

Submission on the NSW Arts and Cultural Policy Discussion Paper

January 2014

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Introduction

Local Government NSW (LGNSW) is the peak body for councils in NSW.

LGNSW represents all the 152 NSW general-purpose councils, the special-purpose county councils and the NSW Aboriginal Land Council.

LGNSW is a credible, professional organisation representing NSW councils and facilitating the development of an effective community-based system of Local Government in NSW.

LGNSW represents the views of councils to NSW and Australian Governments; provides industrial relations and specialist services to councils; and promotes NSW councils to the community.

LGNSW has a long standing relationship with Arts NSW, as partners in a series of Cultural Accords between the two spheres of government, spanning the last 12 years. The Fourth Cultural Accord is attached as Appendix 1.

LGNSW thanks Arts NSW for the opportunity to provide a submission concerning the NSW Arts Funding Program discussion paper.

Summary

In NSW councils manage over 4000 cultural sites, delivering services, programs and local cultural planning. According to the Australian Bureau of Statistics, they invested \$421.8 million in arts and culture in 2011-12.

Councils are facing increasing community demands within in an environment of tight financial limitations and constraints. Therefore council capacity to supports the arts and culture is not guaranteed into the future. So while councils contribute a third of the total investment to the arts made by the two spheres of government, the NSW Government's Arts Funding Program only contributed 9.2% to Local Government in 2010-11, amounting to \$4.49 million.

LGNSW calls on the NSW Government to assist and collaborate with councils toward building sustaining vibrant communities and creative economies.

As well as making this submission, LGNSW has participated in an Arts NSW consultation forum with other peak industry bodies.

Representing Councils

Opportunities for input to the policy and participation in the Local Government Policy Consultation Forum were circulated to councils through the *Local Government Weekly* on 1 November and 15 November. Councils were also invited by letter to their General Managers on 14 November.

The Local Government Policy Consultation Forum was held on 6 December with a cross section of councils from rural, regional and metropolitan areas, and a cross section of representatives from deputy mayors, councillors, senior management, and staff specialising in arts and culture. Arts NSW representatives attended the forum to present a briefing and to hear firsthand the concerns and aspirations of the sector. Key points of discussion are represented in this submission.

A comprehensive submission was made by Local Government NSW in response to the NSW Arts Funding program review discussion paper. It provides further background and recommendations relating to the policy. It is attached as Appendix 2.

Recommendations

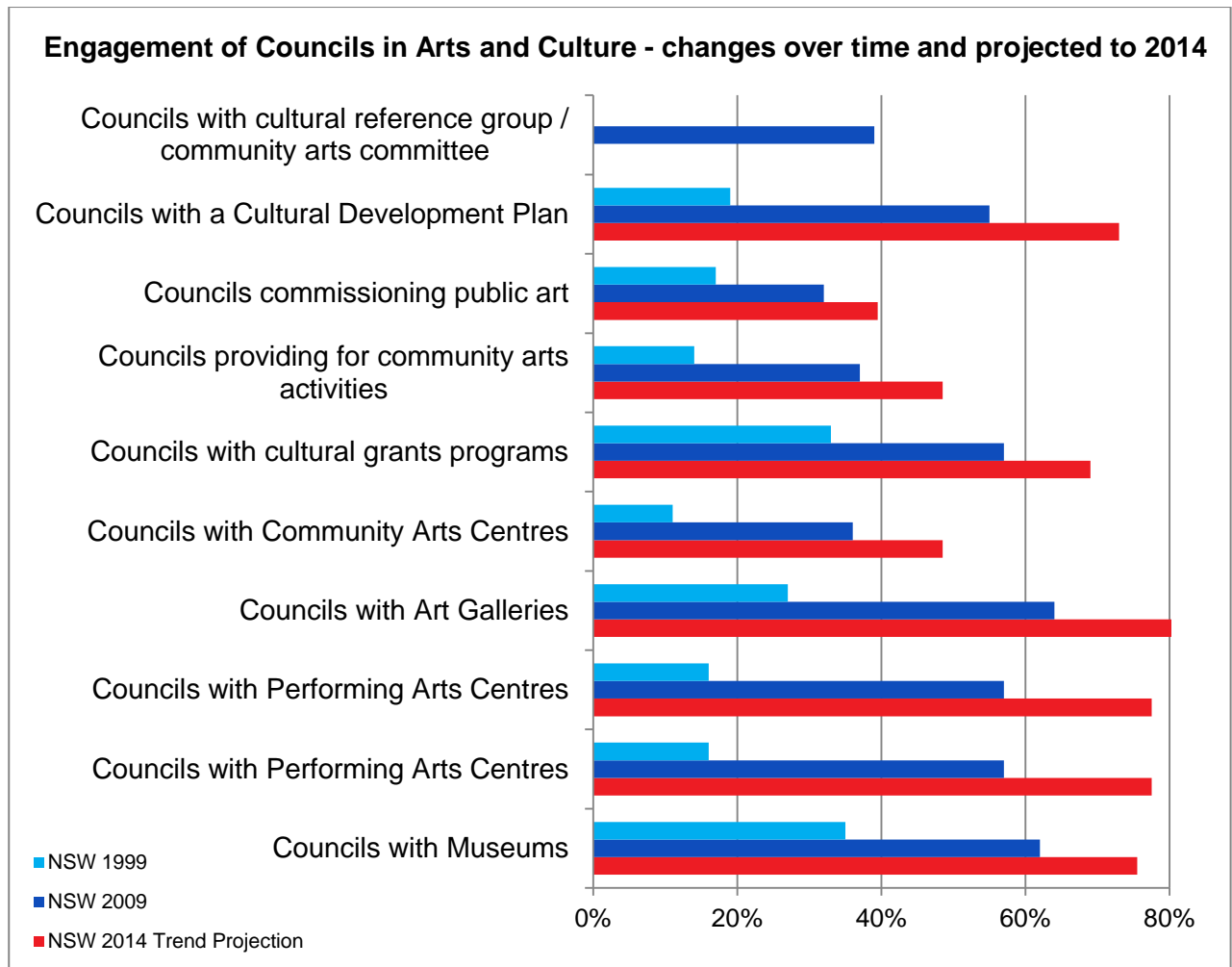
1. LGNSW recommends that the policy identify strategies to support the capacity of Local Government in arts and cultural development.
2. LGNSW recommends that a broader scope of Local Government roles in arts and culture be identified in the NSW Arts and Cultural Policy and its associated action plan.
3. LGNSW recommends that it be recognised as a partner in the development, delivery and reporting of the Arts and Cultural Policy, and that the partnership be formalised through a new Cultural Accord.
4. LGNSW recommends that cultural planning undertaken by councils with their communities be drawn upon to inform state planning, partnerships and funding.
5. LGNSW recommends that the Fifth Cultural Accord be developed in conjunction with the NSW Arts and Culture Policy.
6. LGNSW recommends that the Fifth Cultural Accord be recognised as a key instrument alongside the Arts and Cultural Policy, with each being informed by and acknowledging the other.
7. LGNSW recommends that the Fifth Cultural Accord be designed to formalise the policy partnership between NSW State and Local Governments.
8. LGNSW recommends an intergovernmental strategy toward development of both new and renewed Local Government cultural venues.
9. LGNSW recommends that LGNSW formally represent councils in the advisory group for the Cultural Venues Plan.
10. LGNSW recommends that councils be recognised as partners in the development and delivery of the Cultural Venues Plan.
11. LGNSW recommends that the Cultural Venues Plan be reflected in the new Cultural Accord.
12. LGNSW recommends that community scale facilities be recognised as key considerations in both the Arts and Cultural Policy and the Cultural Venues Plan.

Local Government Roles in Arts and Culture

As mentioned above NSW councils manage over 4000 cultural sites, delivering services, programs and local cultural planning and invested \$421.8 million in arts and culture in 2011-12.

There has been a significant increase in the number of councils active in cultural development. The Local Government and Shires Associations of NSW 'Social Policy and Community Services Survey'¹ results demonstrate this growth between 1999 and 2009.

