31 May 2024

Committee Secretary
House of Representatives Standing Committee on Regional Development, Infrastructure and Transport
PO Box 6021
Parliament House
Canberra ACT 2600

Online submission:
https://www.aph.gov.au/ParliamentaryBusiness/Committees/OnlineSubmission/Submit

Dear Secretary

Inquiry – Australia's local government sustainability

Thank you for the opportunity to contribute to the important discourse on the subject of the sustainability of local government in Australia.

Introduction

Southern Sydney Regional Organisation of Councils Inc (SSROC) is an association of twelve local councils in the area south of Sydney harbour. SSROC provides a forum for the exchange of ideas between our member councils, and an interface between governments, other councils and key bodies on issues of common interest. The SSROC area covers central, inner west, eastern and southern Sydney, an area with a population of almost 1.9 million, that contributes much of Sydney's gross domestic product.

It is important to note that local government is a creature of the NSW government, owing its existence to an Act of NSW Parliament. However, the Federal Government contributes to the prosperity of the economy and the wellbeing of all Australians with direct assistance to local governments, strengthening their finances and the financial wellbeing of our communities. The Federal Government also provides generous financial assistance to the States, and in that, it has significant levers available to ensure that State spending and decision-making is focussed on the needs of local communities and their councils.

The finances of NSW local government are increasingly heavily stressed, with rates pegged well below the level of cost increases, costs shifted from state to local government, community expectations ever-increasing, declining and ad-hoc grants from higher levels of government and ongoing management of an increasing number of depreciating assets. Financial sustainability and the ability to fund infrastructure and services is also the focus of a current inquiry by the NSW Legislative Council. The fact that two such significant inquiries are occurring concurrently is a strong signal that most Australian local governments are facing severe financial constraints.

The SSROC member Councils work hard to deliver the services our community expects, largely funded by rates revenue. However, Councils are often required to deliver on a range of federal and state government priorities, with little or no funding with which to do this, therefore placing an even greater strain on already limited budgets. It is in this light that we welcome this House of

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Representatives inquiry into local government sustainability and hope that in the very least it results in a mature conversation being had between all levels of government, so that critical infrastructure and service provision is in place where it is most needed, delivered by the most appropriately resourced level of government.

1 The financial sustainability and funding of local government

Resilience and sustainability are important to local government, and it will be important for the Inquiry to articulate what exactly it means by "sustainability" in the context of "Australia's local government sustainability". SSROC member councils, through their local government finance working group, have defined Financial Sustainability as follows, which we hope may assist the Inquiry:

"A financially sustainable council is one that:

- Effectively manages its financial resources to achieve the long-term viability of essential services and infrastructure, while maintaining fiscal responsibility. This includes the ability to generate and manage revenues (through a balanced mix of sources such as rates, fees and charges and grants) and to efficiently manage operational costs and capital investments.
- Maintains a prudent level of financial reserves and adequate working capital to safeguard against unforeseen economic challenges and emergencies.
- Ensures that appropriate budgeting, responsible debt management and strategic long term financial planning are in place.
- Seeks to meet the community's needs (via the Integrated Planning & Reporting framework), without compromising the ability of future generations to enjoy similar or improved services and infrastructure."

Financial sustainability is generally considered to be one of the highest priority issues for Councils, with local government having to rely on an antiquated 1919 system of land taxes (council rates) which was designed to fund the provision of a limited range of property related services such as roads, drainage and waste collection services, paid by landowners only. Traditionally this has been described as "roads, rates and rubbish".

SSROC's member council financial sustainably challenges have grown over time, with the broadening of local government roles and responsibilities, and the ever-increasing community demand, cost- and responsibility-shifting, and the need to address certain market failures. These pressures are compounded by inadequate and declining revenue.

According to SGS Economics & Planning's (SGS) research on behalf of the Australian Local Government Association (2022), Councils on average raise over 80 per cent of their revenue independently, with approximately 38 per cent coming from rates and 25 per cent from user charges (ABS 2022). The remainder of Council's revenue is largely derived from state and federal grants, in addition to other revenue sources such as fines and investments income. However, it should be noted that in rural and remote councils, grants can often make up over half of council revenue.

Unlike other spheres of government, Councils do not have access to a growth tax that would allow them to share in the prosperity of the economy and provide services and infrastructure to meet growing community needs. Because of this, Councils rely in part on support from the federal government through Financial Assistance Grants (FA Grants). To ensure the long-term sustainability of Councils, it is essential that FA Grants are increased to at least one per cent or more of Commonwealth Tax Revenue. More information on the FA Grants is included under Point 5 in this submission.

