



AGENDA

**FOR RESOURCES AND GOVERNANCE COMMITTEE MEETING TO BE HELD
ON**

22 JANUARY 2018 AT CONCLUSION OF BUDGET AND FINANCE COMMITTEE

IN COMMITTEE ROOM 1, 12 JAMES STREET, SALISBURY

MEMBERS

Cr S Bedford (Chairman)
Mayor G Aldridge (ex officio)
Cr D Balaza
Cr B Brug
Cr D Bryant
Cr L Caruso
Cr R Cook (Deputy Chairman)
Cr D Pilkington
Cr D Proleta

REQUIRED STAFF

General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
Manager Governance, Mr M Petrovski
Manager Communications and Customer Relations, Mr M Bennington

APOLOGIES

An apology has been received from Cr D Pilkington.

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Resources and Governance Committee Meeting held on 11 December 2017.

REPORTS

Administration

3.0.1 Future Reports for the Resources and Governance Committee 7

Corporate Governance

3.6.1 Summary Report for Attendance at Training and Development Activity -
Cr Graham Reynolds 11

OTHER BUSINESS

CLOSE



**MINUTES OF RESOURCES AND GOVERNANCE COMMITTEE MEETING HELD IN
COMMITTEE ROOM 1, 12 JAMES STREET, SALISBURY ON**

11 DECEMBER 2017

MEMBERS PRESENT

Cr S Bedford (Chairman)
Mayor G Aldridge (ex officio)
Cr D Balaza
Cr B Brug
Cr D Bryant
Cr L Caruso
Cr R Cook (Deputy Chairman)
Cr D Pilkington

STAFF

General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
Manager Governance, Mr M Petrovski
Manager Communications and Customer Relations, Mr M Bennington

The meeting commenced at 8:15 pm

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

An apology was received from Cr D Proleta.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr D Pilkington
Seconded Cr R Cook

The Minutes of the Resources and Governance Committee Meeting held on 20 November 2017, be taken and read as confirmed.

CARRIED

REPORTS

Administration

3.0.1 Future Reports for the Resources and Governance Committee

Moved Cr B Brug
Seconded Cr D Pilkington

1. The information be received.

CARRIED

Mayor G Aldridge entered the meeting at 8:17 pm.

Cr D Bryant entered the meeting at 8:17 pm.

Health, Animal Management and By-laws

3.3.1 Dog Registration Fees 2018 - 2019

Moved Cr D Balaza
Seconded Cr L Caruso

1. The information be received.
2. That the maximum dog registration fee be set at \$65 for 2018-2019, with the dog registration categories and eligible rebates as per the Dog Registration Fee Schedule Proforma 2018-2019 forming attachment 5 to the Resources and Governance Committee Agenda, 11 December 2017, Item No. 3.3.1.

CARRIED

Corporate Governance

3.6.1 Review of Internal Review of Council Decisions Procedure

Moved Cr D Pilkington
Seconded Mayor G Aldridge

1. The information be received.
2. The Internal Review of Council Decisions Policy and Procedure as set out in Attachment 1 to this report (Resources and Governance 3.6.1, 12/12/2017), be endorsed.

CARRIED

3.6.2 Summary Report for Attendance at Training and Development Activity - Cr Steve White

Moved Cr D Pilkington
Seconded Cr L Caruso

1. The information be received.

CARRIED

3.6.3 Nominations Sought for the South Australian Public Health Council

Moved Cr D Pilkington
Seconded Cr L Caruso

1. That the City of Salisbury not submit a nomination for a Local Government Member on the South Australian Public Health Council.

CARRIED

3.6.4 Customer Compliments, Comments and Complaints Policy

Moved Cr D Pilkington
Seconded Mayor G Aldridge

1. That the information be received.
2. The Compliments, Comments and Complaints Handling Policy be discontinued, noting that the Customer Service Framework and Charter replaces the existing policy.

CARRIED

OTHER BUSINESS

Nil

The meeting closed at 8:22 pm.

CHAIRMAN.....

DATE.....

ITEM	3.0.1
	RESOURCES AND GOVERNANCE COMMITTEE
DATE	22 January 2018
HEADING	Future Reports for the Resources and Governance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Resources and Governance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

3.1 The following table outlines the reports to be presented to the Resources and Governance Committee as a result of a Council resolution:

Meeting Item	Heading and Resolution	Officer
22/06/2015 3.3.2	Amendments to the Dog and Cat Management Act 3. Council note that staff will review the need for a cat by-law 12 months after the implementation of the proposed Bill and provide a further report to Council.	John Darzanos
Due:	July 2019	
28/09/2015 3.6.1	Review of Provision of Elected Member IT Equipment 2. A revised Elected Member Allowances, Facilities and Support Policy be brought back to Council in July 2018.	Joy Rowett
Due:	July 2018	
30/01/2017 3.6.4	Review of the Procurement Policy to incorporate use of Australian Made steel for Council construction projects 2. A review of the implications of the adoption of a variation to the Procurement Policy to use Australian made steel as set out in Part 1 (Item 3.6.4, Resources and Governance Committee, 23/01/2017) be undertaken in 12 months.	Matt Harris
Due:	January 2018	
Deferred to:	March 2018	
Reason:	Staff are collating information from the Para Hills Community Hub to assist in compiling report.	
26/06/2017 3.3.1	Proposal to Amend the Australian Road Rules to enable parking on Council verges 4. A report be presented to Council on the impact of the changes set out in parts 1 to 3 (Item 3.3.1, Proposal to Amend the Australian Road Rules to enable parking on Council Verges, Council meeting 26/06/2017) to existing Council's policies.	John Darzanos
Due:	January 2018	
Deferred to:	March 2018	
Reason:	Staff are awaiting feedback on any resolution regarding this matter from the LGA.	

