

Agenda

Planning and Strategy Committee

Notice is hereby given that a meeting of the Planning and Strategy Committee of Council will be held at Council Chambers, 1 Belgrave Street, Manly, on:

Monday 3 December 2012

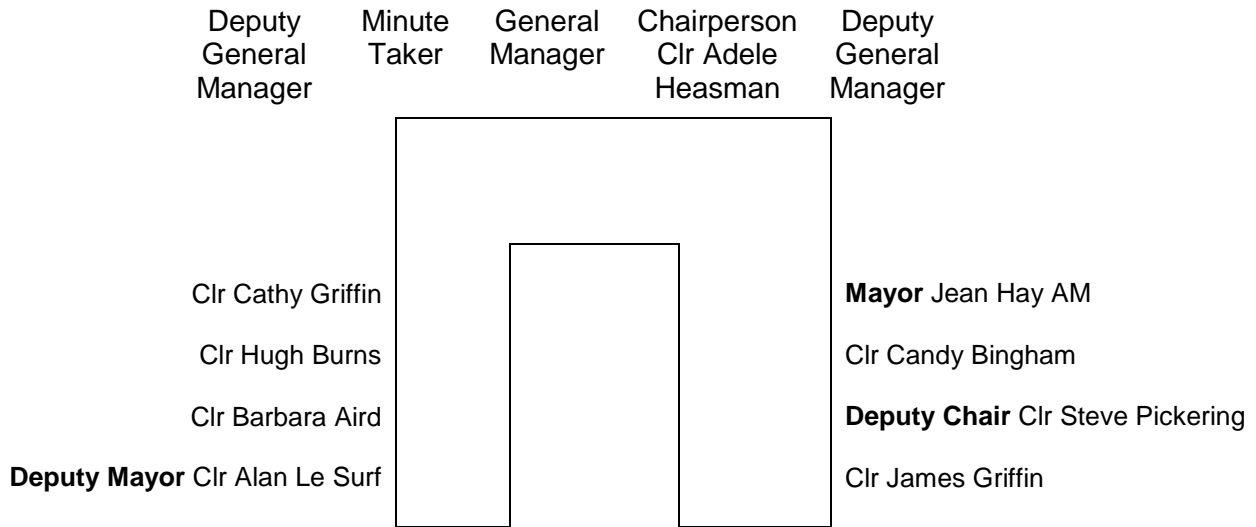
Commencing at 7.30 PM for the purpose of considering items included on the Agenda.

Persons in the gallery are advised that the proceedings of the meeting are being taped for the purpose of ensuring the accuracy of the Minutes. However, under the Local Government Act 1993, no other tape recording is permitted without the authority of the Council or Committee. Tape recording includes a video camera and any electronic device capable of recording speech.

Copies of business papers are available at the Customer Service Counters at Manly Council, Manly Library and Seaforth Library and are available on Council's website:

www.manly.nsw.gov.au

Seating Arrangements for Meetings



Chairperson: Clr Adele Heasman
Deputy Chairperson: Clr Steve Pickering

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******* END OF AGENDA *******

TO: Planning and Strategy Committee - 3 December 2012

REPORT: Item For Brief Mention Report No. 12

SUBJECT: Items for Brief Mention

FILE NO:

1. Tabled Documents

1.	8 November 2012	Ross Woodward Chief Executive, Local Government	Circular to Councils, Circular No. 12-41 Snapshot of NSW Councils – Comparative Information of NSW Local Government Councils 2012/11
2.	8 November 2012	Cris Hickey Manager Beachwatch Programs	NSW State of the Beaches Report for 2011-2012.
3.	9 November 2012	Tony Haven, President and Phillip Vanny AM, Chief Executive Officer Surf Life Saving NSW	Surf Life Saving NSWs 105 th Annual Report.
4.	21 November 2012	Ben Taylor Executive Director SHOROC	SHOROC Annual Report for 2011-2012.
5.	November 2012	Australian Local Government Association	The Case For Change. Why local government needs to be in the Australian Constitution

RECOMMENDATION

1. That the Tabled Documents be received and noted.

ATTACHMENTS

There are no attachments for this report.

