted.

3. REFERRALS TO THE FORUM

3.1 State – Local Government Relations

The President of the Local Government Association (LGA) spoke to this item, and suggested some changes to the wording of the draft State – Local Government Relations paper. Members agreed that the agreement and related schedule should express an intent to engage the Commonwealth Government in identification of funding in relation to changed or new services, and for State and Local Government to work together in seeking greater funding from the Commonwealth. The LGA also expressed their view that Local Government should have opportunity for input to the development of the State Budget.

The Forum agreed that the wording of the agreement should reflect State and Local Government working together to contribute to the social and environmental development of South Australia, along with economic development. The agreement as a whole could reflect a greater focus on community services. The inclusion of affordable housing to the schedule of specific actions and priorities for 2004 was also suggested to facilitate this.

An addendum to the agenda item was tabled for the information of the Forum. This provided a brief overview of responses from State agencies and LGA representatives. These responses indicate widespread general support for the proposed agreement.

The Forum agreed to the recommendations in the paper, with an amendment to recommendation three. This recommendation was changed to:

Give in principle support to the content of the current draft agreement and agree that the Minister for Local Government and the President of the LGA will determine the final wording of the document. The document will be forwarded to the State Cabinet and the LGA State Executive seeking formal approval to enable the agreement to be signed in December 2003.

3.2 Stormwater Management and Flood Mitigation

The Forum was updated on the development of a detailed project brief to undertake a comprehensive study of priorities and methodologies in the metropolitan area, prepared by a Steering Committee consisting of State and Local Government representatives. The tender for this project has recently been advertised. It is expected that this project will be completed by May 2004. The Chief Executives' Group (consisting of the Chief Executives of DTUP and DWLBC and the Executive Director of the LGA) has appointed Nicholas Newland, a senior State Government executive, to progress the priority policy work of the Group. Members also discussed the potential for State and Local Government to look at joint or coordinated approaches to procurement processes when this phase of the process is reached.

The Forum also noted the finalisation of the Stormwater Management Report for the Environment, Resources and Development Committee of Parliament. The Chief Executives' Group will provide guidance to Government in the production of a response to this report.

The Forum considered the possible links that the future planning of stormwater infrastructure could have with SA Water, in particular the need to consider existing infrastructure in this planning.

Minister Hill spoke on the links between stormwater management and the Natural Resource Management (NRM) Bill, which are to be explored in more detail prior to the consideration of the Bill in Parliament, likely to be in the first quarter of 2004. A particular point of Forum discussion was the need to identify a preferred structural approach to stormwater management in metropolitan Adelaide and the potential role of the proposed NRM regional boards in stormwater management. Whilst these boards are not intended to bear responsibility for the technical

management of stormwater, they will have an important part to play in the setting of policy directions, planning, prioritisation and resources.

Minister McEwen closed discussion on stormwater emphasising that both stormwater management and the Septic Tank Effluent Disposal Scheme must be addressed in unity at a broad level by State and Local Government, stressing the need for action not simply rhetoric. A positive result on the resolution of these issues is essential.

The Forum adopted the seven recommendations of the stormwater management and flood mitigation report.

3.3 Septic Tank Effluent Disposal Scheme (STEDS)

Minister McEwen opened discussion on this item by acknowledging the transfer of portfolio responsibility for STEDS to him from Minister Weatherill, and briefly described the bodies set up to produce directions for the sector – the LGA Advisory Committee on STEDS and the State Government Reference Group.

Discussion on STEDS centred on the issue of funding for the STEDS sector. The LGA stressed the importance of confirmation, as soon as possible, of the continuation of State Government funding for the STEDS Program for the next two to three years, whilst future strategic directions are decided and can then be implemented. The LGA stated that the preparatory work for projects, where construction is yet to commence, has been halted pending confirmation of short term funding from the State. This will result in delays in construction for these projects. Several Forum members emphasised that whilst this is important, due to the lead time needed for the construction of new schemes, councils also need to ensure that their STEDS pricing structures, including renewal, provide for sustainable asset management. Forum members acknowledged that pricing is a complex issue that must recognise the different existing levels of pricing and scale and age of existing STED schemes.