28/08/2017 NOM3	Provision of telephone for use in case of domestic violence/other emergency situations 1. That, as part of the consideration of White Ribbon Australia Workplace Accreditation (refer Council resolution 1893/2017), staff investigate options and costs associated with the establishment of a telephone(s) located outside of council buildings which can be used by people fleeing domestic violence or other emergencies situations to obtain assistance from relevant emergency service providers. Due: January 2018 Deferred to: May 2018 Reason: Staff are waiting on feedback from external organisations.	Julie Douglas
23/10/2017 NOM4	Shopping Trolleys 1. That staff bring back a report on what options are available for Council to collect shopping trolleys and recoup costs from major retailers for dumped trolleys. 2. That staff advise what options are available for issuing fines for dumping trolleys. Due: January 2018 Deferred to: February 2018 Reason: Staff are reviewing the impact from trolleys and identifying options to reduce incidents of dumping and options for enforcement.	John Darzanos
23/10/2017 3.6.1	Investigation of options for changes to audio recording of Committee and Council meetings 5. The facilitation of an externally web-hosted video recording of Council and committee meetings and associated publishing be considered as part of the 2018/19 budget process. Due: February 2018	David Bevan & Mick Petrovski
23/10/2017 3.6.2	Amendments to Local Government Act and Regulations Mobile Food Vans 2. Staff provide a further report in December 2017 for Council to consider adoption of a Mobile Food Vendors Policy. Due: February 2018	Tim Starr

23/10/2017 Cnl-OB2	Safety in Parabanks Shopping Centre Carpark 1. That staff report on what current principles of development control and other provisions within the Development Plan, Building Code or Development Act are in relation to enforcing conditions on shopping centres to provide safe, light areas for shoppers, staff including provision of CCTV.	Chris Zafiropolous
Due:	January 2018	
Deferred to:	February 2018	
Reason:	Staff have met with Parabanks representatives and are awaiting a response, expected to be received in time for the February meeting.	

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Resources and Governance Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer:	EXEC GROUP	GMCID	GMBE	GMCD	MG	GMCI
Date:		09/01/18	10/01/18	10/01/18		

ITEM	3.6.1
	RESOURCES AND GOVERNANCE COMMITTEE
DATE	22 January 2018
HEADING	Summary Report for Attendance at Training and Development Activity - Cr Graham Reynolds
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	The Elected Member Training and Development Policy sets out requirements for reports to be presented by members after attendance at certain activities.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Report on Attendance at the LGA Council Members' Forum
2. Council Members' Forum Program
3. LGA Rate Capping Campaign

1. BACKGROUND

- 1.1 The Elected Member Training and Development Policy sets out requirements for reports to be presented by members after attendance at certain activities. Clause 25 of the policy states:

25. *Following attendance at a conference Elected Members must prepare and submit to Council a written report in relation to their attendance at the conference. Written reports should be submitted to the Project Officer, Governance who will arrange for it to be presented to Council at the earliest opportunity.*

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Not required.
- 2.2 External
 - 2.2.1 Not required.

3. REPORT

- 3.1 In accordance with the Elected Member Training and Development Policy (the policy), Cr Graham Reynolds attended the Council Members' Forum at Local Government House on 27 and 28 October 2017.
- 3.2 As detailed in the policy, Cr Reynolds has provided the attached written summary of his attendance.

4. CONCLUSION / PROPOSAL

- 4.1 Council is asked to receive Cr Reynolds' attendance report.

CO-ORDINATION

Officer: Exec Group MG
Date: 09/01/2018

Elected Member Report – Cr Graham Reynolds

Council Member’s Forum - Advocacy and Leadership

27 – 28 Oct 17 at Local Government House, 148 Frome Street, Adelaide

Summary

The Advocacy and Leadership Forum provided an opportunity for Local Government elected members to hear from the leaders in Local Government, be able to network, share and learn from each other’s experiences, and have an education session on strength based leadership. The Forum was attended by a mixture of Elected Members from around South Australia and several Mayors, with the majority of representation being from regional Councils.

Day 1

Address by LGA President, Mayor Lorraine Rosenberg, City of Onkaparinga

Mayor Rosenberg emphasised that the collegial nature of the Local Government sector is critical to its’ success. Her address focussed on three topics:

- Rate Capping;
- Cost shifting; and
- The proposed changes to the Code of Conduct.

Rate Capping. Mayor Rosenberg provided an overview of the Rate Capping campaign based on the Liberal Party proposal to cap council rates at the 2018 State Election – please find attached to this report both an overview of the Awareness Campaign and a Council Member Information Pack.

