

Advocacy Priorities

2024-2025





Local Government NSW acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of this nation.

We celebrate the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples, and their rich contribution to Australia.

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President's Foreword



The 2024-2025 financial year presents significant challenges and real opportunities for councils and the communities they represent.

State and federal inquiries into the financial sustainability of local government demonstrate that governments acknowledge that cost shifting, rate pegging and funding arrangements that are no longer fit-for-purpose are harming the ability of councils to provide the infrastructure and services our communities need, expect and deserve.

This acknowledgment now needs to be translated into action, through the NSW and Australian governments adopting the advocacy priorities set out in this document, which have been informed by resolutions of the LGNSW Annual Conference and have been endorsed by the LGNSW Board.

They provide a way forward for NSW, with measures to bolster the financial sustainability of our sector, focus joint efforts to address the housing and homelessness crisis, and ensure councils are supported to provide the infrastructure and services that make communities liveable and vibrant.

The priorities also seek a commitment from state and federal governments to invest in the resilience of our communities and our infrastructure as councils grapple with natural disasters of escalating frequency and severity.

They highlight the local government sector's calls for concerted attention on measures to protect the environment and invest in circular economy solutions, alongside initiatives to invest in the future local government workforce across NSW.

These priorities are sensible and practical ideas, which are good not only for our communities today, but also for future generations. Local government stands ready to work in partnership with state and federal governments to achieve the best outcomes for all members of the community.



Cr Darrica Turley AM
LGNSW President

Overview of the Local Government Sector



Local government in NSW employs about **55,000 people**



Local government in NSW looks after more than **\$198 billion of community assets**



Local government in NSW spends more than **\$2.3 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 more than **350 council-run libraries** that attract tens of millions of visits each year, and more than **400 public swimming and ocean pools**



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



NSW councils manage an estimated **4 million tonnes of waste each year**



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

ADVOCACY PRIORITIES 2024-2025



Local Government NSW's 2024-2025 Advocacy Priorities highlight the critical issues facing the local government sector and detail what must be done if councils are to continue providing the services our communities need and deserve.

The priorities are informed by the local experience of councils across the State. They are designed to ensure we can all navigate the economic headwinds already placing immense financial pressure on households, businesses and society in general.

They place an emphasis on the need to strengthen the resilience of our infrastructure, services and systems to ensure our communities can accommodate growth while withstanding the extreme weather events that have become all too common in recent years.

There is also an acknowledgement of the impact climate change is having on the environment and liveability, as well as the need to increase productivity and workforce participation in all areas of the State.

Crucially, the priorities call for greater cooperation between State and local government, which will ultimately benefit the entire NSW community.



FINANCIAL SUSTAINABILITY

The financial sustainability of councils continues to deteriorate under the relentless pressures of declining Financial Assistance Grants, rate pegging, increased cost shifting and other state and federal funding arrangements that fall far short of council and community needs. There is an urgent need for reform of local government funding arrangements to ensure councils can deliver the services and infrastructure NSW communities need, expect and deserve.

Financial Assistance Grants

Restore Financial Assistance Grants to 1% of total Commonwealth tax revenue.

Remove rate pegging

Remove rate pegging and reform the NSW local government rating system, including the removal of inequitable rate exemptions and providing greater autonomy and flexibility in rating policy, structure and practices.

Cost Shifting

Introduce measures to reduce the existing level of cost shifting and legislate to prevent new cost shifts.

Red fleet

Legislate to make clear RFS mobile assets are vested in the NSW Government.

Emergency Services Levy

Remove the ESL from councils and replace with a transparent, equitable and sustainable funding model.

Audit costs

Urgent action to counter the rapidly escalating audit costs imposed on local government.



PLANNING & HOUSING

Local government supports action to address the housing crisis and is committed to working with the State Government and other stakeholders in genuine collaboration. Councils and their communities must be involved in planning for these developments and the delivery of critical local infrastructure to support this growth must be a priority. Councils are also pressing for much greater investment in public and social housing after decades of neglect and for new housing to include a proportion of affordable housing in perpetuity.

Planning

Commit to empowering democratically elected councils to make decisions about local strategic planning and development that affects their current and future communities.

Housing delivery

Genuinely partner with democratically elected councils to:

- Enable and plan for place-based solutions, with appropriate infrastructure, to meet the State's housing needs.
- Find solutions that address the unique housing pressures in rural and regional NSW.

Public and social housing

Build 5,000 additional units of public and social housing each year for the next 10 years to contribute to addressing the homelessness and housing affordability crisis right across NSW.

Short-term rentals

Give councils stronger powers to manage the impacts of non-hosted short-term rental accommodation so they can flexibly balance housing needs and the local visitor economy.

NSW Planning Portal

Make urgent improvements to address issues with operation of the NSW Planning Portal that are affecting approval timeframes and commit to ongoing funding to councils to implement it.