1.1 Declining Rates Revenue

While there has been significant broadening of the role of local government and services delivery over time, there has been an increasing decline in rates as a proportion of total council revenue. The overall percentage of local government revenue generated from council rates declined from 54 per cent in mid-1970s to 32.0 per cent in 2020-21 and this trend has significantly continued to date. It is notable that the proportion of revenue raised by user charges grew from 13.3 per cent to 30.3 per cent over the same period. Though Federal and NSW Governments provide substantial grants to councils, they constitute less than 10 per cent of total revenue[1] and generally cannot be expended on general operational requirements.

Councils often seek to balance their budgets by re-allocating funds from capital purposes to maintain recurrent service levels, impacting the long-term quality and condition of vital community infrastructure assets.

In NSW, the practice of rate-pegging has effectively and consistently eroded councils' rates revenue. The fact of so many Special Rate Variation (SRV) requests have been approved in recent years signals that the local government financial and funding model in NSW is not working. According to Local Government Professionals[2], 178 SRV applications were made in the decade between 2012 and 2022, of which 165 were approved in full or in part. The necessity for so many legitimate, justifiable applications signals a very flawed funding model. The vast majority (142) of the SRV requests cited one or more of three reasons, being financial sustainability, infrastructure backlogs and future infrastructure spending obligations. All three justifications would reasonably be expected not to be issues if the funding model were right and appropriate for all that local government is required to do.

Furthermore, an SRV does not fix the fundamental underlying structural funding problem: over the course of time, any gains made by implementation of an SRV will be eroded by the continuing application of the rate peg, unless the flawed funding model is changed.

1.2 Resilience

The Federal Government has a very clear position on climate change and targets for carbon emissions reduction and local government is keen to play its part in this. SSROC councils have taken many actions already, including sourcing 100% renewable energy to power its large sites, small sites and street lighting.

There is much more that could be done, however councils struggle to achieve much more because of the cost of delivery. For example, building solar farms, investing in electric garbage truck and car fleets, and installing EV charging stations. Federal government support would enable local governments and their local community to reach net zero targets much faster than is possible for the foreseeable future.

Sydney is facing a serious crisis in waste management, and a massive cost to our communities is looming. Accessible landfills are almost full, and land for new waste facilities is prohibitively expensive in almost the entire area. This means transporting waste further and further out of Sydney for treatment and disposal, increasing carbon emissions and putting more trucks on the road. A lack of transfer stations risks using garbage trucks for haulage, disrupting services and creating the need for a larger fleet of trucks.

There is an opportunity for a national approach to waste management, including waste-to-energy and other current and emerging technologies that are already working well in communities around the world; however this will need both Federal and State cooperation and importantly funding, not be left to rate-pegged Councils to fund.

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[1] Department of Transport and Regional Services submission to the Productivity Commission – Assessing Local Government Revenue Raising Capacity.

[2] Local Government Professionals Australia, submission to the Review of the Rate Peg Methodology Issues Paper, 4 November 2022.

2 The changing infrastructure and service delivery obligations of local government

Local Government is now responsible for delivering a wide range of services that have grown over time and with NSW-mandated Community Strategic Plans required under the Integrated Planning and Reporting (IP&R) framework, NSW Councils are now compelled to fund their communities' ever-increasing expectations. This is not a criticism of the IP&R framework, but more an indication that through increased engagement with the community and the fact that local government is closest to the people, Councils are increasingly responsible for delivering a large number of services that directly benefit the liveability and productivity of their local communities. Further information on the services provided by local government can be found in Section 2.3 below.

2.1 Infrastructure Backlogs

Today's community expectations of their local Council includes Councils providing things like knowledge centres, dog parks, cycleways, skate parks, more open spaces with facilities like BBQ areas, and leisure and aquatic centres, in addition to hard infrastructure like roads, footpaths, stormwater & drainage and depending on where you Council is located, water and sewer services. Each time a Council delivers an additional service or is required to deliver additional services by the State government, it expands a Council's asset-base and ongoing maintenance and renewal obligations.

Infrastructure is the biggest financial risk to councils in NSW. NSW councils own and control assets with a total value of over $198 billion in 2021-22 with the largest component of councils' asset base being infrastructure, with a net value of over $176.3 billion.