¹ Your Council in the Community, A snapshot of council activities and services from the Local Government and Shires Associations' Social Policy and Community Services Survey, LGSA, 2011 http://www.lgnsw.org.au/files/imce-uploads/39/Your_council_in_the_community.pdf



While the projected trend indicates there would be significant further growth, the sector has undergone various pressures and there is anecdotal evidence that the trend may have changed. Since 2009, councils have undergone been subject to the following impacts:

- Introduction of Integrated Planning and Reporting (technically involving 10 year Community Strategic Plan/4 year Delivery Program/1 year Operational Plan hierarchy) – drawing together the separate council plans into one, meaning there is no longer a requirement for a separate social plan and less emphasis on having a separate cultural plan.
- No longer having a cultural plan a condition of Arts NSW funding.
- Greater financial constraints due to increased community and government expectations while revenue to pay for to expanded roles has been constrained by continued rate pegging.
- Infrastructure maintenance, replacement and development backlog.

Further reforms likely to have significant impacts on future engagement of Local Government in the arts include:

- NSW Arts Funding Program review
- NSW Arts and Culture Policy
- Negotiation of a Fifth Cultural Accord
- Independent Local Government Review panel outcomes
- Local Government Acts Taskforce outcomes
- Planning Bills outcomes and implementation

Research to be conducted in 2014 will measure current and forecast future levels.

Given pressures on Local Government may impact on their capacity to deliver arts and cultural development, State Government may look at how to support their continued capacity.

LGNSW recommends that the policy identify strategies to support the capacity of Local Government in arts and cultural development.

Currently there are few references to Local Government in the Arts and Cultural Policy Discussion Paper, and the full extent of their leadership across the arts seems to be underestimated. Councils are leaders in arts and cultural development across the full scope of the Arts and Cultural Policy. The Local Government Arts and Cultural Awards presented by Local Government NSW recognise and demonstrate this breadth.

Local Government Arts and Cultural Award Categories (2014)

- Participation in Arts and Culture
 - Aboriginal Arts and Cultural Development
 - Creative Ageing
 - Young People and the Arts
 - Accessibility in the Arts
 - Multicultural Arts
- Places for Arts and Culture
 - New Cultural Facility
 - Improved Cultural Facility
 - Public Art and Place Making
 - Creative Use of Vacant Spaces
- Interdisciplinary Arts and Culture
 - Arts and Health Initiatives
 - Environmental Arts Initiatives
 - Developing Creative and Cultural Industries
 - Cultural Tourism
- Developing Arts and Culture
 - Heritage, History and Museum Initiatives
 - Library Services and Literature
 - Visual Arts and Gallery Initiatives
 - Performing Arts
 - Film and Screen
 - Festivals and Events
- Leading Arts and Culture
 - Integrated Cultural Planning and Policy
 - Creative Community Engagement and Collaboration
 - Building Capacity of the Arts and Cultural Sector

LGNSW recommends that a broader scope of Local Government roles in arts and culture be identified in the NSW Arts and Cultural Policy and its associated action plan.

Local Government partnership in the Arts and Cultural Policy

Local Government NSW welcomes the recognition of 'strategic partnerships by the three tiers of government' in the Discussion Paper. As Local Government is a leader across the full scope of the policy, councils are key to implementation of the policy across the state. Therefore Local Government NSW as the peak body for councils should be recognised as a partner in the

development, delivery and reporting of the Arts and Cultural Policy. This partnership would be formalised through a new Cultural Accord.

LGNSW recommends that it be recognised as a partner in the development, delivery and reporting of the Arts and Cultural Policy, and that the partnership be formalised through a new Cultural Accord.

All councils undertake strategic planning for their communities. Our 'Your Council in the Community survey' results identified NSW councils with a Cultural Development Plan increased from 19% in 1999 to 55% in 2009, while half of respondents had cultural development included in their Social Plans. Since then, Integrated Planning and reporting has been introduced as the standard, and see planning for arts and culture as a 'whole of council' approach. This local planning for arts and culture is a resource to draw upon for regional and state planning. It is also useful to inform funding distribution and partnership development, based on the local priorities identified by communities.

LGNSW recommends that cultural planning undertaken by councils with their communities be drawn upon to inform state planning, partnerships and funding.

Cultural Accord

The Fourth Cultural Accord concluded 31 December 2013. Consultation and negotiations are to be continued for development of the fifth, to formalise the relationship between the spheres of government in the coming years. It is opportune that the NSW Arts and Culture Policy is being developed at the same time, as these are best developed in conjunction. Councils will be key to implementation of the policy at a local level, so the Fifth Arts and Cultural Accord would be a key instrument to formalise the roles of and relationships with Local Government in implementation of the Policy. The Policy and Accord should be in alignment and cross referencing.

LGNSW recommends that the Fifth Cultural Accord be developed in conjunction with the NSW Arts and Culture Policy.

LGNSW recommends that the Fifth Cultural Accord be recognised as a key instrument alongside the Arts and Cultural Policy, with each being informed by and acknowledging the other.

LGNSW recommends that the Fifth Cultural Accord be designed to formalise the policy partnership between NSW State and Local Governments.

Cultural Venues and Facilities

In NSW councils manage over 4000 cultural sites. Councils owned cultural facilities that are used by the whole community include:

Type of facilities	Number of facilities
Library	374
Information technology and multimedia outlets	55
Local studies and family history centres	53
Museum	69
Art Gallery	40

Type of facilities	Number of facilities
Public Art	890
Community Arts Centre including art, craft, photography and writing	29
Theatre, music and performing arts centres	47
Arts studios and workshop spaces	26
Writers centres	6
Amphitheatres	20
Cinemas	15
Public Halls	644
Heritage buildings and places	1792
Aboriginal Keeping Places and cultural centres	6

The Local Government and Shires Associations of NSW 'Social Policy and Community Services Survey'^[1] results demonstrate that between 1999 and 2009:

- NSW councils with Performing Arts Centres increased from 16% to 57%.
- NSW councils with Museums increased from 35% to 62%.
- NSW councils with Art Galleries increased from 27% to 64%.
- NSW councils with Community Arts Centres increased from 11% to 36%.

Galleries, museums, libraries, theatres, performing arts centres and studios are expensive to build, maintain, program and run. Whilst some councils have a good understanding of local cultural needs, others lack the resources to properly investigate local and regional demand for arts and culture, especially beyond their boundaries. There is a need for greater coordination between Australian, NSW, Local Government and non-government sectors in the development of new facilities, and renewal of existing facilities.

LGNSW recommends an intergovernmental strategy toward development of both new and renewed Local Government cultural venues.

Local Government NSW welcomes the NSW Government commitment to undertaking a Cultural Venues Plan. Given councils are the main providers of cultural venues across the state, councils should be recognised as partners in the development and delivery of the plan. Local Government NSW should represent councils in the advisory group for the plan.

As a key collaboration between State and Local Government, it would be a cornerstone of a new Cultural Accord.

LGNSW recommends that LGNSW formally represent councils in the advisory group for the Cultural Venues Plan.

LGNSW recommends that councils be recognised as partners in the development and delivery of the Cultural Venues Plan.

^[1] Your Council in the Community, A snapshot of council activities and services from the Local Government and Shires Associations' Social Policy and Community Services Survey, LGSA, 2011 http://www.lgnsw.org.au/files/imce-uploads/39/Your_council_in_the_community.pdf

LGNSW recommends that the Cultural Venues Plan be reflected in the new Cultural Accord.

The Discussion Paper focuses on 'state of the art' venues, with no recognition of thousands of local scale cultural facilities which serve to engage, enliven and develop communities. These need to be a consideration in both the Policy and the Cultural Venues Plan.

LGNSW recommends that community scale facilities be recognised as key considerations in both the Arts and Cultural Policy and the Cultural Venues Plan.

Local Government NSW looks forward to collaborating with the NSW Government into the future, toward building sustaining vibrant communities and creative economies.

APPENDIX 1: The Fourth Cultural Accord

The Fourth Cultural Accord will operate for a period of three years, commencing on 1 January 2011 and concluding on 31 December 2013. This Accord will further develop the working partnership between NSW State and Local Government.

Arts NSW and the Local Government Association of NSW and Shires Associations of NSW (the Associations) commit to working together to progress this Accord. Arts NSW and the Associations will also collaborate with peak arts bodies and other government and nongovernment agencies when appropriate.

The Fourth Cultural Accord recognises the significant commitment both Local and State Government have towards arts and culture. The following principles underpin this commitment.