Cost shifting. Mayor Rosenberg emphasised the degree of cost shifting that is being placed on Local Councils, citing the Solid Waste Levy in particular, and the need for Councils to raise their rates to compensate. In these instances, she emphasised to not be apologetic when raising rates for these reasons and to continue to deliver the same level of service.

Proposed Changes to the Code of Conduct. Mayor Rosenberg emphasised that she wants a Code that works in an effort to provide some real teeth to the legitimate breaches of Codes of conduct whilst minimising trivial complaints raised. She has had discussions with the Premier, who’s comment was that it is your Code (ie. Local Government’s) so you are in the most control of what the Code looks like. Mayor Rosenberg is looking for agreement from the Premier and implementation on the new Code before the March 2018 State Election.

Address by Australian LGA President, Mayor David O’Loughlin, City of Prospect

Mayor O’Loughlin provided an overview of his role as the Australian LGA President, and its’ role in advocacy of the Federal Government. He cited that there is currently a \$27B backlog in road maintenance, and he has been advocating the Prime Minister and other Ministers for increased Roads to Recovery funding, especially given that Local Governments are responsible for 80% of the roads in Australia.

He also advocates for an increased Federal share of council funding, particularly as it impacts regional councils the most who have the least capacity to raise revenue. He noted that 70% of grants go to regional areas, and that there are 125 forms of taxes across Australia, whilst Local Governments only have one form of tax, that being rates.

He emphasised that Local Government is the level that works with the public the most, undertakes more community consultation and finds it easier to engage at a local level where State and Federal Government can't. With this in mind, he then provided an overview of how Elected members can influence State and Federal Government by:

- Needing to ensure that State and Federal Members understand what the local issues are;
- Make it easier for them to understand these issues; and
- Keep them engaged and thank them if something does happen. eg. invite them to local openings, get them warm and fuzzy about being involved.

Lastly, he encouraged the elected members to pursue policies that will create markets for which you will be the source, and example being a policy to incorporate re-cycling into local procurement (eg. by stipulating the use of glass in lieu of metal in road construction).

Address by Mr Matt Pinnegar, CEO LGA

Matt Pinnegar provided an overview of the LGA and their current role in Local Government advocacy. He said that the LGA's default position is to partner with the State Government, no matter which party is in power. The LGA also needs to be part of the solution and on the front foot in terms of Local Government's needs eg. State budget submissions.

He emphasised that Local Government is the most efficient sector of Government, that they are closest to the community, and that we need to be more aspirational and search for more opportunities. Local Government needs to drive economic development, especially in areas such as tourism and reduced regulations.

The current most important issues for the Local Government sector are:

- Energy costs;
- Rate capping;
- Economic Development;
- Role of Councils in Planning; and
- Community well-being.

The current priorities for the LGA are:

- Governance Review;
- Sector conduct and morale;
- Procurement;
- State and Council elections;
- Benchmarking and Reform; and
- Commercial offerings.

EM's experience in Local Advocacy

The four panel members were:

- Mayor Lorraine Rosenberg, City of Onkaparinga
- Mayor David Parkin, City of Burnside
- Cr Peter Cornish, City of Burnside
- Cr Maureen Oliver, Tatiara Council

Each panel member provided their experience with advocacy.

Mayor Lorraine Rosenberg provided her experience based on getting Jamie Oliver's Ministry of Food into Onkaparinga, where she actually had to advocate for how bad they were and in need of his program. She used experiences from the OPAL program, demonstrated barriers to success that existed in her community and made local 'Heroes', and ultimately she was successful. She also recommended using others to advocate for you, and take the politics out of it. She also recommended using follow up information forums for controversial topics, with them being led by others (rather than from the Mayor or Council).

Mayor David Parkin offered that a good advocate knows how to say 'No'! He added that it is amazing what you can get done if you don't care who takes the credit. Further, he advised that every council is subject to an anti-council Facebook forum.

Cr Maureen Oliver's experience in advocacy was in listening to the community.

Cr Peter Cornish offered the Good, the Bad and the Ugly. The Bad he has seen is when advocates use 80 people to write one letter rather than get 80 people to write a letter. The ugly he offered was when a Councillor is elected on a single issue and only pursued that issue when in Council.

The role of Elected Member's in Sector Wide Advocacy Campaigns

Despite the title, this presentation by Mr Matt Clemow essentially provided a breakdown of each Council area and what State election seats were in those council areas, and how this may affect each Council, particularly given the recent boundary redistribution and impending retirements etc.

Dinner

Dinner was held in the City at the Lemongrass Restaurant, and provided another opportunity to network with fellow elected members. We were also joined by the Lord Mayor, Mr Martin Haese.

Day 2

Essentials of Strength-Based Leadership

Kay Hannaford from the Unchartered Leadership Institute provided a session on strength based leadership. She emphasised the need to know your own strengths, but also to know your team's strengths. Her definition of a strength was:

"A pre-existing capacity for a particular way of behaving, thinking or feeling that is authentic or energising for the person and which lead to or best performance."

She went through strategies for good listening, including using Open questions such as "How, what, why, when and who" as opposed to Closed questions such as "Did, do, can" (essentially a closed question is anything that can lead to a yes/no answer).