Roads and related assets (e.g. bridges and footpaths) make up more than $67 billion or 56.8% of these assets. Councils reported a backlog for 2021-22 estimated at $5.6 billion[3]. This is a looming financial cliff for councils nationally.

The NSW Government has set an infrastructure backlog ratio of 2% (being the infrastructure backlog as a proportion of the total written down value). A ratio of less than 2% is considered the benchmark. 53% of NSW councils (69) have reported a backlog ratio greater than 2%.

Across the State, infrastructure backlog ratios ranged from 0 to 22.1%, with the state average being 3.7%, almost double what the Government suggests is acceptable. Regional town/city councils have the largest infrastructure backlogs in total dollar terms, with an average backlog of $52 million, with metropolitan councils having an average backlog of $28.7 million.

It is clear that the backlog will continue to grow given declining funding for both maintaining and renewing assets. A greater focus on intergenerational thinking is needed, especially given that asset condition will continue to exponentially deteriorate.

When it comes to the Federal Government investment in local government, it must invest warily and stop targeting its funding solely at new assets. While popular, this approach adds to the maintenance and asset renewal liabilities of local government, with no additional funding to Councils for these purposes. Although less attractive, a more important use of scarce Federal Government funds would be to dedicate them to asset replacement, and allow betterment only where that would create a more resilient asset for future generations.

There is an excellent precedent for such a funding model in the Federal Roads to Recovery Program, which is critical to the financial sustainability of local government.

> *The Roads to Recovery Program supports the maintenance of the nation's local road infrastructure assets, which facilitates greater accessibility and improves safety, economic and social outcomes for Australians. The Program provides funding to all Local Government authorities (LGAs) and state/territories governments in areas where there are no LGAs*

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[3] https://www.yourcouncil.nsw.gov.au/nsw-overview/assets/

(unincorporated areas). Funding recipients are responsible for choosing road projects on which to spend their Roads to Recovery funding, based on their local priorities.[4]

A key feature of the Roads to Recovery Program is the mandate that recipients of the direct local government funding do not reduce their recurrent levels of capital funding for road replacements. This Federal lever ensures that the funding is a top-up to asset replacement and management, and not diverted to other uses.

Local government would benefit from this program being permanent, and more programs for funding on this basis targeting other assets.

2.2 Asset Resilience

Noting the comments above around funding for infrastructure, the Federal Government must ensure that any funding for renewal of aged and damaged assets is not provided on a like-for-like basis, but on the basis of betterment for resilience and longer-term financial sustainability.. This will ensure good investment today which also has an exponential financial benefit to future generations and their councils.

In addition to new and varied services, councils are required to have the capacity to build resiliency into our infrastructure, so that it is not only designed to withstand current risks, hazards and threats, but for the life of the asset and to be able to withstand future hazards such as those arising from climate change. For example, not rebuilding a community hall in a floodplain, but nearby out of the floodplain or fitting out like-for-like in a historical building in a floodplain, but include flood-resilience finishes.

The capacity for the local government sector to develop its own capabilities to deal with external impacts that cause it shocks and stresses is important. For example, economic factors that drive up the cost of delivering services, and the increasing frequency of severe weather events that can jeopardise long term strategic goals.

2.3 Changing Complexity and Scope of Services

Local governments in Australia are increasingly providing services above and beyond services traditionally associated with council, such as roads and waste disposal, financed by rates. Some examples of new and more complex council functions and services provided today include[5]:

- Engineering (public works, construction and maintenance of roads, bridges, footpaths, drainage, cleaning)
- Resource recovery services (recycling, garden organics, bulky and residual waste collection, processing and disposal; community recycling centres, drop-off events, and chemical clean-up events)
- Recreation (swimming pools, sports courts, recreation centres, playgrounds, halls, kiosks)
- Health (water and food sampling, noise control, meat inspection and animal control)
- Community services (childcare, elderly care and accommodation, refuge facilities, meals on wheels, counselling and welfare)
- Building (inspection, licensing, certification and enforcement)
- Planning and development approval, place-making
- Administration and compliance (quarries, cemeteries, parking, animals)
- Cultural/educational (libraries, art galleries and museums)
- Environmental services (trees, storm water, water sensitive urban infrastructure, weed control)
- Other (abattoirs, sale yards, markets).