Several options for future funding models were discussed, including the possibility that Local Government could undertake increased borrowings to fund new schemes given the right incentives and support. All possible financial models will be explored by the LGA STEDS Advisory Committee. The potential viability of the extension of SA Water services into areas near metropolitan Adelaide once the full 'whole of life' cost of a STED scheme has been identified was also mentioned as a possible alternative to installing new schemes.

It was agreed that there should be further correspondence between the Minister for Local Government and the President of the LGA to gain clarification of the short term funding commitment from the State Government which is expected to be contingent upon the Local Government sector committing to the necessary reforms to establish a viable and sustainable STEDS sector.

The Forum adopted the recommendations of the STEDS report.

In relation to recommendation 4 it was agreed to have a further exchange of correspondence between the LGA and Minister McEwen to enable the Minister provide firm advice on short term funding.

4. TOPICS FOR FURTHER EXPLORATION

4.1 Sharing of Compliance Functions

Discussion of this issue by Forum members indicated clearly that whilst this is a complex area, there are potentially many benefits to an analysis of the crossover of State and Local Government in a variety of enforcement activities. These areas could include compliance with development approval conditions and enforcement of heavy vehicle route restrictions.

Members agreed that further work in this area that involves Local Government, State agencies and subsequently compliance officers, is necessary to identify precisely what compliance functions could benefit from a joint approach from State and Local Government.

The Office of Local Government (OLG) and the LGA will initially undertake this work, with the intent of producing a more detailed report to the first Forum meeting in 2004. This report will identify the principles that should guide the possible decisions about which sphere of government is best placed to enforce specific compliance functions and identify possible advantages and disadvantages, including cost and revenue implications. The possibility that work in this area could be perceived as a cost shifting exercise by Local Government will need to be managed by careful consideration of all cost and revenue implications.

The Forum adopted the recommendations of the report on the sharing of compliance functions.

4.2 Administration of Rates Concessions

John Comrie provided a brief update on the progress of this issue. Work is underway on developing a project to identify an approach to simplify the administration of rates concessions that will lead to greater efficiencies, improved service delivery and potential cost savings to State and Local Government. It was emphasised that the level of and eligibility for concessions will not be reviewed, rather the processes by which concessions are administered. The project team working on this issue is expected to include representatives from the LGA and the Department of Treasury and Finance, and on Minister Key's suggestion, will involve officers from the Department of Human Services.

The Forum indicated that this item should remain on the Forum agenda, with a progress report to be provided to the next Forum meeting.

5. UPDATE REPORTS

5.1 Surplus Government Land

Tim O'Loughlin provided the Forum with a brief update, advising that while specific arrangements for the review of Circular 114 are yet to be finalised, there is a general expectation that the circular will be revised to give due consideration to social and environmental objectives in the disposal of surplus State Government land.

The Forum endorsed a pilot project to map the State and Local Government land holdings in particular areas in order to identify priorities and strategies for the best use of any surplus land. It was suggested that running such an exercise in a regional and a metropolitan council area would be most effective in providing a holistic and strategic view of the use of surplus government land to achieve community objectives. Some possible areas were suggested for such a study but this will be further considered in developing the project

The Forum adopted the recommendations of the report on surplus government land.

5.2 State Housing Plan

Minister Key spoke to this item, and briefed the Forum on a recent meeting between herself and the LGA. The Minister expressed appreciation of the considerable input Local Government made into the process of developing the State Housing Plan. The Chairperson of the Housing Trust will be meeting with the LGA to discuss future opportunities for Local Government to be involved in the housing sector, particularly in the provision of affordable housing, and housing for people with disabilities and older people.

A major issue for Local Government that has emerged strongly from the consultations and submissions to date is that of workforce housing in regional areas. Parts of the State Housing Plan will have a focus on regional housing in response to this. Another focus will be on the provision of appropriate housing options for indigenous people.

The Forum adopted the recommendations of the report on the State Housing Plan.

5.3 Development Planning

Minister Weatherill provided a brief overview of the direction of proposed changes to the planning system. These changes are not intended to dramatically change South Australia's excellent planning system. The changes will refocus effort on the strategic aspects of development planning, rather than continuing on development assessment procedures. It is the overall policy direction of planning that will affect behaviour and outcomes most effectively, not individual assessment decisions.