- Cultural vitality and local distinctiveness are integral components of communities and arts and culture play an important role in social and economic development, including tourism.
- Local and State Government are committed to increasing access and participation in arts and cultural activity.
- Priority areas for increasing access to and participation in arts and cultural activity include people from cultural and linguistically diverse backgrounds, young people, people with a disability, people in regional and rural areas and Aboriginal people.
- Local and State Government are complementary partners in the development of arts and culture at local level, and Local Government has primary responsibility for the planning, development and operation of cultural facilities at the local level.
- Local and State Government acknowledge the importance of providing up-to-date, easy to use and accessible public library and information services for their communities.

This Accord will contribute to the following State Plan priorities and targets:

- Grow cities and centres as functional and attractive places to live, work and visit.
- Increase volunteering.
- Increase participation in arts and cultural activity.

This Accord will contribute to the following Local Government policy directions:

- Local Government recognises creating liveable communities is fundamental to Australia's social wellbeing, long-term ecological sustainability, and economic prosperity.
- Local Government understands that local creative practice and pursuits by artists and others in communities are central to cultural policy making.
- Local Government recognises strategic cultural planning is a key initiative enabling local communities to respond to changing social, environmental and economic needs, and to address the increasing demand for cultural resources.

Specifically over the next three years, Arts NSW and the Associations commit to working to:

- Provide Aboriginal people with greater opportunities to participate in, share and strengthen their culture through arts practice, and develop careers and businesses in the arts and cultural sector.
- Encourage the incorporation of provisions for local arts and cultural development into councils' Community Strategic Plans.
- Gain a better understanding of existing arts and cultural infrastructure across NSW and approaches to meeting future needs, including possible principles for future development of arts and cultural infrastructure.
- Encourage councils to explore local initiatives to provide artist studios and residency programs, develop creative enterprise hubs and support local creative industries.
- Engage with councils and other organisations to encourage the development of local capacity, and councils' facilitation of connections between local arts and cultural groups.

Arts NSW and the Associations will form an implementation steering committee. This committee will prepare an implementation plan for the Accord and report annually on the progress to the Minister and the Presidents of the Associations.

APPENDIX 2: Submission on the NSW Arts Funding Program Review Discussion Paper, July 2013

**Submission on the
NSW Arts Funding Program
Review Discussion Paper**
July 2013

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Introduction

Local Government NSW (LGNSW) is the peak body for councils in NSW.

LGNSW represents all the 152 NSW general-purpose councils, the special-purpose county councils and the NSW Aboriginal Land Council.

LGNSW is a credible, professional organisation representing NSW councils and facilitating the development of an effective community-based system of Local Government in NSW.

LGNSW represents the views of councils to NSW and Australian Governments; provides industrial relations and specialist services to councils; and promotes NSW councils to the community.

LGNSW thanks Arts NSW for the opportunity to provide a submission concerning the NSW Arts Funding Program discussion paper.

Summary

NSW councils, in cooperation with the NSW Government, play an important role in the arts and culture, investing circa \$410 million per annum, managing over 4000 cultural sites, delivering services, programs and local cultural planning. Councils are facing increasing community demands within in an environment of tight financial limitations and constraints. Therefore council capacity to supports the arts and culture is not guaranteed into the future. So while councils contribute a third of the total investment to the arts made by the two tiers of government, the State Government's Arts Funding Program only contributes 9.2% to Local Government (\$4,492,672, including \$110,000 to Local Government NSW).

LGNSW calls on the NSW Government to assist and collaborate with councils toward building sustaining vibrant communities and creative economies.

Recommendations

1. LGNSW recommends that funding be allocated to implement the Cultural Accord.
2. LGNSW recommends that the fifth cultural accord be developed in conjunction with the NSW Arts and Culture Policy.
3. LGNSW recommends that the Cultural Accord be recognised as a key instrument alongside the Arts and Cultural Policy, each in alignment and referring to the other.
4. LGNSW recommends that it be part of the reference group for development and implementation of the NSW Arts and Culture Policy, representing councils which are a significant stakeholder to the arts.
5. LGNSW recommends that the 'Arts and Culture Survey of NSW Councils' be recognised as a consultation methodology for the funding program and policy development.
6. LGNSW recommends that the Central Coast, Illawarra and Lower Hunter regions be supported to develop Regional Arts Bodies which are funded to support regional cultural planning, development and collaboration.
7. LGNSW recommends that libraries be eligible to apply for funding, as long as the initiative has a community and arts outcome.

8. LGNSW recommends that where programs/initiatives are proposed to be delivered across multiple regional areas, that a metropolitan based organisation may apply.
9. LGNSW recommends that renewal and place-making initiatives utilising creative, arts based approaches be eligible for funding.
10. LGNSW recommends that peak and service organisations continue to be funded, enabling them to continued their work in advising, supporting, promoting, representing and building capacity of the sector.
11. LGNSW recommends that twice a year, the peak arts and cultural bodies are brought together by Arts NSW for strategic briefing, engagement and collaboration.
12. LGNSW recommends that NSW Government provision ongoing funding of Local Government to enhance regional and local cultural development, and cultural facilities, services and programs.
13. LGNSW recommends that LGNSW be mandated and funded to manage Local Government related devolved funding on behalf of Arts NSW.
14. LGNSW recommends that councils be funded on a per capita basis to support local arts and cultural development.
15. LGNSW recommends that councils and other arts organisations are funded to meet the related strategies under the National Disability Strategy, NSW Implementation Plan, to create inclusive and accessible communities.
16. LGNSW recommends equitable government investment and access to the arts across rural, regional and metropolitan communities.
17. LGNSW recommends that councils be eligible for funding toward modifying their cultural facilities toward accommodating technology based art production, presentation and engagement.
18. LGNSW recommends that the arts funding program operate by financial year
19. LGNSW recommends that the peak arts and cultural bodies are brought together by Arts NSW periodically (say twice a year) to facilitate collaborative policy, planning and development.

Local Government Roles in Arts and Culture

There has been a significant increase in the number of councils active in cultural development. The then Local Government and Shires Associations of NSW 'Social Policy and Community Services Survey'¹ results demonstrate that between 1999 and 2009:

- NSW councils with Performing Arts Centres increased from 16% to 57%.
- NSW councils with Museums increased from 35% to 62%.
- NSW councils with Art Galleries increased from 27% to 64%.
- NSW councils with Community Arts Centres increased from 11% to 36%.
- NSW councils providing cultural grants programs increase from 33% to 57%.
- NSW councils providing for community arts activities increased from 14% to 37%.
- NSW councils commissioning public art increase from 17 % (commissioning 52 public art works) to 32% (commissioning 81 public art works).

¹ Your Council in the Community, A snapshot of council activities and services from the Local Government and Shires Associations' Social Policy and Community Services Survey, LGSA, 2011 http://www.lgnsw.org.au/files/imce-uploads/39/Your_council_in_the_community.pdf

- NSW councils with a Cultural Development Plan increase from 19% to 55%, while half of respondents had cultural development included in their Social Plans.
- 39% of NSW councils with a cultural reference group or community arts committee in 2009.

Councils owned cultural facilities that are used by the whole community include:

Type of facilities	Number of facilities
Library	374
Information technology and multimedia outlets	55
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Galleries, museums, libraries, theatres, performing arts centres and studios are expensive to build, maintain, program and run. Whilst some councils have a good understanding of local cultural needs, others lack the resources to properly investigate local and regional demand for arts and culture, especially beyond their boundaries. There is a need for greater coordination between Australian, State, Local Government and non-government sectors in the development of new facilities.

Local Government Investment in Arts and Culture

This investment by councils is reflected in the Australian Bureau of Statistics data, which calculates the NSW Local Government investment in cultural activities in 2010/11 at \$409.7 million², at \$57.10 per capita. This consists of \$53.4m capital expenditure and \$356.3m recurrent expenditure. NSW Arts Funding Program input to Local Government arts and culture initiatives as a percentage of total council investment is only 1.1%, at a value of \$4,682,444³. This includes \$110,000 to the Local Government and Shires Associations of NSW (now Local Government NSW) to provide overall sector support.