[4] https://investment.infrastructure.gov.au/about/local-initiatives/roads-to-recovery-program/index.aspx

[5] Department of Transport and Regional Services submission to the Productivity Commission – Assessing Local Government Revenue Raising Capacity.

As previously mentioned, the services councils provide are increasing due to community needs and pressures and these services vary between metropolitan, regional and rural councils.

2.4 Cost- and Responsibility-Shifting

Council is consistently called upon to implement and/or administer new policy of Government. The ability for councils to adequately charge for a variety of services is in some instances, restricted by legislation and this results in an uneconomic service that unfairly costs ratepayers.

According to the most recent Local Government NSW Cost Shifting Survey and Report (2021-2022), released in November 2023, cost shifting remains one of the most significant challenges facing the NSW local government sector.

The 2021–22 LGNSW Cost Shifting Survey has revealed that cost shifting totalled $1.36 billion in 2021–22, which far exceeds historical records and represents an increase of $540 million since the Cost Shifting Survey was last carried out in 2017–18. Of note is the fact that the increase in cost shifting has been accelerated by various State Government policies, with the most significant examples of cost shifting in 2021–22 being:

- The waste levy, which remains the largest single contributor to cost shifting in NSW, totalling $288.2 million, because the NSW Government did not fully reinvest the waste levy, paid by local councils, back into waste and circular economy infrastructure and programs.
- The Emergency Services Levy and associated emergency service contributions, which totalled $165.4 million and represented the largest direct cost shift to local councils. In 2021–22, councils contributed $142 million through the Emergency Services Levy, $12.7 million through Rural Fire Service (RFS) obligations, and $10.7 million in depreciation expenses on RFS assets. (It should be noted that there is currently a NSW Government review underway what is looking at the reform of the emergency services funding system.)
- The NSW Government's failure to fully reimburse local councils for mandatory pensioner rate rebates, resulting in councils losing $55.2 million.
- The NSW Government's failure to cover the originally committed 50 per cent of the cost of libraries operations, resulting in an additional $156.7 million in costs to councils.

In addition to the major cost shifting items mentioned above, there are many other examples of cost shifting from the NSW Government to Councils such as:

- Child care is costly to run due to legislated staff ratios and Council making a significant annual investment (loss) each year to provide the service. Most funding opportunities from State and Federal do not target local government providers. Family Daycare in particular is severely underfunded and at risk.
- Rate exemptions, mandated by the State but funded by councils.
- Shortfalls in funding for fulfilling regulatory services like Companion Animals management, Contaminated Land management, Noxious Weed management and processing of Development Applications.
- Aged care
- Section 257 Certificates of Vehicle Ownership – in late November 2023, Revenue NSW advised councils that they were no longer permitted by Transport for NSW (TfNSW) to provide s257 certificates. These certificates are required by the Court when a council prosecutes parking cases, and were previously provided by Revenue NSW at no cost. As of 22 November, all requests for s257 certificates must be forwarded to TfNSW, which charges a $35 fee for each certificate.

By way of a more detailed example, Waverley is just a few kilometres from the city centre and a must-see destination for visitors and with three famous beaches – Bondi, Bronte and Tamarama – attracts visitors in excess of 1.5 million per year placing huge demands on its infrastructure and services including roads; waste; lifeguards and other services.

During the summer months, Waverley beaches have tens of thousands of tourists and visitors from all across Sydney, in particular around Christmas Day, Australia Day and other public holidays, estimated to exceed around 50,000 people. The costs associated with this level of visitation illustrate the complexity and scale of the financial challenges facing councils, with escalating operational costs affecting the capacity of councils to provision for new infrastructure, renewal and maintenance. The following costs of operations at these key beaches during the peak summer period are currently borne by the ratepayers of the Waverley Council area:

- Coastal Precinct open space maintenance: approximately $1,476,342 per annum
- Summer crews to carry out public place cleansing at beaches: $150,000 (summer months only)
- Additional public place cleansing evening services: approximately $700,000 per annum
- User-pays Police crowd-control and management of anti-social behaviour: approximately $68,270 ($41,410 for Christmas and New Years public holiday period + $13,430 for Australia Day)
- Summer Safe Program: approximately $97,432 (includes an onsite operations manager and up to five public space ambassadors for 4 months November to February).
- Lifeguard services: approximately $1,839,591 per annum in salaries and an additional $200,00 for casuals employed over the summer period and $163,463 per annum operating expenses.