The involvement of Local Government in the process of developing proposed changes will be essential to their eventual success. There are several bodies set up to look at specific aspects of this very complex area, and Local Government will be represented on each of these bodies. Local Government representatives at the Forum expressed their broad understanding and agreement with the direction of the changes, and their anticipation of engagement with the process.

Minister Weatherill acknowledged that other changes are also necessary, for example, making the procedure by which Plan Amendment Reports are processed by Planning SA more efficient. The Minister is also engaged in discussion with the Economic Development Board over their expectations of the proposed changes to the planning system.

The Forum adopted the recommendations of the report on development planning.

5.4 Waste Management

Minister Hill provided a brief account of the progress of the Zero Waste SA Bill. Overall the process in establishing Zero Waste SA had been very good, and reflected a shared vision of State and Local Government to improve waste management in South Australia. Local Government is well represented on the interim Zero Waste SA Board. The Minister acknowledged Local Government's concerns regarding the proposed amount of the solid waste levy to be hypothecated and allocated to Zero Waste SA. A final decision on this matter will be dependent on consideration by Cabinet of the proposal put forward by the LGA. Minister Hill expressed a commitment to resolve the issue with Local Government.

The other issue raised by Forum members was that of the necessity for a direct stipulation in the Zero Waste SA Bill that any remaining funds in the Waste to Resources Fund at the end of a financial year be automatically carried over to the next year (recommendation 3). The Forum expressed in principle support for this proposition. As this matter was yet to go to Cabinet, Ministers present were not in a position to formally support a position on this recommendation but Minister Hill indicated that he would advise Cabinet of Local Government's view that this should be the case.

Recommendations 1 and 2 of the paper on waste management were adopted by the Forum.

Recommendation 3 was adjusted to read:

The Forum noted the LGA's proposal that the Zero Waste SA Bill provide an automatic carry-over of funds from one financial year to another in order to preserve hypothecated funds.

5.5 Natural Resources Management

This item was introduced by Minister Hill, who outlined the consultation procedures for the Natural Resources Management (NRM) Bill. Once established, the NRM Regional Boards will have members with Local Government experience. The nomination process for the Boards will also ensure good representation from local communities, with each Board having a Chairperson from the local community. The LGA will nominate persons for appointment as ex officio Board members. The Minister expressed the view that the changes do not signify greater centralisation of the management of natural resources, rather a greater delegation of power to more efficient regional bodies.

Further consultation will also involve more discussion with the Australian Services Union over the future employment of Animal and Plant Control Board employees, although the draft Bill does already indicate that employment will be maintained for these staff members.

Local Government is supportive of the intent of the proposed reforms overall, and wishes to continue the consultation process to produce an agreed piece of legislation. There are many outstanding issues for local government as a letter from Minister Hill to the LGA attached to the Forum paper indicates. Consultation on these issues will continue during the development of a revised Bill with a view to it proceeding to be introduced to Parliament with the formal endorsement of the LGA.

The Forum adopted the recommendations of the report on natural resources management.

6. TWELVE MONTH REVIEW OF FORUM

As the Forum has been operating for twelve months, a review process was undertaken to evaluate the operation and achievements of the Forum. Along with the substantial progress on several key issues of significance to State and Local Government, one of the benefits of the Forum has been to improve the overall working relationship between the two sectors of government. The frank and relatively informal discussion at Forum meetings has been an important part of this.

While the achievements of the Forum are passed on by members to their respective colleagues, it is considered that there is still significant opportunity to improve the communication of the role and achievements of the Forum. There are many challenges ahead as the Forum seeks resolution to particular issues, in particular, stormwater management, STEDS, and the signing of the State-Local Government Agreement. The President of the LGA suggested that the Forum's progress be reviewed as part of the annual review of the schedule of specific actions and priorities that forms part of the State- Local Government Agreement.

The Minister closed this item by thanking the Independent Reference Group, Ms Marjorie Schulze and Mr Ted Byrt, for their valuable guidance and support of the Forum in its first year of operation.

7. NEXT MEETING AND CLOSE

Forum meetings in 2004 are expected to be held in February, June, late August and November. It is also intended that a meeting be held in a regional area of the State.

MEETING CLOSED - 12.25 PM