



### **ADVOCACY PRIORITIES 2022**

LGNSW is the voice of local government in NSW, representing councils and related entities as peak body for the sector.

We support, promote and advocate for our members, empowering them to build strong, liveable communities.

Informed by our members, LGNSW has identified eight priority areas requiring urgent action from NSW and Australian Governments, to strengthen local government and improve the quality of life of communities across NSW.





# OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Local government in NSW employs more than 55,000 people



Local government in NSW looks after more than \$136 billion of community assets



Local government in NSW spends more than \$1.9 billion each year on caring for the environment, including recycling and waste management, stormwater management and preserving and protecting native flora and fauna.



NSW has almost 400 council-run libraries that attract more than **37.8 million visits each year** 



Local government in NSW is responsible for about **90% of the state's** roads and bridges



NSW councils manage an estimated **3.5 million tonnes of waste** each year



NSW councils own and manage more than **600 museums**, galleries, theatres and art centres



# 01 ENABLE FINANCIAL SUSTAINABILITY



Local government is a partner in the economic stewardship of NSW and responsible for the provision of a wide range of essential infrastructure and services.

However, the financial sustainability of councils has been undermined by rate-pegging, cost shifting onto local government, and state and federal funding arrangements that are no longer fit for purpose.

#### LGNSW is calling on the NSW Government to:

- Review and amend rate peg methodology to prevent future financial shocks to the sector and to ultimately remove rate pegging.
- Rebate increases in council Emergency Services Levy (ESL) contributions and eventually replace the levy with a broad-based property tax.
- Reform the model for funding emergency services and remove the ESL on councils

#### LGNSW is calling on the Australian Government to:

Increase Financial Assistance Grants payments to 1% of Commonwealth tax revenue.

#### LGNSW is calling on the both the NSW and Australian Governments to:

- Increase disaster recovery funding to councils to assist with replacement of essential local infrastructure to protect significant erosion of council budgets.
- 6 End cost shifting.





# O2 PROTECT & INVEST IN SOCIAL AND COMMUNITY INFRASTRUCTURE



Local government owns and manages \$160 billion in infrastructure assets including local roads, bridges, pedestrian and cycle networks, local water and sewerage utilities, stormwater and water management, regional airports, parks, pools, recreation, cultural, family and community services facilities, and a range of other infrastructure vital to liveable local communities.

As the closest sphere of the government to the community, local government is best placed to plan for and deliver this essential local infrastructure. Councils must be fairly supported by other spheres of government and funded to ensure vital community infrastructure is in place.

LGNSW is calling on the NSW Government to:

Ensure that councils are not worse off under any reforms to the infrastructure contributions system.

LGNSW is calling on both the NSW and Australian Governments to:

- Maintain and increase funding arrangements to enable councils to deliver roads and local infrastructure to support new and growing communities.
- Increase investment in water projects, transitioning to net zero emissions, affordable housing and accessible infrastructure in line with LGNSW's pre-budget submission.
- 104 Invest in quality, affordable, accessible early childhood education across NSW.



### 03 SUPPORT LOCAL GOVERNMENT IN COMMUNITY & ECONOMIC RECOVERY



As communities recover from compounding impacts of prolonged drought, bushfires, COVID, and more recently severe flooding, local government will be central to driving a locally led community and economic recovery.

All spheres of government must work together to ensure social and economic vibrancy flourishes in communities across NSW.

#### LGNSW is calling on the NSW Government to:

- Work with councils to establish and implement Local Activation Precincts (LAPs) with a \$10 million (minimum) commitment for a 'Business Ready Fund' to support the development of this initiative.
- Provide assistance and work with local government on a reconsidered approvals process for people seeking approval to rebuild after natural disasters.
- Provide additional resources and work with councils to refine and improve the NSW Planning Portal to enable it to deliver efficiencies and reduce costs for councils as well as improve its operation for users.

#### LGNSW is calling on both the NSW and Australian Governments to:

- O4 Continue to fund local recovery officers in disaster impacted areas.
- Fully fund the clean-up of flood damaged or destroyed buildings and structures, particularly those that contain asbestos, and establish and operate an Asbestos Emergency Management Flying Squad to provide expert advice to councils.





## 04 IMPROVE RESILIENCE TO NATURAL DISASTERS



Record-breaking bushfires, floods, heat waves and extreme and prolonged drought conditions pose significant risk to communities across NSW, impairing the ability of councils to deliver on their responsibilities to communities.

The scale of natural disasters in recent years, including devastating flooding in the Northern Rivers, makes clear that a far greater emphasis on resilience and adaptation is necessary to ensure communities are better prepared for future disasters. This must include urgent action to address the climate crisis.

All levels of government must be able to plan jointly for a changing climate and deliver well designed, sustainable communities while meeting housing needs. Ensuring we have the right policy settings and tools to do this is critical.

#### LGNSW is calling on the NSW Government to:

- Enable a special purpose 1% increase in local government rates to fund resilience and adaptation measures to current and future climate risks.
- Work with local government and industry on policy initiatives in the NSW planning system that will help deliver more resilient and sustainable homes, buildings and places.

