

## **Local Governance in South Australia.**

Local government is not one of the areas identified as a Commonwealth responsibility and remains a State responsibility. Each State provides the legal and regulatory framework of council operations.

The State government in recent years has been passing over to Local Government the increasing of providing services far and beyond those traditionally associated with local government.

The costs to the ratepayer by the councils have increased to levels which are now becoming unsustainable, both to the ratepayers and councils themselves. They have increased staff levels to accommodate and provide these services.

Present council structure has to change, to be more efficient and cost conscious in the interests of the ratepayer. These added services, have added higher levels of duplication.

Local Government is seeking new roles and functions of councils, with the view of an expert panel to consider the future of Local Government in this State.

S.A. Government Association will be holding a number of workshops to consult with councils about reforms and recommendations from the final report of the Local Excellence Panel

In the late 1900s the number of governing bodies in South Australia declined from 118 to 68 as a result of structural reform, Today's technology would argue that many councils could function more efficiency, and well save millions of dollars, allowing ratepayers some relief to increasing rate bills. Some of the present infrastructure as used by councils is well out of date, with few councils wanting to change, rather to retain their self preservation and empires'

The changes that can be made, and still retaining the Local Government concept is to introduce maybe three to five Metropolitan Regional Councils, (as apart of the State Government) to adopt and manage with shared service models.

1. To reduce costs to members councils by aggregating the demand for goods and service by joint procurement
2. Economies of scale can be achieved through a "shared" service without needing to Fully amalgamate/merge all councils
3. Local employment and local knowledge is valued and retained
4. With up to five regional councils (Metropolitan) savings can be made
5. Less CEO's. Payroll/ Auditors. Planning offices, Legal services, Reduced fleet vehicles' etc.
6. Disposing unused assets, this revenue going into local community and reducing debts.

**These are but a few of the items in which councils can work more effectively, and can be seen it has parallels to the private sectors. The ratepayer would be the beneficiary of such changes to local governance.**

**Evidence can be seen we have debts far beyond early repayments. Metropolitan council's with Long Term liabilities of over \$600 million, resulting in future generations with higher increases.**

**All SA councils will forego more than \$24 million in Federal Grants, these having been frozen by the federal government in its recent budget.**

**Early expectations would suggest that many councils will be revising their present budgets, to further increase your council rates for 2013-14**

**Commercial/ Industrial properties will be effected by several councils increasing the differential rates up to 200% over the residential rates. The Land Lords Association/ others, surely, should be protesting to such increases.**

**The Land Taxes Reform Association recently produced two articles in the (Advertiser) condemning these increasing councils expenditures.**

**The Land Taxes Reform Association has produced a brochure illustrating their concerns, with analysis showing that more councils will become un-sustainable in the longer term, without some form of action being taken now**

**Bruce Pennington**

**Land Taxes Reform Association**