We then broke into pairs for an exercise in listening to a fellow elected member to better understand a challenge that they have faced that proved to be a success. Once each elected member had listened to the other, we then joined with another pair and had to explain to the other elected pair what our partner had told us to demonstrate how well we had listened to them using good listening techniques.

After this we joined back into the group session, and then provided feedback to Kay as to what attributes we heard that could be regarded as success factors, such as:

- Perseverance
- Satisfaction
- Co-operation
- Having a champion or driver
- Identifying the problem
- People power
- Confidence
- Courage
- Networking
- Connecting
- Advocacy
- Listening
- Passion
- A good cause or purpose
- Asset for the Community
- Get and give feedback
- Establish a process
- Trust/Distrust

Attachments

- Council Member's Forum Program
- Local Government Rate Capping Awareness Campaign

Council Members' Forum

Date Friday 27 & Saturday 28 October 2017

Venue LG House, 148 Frome Street, Adelaide

Day 1:	Friday 27 October 2017
9.00am	Registrations
9.30am	Welcome and Setting the Scene for the Day
	MC: Rowena McLean, Sector Development Partner, LGA
9.40am	Address from the LGA President
	LGA President, Mayor Lorraine Rosenberg, City of Onkaparinga
10.00am	Address from the ALGA President
	Mayor David O'Loughlin, City of Prospect, President, ALGA
10.20am	LGA CEO Address
	Speaker: Matt Pinnegar, CEO, LGA
11:00am	Morning Tea
11.20pm	EM's Experiences in Local Advocacy
	Panel of four Elected Members share their experiences of Local Advocacy. The good experiences and the challenges.
12.50pm	Lunch
1.30pm	Elected Member Circle
	Opportunity for EM's to talk frankly about their roles with their peers.
3:00pm	Afternoon Tea
3:20pm	The role of Elected Member's in Sector Wide Advocacy Campaigns
	Speaker: Matt Clemow, Director, Property and Consulting Australia
	<i>How can EM's create greater public value?</i>
	<i>As advocacy champions how can EM's advocate on behalf of their communities and with their peers?</i>
4:30pm	Close
6:00pm	Networking Drinks & Canapes
7:00pm	Dinner (venue TBD)