ROADS & INFRASTRUCTURE

Local governments own and manage more than \$176 billion in infrastructure assets that are critical to local economies, productivity and liveability. It is crucial that councils receive increased funding to provide and maintain local road networks and other essential local infrastructure, and to provide the necessary infrastructure to support growing communities.

Enabling infrastructure

Provide funding and measures to support more housing and greater density in metropolitan and regional areas to meet NSW and Australian government commitments under the National Housing Accord. This should include reviewing caps on local infrastructure contributions to make them more reflective of current costs, enabling realistic funding of local infrastructure.

Roads

Boost needs-based road funding significantly to improve resilience to extreme weather, reduce infrastructure renewal backlogs and meet the demands of the rapidly expanding freight task.

Local Water Utilities

Protect local government ownership and management of council water utilities, and restore funding to the Safe and Secure Water Program to enable councils to improve water security and resilience.

Renewable energy zones and state significant developments

Implement a strategic framework to ensure the local impacts of state significant developments and renewable energy zones on local infrastructure, farmland and neighbouring communities are carefully considered, and councils receive development contributions to fund the local infrastructure required to support them.

RESILIENCE TO NATURAL DISASTERS

Floods and other natural disasters have clearly demonstrated the vulnerability of our infrastructure and the need to build back better to deliver more resilient infrastructure. With the increasing frequency and scale of natural disasters, the NSW and Australian governments must increase their financial support and assistance so councils can undertake this critical responsibility.

Betterment

Increase financial support and funding for restoration, remediation and betterment of local community infrastructure, including water and sewerage assets, in advance of disasters where the risks are identified and in the recovery stage.

Capability

Develop and fund a plan to support emergency management capability in councils in line with the State Disaster Mitigation Plan and foreshadowed disaster adaptation plans.

Expertise

Commit to funding of executive-level Local Emergency Management Officers in all councils, along with longer-term funding for Community Recovery Officers post-disaster.





ENVIRONMENT & THE CIRCULAR ECONOMY

Improving environmental outcomes continues to be a high priority for local government, with actions to support the transitions to net zero and circular economy featuring strongly. Better legislation and policies are needed in some areas such as companion animals and illegal tree clearing, while funding is central to tackling the dearth of waste infrastructure and safe disposal of asbestos.

Waste levy

Undertake a review of the waste levy and reinvest 100% of it to fund the delivery of priority infrastructure and programs as outlined in the Waste and Sustainable Materials Strategy, particularly zero waste solutions that address impending climate and environmental threats.

FOGO

Provide funding (over and above current funding) to offset council costs of implementing the Food Organics Garden Organics mandate, and extend until 2035 the mandate for multi-unit dwellings.

Climate change/net zero

Provide dedicated funding and increased capability for councils to support emissions reduction within their own operations and their communities.

Asbestos

Implement initiatives and investment to make asbestos disposal simpler, cheaper and safer.

Trees

Legislate to increase protection of trees, with increased penalties for illegal destruction and vandalism, and provide support to increase urban canopy across NSW.

Companion animals

Legislate to enable councils to enforce the containment of pet cats, and increase funding to support the implementation and enforcement of the Companion Animals Act.

Biodiversity

Reform biodiversity laws to ensure they are fit for purpose and address issues of over- and under-regulation.



CARING & LIVEABLE COMMUNITIES

Local government is a significant provider and supporter of essential services, and advocates for equitable access, particularly for the most vulnerable. Councils must be supported in their efforts to build vibrant, fair and sustainable communities.

Rural and regional health

Continue to implement all 44 recommendations of the rural and regional health inquiry and reimburse councils when they fund what should be state and federal health obligations.

Closing the Gap

Support and resource councils to strengthen their ability to contribute to Closing the Gap outcomes.

Community safety and crime

Implement measures to holistically respond to crime and community safety concerns, particularly in rural and regional NSW.

Early childhood education and care

Provide funding streams that support the viability of councils' significant role in the early childhood sector.

Arts and culture

Provide resourcing to activate the contribution of local government to the NSW Government's new Arts, Culture and Creative Industries Policy, including increased funding for libraries, the arts and arts infrastructure.

SKILLS & LABOUR SHORTAGES

Skills and labour shortages are impacting the ability of councils to deliver the infrastructure and services communities expect and deserve. All three spheres of government need to collaborate on initiatives to build a sustainable local government workforce.

Trainees and apprentices

Introduce initiatives to increase trainee, cadet and apprentice employment across the breadth of local government operations to build a strong and diverse local government workforce.

Skills and labour in rural and regional NSW

Provide measures such as tax incentives, housing subsidies, local education options and bonus payments, to incentivise professional staff to work in rural and regional councils.

Skills development

Create a dedicated pool of Smart and Skilled funding for local government to support skills development of new and existing staff in critical areas such as water, planning support, and early childhood education.





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