It is hoped that this House of Representatives Inquiry can recommend a way forward that sees the levels of cost shifting from the NSW Government to Councils vastly reduced, it not eliminated altogether and a fairer way of distributing costs associated with services required for visitors rather than local ratepayers.

3 Any structural impediments to security for local government workers and infrastructure and service delivery

3.1 Local Government Workers

The difficulty in attracting and retaining skilled staff (see section 4 below) creates real challenges for the sector, affecting the ability of local government to efficiently deliver services. In 1975 the Whitlam Federal Government introduced reforms at every tier of education, including a national employment and training scheme, and introduced the Regional Employment Development Scheme (the RED scheme).

The RED scheme is still talked about by local councils. Funding was given directly to local councils and tens of thousands of jobs created in areas that were suffering most from unemployment. It enabled Councils to employ workers on the minimum wage whilst at the same time utilising them on important local projects that enhanced community assets like parks and recreation facilities.

The current skills shortage creates real opportunity for a progressive Government to show leadership and vision to address this issue. Options to consider are:

- Reintroduce something like the RED scheme, enabling councils to access new talent for asset maintenance and management, and in turn creating opportunities to develop skills and experience which can assist employees develop and progress in meaningful employment. This could be provided at a reasonable cost with the Federal Government providing a base-pay equivalent to current safety net payments and councils topping up those payments to minimum award payments.
- Consider incentivising and enforcing the Work for the Dole program which will be another means for Local Government to utilise and gainfully employ an army of unemployed people. Under the current program some of the activities include gardening and maintenance works, conservation or environmental activities and office administration, a vital part of Councils' service to the community. The social and cost benefits to the unemployed and Councils are immeasurable in dollar terms.

- Extend the $10,000 wage subsidy provided to Australian businesses to include Local Government. The current program offers varying financial incentives to employers to hire and retain eligible jobseekers. It could be rightfully argued that councils are a business, competing for staff and are entitled to compete on a level playing field.

Advances in robotics and AI technology needs Federal Government investment at a grass-roots level to address serious shortcomings in the sector. There is an opportunity for the Federal Government to partner with State and local governments to get ahead and address a looming worsening of the skills shortage by implementing programs through local TAFEs. The programs would see local councils subsidised for creating scope for innovation and taking on TAFE students.

3.2 Infrastructure

Assets generally provide a service to the community, and therefore are part of the balancing of priorities that all Councils must manage. Each Council's approach to the management of assets will vary slightly, as will the amount of different types of asset. For example, not all councils have water or sewage assets, and some have extensive rural road networks.

There is little liaison between local government and the State or Federal governments on priorities for local government, development of funding programs and targeting and timing of grants. More engagement with local government as programs are developed would be beneficial to all concerned.

Grants for capital projects are also generally for the capital investment only, with no funding made available to Councils for the ongoing asset management, operation and maintenance liabilities that new works come with. Councils have difficulty raising enough funds to maintain or replace assets.

Most NSW Government grant funding agreements and some funding agreements from the Federal Government (excluding FA Grants), require councils in part to fund the project and then claim reimbursement at specified milestones and/or at the time of acquittal. Depending upon the size of the project, this can cause a cash flow problem for councils, particularly at year-end and when preparing financial statements and reports and may present a barrier to applying for such grants in the first place.

In metropolitan Sydney, the issue is further exacerbated by the uncertainties relating to the current NSW Government planning reforms that are aiming to dramatically increase the availability of housing. The reforms are continuing to progress quickly, without any clear plan (at the time of writing this submission), for a funding mechanism for the necessary supporting physical and social infrastructure that will be required. This is partially due to the absence of any reliable overarching city-wide strategic plan or updated Six Cities Plan and City Plans. These plans are critical inputs to Councils planning their future infrastructure needs.

Further to this, funding growth through development contributions where there are increasing populations, does not fully address the ongoing life-cycle costs of assets. This is further complicated by the constraints of the rate peg, which limits the amount of funding available for asset renewal and maintenance.

3.3 Service Delivery

Whilst it is acknowleged that this is very much a State issue, there is no clear definition of which services are core obligations for councils. Although a precise definition would vary between councils, it would be a useful guide to what should be funded by the rate peg and could be a useful prompt for councils to consider an Special Rate Variation when appropriate. There are currently no revenue guidelines or revenue policies linked to what core services should be funded, and community perceptions of what is "core", vary. The key issue is about how to create a nexus between the core services offered and rates revenue.