Council Members' Forum

Date Friday 27 & Saturday 28 October 2017

Venue LG House, 148 Frome Street, Adelaide

Day 2: Saturday 28 October 2017

9.30am Essentials of Strength-Based Leadership

Kay Hannaford, Associate, Uncharted Leadership Institute

10.30am Morning Tea

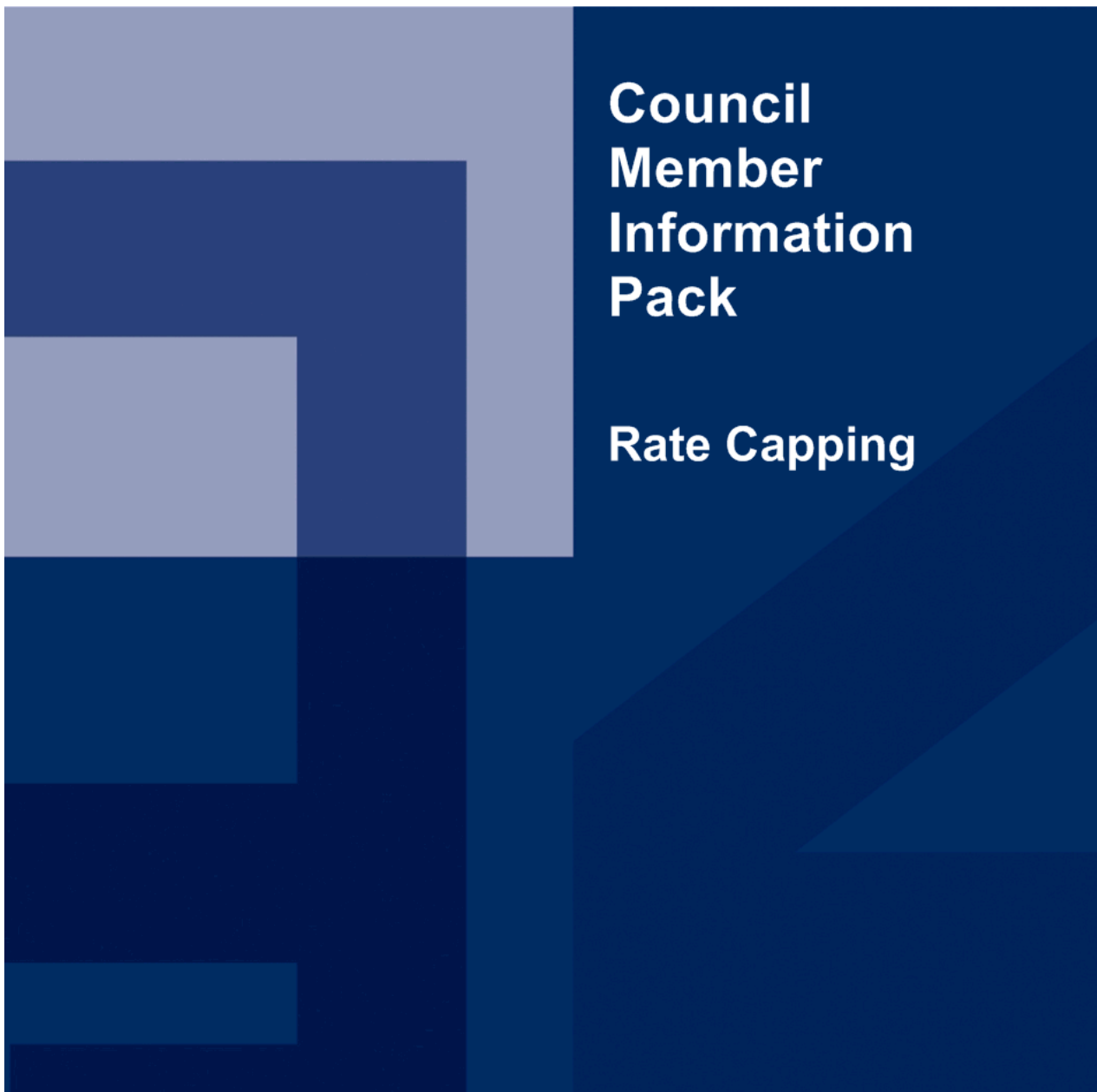
11.00am Workshop

Rowena McLean, Sector Development Partner, LGA

12.00pm Wrap-up

Rowena McLean, Sector Development Partner, LGA

12:30pm Lunch and Wrap-up of Forum



What is Rate Capping?

August 2017

Rate capping is an externally imposed maximum percentage that a council's total rates revenue may increase from one financial year to the next. The Liberal Party SA's policy proposal is for the annual rate cap to be determined by the Essential Services Commission of SA. Your local Council has one tax (council rates), which comprises less than four percent of total tax in your community. State and federal governments raise some 259 different taxes which have the biggest impact - more than 96 percent of all tax in Australia. There is no cap imposed on the total amount of tax revenue that can be collected by State and Federal government each year.

The LGA welcomes discussion on setting of rates, as it focusses attention on why and how council rates are raised. However, the local government sector is firmly opposed to proposals under which unelected bureaucrats would effectively take over the role of elected members chosen by communities to represent their interests and make local decisions.

What are other concerns about rate capping?

On the surface, limiting tax may sound like a good idea- especially when so many community members are concerned about cost of living. However, rate payers need to understand what they stand to lose if rate capping is introduced in South Australia.

It will affect services

There is compelling evidence from interstate and overseas that demonstrates the negative impact rate capping has had on communities where it has been introduced. It has placed undue pressure on councils and affected their ability to fund services and infrastructure on behalf of the communities.

It has affected the maintenance of public infrastructure such as roads, footpaths, sports club facilities, parks and playgrounds – shifting the burden of repair or replacement to future generations. It has meant the reduction or discontinuation of services that contribute to building strong, vibrant communities such as volunteering programs and services for senior citizens. It has resulted in increased council fees and charges, meaning that council services and facilities become more expensive to access.

It's an empty promise

Council rates are only a fraction of the total taxes paid by Australians – less than four percent in fact. The federal government collects approximately 80 percent of the taxes, while state governments collect about 16 percent.

ABS figures from 2014/15 show that South Australian councils raise the lowest revenue per capita of any state in Australia. While rates per capita are higher in South Australia, council fees and charges (including developer contributions) are much lower here than they are interstate. A cap on rates would put pressure on councils to raise additional revenue through increasing fees and charges – impacting disproportionately on those who can least afford to pay.

As the closest government to communities, councils understand many South Australians are doing it tough, and offer support to households struggling to make ends meet through mandatory and discretionary rebates, remissions and postponement of rates.

It's undemocratic

In contrast to both state and federal governments, councils are required under legislation to collect and consider feedback from their ratepayers before deciding what they will include in their annual business plan, and what the associated rates will be.

There are examples where this process has led to postponement of planned programs and therefore a revised (lower) rate increase. There are also examples where communities have elected to increase rates to receive higher service levels or undertake major local infrastructure projects. The introduction of rate capping will negate the purpose of consultation, putting decision making power in the hands of a state government entity that is not accountable to local communities.

It's unwarranted

In 2015 the South Australian Economic and Finance Committee undertook an Inquiry into Local Government Rate Capping Policies. It concluded that rate capping should not be introduced in South Australia, and recommended that local councils retain full authority to set their rates. Local government in South Australia is supportive of sensible local government reform that will drive efficiencies without hurting communities.

