#### **Local Government and Cost Shifting**

### **QUESTIONNAIRE**

Please let us know who you are:
Name:
Position:
From:

#### Please return this questionnaire:

- by faxing to (02) 6277 4774
- posting to: The Secretary,

House Economics Committee,

Parliament House, Canberra ACT 2600

Please complete the questionnaire on the next six pages to let us know what you think about the Options in Chapter 4 and the questions in Chapter 3 of the discussion paper

### **Finance and Cost Shifting**

i mance and cost simth	
Option 1a	Do you support this option?
Negotiate an umbrella intergovernment agreement on FAGs incorporating some or all of the following elements:	Yes No
a clear statement of the Commonwealth's policy intent	
adjustment of the escalation factor to match increases in GST revenue or GDP	
changes to the interstate distribution to redress apparent anomalies	
<ul> <li>reduction of the minimum grant to direct additional funds to needy councils</li> </ul>	
<ul> <li>making grants conditional on an adequate revenue effort, the continued viability of recipient councils, and effective arrangements to secure efficiencies through regional cooperation and resource sharing (including merging councils where appropriate)</li> </ul>	
<ul> <li>removal of unwarranted State restrictions on local government revenue and substantial reductions in cost shifting</li> </ul>	
reporting on expenditure	
Option 1b	Do you support this option?
Treat FAGs simply as a tax transfer with a simplified distribution system and formula, administered nationally.	Yes No
Option 1c	Do you support this option?
Deliver FAGs through a model of broad-banded program grants to facilitate local government's role in key national initiatives such as regional development, transport, environment etc.	Yes No
Option 1d	Do you support this option?
FAGs to be delivered as tied grants.	Yes No
Option 1e	Do you support this option?
Consider other horizontal equalisation formulas for local government funding such as the SES formula used by DEST for	Yes No

funding the non-government school sector.

Option 1f	optio	
Deliver FAGs through the Roads to Recovery model.	Yes	No
Comments (see questions 1-12)		
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Option 2	Do you su opti	
Include local government in negotiations for the next Commonwealth-State financial agreement and specifically consider:	Yes	No
the ongoing financial viability of local government in relation		
to its roles and responsibilities, and the need and scope for increased Federal and State support		
<ul> <li>increased Federal and State support</li> <li>the need to reduce cost shifting and revenue restrictions imposed on local government (unless already addressed</li> </ul>		
<ul> <li>increased Federal and State support</li> <li>the need to reduce cost shifting and revenue restrictions imposed on local government (unless already addressed under Option 1).</li> </ul>		
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Do you support this

		_	
Option 3		Do you su opt	pport this on?
Through the Loc	cal Government and Planning Ministers Council:	Yes	No
_	the principal factors that impinge on the nd effective utilisation of local government's own se		
recognise the responsible a	best practice in council revenue-raising, and ne efforts of those councils demonstrating a and innovative approach to maximising revenue with expenditure needs and community capacity-		
	e ongoing viability of smaller rural councils and ed for alternative models of local government in		

Comments (see questions 2 - 5, 7 - 8, 10 - 12)		

## **Infrastructure funding**

Option 4	Do you support this option?	
Conduct a national study into local infrastructure needs and funding in order to:	Yes No	
<ul> <li>fill the gaps in current knowledge and reach a national consensus on the magnitude of the problem</li> </ul>		
<ul> <li>consider a wide range of funding options including local infrastructure levies and increased but cautious use of borrowing.</li> </ul>		
Comments (see questions 13 –15)		
Option 5	Do you support this option?	
Subject to identification of an acceptable funding source, maintain Roads to Recovery into the longer term, either in its current form or as a component of AusLink.	Yes No	
Comments (see questions 14 –15)		

# **Regional Cooperation**

Option 6	Do you support this option?
As a general rule, ensure that Commonwealth-funded programs involving local government and a regional planning or delivery mechanism make use of established regional organisations of councils (or equivalent) rather than establish parallel bodies, provided the ROCs have demonstrated capacity.	Yes No
Comments (see questions 16 –17)	
Rationalisation	
Option 7	Do you support this option?
Through the Local Government and Planning Ministers Council:	Yes No
<ul> <li>negotiate an intergovernment agreement on principles and procedures for the future transfer of functions and financial obligations from the Commonwealth and/or States to local government, as well as the imposition of new functions</li> </ul>	
<ul> <li>regularly review and disseminate best practice in State-local government relations, particularly in relation to cooperative planning and service delivery.</li> </ul>	
Comments (see questions 1, 18 –19)	

Option 8	Do you support this option?	
Ensure that local government is a party to negotiations and a signatory to all SPP agreements covering functional areas in which it has significant responsibilities, using the AusLink approach as a model.	Yes No	
Comments (see questions 20)		
Capacity building	De vou europet this	
Option 9	Do you support this option?	
Use a 'top slice' of FAGs (perhaps 0.5%) to fund a national capacity building agency along the lines of UK Improvement and Development Agency (IDeA).	Yes No	
<ul> <li>Give the capacity building agency responsibility for accrediting councils and regional organisations of councils wishing to become agents for the delivery of Commonwealth programs.</li> </ul>		
Comments (see questions 21–23)		