The commitment of councils in NSW to culture is under significant financial pressure, with Local Government operating on only 5% of the public purse expended by all spheres of

² Cultural Funding by Government, 2010–11 (4183.0), Australian Bureau of Statistics
[http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/29F94EE160BBDDF3CA257AB000158CDD0/\\$File/41830_2010-11.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/29F94EE160BBDDF3CA257AB000158CDD0/$File/41830_2010-11.pdf)
³ NSW Department of Trade and Investment, Regional Infrastructure and Services ANNUAL REPORT, 2010-11

Government. This was a finding from the Independent Inquiry into the Financial Sustainability of NSW Local Government as articulated below:

“Compared with other federal systems, Australian Local Government is very small; it commands only five per cent of the nation’s general government resources. Yet the Inquiry’s informal enquiries would suggest that the overwhelming majority of citizens think that the third tier of government controls between 10 and 30 per cent of the public purse. This misconception may explain why Local Government is under pressure to replicate the wide range of policy areas already served by the state – people believe that local councils’ capacity is much greater than it actually is.”⁴

Under a regime of rate capping in NSW, councils are restricted from setting rates according to the growing costs of delivering services.

In considering the financial environment in which It should also be recognised that there has been a steady decline in the ratio of Local Government rates to Gross Domestic Product over time (Productivity Commission 2008) and that Financial Assistance Grants, the primary form of Australian Government funding for Local Government, have steadily declined as a proportion of national taxation revenue (ABS).

Under these constraints, Local Government is challenged to maintain let alone further develop capacity to deliver arts and cultural outcomes.

Financial figures – who invests what

The table below demonstrates the distribution of investment in the arts by both State and Local Government. The figures are for the financial year 2010/11, being the most recent available from the Australian Bureau of Statistics.

State and Local Government Funding for arts and culture⁵

New South Wales Government – total arts and culture related budget (including Sydney cultural facilities such as the Sydney Opera House, Art Gallery of NSW, the Australian Museum, Powerhouse Museum, the State Library of NSW and Museum of Contemporary Art).	\$835,400,000
New South Wales Councils – total arts and culture related budget <ul style="list-style-type: none"> • \$53.4m capital expenditure • \$356.3m recurrent expenditure 	\$409,700,000
Total investment in the arts across the two spheres of government (Local & State)	\$1,245,100,000
% of Local Government investment across the two spheres of government (Local and State)	32.9%

NSW Arts Funding program investment in Local Government⁶

New South Wales Government - arts funding program	\$48,815,000
New South Wales Government Arts Funding Program - arts funding to councils	\$4,682,444

⁴ Independent Inquiry into the Financial Sustainability of NSW Local Government, Final Report - Findings and Recommendations, (May 2006) <http://www.localgovernmentreview.nsw.gov.au/>

⁵ Cultural Funding by Government, 2010–11 (4183.0), Australian Bureau of Statistics

⁶ NSW Department of Trade and Investment, Regional Infrastructure and Services ANNUAL REPORT, 2010-11

<ul style="list-style-type: none"> • Negotiated: \$110,000 (.04%) to Local Government NSW (then named 'Local Government and Shires Associations of NSW') of a \$27,809,729 budget • ConnectEd Arts: \$189,772 to councils, 21% of the \$889 400 state budget • Programs: \$2,458,300 to councils, 25% of the \$9,844,290 state budget • Projects: \$782,772 to councils, 12% of the \$6,534,459 state budget • Quick Response: \$10,000 to councils, 3% of the \$359,300 state budget 	
Percentage of NSW Government arts funding budget to councils	9.6%
NSW Arts Funding Program input to Local Government arts and culture initiatives, as a percentage of total council investment	1.1%
New South Wales Government funding to Regional Arts Bodies	\$1,446,000
New South Wales Government funding to Regional Arts NSW	\$543,250
Local Government funding to Regional Arts Bodies	\$839,498

State and Local Library Funding NSW Arts Funding program investment in Local Government⁷

Local Government investment in library services and infrastructure (estimate based on the average between available data for years 1009/10 & 2011/12).	\$313.230182
State Government funding for public libraries	\$24,549,000
Total public library funding across two spheres of government	\$348,184,200
State Government funding share of investment in public libraries	7%
Local Government funding share of investment in public libraries	93%

Local Government financial capacity

If NSW councils are to meet the growing needs of NSW communities, it is essential that they have access to adequate financial resources. This includes arts and cultural needs. It is becoming increasingly clear that the current financial base of councils is inadequate to meet these needs.

NSW councils' financial capacity to maintain existing services and infrastructure is already stretched. In many instances councils are already being forced to cut services and infrastructure as they prioritise their expenditure.

The Independent Inquiry into the Sustainability of NSW Local Government found that, based predominantly on data from the financial year 2004/05, NSW councils had accumulated a huge infrastructure renewal⁸ backlog of \$6.3 billion that continues to grow by \$500 million per annum. Furthermore, the Inquiry found that NSW councils are running operating deficits of 5% of their own source revenues. The Inquiry finds that this gap is being financed by deferral of capital expenditure. It needs to be noted that the Inquiry's estimate only included the renewal of existing infrastructure and did not take account of required new or upgraded infrastructure to cater for population and economic growth.

NSW Treasury Corporation's assessment of the financial sustainability of NSW councils released in April 2013 provides timely data and confirms the Inquiry's findings on financial

⁷ Public Library Statistics 2011/12, State Library NSW, May 2013

⁸ Infrastructure renewal refers to capital expenditure for sustaining infrastructure at the existing level of service. It does not capture infrastructure enhancement; i.e. construction of new or upgrade of existing infrastructure to provide new services or increase the level of existing services.

sustainability. There are several, sometimes interrelated reasons for this financial situation, including:

- Rate pegging and legislative constraints on councils fees and charges;
- The decline in Commonwealth and State financial support for Local Government relative to economic growth (GDP, GSP) and the growth in national taxation revenues;
- The expanding roles and responsibilities of councils, a trend explicitly recognised by the Commonwealth Grants Commission, The Hawker Report and other reviews;
- Cost and responsibility shifting onto councils by the State and Commonwealth Government⁹, again a trend recognised by the Hawker Inquiry and subsequently acknowledged by the national *Intergovernmental Agreement Establishing Principles Guiding Intergovernmental Relations on Local Government Matters*, (2006).

The central issues that need to be addressed to improve this situation are:

- Defining councils' role and establishing a mechanism to allocate funding or associated revenue raising powers to councils so that they can perform those roles. Any revenue framework needs to recognise councils' role as the third sphere of government responsible for all local matters and can only function effectively if a mechanism is in place to appropriately share public functions and correspondingly allocate funding or revenue raising powers between councils and other sphere of government.
- Improving the adequacy and flexibility of councils' revenue base to meet the demands being placed on it. Without a broader and more flexible financial base, councils will not be in the position to effectively meet new statutory obligations, deliver new services demanded by the community, to maintain existing infrastructure or to build the new infrastructure required to support the development of the state.

Until limitations and constraints on councils' own source revenue are resolved, service and infrastructure provision will often be dependent on specific funding transfers from other spheres of government.

Councils have limited taxation power (rates on land) often do not have the capacity to raise sufficient funds on their own and are dependent on intergovernmental transfers. This is particularly the case in regional and rural areas where the rating base is small. Also, restrictions on rating revenue such as rate pegging have exacerbated funding difficulties associated with this limited revenue base. To support the provision of local infrastructure, LGNSW calls on the NSW Government to continue to support councils' investment in local infrastructure.

Cultural Accord and alignment with the process

The Fourth Cultural Accord between State and Local Government recognises the significant shared commitment towards arts and culture. It is a commitment to working together through Arts NSW and the Local Government and Shires Associations of NSW (now Local Government NSW). The five objectives identified as priorities are:

⁹ Cost shifting continues to place a significant burden on councils' financial situation and is impeding Local Government's ability to deliver services to the community and maintain essential infrastructure. Cost shifting describes a situation where the responsibility for or merely the costs of providing a certain service, concession, asset or regulatory function itself are "shifted" from a higher level of government (Commonwealth or NSW Government) onto Local Government without the provision of corresponding funding or the conferral of corresponding and adequate revenue raising capacity.

Indicative figures from LGNSW's cost shifting show that cost shifting on to NSW Local Government amounts to around 6 per cent of councils' total income before capital amounts; i.e. \$500 in 2010/11 for the whole of NSW Local Government (for further information www.lgnsw.org.au/policy/finance/cost-shifting-survey).

- Provide Aboriginal people with greater opportunities to participate in, share and strengthen their culture through arts practice, and develop careers and businesses in the arts and cultural sector.
- Encourage the incorporation of provisions for local arts and cultural development into councils' Community Strategic Plans.
- Gain a better understanding of existing arts and cultural infrastructure across NSW and approaches to meeting future needs, including possible principles for future development of arts and cultural infrastructure.
- Encourage councils to explore local initiatives to provide artist studios and residency programs, develop creative enterprise hubs and support local creative industries.
- Engage with councils and other organisations to encourage the development of local capacity, and councils' facilitation of connections between local arts and cultural groups.