#### LGNSW is calling on both the NSW and Australian Governments to:

- Increase financial support and funding for restoration, remediation and betterment of local community infrastructure both in advance of disasters where the risks are identified and in the recovery stage.
- O4 Strengthen Australia's 2030 emissions reduction target to 50% and implement policy and programs to achieve this target and the 2050 net zero emissions target.
- In light of recurring natural disasters, review the cumulative impacts of legislation governing land, water and natural resource management to ensure they protect biodiversity, provide for the resilience of natural systems and provide for water and food security throughout NSW.
- Proactive strategies to combat natural disasters and climate risks.



### 05 ADDRESS THE HOUSING AVAILABILITY & AFFORDABILITY CRISIS



Access to secure, affordable housing is a basic human need and key to a healthy, prosperous and equitable society.

Conversely, a lack of affordable housing compounds intergenerational inequality and harms social cohesion. It further functions as a hand brake on economic recovery and productivity, impacting communities and businesses as key workers and other local workers are priced out of local housing markets.

#### LGNSW is calling on both the NSW and Australian Governments to:

- Lead coordinated and innovative action across all levels of government to re-house people in the medium and long term following floods.
- Invest \$2.6 billion annually over the next 10 years to build 5,000 additional units of social housing each year, to drive economic recovery and address the homelessness and housing affordability crisis right across NSW.
- Investigate alternative social and affordable housing models and commit to deliver social and affordable housing targets.
- Take action to reduce housing disadvantage impacting Aboriginal people in NSW.
- O5 Support a royal commission into housing affordability and the future of housing in Australia.

#### LGNSW is calling on the NSW Government to:

- Introduce stamp duty recycling to invest in new housing stock for essential workers and equalise the social housing stock.
- Respond to and implement the recommendations of the NSW Regional Housing Taskforce.
- Ensure that targets for housing growth specifically include targets for social and affordable housing.
- Consider legislative tools that will assist councils to manage the impact of shortterm rental accommodation on local communities, without cost shifting regulatory responsibilities to councils.



### 06 IMPROVE RURAL & REGIONAL HEALTH SERVICES



Access to health services in rural, regional and remote areas remains a significant issue for councils and their communities. While healthcare is a state and federal government responsibility, councils often find themselves with no choice but to take on additional responsibilities to support their communities.

As the peak body for local government in NSW, LGNSW has long recognised the need for urgent action from the NSW and Australian Governments to adequately and fairly fund the provision of healthcare across NSW.

#### LGNSW is calling on both the NSW and Australian Governments to:

- Advance, cultivate and invest in new models for rural and regional infrastructure, service delivery, health and mental health care.
- Introduce measures to attract more health professionals to rural and regional areas, including a local government rural and regional health reimbursement scheme where councils have funded these measures.
- Increase funding for specialised and appropriate youth and community wellbeing and mental health services to bolster resilience, particular following disaster.
- 04 Increase drug and alcohol treatment and rehabilitation options in rural and regional areas.
- Implement the May 2022 recommendations of the inquiry into rural, regional and remote health, as well as the November 2020 recommendations of the inquiry into South-West Sydney health services.



## 07 ADDRESS SKILLS & LABOUR SHORTAGES



Councils and communities across NSW are suffering the impacts of skills and labour shortages, which slow economic recovery and hamper productivity. Demand for skills and labour often exceeds supply, driving up costs and delaying investment. Where councils are not able to attract and retain appropriately skilled workers, they struggle to deliver the range and level of services their communities expect.

All spheres of government need to work together to improve training pathways and address skills and labour shortages for the benefit of councils, communities and businesses right across NSW.

LGNSW is calling on both the NSW and Australian Governments to:

- Invest in initiatives to attract and retain skilled labour to local government.
- Invest in training to support para-professional, trades and entry-level pathways to employment in local government and to upskill councils' workforces in response to new and emerging jobs and work.
- Increase para-professional pathways in areas of skills shortage and establish better articulation between VET and tertiary qualifications.
- Improve access to professional and skilled staff for local government and address difficulties meeting Continuing Professional Development requirements, particularly in rural and regional areas.
- Drive local economic recovery through initiatives to address labour shortages impacting primary producers, businesses and councils across NSW.





## 08 INVEST IN BETTER WASTE, RECYCLING & CIRCULAR ECONOMY SOLUTIONS



Councils provide waste, recycling and resource recovery services to the community, provide and operate recycling and disposal infrastructure and work tirelessly to reduce the amount of waste ending up in landfill by educating residents, businesses and schools about waste avoidance and recycling.

Councils continue to face significant challenges from increasing waste generation and lack of markets for Australian recycled content. All levels of government, as well as business and the community need to work together as we move to a more circular economy where materials and products remain within the economy for longer and waste is reduced.

#### LGNSW is calling on the NSW Government to:

- Fund the delivery of priority infrastructure as outlined in the Waste and Sustainable Materials Strategy.
- Provide a sound regulatory framework and financial support to encourage investment and innovation in circular economy opportunities.
- Fund and deliver state-wide education campaigns which focus on broad priority areas and concurrently provide funding to support councils with undertaking targeted community education.
- Work with the Federal Government to introduce producer responsibility schemes for those items included on the Ministers Priority List





### LOCAL GOVERNMENT NSW

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