Talking points – Rate Capping

- Rate capping is a popular but ultimately flawed policy that has failed communities around Australia.
- Council rates are increasing to keep pace with inflation, community expectations, falling government grants and cost shifting.
- Councils are the only publicly elected bodies with a statutory responsibility to consult communities prior to formal consideration of their annual programs and budgets. This means that both costs, and service levels and standards involve community feedback.
- Councils also develop long term financial plans and asset management plans to ensure responsible and equitable expenditure over the long term. These plans span political cycles and are based on what is necessary, not what is popular.
- Rate capping inevitably leads to a reduction in services, an increase in council fees and charges, and decaying public infrastructure which is left to future generations to repair.
- Across Australia councils collect less than 4% of total tax revenue, and any discussion around rate capping is an unnecessary diversion from the real issues facing our State.
- As the government which is closest to communities, we will continue working with other levels of government to develop solutions which will help drive South Australia's economic recovery.
- The myriad of local challenges and opportunities that can impact on council expenditure is precisely why decisions concerning council rates are better informed, and the impacts better understood, when made by the respective councils in consultation with their communities.
- It is simply bad policy for local decision making to be replicated at the State level at great expense to the community.
- Based on interstate experiences of rate capping our sector has no choice but to continue to fight its implementation in SA for the benefit of the communities we represent.
- Rate capping is bad policy, regardless of the model used to implement it.
- The LGA is supportive of sensible local government reform that will drive efficiencies without hurting communities.

Where can I get more information?

The LGA has developed a suite of information for those wanting more information.

You can find it all on our website at <http://www.lga.sa.gov.au/ratecapping>

Frequently asked questions...What is rate capping?

What is rate capping?

Rate capping is an externally imposed maximum percentage that a council's total rates revenue may increase from one financial year to the next. The Liberal Party SA has tried, and failed, to introduce rate capping in South Australia through introducing a Bill into Parliament, and has since committed to taking the policy to the State Election in 2018.

There is considerable evidence in NSW, the only state where rate capping has been in place for many years, to show that rate capping has resulted in significantly higher fees and charges, and decaying infrastructure as maintenance levels decline and costs are shifted onto future generations.

It is a populist policy that has not saved communities money. Rather, rate capping has just introduced more bureaucratic processes while impacting services and shifting cost to future generations.

Why do I pay council rates?

About 70% of funding for South Australian council services comes from the only tax councils are allowed to collect – rates. The remaining 30% is made up of:

- 3% Statutory charges
- 9% User charges
- 14% Grants and subsidies from the state and federal governments
- 1% Investment income
- 3% Reimbursements & other.

This revenue is used to provide many services to the community – some of which are legislated and others which are provided to meet community needs. Councils in South Australia operate under the *Local Government Act 1999* and 67 other pieces of legislation.

Whether a service is a legislated requirement of councils or is provided by local choice, the *Local Government Act 1999* requires that a council is "responsive to the needs, interests and aspirations of individuals and groups within its community" and that it must "seek to ensure that council resources are used fairly" (section 8(b) and (h)).

Why don't councils support rate capping?

Rate capping is a populist policy that has failed communities where it has been introduced interstate. In NSW and Victoria it has added unnecessary bureaucratic processes, is complex, costly and constrains communities and their councils.

An independent report into rate capping in NSW indicated that many councils have declining financial sustainability, and a declining capacity to deliver the services that their communities need.

The imposition of rate capping takes away local decision making. The State Opposition's proposal is for rate capping to be run by the Essential Services Commission of SA. This places local decision making in the hands of a separate entity unaccountable to your community.

Furthermore, the introduction of rate capping will restrict vital service delivery to the community or, if services are maintained, postpones the financial burden of today's services onto future generations.

Rate capping does not make councils more efficient or financially sustainable – in fact council debt increases as councils struggle to meet community expectation.

Why don't councils use the Consumer Price Index (CPI)?

Sometimes council rates are compared with CPI. A CPI is a measure of the average change, over time, in the prices paid by households for a basket of goods and services in each capital city. The basket of goods includes items such as milk, bread, clothing and household furnishings.

Unlike households, councils spend a large proportion of their budgets on construction of roads, drains, environmental projects and footpaths, and salaries for staff providing services for the community. The prices for these items move in different ways to how average household prices move and this is reflected in council budgets along with changes in standards of service and infrastructure delivery.

Council rates have increased more than CPI primarily because the price of goods and services is only one component of Council expenditure. Local government rates are set in response to various factors, not necessarily tied to price inflation.

Other factors accounting for council rate increases include:

- communities choosing more and better services;
- properly accounting for and maintaining important infrastructure;
- the impact of falling government grants and cost shifting;
- limits on other revenue sources including user pays fees; and
- different issues in each council area such as repairing flood damaged roads or responding to other extreme events.

Councils would be able to apply for a special rates variation, so what is the concern?

Applying and processing applications for rates increases above the rate cap (known as special rates variations) does not come without cost to both local and state government.

Research undertaken in NSW by the Independent Local Government Review Panel (the Panel) indicates that rate capping has been very costly relative to the benefits it delivers. Millions of dollars are spent each year by NSW councils and state agencies on preparing, reviewing and determining applications when the actual cost impact of the proposed rate increases on households would often have been no more than \$1 per week. The Panel concluded that, as a result of rate capping, the financial sustainability of many councils in NSW - and their capacity to deliver the services that their communities need - had declined, and a significant number were near crisis point.

South Australian councils believe that this money is better spent on delivering services and infrastructure to our communities rather than filling out forms and ticking boxes.

Why don't councils consult their communities?

They do. In fact, councils are legislatively required to consult with their communities on a range of matters. No other sphere of government is required to do this.