Funding implementation

Previous cultural accords had been allocated funding for implementation, however this accord has not. Local Government NSW is allocated \$110,000 per annum to advise and represent the 152 rural, regional and metropolitan councils across NSW regarding arts and culture; however this is insufficient to deliver a state-wide program. While LGNSW does deliver a state-wide policy development program, any training, forums, awards and conference are offered on a user pays basis to cover expenses. While rates are discounted for rural councils, it is a barrier to participation that cannot be resolved with current funding levels.

LGNSW recommends that funding be allocated to implement the Cultural Accord.

A new Fifth Cultural Accord

The current cultural accord concludes 31 December 2013, so negotiations should be underway for development of the fifth, to formalise the relationship between the tiers of government in the coming years. It is opportune that the NSW Arts and Culture Policy is being developed at the same time as these are best developed in conjunction. Councils will be key to implementation of the policy at a local level, so the Accord is a key instrument for the Policy. Each should be in alignment and refer to the other.

LGNSW recommends that the fifth cultural accord be developed in conjunction with the NSW Arts and Culture Policy.

LGNSW recommends that the Cultural Accord be recognised as a key instrument alongside the Arts and Cultural Policy, each in alignment and referring to the other.

The National Arts and Culture Accord

An accord between the three spheres of government has resulted from the National Cultural Policy. The Australian Local Government Association (ALGA) is the signatory for the local sphere of government. ALGA has also auspiced an Australia Council for the Arts funded 'National Local Government Cultural Forum' which will give voice to councils in this process. Local Government NSW is engaged in this forum and actively collaborating. The National Accord would be a consideration in developing the new State Accord.

Consultation methodology for Arts Funding and Policy

Local Government NSW and councils not represented in the advisory process

In developing the discussion paper for both the Arts Funding program and the Arts and Cultural policy, Arts NSW have drawn together key representatives to advise on the process and to provide snapshot data. Local Government NSW was not approached for input, despite:

- LGNSW representing the 152 councils which collectively invest over \$409.7 million per annum¹⁰ (based on 2010/11 data) and manage over 4000 cultural facilities/places (as at 2009).
- LGNSW and Arts NSW being parties to a Cultural Accord which formalises collaboration between the two spheres of government.
- LGNSW being funded by Arts NSW to advise and represent councils regarding arts and culture

It is a significant oversight that Local Government is not represented in the advisory process for development of the Arts and Cultural Policy, Cultural Infrastructure Policy and review of the NSW Arts Funding Program.

For two years LGNSW has invited Arts NSW to draw on the research, policy and planning capacity through its Arts and Cultural Program. LGNSW has offered to provide input to the Policy development however was advised it would have an opportunity down the track.

The development and consultation process is therefore flawed due to Local Government NSW not being a party to this significant policy work, which will ultimately rely on Local Government for local implementation.

LGNSW recommends that it be part of the reference group for development and implementation of the NSW Arts and Culture Policy, representing councils which are a significant stakeholder to the arts.

Regional Consultation / engagement

Consultation forums do not engage the Western half of the state. LGNSW has been advised that the locations were determined around where Arts NSW has existing funding relationships. That there are lacking funding relationships in the west is all the more reason to have a session there to determine how the renewed funding model could have broader geographic participation.

LGNSW had scheduled to undertake a comprehensive survey of Local Government involvement and investment in arts and culture which would have greatly benefited this process. Arts NSW were aware of this research project however had not looked at how the data could inform their process. Had Arts NSW communicated how the processes could align, the survey and its results could have been scheduled to coincide with their planning process.

As well as documenting what councils do, the survey will also identify the arts and cultural priorities of the regions. Councils undertake social and cultural consultation and are well positioned to provide advice on the state of the arts in their area. LGNSW would have been able to assist Arts NSW in engaging councils across the state to provide a consistent and,

¹⁰ Cultural Funding by Government, 2010–11 (4183.0), Australian Bureau of Statistics
[http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/29F94EE160BBDDF3CA257AB000158CD0/\\$File/41830_2010-11.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/29F94EE160BBDDF3CA257AB000158CD0/$File/41830_2010-11.pdf)

comprehensive state-wide analysis, rather than a mixed methodology that does not represent communities across NSW.

LGNSW recommends that the 'Arts and Culture Survey of NSW Councils' be recognised as a consultation methodology for the funding program and policy development.

The survey results could have provided state-wide data with a consistent methodology, rather than or complimentary to the regional snapshots produced by the regions which have a regional arts body. The network of regional arts bodies does not represent the whole state and therefore excludes consideration of some areas. The Illawarra, Central Coast and Lower Hunter regions are currently classified as ineligible for Regional Arts Board funding due to being 'metropolitan'.

LGNSW recommends that the Central Coast, Illawarra and Lower Hunter regions be supported to develop Regional Arts Bodies which are funded to support regional cultural planning, development and collaboration.

Funding priorities to be informed by policy priorities

The Arts Funding Program should respond to the priorities determined in the NSW Arts and Culture Policy, however consultation for the funding program is being conducted prior to that of the Policy. The sector is providing submissions on the funding priorities without having seen the Policy discussion paper.

Who and what should be supported and how

Eligibility

Libraries

The traditional role of libraries has broadened considerably over the last two decades to include many community and cultural development programs. Libraries incorporate gallery, meeting, performance and workshop spaces. Libraries accommodate and support historical societies, arts and cultural groups. In many communities, the library is best positioned to support these activities. Where these programs are not under the auspice of a library such programs are eligible and receive support through the Arts Funding Programs. Libraries deliver valuable programs to communities, with a threefold return on investment. NSW Government funding of core functions of public libraries through the State Library of NSW has been in long term decline as a proportion of total public library expenditure. In 2011/12: the NSW Government contributed \$26 million (8%) while councils contributed \$325 million (92%)¹¹. NSW Government expenditure on public libraries has decreased from 23.6% in 1980 to 8% in 20/11. The shortfall is therefore being absorbed by councils. The arts and cultural activities of councils do not currently receive funding.

LGNSW recommends that libraries be eligible to apply for funding, as long as the initiative has a community and arts outcome.

Metropolitan based organisations – regional funding

¹¹ Public Library Statistics 2011/12, State Library NSW, May 2013

Metropolitan based organisations are currently not eligible to access funding to deliver programming in regional areas. Peak and touring organisations looking to work in regional areas are ineligible for regional funding. While it is preferable for an organisation in a region to be the recipient for local initiatives, where the program is to work across multiple regions, it is not feasible to have each location apply separately for each component of the program. Local Government NSW had sought to apply for funding to work across the regions to undertake capacity building programs for the councils, however was ineligible being Sydney based. Therefore funding for such a regional program was unable to be pursued.

LGNSW recommends that where programs/initiatives are proposed to be delivered across multiple regional areas, that a metropolitan based organisation may apply.

Activities to revitalise or renew precincts

Activities to revitalise or renew precincts (such as Renew and Popup models) are currently ineligible in the Arts Funding Program Guidelines¹². This contradicts current recognition of this approach as a recommendation in the Creative Industries Action Plan¹³ which was released by NSW Industry and Investment in June 2013.

- Recommendation 34: NSW Government to improve access to vacant space for creative entrepreneurs by considering ways to open up Government spaces and venues to more users, particularly for events and organisations that relate to the creative or visitor economy.
- Recommendation 35: Local Government to promote the use of existing vacant buildings and street art opportunities as creative arts spaces to revitalise city spaces, particularly in regional centres.

By recommending councils promote this activity while ruling the approach as ineligible for funding is a classic case of cost shifting responsibility from State to Local Government. Councils do not have the financial capacity to absorb the new responsibility within existing budgets.

LGNSW recommends that renewal and place-making initiatives utilising creative, arts based approaches be eligible for funding.

Peak and service organisations

Peak and service organisations leverage great outcomes from the investment through the Arts Funding Program. Many of the organisations and programs that support, advise and represent the sector could not continue without the support. The recommendation that the peak organisations no longer receive funding, instead operating on a fee for service basis, would be detrimental.