PS031212IBM_1.DOC

***** End of Item For Brief Mention Report No. 12 *****

TO: Planning and Strategy Committee - 3 December 2012
REPORT: General Managers Division Report No. 12
SUBJECT: Community Strategic Plan (CSP) Review of Integrated Plans
FILE NO:

SUMMARY

NSW Integrated Planning and Reporting legislation will require Council to review its 10 Year Community Strategic Plan (CSP) within the first 9 months following Council elections. Such a review will require Council to consult with the local community and stakeholder groups to inform its vision, goals and strategies within the various sections of their CSP documents.

This report outlines the steps that are planned to occur to assist in producing the new Community Strategic Plan for 2013 – 2023.

REPORT

Council's 10 Year Community Strategic Plan (CSP) incorporates (as the name infers) a 10 Year Strategic Plan, a 4 Year Delivery Program and an Annual Operational Plan. The CSP also incorporates Councils Resourcing Strategy made up of Councils' Workforce Plan, 10 year Long Term Financial Plan and 10 Year Asset Management Strategy.

Manly Council being in a new term of Council is required to review and adopt its new Community Strategic Plan before 30th June 2013, and roll the planning periods forward by at least 4 years so that the CSP will remain a 10 year minimum plan when adopted by Council.

The *Local Government Amendment (Planning and Reporting) Act 2009* was assented to on 1 October 2009. To assist Councils adhere to this legislation the Division of Local Government has produced guidelines for the production of Community Strategic Plans. These can be found at the Divisions website under the Integrated and Reporting tab: <http://www.dlg.nsw.gov.au/>

The review of Council's Community Strategic Plan is required to include the following elements:

- a report from the outgoing council on the implementation and effectiveness of the Community Strategic Plan in achieving its social, environmental, economic and civic leadership objectives over the past four years. This was adopted in July 2012;
- a review of the information that informed the original Community Strategic Plan; and
- a Community Engagement Strategy which as a minimum, must identify relevant stakeholder groups within the community and outline methods that will be used to engage each group.

Process to Produce New Community Strategic Plan

In accordance with the requirements listed above, Council has commenced the process of reviewing the information contained in its existing integrated plans, comprising its Community Strategic Plan, Resourcing Strategy and Delivery Plan.

Council's End of Term report produced from the previous Council (reported to Council in July 2012), will be included in the new Community Strategic Plan (to be adopted by Council by June 2013), that reviewed the implementation and effectiveness of the Community Strategic Plan in achieving its social, environmental, economic and civic leadership objectives over the past four years.

General Managers Division Report No. 12 (Cont'd)

Council staff are reviewing the existing state and regional plans and demographics to assist in producing an issues papers to help inform the community engagement process planned for early in 2013.

Community Engagement (February / March 2013)

In accordance with the *Local Government Act 1993* requirements, Council will undertake a community engagement strategy that informs and validates the various issues of importance to them. This will input into the various actions and strategies that Council develops as part of the new 10 years plus CSP, and 'rolls-out' through its 4 year delivery program, and annual operational plan, and associated resourcing strategy.

It is planned to engage an external consultant to facilitate a variety of consultation workshops including the administration and facilitation of:

- 3 x community workshops;
- 1 x youth workshop;
- 1 x special needs group workshop;
- 1 x stakeholder workshop (comprising Councillors, Precinct and Council Committee members); and
- 1 x staff workshop.

Community Panel

Issues, priorities and key actions proposed from the workshops will then be referred to Council's existing Community Panel made up of over 400 Manly residents recruited to be demographically and statistically valid from across the local community to gain the panels view on these matters.

Finally there will be the production of a final report back to Council summarizing the information gained during the community engagement phase with a draft vision and priorities by Social, Economic, Governance & Leadership and Environment which will be used to assist in finalising the new Community Strategic Plan 2013-2023. This report will break down the feedback by the various stakeholder groups who have had input and would be presented to Councillors at a Strategic Workshop.

First Draft Document for Exhibition

Following the conduct of workshops, gaining community panel feedback and obtaining Councillors feedback on the community engagement report Council staff will then be in a position to use this information to draft the 10 Year Community Strategic Plan incorporating a new draft Delivery Program 2013 - 2016, including actions that will make up the 1 year Operational Plan (2013-14) and Key Performance Indicators (KPIs).

Proposed Timings are as follows:

Phase 1 – Report to Council Next Steps / Project inception and planning (December 2012)

Phase 2 – Targeted Focus Groups (early February 2013)

Phase 3 – Stakeholder Group Workshop (mid February 2013)

Phase 4 – Community Panel Survey (late February/March 2013).