Each council in consultation with its community is required to develop publicly available plans, including long-term financial and infrastructure plans. These plans set the long-term objectives and priorities for the community. Councils also prepare Annual Business Plans, which includes income sources, infrastructure needs, service needs and what the council believes the community can afford in rates. Unlike other levels of government, councils release their Annual Business Plan and budget for community consultation prior to being adopted.

This consultation influences the annual budget that is presented to council for consideration and adoption. The budget can only be set at councils meetings, which are open to the public.

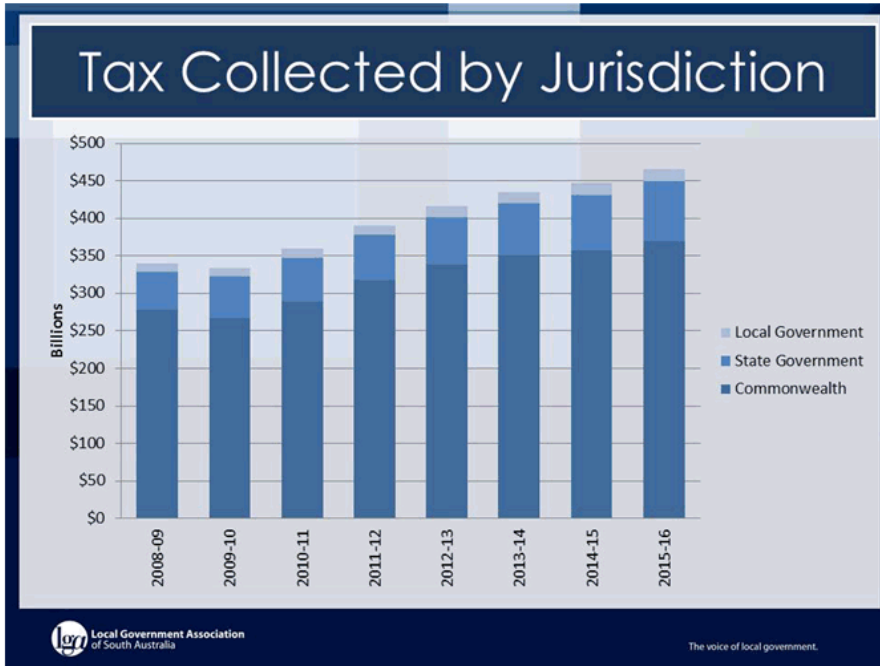
Constituents are encouraged to not only participate during the Annual Business Plan consultation, which typically occurs around April/May, but throughout the year. Consultation helps councils to understand the services their communities needs. All councils have a community consultation policy that guides how they will seek and consider the views of ratepayers and residents.

Despite all that, rate capping will save me money. Right?

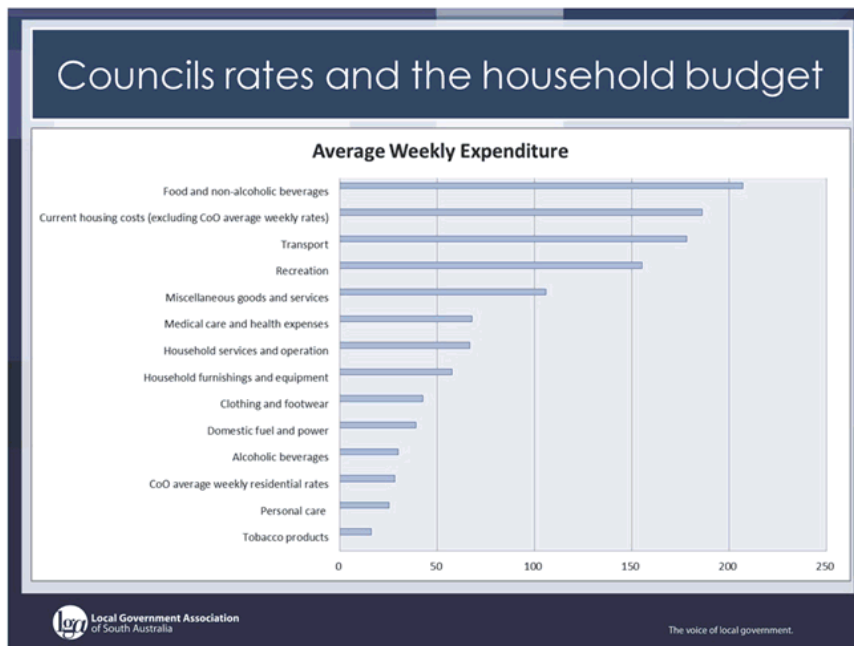
Wrong. Experience interstate has demonstrated that this is not actually the case. New South Wales councils have become increasingly dependent upon service fees and charges (eg parking fees, developer contributions, facilities rentals etc) which are not subject to rate capping. As a result, NSW residents actually pay more per capita to their councils than South Australian residents. In fact, South Australian councils have the lowest per capita revenue in the entire country.

Where can I get more information?