Organisations at risk of losing funding, that also support councils and communities are: Accessible Arts, Arts Law Centre of Australia, Arts on Tour, Ausdance NSW, Australian Music Centre, Australian Writers Guild, History Council of NSW, Museums and Galleries NSW, MusicNSW, National Association for the Visual Arts, PlayWriting Australia, Regional Arts NSW, Regional Arts Development Office and Royal Australian Historical Society. These are currently

¹² NSW Arts Funding Program Guidelines 2014, Arts NSW

¹³ NSW Creative Industries Action Plan, NSW Industry and Investment, April 2013

funded to a total value of \$4.9M, plus their management of \$1M devolved to small grants programs for individuals, groups and small organisations.

Those who are especially in need of these services would not be able to afford access the the support. Local Government NSW is already in this position with the \$110,000 funding not covering program expenses. Therefore capacity building and consultation forums for councils are offered on a fee for service basis to cover costs. Rural and regional councils that have the additional cost of travel and accommodation are often challenged to participate, despite offering reduced rates for these councils. The funding level also does not allow for travel to the regions to offer decentralised support.

LGNSW recommends that peak and service organisations continue to be funded, enabling them to continued their work in advising, supporting, promoting, representing and building capacity of the sector.

The peak and service organisations have specialist expertise and strong relationships with their sectors. Therefore this is a resource for Arts NSW to draw upon in its policy development and delivery. The Arts Funding program should utilise the funded peak bodies as partners in engaging with the sector and informing policy. It would be mutually beneficial to both Arts NSW and the sector to have opportunities for the peak bodies to collaborate as a network, working together with Arts NSW to implement the new Arts and Culture Policy.

LGNSW recommends that twice a year, the peak arts and cultural bodies are brought together by Arts NSW for strategic briefing, engagement and collaboration.

Local Government

NSW Councils invested \$409.7m in arts and culture in 2010/11, while the NSW Government contributed \$835.4m¹⁴ (mostly to the Sydney based state cultural institutions, such as the State Library, Art Gallery NSW, MCA, Powerhouse Museum, Australia Museum, Opera House, Sydney Theatre Company.

A number of inquiries have confirmed the financial challenges faced by councils and this is undoubtedly impacting on their involvement in supporting arts and culture:

With councils are under increasing financial pressures, funding must be supported for service levels to continue.

LGNSW recommends that NSW Government provision ongoing funding of Local Government to enhance regional and local cultural development, and cultural facilities, services and programs.

Structuring the program to support vibrant arts & culture in NSW

Devolved funding

While other peak arts and cultural bodies manage devolved funding programs for their sectors, the Local Government sector does not have an equivalent funding program. Just as the State

¹⁴ Cultural Funding by Government 10-11, Release 418 3.0, ABS, Nov 2012

Government has funding programs for Community Development workers in councils, there is a case for cultural development workers to be resourced to support their communities.

LGNSW recommends that LGNSW be mandated and funded to manage Local Government related devolved funding on behalf of Arts NSW.

In 2009 57% of councils conducted a cultural grants program to support cultural development by community and arts organisations in their local area. Therefore there is potential for each council to be supported on a per capita basis to support local arts and cultural development. LGNSW could manage the process as all 152 councils are our members.

LGNSW recommends that councils be funded on a per capita basis to support local arts and cultural development.

Projects and programs take more than a year to develop and deliver, to be sustained and/or put in place exit strategies for the organisation and the program's participants. Therefore if the one year funding has limited outcome. Multi year funding will deliver more lasting outcomes.

Supporting accessibility

The position of LGNSW regarding accessibility is outlined in our policy (Refer to Appendix 2) which states that:

Local Government commits to pursuing the Australian vision of a fairer, more just and more equal society.

Local Government recognises that unless the pursuit of economic development is accompanied by both strong support for social justice and strong support for ecologically sustainable development (ESD), the Australian vision of a fair, just and equal society will be diminished.

For Local Government 'social justice' is based on the application of the following four principles:

Equity - fairness in the distribution of resources, particularly for those in need

Rights - equality of rights established and promoted for all people

Access - fair access for all people to economic resources, services and rights essential to their quality of life

Participation - opportunity for all people to genuinely participate in the community and be consulted on decisions which affect their lives.

Local Government acknowledges and supports:

- *the Universal Declaration of Human Rights (especially Article 25, which recognises that everyone has the right to a standard of living adequate for their health and wellbeing including food, clothing, housing, medical care and necessary social services)*
- *the International Covenant on Economic, Social and Cultural Rights (the right to social security, the right to a reasonable living standard, the right to food, the right to education, the right to housing, the right to health, the right to work and the right to rest and leisure)*
- *the International Covenant on Civil and Political Rights (freedom of speech, and other civil and political rights)*
- *the United Nations Declaration on the Rights of Indigenous Peoples.*

Local Government's charter involves providing adequate, equitable, appropriate, efficient and effective services, and facilities, after consultation (Section 8 *Local Government Act* 1993 as amended).

The charter highlights principles including:

- Community leadership.
- Regard for cultural and linguistic diversity.
- Planning and providing for the needs of children.
- Regard for the cumulative effect of decisions.
- Trusteeship of public assets.
- Facilitation of stakeholder participation.
- Elimination of bias.

The Charter emphasises that Local Government is a sphere of government with an essential and legitimate role in managing the local environment and in providing the variety of services that local residents require.

Accessibility for people with disabilities

Under the National Disability Strategy, NSW Implementation Plan, Local Government in NSW is identified as a key partner in a number of initiatives aimed at increasing the participation of people with a disability in their communities. Local Government is identified in the following strategic directions to create Inclusive and Accessible communities:

Inclusive and Accessible communities

1. h

Implement a NSW strategy to improve participation in the arts by:

- increasing the participation by people with disability in NSW arts programs*
- increasing support for the professional development of artists with disability*
- supporting employment and volunteering opportunities for people with disability in the arts and cultural sector.*

These directions are consistent with a broader role for Local Government in engaging communities in the planning of local facilities and services. As Ability Links is rolled out across NSW, councils will be playing an important role in assisting Linkers to locate arts activities and groups for people with a disability and in ensuring council run arts facilities are accessible to all. The roll out of *DisabilityCare* will also increase expectations that arts facilities and activities are available and accessible.

LGNSW recommends that councils and other arts organisations are funded to meet the related strategies under the National Disability Strategy, NSW Implementation Plan, to create inclusive and accessible communities.

Accessibility for Regional NSW

Opportunities for regional and rural communities to participate in the arts are limited. Councils in these areas are also generally experience resource constraints limiting capacity to cater for the cultural needs of the residents. Therefore councils rural and regional areas in particular need to be supported to as key providers for these communities.

The LGNSW Policy identifies that *“Local Government recognises that access to cultural experiences should not be impeded by geographical location.”*

The NSW Standing Committee on Public Works inquiry into ‘the Development of Arts and Cultural Infrastructure Outside the Sydney CBD’ identified that:

*“84.7% of the 2009 Arts New South Wales annual grants program went to facilities in the Sydney-Newcastle-Wollongong corridor, with the balance granted to regional areas, indicating a substantial lack of parity with the population in regional New South Wales.”*¹⁵

In the then LGSA Submission to the inquiry, it was recommended that the State Government create a new and distinct Local Government Partnership Fund, with multi-year and recurrent agreements, which will enable councils to deliver State Plan priority E8 cultural outcomes to local communities. This recommendation has not addressed at a state level and may require the three spheres of government to collaborate delivering a remedy.

LGNSW recommends equitable government investment and access to the arts across rural, regional and metropolitan communities.

A diversity of art forms and disciplines

The rights and freedoms named in the Universal Declaration of Human Rights include ‘the right to freely participate in the cultural life of the community’¹⁶

For the purpose of transforming the Universal Declaration of Human Rights into legally binding international treaties, The General Assembly of the United Nations adopted the following International Human Rights Covenants:

- 1 - The International Covenant on Civil and Political Rights (ICCPR)
- 2 - The International Covenant on Economic, Social and Cultural Rights (ICESCR)

State-Parties to the International Covenant on Economic, Social and Cultural Rights are obliged to undertake the appropriate steps to achieve the realization of the following right: the right to take part in cultural life and the right to enjoy the benefits of scientific progress and to benefit from the protection of the interests resulting from any scientific, artistic or literary production of which he is the author (art. 15)¹⁷

In regional areas opportunities for some art forms may be limited and require funding support to be sustained.

Council venues such as galleries, museums, halls, libraries and performing arts centres may require modification and retrofitting to accommodate technology based art production, presentation and engagement.