Phase 5 – Reporting back to Council (March 2013)

Phase 6 – Draft CSP Document presented to Council April 2013 for Public Exhibition

Phase 7 – Adoption of New Community Strategic Plan Document 2013 – 2023 May/ June 2013

General Managers Division Report No. 12 (Cont'd)

RECOMMENDATION

That:

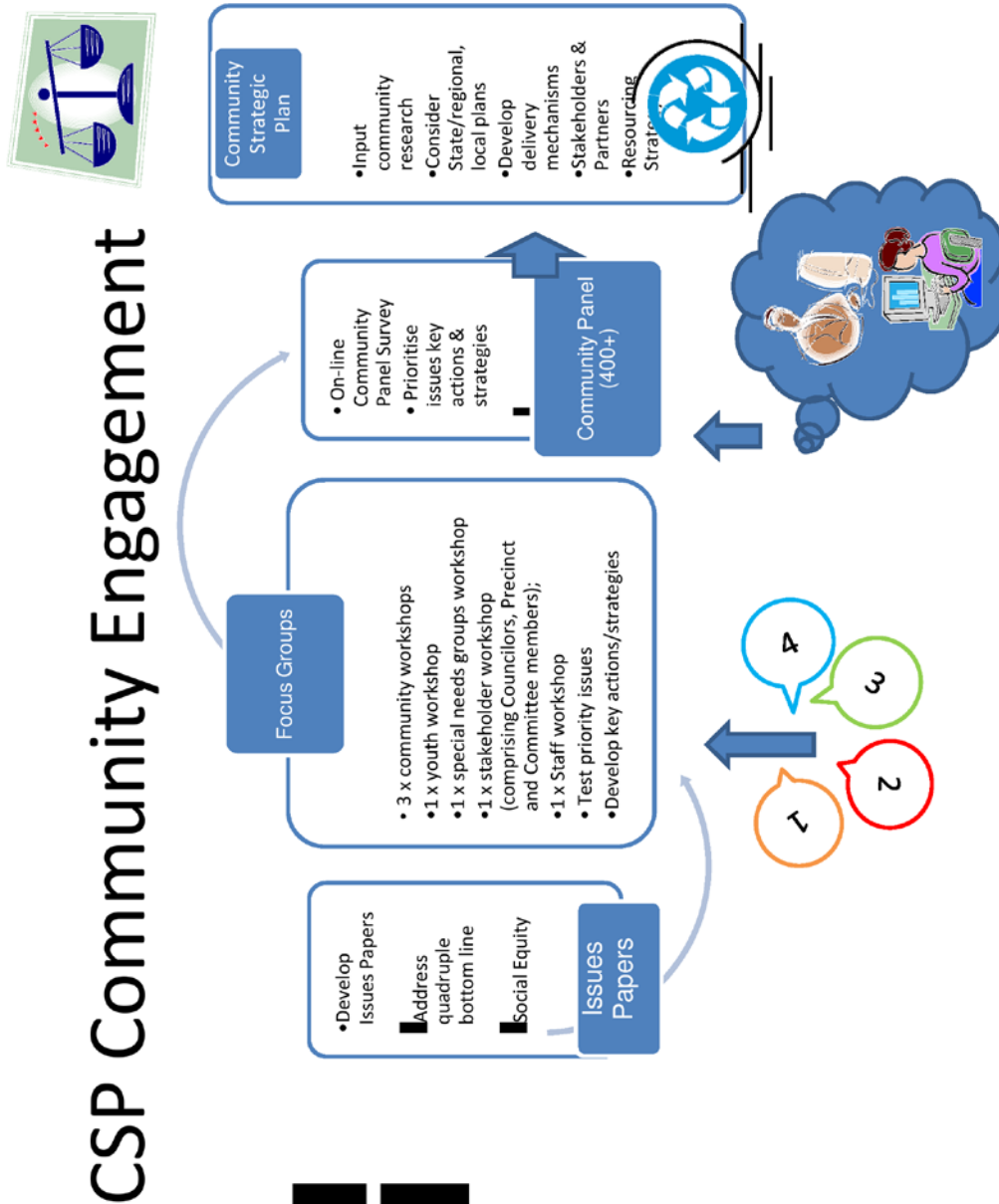
1. the report be received and noted; and
2. Council approve the methodology to conduct the community engagement required to inform the new Community Strategic Plan Beyond 2013-2023 and associated integrated planning documents as required by the Local Government Act and the Division of Local Government.

