

4.3.13 MINISTER FOR LOCAL GOVERNMENT

OVERVIEW

Agency	Forecast 1995-96	Estimate 1996-97	Variation
	\$m	\$m	%
Department of Local Government			
Current Payments	72.9	74.7	2.5
Capital Payments	2.5	...
Total, Minister for Local Government	72.9	77.2	5.9

DEPARTMENT OF LOCAL GOVERNMENT

The Department of Local Government's principal functions are the development and oversight of the legislative and policy framework within which local councils operate, the investigation of issues affecting local government performance and operations, the improvement of local council accountability to their residents and ratepayers for their performance and the establishment of best practice guidelines.

Expenditure Trends and Recent Developments

The Department's payments for 1996-97 will increase by \$4.3 million to \$77.2 million, a variation of 5.9 per cent. The principal element is the Pensioner Rate Rebate Scheme (\$64 million).

The 1993 Local Government Act has been largely implemented in most councils. The legislative framework is under regular review to meet emerging needs and the systemic changes required by various microeconomic reforms, the application of competition principles, performance based regulation, and the development of more efficient processes at the local government level. The Department has a significant role in relation to complaints about local councils, including pecuniary interest complaints about councillors and staff.

Strategic Directions

In 1996-97, the implementation of National Competition Policy in local government will commence. As a result of the Commonwealth/State agreement, councils will begin the process of ensuring that significant business activities are conducted in an environment of competitive neutrality.

Continued development of benchmarking in local government will be supported through the participation in Commonwealth/State arrangements and benchmarking projects with individual councils in New South Wales. The projects will include approval processes, engineering processes and investigation of local government costing arrangements which form the basis of comparative data for benchmarking.

Improved benchmarking techniques will allow for better performance comparisons of councils against best practice. This forms an important part of the microeconomic reform process and complements work performed on State level on the reduction of regulatory impediments, faster decision making and microeconomic reform. Improved benchmarking will build on the performance measures which already exist in New South Wales.

1996-97 Budget

Current Payments

The introduction of performance based building codes, developed by the Australian Building Codes Board, will signal an important reform to building regulation. New provisions were publicly exhibited in late 1995, and following public comment are expected to be finalised in late 1996. Adoption in 1997 will require extensive preparation by councils and the Department will have an active guiding role. Performance based codes are a significant step in removing impediments to innovative construction methods.

The Australian Building Codes Board will continue to support the Fire Code Reform Centre. The Centre is undertaking defined research in order to increase the flexibility of Building Codes in relation to the construction requirements for major buildings. The potential savings on major developments are significant.

An expanded local council reporting scheme was introduced in the 1993 Local Government Act, with the focus being on councils reporting to the community. As a result of experience in the reporting provisions of the Local Government Act, a number of changes will be made to improve the reporting standards of councils.

In accordance with the Government's commitment, work will continue on the development of the Companion Animals legislation and the potential to expand the role of Regional Organisations of Councils to encourage and develop regional arrangements between councils.

Several other aspects of the Local Government Act will be reviewed to ensure that the legislation remains up to date and in keeping with contemporary expectations of local government.

Capital Payments

Total Capital Payments for 1996-97 will be \$2.5 million. This is the first instalment to implement a Government commitment to spend \$15 million on urban stormwater run-off in the Blue Mountains area.

This amount will be contributed to equally by the Roads and Traffic Authority (RTA) in this area.