¹⁵ Evidence given to the Committee by Elizabeth Rogers Transcript 20 February 2009 p. 30, Cited in the “Report on Development of Arts and Cultural Infrastructure Outside the Sydney CBD, NSW Standing Committee on Public Works, June 2010

¹⁶ Drafted by the Commission on Human Rights, The Universal Declaration of Human Rights was adopted by the General Assembly on December 10, 1948, Paris.

¹⁷ The International Covenant on Economic, Social and Cultural Rights (ICESCR), General Assembly of the United Nations

LGNSW recommends that councils be eligible for funding toward modifying their cultural facilities toward accommodating technology based art production, presentation and engagement.

Administration of the program

Getting the timing right

The arts funding program operates by calendar year while the rest of the Australia operates by financial year. This is a challenge for planning and reporting.

LGNSW recommends that the arts funding program operate by financial year

Communication, access and transparency

To build a stronger sector, better engagement and build capacity, Arts NSW could create opportunities to bring the funded or applying organisations together. The peak bodies only have ad hoc opportunities to come together and collaborate as a sector. This would support the work of the Arts NSW Policy Division.

LGNSW recommends that the peak arts and cultural bodies are brought together by Arts NSW periodically (say twice a year) to facilitate collaborative policy, planning and development.

APPENDIX 1: The Fourth Cultural Accord

The Fourth Cultural Accord will operate for a period of three years, commencing on 1 January 2011 and concluding on 31 December 2013. This Accord will further develop the working partnership between NSW State and Local Government.

Arts NSW and the Local Government Association of NSW and Shires Associations of NSW (the Associations) commit to working together to progress this Accord. Arts NSW and the Associations will also collaborate with peak arts bodies and other government and nongovernment agencies when appropriate.

The Fourth Cultural Accord recognises the significant commitment both Local and State Government have towards arts and culture. The following principles underpin this commitment.

- Cultural vitality and local distinctiveness are integral components of communities and arts and culture play an important role in social and economic development, including tourism.
- Local and State Government are committed to increasing access and participation in arts and cultural activity.
- Priority areas for increasing access to and participation in arts and cultural activity include people from cultural and linguistically diverse backgrounds, young people, people with a disability, people in regional and rural areas and Aboriginal people.
- Local and State Government are complementary partners in the development of arts and culture at local level, and Local Government has primary responsibility for the planning, development and operation of cultural facilities at the local level.
- Local and State Government acknowledge the importance of providing up-to-date, easy to use and accessible public library and information services for their communities.

This Accord will contribute to the following State Plan priorities and targets:

- Grow cities and centres as functional and attractive places to live, work and visit.
- Increase volunteering.
- Increase participation in arts and cultural activity.

This Accord will contribute to the following Local Government policy directions:

- Local Government recognises creating liveable communities is fundamental to Australia's social wellbeing, long-term ecological sustainability, and economic prosperity.
- Local Government understands that local creative practice and pursuits by artists and others in communities are central to cultural policy making.
- Local Government recognises strategic cultural planning is a key initiative enabling local communities to respond to changing social, environmental and economic needs, and to address the increasing demand for cultural resources.

Specifically over the next three years, Arts NSW and the Associations commit to working to:

- Provide Aboriginal people with greater opportunities to participate in, share and strengthen their culture through arts practice, and develop careers and businesses in the arts and cultural sector.
- Encourage the incorporation of provisions for local arts and cultural development into councils' Community Strategic Plans.
- Gain a better understanding of existing arts and cultural infrastructure across NSW and approaches to meeting future needs, including possible principles for future development of arts and cultural infrastructure.

- Encourage councils to explore local initiatives to provide artist studios and residency programs, develop creative enterprise hubs and support local creative industries.
- Engage with councils and other organisations to encourage the development of local capacity, and councils' facilitation of connections between local arts and cultural groups.

Arts NSW and the Associations will form an implementation steering committee. This committee will prepare an implementation plan for the Accord and report annually on the progress to the Minister and the Presidents of the Associations.

APPENDIX 2: Local Government NSW - Related Policies

COMMUNITY PLANNING AND SERVICES

Vision

Local Government commits to pursuing the Australian vision of a fairer, more just and more equal society.

Local Government recognises that unless the pursuit of economic development is accompanied by both strong support for social justice and strong support for ecologically sustainable development (ESD), the Australian vision of a fair, just and equal society will be diminished.

For Local Government 'social justice' is based on the application of the following four principles:

- *Equity* - fairness in the distribution of resources, particularly for those in need
- *Rights* - equality of rights established and promoted for all people
- *Access* - fair access for all people to economic resources, services and rights essential to their quality of life
- *Participation* - opportunity for all people to genuinely participate in the community and be consulted on decisions which affect their lives.

Local Government acknowledges and supports:

- the Universal Declaration of Human Rights (especially Article 25, which recognises that everyone has the right to a standard of living adequate for their health and wellbeing including food, clothing, housing, medical care and necessary social services)
- the International Covenant on Economic, Social and Cultural Rights (the right to social security, the right to a reasonable living standard, the right to food, the right to education, the right to housing, the right to health, the right to work and the right to rest and leisure)
- the International Covenant on Civil and Political Rights (freedom of speech, and other civil and political rights)
- the United Nations Declaration on the Rights of Indigenous Peoples.

Local Government further acknowledges and supports the Commonwealth and State legislative frameworks that reflect these international instruments.

Mandate

Local Government social/community planning and community services play important roles in contributing to the physical, psychological and social health, welfare and wellbeing of citizens: Local Government is the appropriate sphere of government to take a lead role in social/community planning and community services for its citizens because:

- it is in the best position to identify and respond to the unique needs of the local area and diverse populations within the area
- it is easily identifiable and democratically accountable (through Management Planning, Land use planning and social/community planning requirements and ultimately the election process) to the community for the nature and quality of services provided
- it has a capacity for flexibility and adaptation
- it actively develops strategies that encourage social cohesion or social capital, build stronger and more self-reliant communities and deliver positive economic outcomes.
- Local Government's charter, as specified in the Local Government Act, involves providing adequate, equitable, appropriate, efficient and effective services, and facilities, after

consultation¹⁸

- The charter highlights principles including:
- community leadership
- regard for cultural and linguistic diversity,
- planning and providing for the needs of children
- regard for the cumulative effect of decisions
- trusteeship of public assets
- facilitation of stakeholder participation
- elimination of bias.

The Charter emphasises that Local Government is a sphere of government with an essential and legitimate role in managing the local environment and in providing the variety of services that local residents require.

Local Government can choose to involve itself in the provision, management or operation of the following service functions (amongst others): community services; public health; cultural, educational and information services; public transport; sport, recreation and entertainment; and housing (Chapter 6 *Local Government Act 1993* as amended).

Local Government has a long history in certain types of community service provision, predating or anticipating the present legal mandates, some elements of which can be traced back to the 19th century, some to the mid-20th Century and the balance to the 1970s.

Local Government is required to enact planning and regulatory functions that impinge on people and services to people (such as the *Environmental Planning and Assessment Act 1979*, and *Local Government Act 1993*)

Intergovernmental Relations

Local Government recognises that the present mix of roles and responsibilities in social/community planning and community services, amongst the three spheres of government, the not-for-profit sector and the private sector has developed gradually over many years and requires a systematic re-examination to establish whether the mix is satisfactory or whether reallocations are required.

Local Government requires genuine engagement with Commonwealth and State Governments in planning and delivery of existing cost shared community service programs devolved to or otherwise delivered at the regional and/or local level.

Local Government seeks full consultation when new legislation or new programs in or having impact on community planning and services are introduced, in order to promote enhanced efficiency in service delivery, consider options for delivery through Local Government and avoid adverse impacts on councils or groupings of councils.

Nonetheless, Local Government in its own right continues to develop independent local community plans, services and programs when local circumstances warrant and local resources permit.

¹⁸ Local Government Act 1993 as amended, Section 8.

Local Government supports Commonwealth and State Government initiatives to promote regional community planning and community service provision, where such initiatives recognise the role of Local Government and ensure such regional groupings are voluntary. Local Government must play a central role in developing an integrated approach to regional community planning and service provision.