4 Trends in the attraction and retention of a skilled workforce in the local government sector, including impacts of labour hire practices

Many council officers are genuinely committed to serving their communities, and many are very highly skilled and capable. However, there is a degree of inevitability about their leaving the sector seeking the more attractive salaries of the state government or private sector.

SGS state in their research on productivity in local government, that local governments have an important role in workforce development, both for their own productivity and that of their regions. The research notes that skill shortages in private and public organisations have been exacerbated by the COVID-19 Pandemic; employee attrition and an ageing workforce are an ongoing and escalating difficulty. SGS note that there are barriers to Workforce Planning and Management (including a shortage of resources within Councils), a lack of skilled workers and the loss of corporate knowledge as employees retire or resign.

SGS also state that the workforce issue has now become inextricably linked to the housing issue, with the attraction of key workers limited for many communities if there is no housing available. This is also an issue for some SSROC member Councils, where the lack of affordable housing and housing and rentals being unaffordable in or near to their local government area is increasingly becoming an impediment to attracting appropriately skilled staff. This, combined with the current cost of living crisis means people are looking to reduce their travel times and related costs in getting to and from the workplace, placing extra pressure on the ability of Councils to attract workers.

Many staff live outside SSROC council areas and indeed out of greater western Sydney due to the cost of housing. For council operations, essential key workers include, for example, Open Spaces Maintenance and Public Place Cleansing teams. These staff provide essential services outside core hours, starting before 6am, with no access to public transport or untimed on-street parking. Limited public transport options increases claims for parking permits which promotes car use (in contravention of environmental targets), increases Council FBT expenses and reduces parking revenue for Council.

5 The role of the Australian Government in addressing issues raised in relation to the above

5.1 Federal Assistance Grants

Federal Assistance Grants (FA Grants) represent a recognition of the ability of the Federal Government to generate the most income of the 3 spheres of government. The Federal Government seeks to redistribute some of that income to Local Government which has the least capacity to generate income, by means of FA Grants, with the current agreement for FA Grants having been in place for over 40 years.

Over the past 30 years FA Grants have steadily declined from 1 per cent of Commonwealth Taxation Revenue (CTR), to 0.51 per cent in 2024-25. This is compounded by rate pegging, further weakening councils' financial position.

While Financial Assistance Grants have increased this year in line with the annual indexation formula, it is disappointing that the Government has failed to deliver on its pre-election promise of "fair increases" to these untied grants.

Councils have repeatedly called for the untied and non-competitive FA Grants to be restored to at least one percent of CTR. This reform would provide the long-term certainty that councils need to plan for their community's future and importantly, the flexibility to prioritise their spend on more resilient, productive and liveable communities. It is vital for councils and their local communities that Financial Assistance Grants are restored to at least 1 per cent of CTR.

Furthermore, whilst FA Grants support recurrent expenditure, they are not sufficient for any real contribution to asset management. SSROC strongly recommends that FA Grants be increased, to a level higher than the original 1 per cent of CTR (and indexed), sufficient to provide material support to managing assets, and indexed.

The Federal Government could consider allocating funding held under the Future Fund Act 2006 to ensuring the long-term sustainability of local government throughout Australia. Section 3 of the Act notes that the object of the Act is to strengthen the Commonwealth's long-term financial position by establishing the Future Fund.

As noted earlier in this submission, the vast majority of grants, in dollar worth and number, are tied grants for capital projects i.e. the funding must be used for a particular purpose, which is almost always the priority of the State or Federal Government, being the grantor. Grants for new capital projects have a long-term operating expense impacts (depreciation and operating costs) which are not funded by the grantor. The impact of these grants therefore is to divert council resources to delivery of projects that may not be the priority of the local community and they may in fact worsen a Councils financial position.

For clarity, grants are very much welcomed and needed by local government, but such funding needs to shift from the funding of new initiatives to the maintenance and restoration of existing assets.

Thank you for the opportunity to make this submission to the Inquiry. It has been written in consultation with SSROC member council officers. However, in order to meet the consultation close date, it has not been reviewed or endorsed at a formal meeting of SSROC. I will contact you should any issues arise as result.

Should you have any further enquiries in relation to this letter, please contact me at ssroc@ssroc.nsw.gov.au.

Yours faithfully

HSloan.

Helen Sloan

Chief Executive Officer
Southern Sydney Regional Organisation of Councils