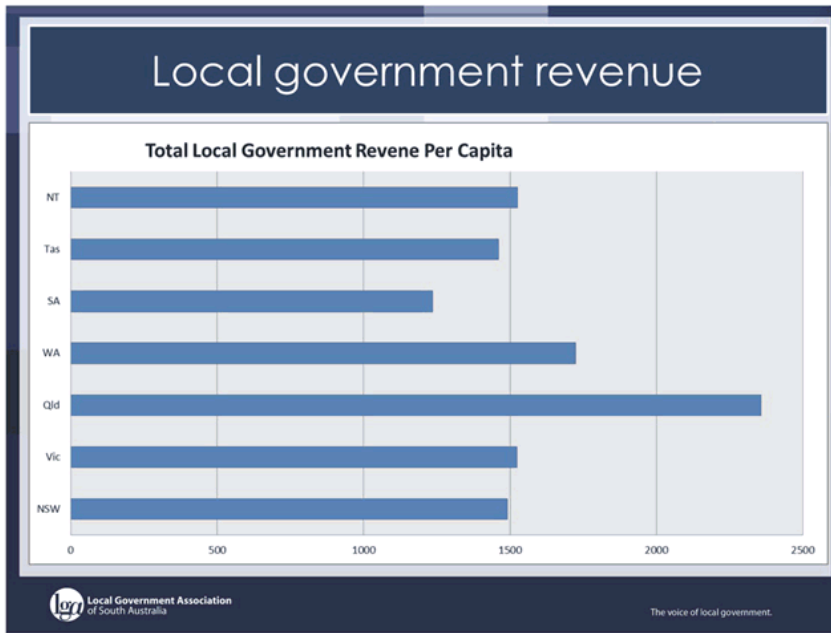
For those wanting more information, the graphs below provide headline information on council rates.



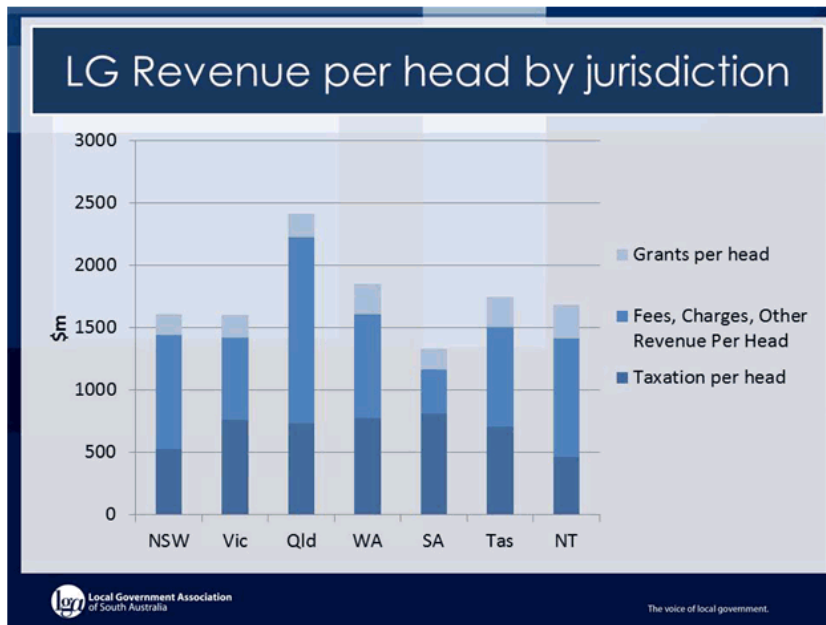
Local Government is responsible less than 4% of the total tax collected nationally.



This graph represents the average weekly residential rates in the City of Onkaparinga compared to other household spending.



Local Government in South Australia receives the lowest total revenue per capita across the nation.



This graph represents the revenue sources for local government in \$m per state.

2017/18 LG Awareness Campaign

‘Council being part of your everyday’, is the core for this campaign which demonstrates the many and varied services councils provide to the community. It builds on an already strong platform for local government so the community understands what is at stake should rate capping be introduced. Our research shows that the community is open to hearing both sides of the rate capping debate, and with the right messaging we can protect the right of councils to responsibly set their own rates based on the needs of their local communities.

1

- phase one -
EDUCATE
- and -
ADVOCATE




raising public awareness about the role & value of councils

‘Part of every day’ budget consult - rates notice insert, radio ads, social media and digital collateral





Every day our lives are somehow improved by the services local councils provide. Let’s highlight specific, everyday things we enjoy that council are involved in and/or responsible for, that are often taken for granted.

Roll out creative for local adoption/adaption plus paid media support by LGA.

2

- phase two -
ENGAGE
- and -
MOBILISE




engaging staff & community groups in support of councils & the value they provide in their communities

Working with councils to reach stakeholders and communities and support local activism against reduction in councils’ services.




Social media campaign featuring council services at risk like jetties; recreation and sport, public space, community safety; jobs & volunteers; website, fact sheets, interstate examples, Q&A and encouraging public, councillors and staff to email candidates.

3

- phase three - anti-rate capping strategy
ACTIVELY OPPOSE

political campaign to oppose the introduction of rate capping



ONLY ACTIVATED
if political parties remain committed to rate capping!

PR and advertising to directly oppose policy

2018 ENROL, NOMINATE -and- VOTE

leads into LG Elections 2018

- still to come -
Artwork Available Nov 2017

JUN-NOV 2018

(LG Elections)

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