Definition

Local Government uses the term “Community Planning and Services” to cover:

- community and social planning
- community development and/or service development activities flowing from social/community planning and/or leading to any of the facilities and services listed in the subsequent points.
- general community facilities and services (such as welfare services and/or support and development services for various specific age or target groups),
- cultural services (such as cultural facilities and programs, inclusive of public library and information services),
- health services (such as immunisation and early childhood health centres),
- recreation facilities and services (such as open space, sports and swimming facilities)
- housing (such as facilitating affordable and appropriate housing, and providing or supporting housing services).

Cultural planning and development

Local Government recognises culture encompasses our diverse heritage and avenues of expression in the environment, leisure, work and daily life, architecture, arts, history, language and education which people use to express their fundamental character and aspirations.

Local Government in NSW:

- recognises creating liveable communities is fundamental to Australia's social wellbeing, long-term ecological sustainability, and economic prosperity
- acknowledges that innovation and creativity are critical to the sustainability and growth of communities
- recognises the right of individuals and communities to determine their own cultural identity by promoting consultation and encouraging participation
- supports the development, integration and promotion of cultural expression within communities to protect against the homogenising effects of globalisation
- recognises strategic cultural planning is a key initiative enabling local communities to respond to changing social, environmental and economic needs, and to address the increasing demand for cultural resources
- fosters local economic development by promoting a community's cultural strength and uniqueness
- identifies, provides or facilitates the provision of facilities, services and programs which meet the cultural needs of communities
- recognises that access to cultural experiences should not be impeded by geographical location or on the basis of gender, marital status, sexuality, language, culture, race, religion, disability, status or age, and that those groups at the margins of society require special assistance to prevent their further disenfranchisement
- recognises Indigenous Australians are the custodians of their cultures, and as such, only they have the right to make decisions about the use and reproduction of their cultures and such decisions should occur with the full and informed consent of the relevant custodians, and where appropriate, be informed by customary law and traditional practice

- understands that local creative practice and pursuits by artists and others in communities is central to cultural policy making

Local Government in NSW seeks:

- Commonwealth and State Government acknowledge the significant commitment Local Government has in funding, planning, managing and supporting cultural development in NSW
- Commonwealth and State Government provide significant ongoing funding to enhance regional and local cultural development, and cultural facilities, services and programs

Community service provision

Local Government is an ideal provider of community services because of local positioning, democratic accountability, financial accountability, stability and organisational infrastructure. Local Government:

- provides those community services that are identified through and which complement its social/community planning and therefore are in response to clear articulated needs
- ensures its community services remain consumer orientated, responsive and flexible
- ensures its community services pursue continuous improvements in the standard of facilities, in services, in human relations, in costs and in competitiveness in response to the needs of the community.
- ensures services are available, free from any form of discrimination on the basis of gender, marital status, sexuality, language, culture, race, religion, disability, status or age.

Local Government seeks:

- State and Commonwealth Government funding and purchasing arrangements for local government and non-government organisations be predictable, administratively simple and negotiable within the agreed overarching goals of any given program
- State and Commonwealth programs permit and promote the development and use of rural and remote models where appropriate to mitigate the disadvantage arising from location, including adequate financial provision for travel costs of outreaching services to remote or isolated communities
- State and Commonwealth programs provide sufficient finance to ensure all charges in partnership or funded programs are affordable
- State and Commonwealth programs apply the principles of social justice in the provision of community services and in any restructuring of such programs
- continuity of funding particularly for the coordination and provision of core services and administrative facilities for State and Commonwealth programs.

Community development

Community development in Local Government helps to build a strong and self-reliant community, and assists councils to be responsive to community needs. Councils engage in community development by co-ordinating and making links between the community and the three spheres of government in order to meet the needs of the community.

The tools of community development in Local Government include:

- Participation: involving people in decisions which affect their lives leads to improved outcomes, builds the capacity of those who are involved in the process, and develops a sense of belonging, ownership and pride in the community

- Advocacy: representing the issues and interests of the community to the three spheres of government, private and other stakeholders
- Access and equity: enabling all people to participate in community decisions and processes, and to have equitable use of community services and facilities
- Capacity building: building people's skills, networks and knowledge will lead to a stronger, more self-reliant community
- Self-help: people learn and gain support from each other, and communities become reliant on their own resources, rather than being dependent on external support.

Local Government endorses the principle of community to community assistance in International community development.

Community planning

Community or social planning must involve co-operative needs-based analysis, which includes the identification of the most appropriate service delivery model and agent.

Local Government:

- is the primary planner at the local level, especially in measuring and mitigating the impact and maximising the benefit of developments (social impact assessment), in local community facilities planning (including s94 planning), in preparing Community Strategic Plans, the subsequent Delivery Programs and Operational Plans and the related Resourcing Strategies under the Local Government Act, and in the social aspects of plan making under the Environmental Planning and Assessment Act.
- promotes integrated planning between council sections to integrate social/community, cultural or housing planning with physical and corporate planning, seeking whole-of-council responses to issues.
- promotes integrated planning between council, other spheres of government and the non-government sector to integrate social/community, cultural or housing planning, seeking whole-of-government responses to local, regional or state issues.
- ensures its social/community planning under the Local Government Act includes demographic and needs data relating to children, young people, women, older people, people with a disability, people from culturally and linguistically diverse backgrounds, and Aboriginal and Torres Strait Islander people.
- recognises its social/community planning under the Local Government Act can build beyond the minimum requirement called up by the legislation covering housing, culture, crime prevention, gay, lesbian and transgender communities and other groups or functions of local importance.
- will actively engage citizens in its social/community planning and resulting development activities to maximise the use of local skills to craft local solutions to local problems.

Local Government seeks:

- the State and Commonwealth Governments and their agencies ensure that rigorous social impact assessments are conducted on any policy, program and development changes that may affect local communities
- the State Government formally recognise councils' Community Strategic Plans, the subsequent Delivery Programs and Operational Plans and the related Resourcing Strategies under the Local Government Act, and formally use these plans in State agency planning processes
- the State Government formally recognise and resource councils' social/community planning and administrative role in the Community Development and Support Expenditure

Scheme (CDSE) and ensure maximum participation of registered clubs, where Local CDSE Committees are required.

- the Commonwealth Government formally recognise councils' Community Strategic Plans, the subsequent Delivery Programs and Operational Plans and the related Resourcing Strategies under the Local Government Act, and formally use these plans in Commonwealth human service agency planning processes.

Finance and Economic Development

Revenue sources available to Local Government should be such as to ensure autonomy and stability.

Local Government should receive funds from Federal and State Governments and should be able to raise funds through rates, charges, loans, and other appropriate means, to enable it to fulfil its responsibilities to the community.

Local Government supports whole of state development principles.

Whole of state development principles incorporate:

- A commitment to ensuring that the global competitiveness of established Sydney is matched by a commitment to improving environmental quality and lifestyle amenities.
- Targeting a population increase west of the Great Dividing Range enabled by investment in infrastructure.
- Planning Sydney as a multi-centred city with strategies to increase the number of knowledge based jobs in the regional centres of developing Sydney (which includes Western Sydney)
- Promoting active revitalisation of Newcastle and Wollongong
- Encouraging further diversification of lifestyle regions of the north and south coasts with investments in education, amenities and infrastructure.

Specific purpose funding

Specific purpose grants should be administered through negotiated intergovernmental agreements with funding appropriately indexed to cover the full cost involved.

Administrative simplicity and flexibility should be ensured in specific purpose funding arrangements.

Specific purpose funding should not be reduced or withdrawn without full consultation and agreement.

Increases in specific purpose funding arrangements should not be at the expense of general purpose funding arrangements.

Broad banding of specific purpose payments is desirable, conditional on adequate consultation and mutually agreed program adjustments.

Cost shifting

Local Government should not be compelled to fund, in whole or in part, any service or scheme introduced by the State or Commonwealth Governments. Councils should seek reimbursement

of the full cost of carrying out immunisation treatments from State and Commonwealth Governments.

To improve Local Government financial viability, Local Government requests that the NSW and Australian Governments cease the practice of cost shifting and enact legislation that requires Local Government's agreement to take on additional responsibilities. If taken on, provide corresponding funding or allow adequate revenue raising capacity.

Prior to Local Government accepting new responsibilities from the NSW and Commonwealth Governments, the relevant government authorities should provide thorough plans detailing economic implications of the proposed transfer in addition to a commitment to meet any additional operational or capital costs incurred by Local Government as a result of any transfer of responsibilities. Full cost analysis should be provided to Local Government at least six months prior to the commencement of the financial year proposed for the transfer of responsibility, to ensure all implications on resources are addressed.