ATTACHMENTS

AT- 1 CSP 1 Page

PS031212GMO_1.DOC

***** End of General Managers Division Report No. 12 *****



TO: Planning and Strategy Committee - 3 December 2012
REPORT: Environmental Services Division Report No. 30
SUBJECT: Summary of Current Appeals Relating to Development Applications During November 2012
FILE NO:

SUMMARY

Summary of current Appeals relating to Development Applications during November 2012

REPORT

DA#	L&E Appeal Reference	House #	Address	Date Appeal Lodged	Solicitor Company	Current Status
DA 13/10	Class 1 10584/10 S56A Appeal	46-48	North Steyne	27/07/10 27/09/11 27/06/12	HWL Ebsworth	Judgment reserved
DA 294/11	Class 1 11221/11	31	The Crescent	21/12/11	Maddocks	Judgment reserved
DA126/11	Class 1 10676/12	4	West Street	03/07/12	Maddocks	Hearing 26-28 /11/12
DA 142/11	Class 1 10864/11		Manly Wharf	23/08/12	Pikes & Verekers	Callover 14/12/12
DA 65/12	Class 1 10967/12	120	Pittwater Road	18/09/12	Marsdens	Discontinued 27/11/12
DA 181/12	Class 1 11018/12	65-69	Pittwater Road	02/10/12	Marsdens	Discontinued 06/11/12
DA 251/11	Class 1 11024/12	40	Peacock Street	04/10/12	Pikes & Verekers	Appeal upheld 23/11/12
DA 2928/89	Class 1 11038/12	29-33	Pittwater Road	09/10/12	Maddocks	S34 Conference 06/12/12
DA 45/12	Class 1	61	Gurney Crescent	26/10/12	Marsdens	Hearing 21-22/01/13

RECOMMENDATION

THAT the information be received and noted.

ATTACHMENTS

There are no attachments for this report.

PS031212ESD_1.DOC

***** End of Environmental Services Division Report No. 30 *****

TO: Planning and Strategy Committee - 3 December 2012
REPORT: Environmental Services Division Report No. 31
SUBJECT: Development Applications Currently Being Processed During November
FILE NO:

SUMMARY

A list of Development Applications currently being processed during November 2012.

REPORT

The following applications are currently being assessed by the Town Planners.

DA#	Year	Site	Proposal
1278	1998	1-15 Central Avenue	Section 96 Modification - Part 4
569	1999	19 Addison Road	Section 96 Modification - Part 4
652	1999	7 West Street	Section 96 Modification - Part 4
482	2004	106 Darley Road	Section 96 Modification - Part 6
482	2004	106 Darley Road	Section 96 Modification - Part 7
372	2005	11 Fairlight Crescent	Section 96 Modification - Part 5
456	2006	41B Castle Circuit	Section 96 Modification - Part 3
216	2007	88 Bower Street	Section 96 Modification - Part 4
277	2007	67 Castle Circuit	Section 96 Modification - Part 2
328	2007	43-45 East Esplanade	Section 96 Modification - Part 2
52	2009	197-215 Condamine Street	Section 96 Modification - Part 3
65	2009	197-215 Condamine Street	Section 96 Modification - Part 3
76	2009	197-215 Condamine Street	Section 96 Modification - Part 3
384	2009	31 Victoria Parade	Section 96 Modification - Part 3
368	2010	65 Peronne Avenue	Section 96 Modification - Part 3
387	2010	4 Karingal Street	Section 96 Modification - Part 2
8	2011	27 Eurobin Avenue	Section 96 Modification - Part 2
76	2011	10 Avona Crescent	Section 96 Modification - Part 2
227	2011	51 Lauderdale Avenue	Section 96 Modification - Part 2
309	2011	79 Cutler Road	Section 96 Modification - Part 2
314	2011	61 Quinton Road	Section 96 Modification - Part 2
344	2011	204 Sydney Road	Section 96 Modification - Part 3
347	2011	63-67 The Corso	Section 96 Modification - Part 2
12	2012	9 Addison Road	Threatened species development
21	2012	46 White Street	Section 96 Modification - Part 2
24	2012	49 Edgecliffe Esplanade	Section 96 Modification - Part 2
29	2012	84 Woodland Street	Alterations and additions
41	2012	11 Tutus Street	Section 96 Modification - Part 2
59	2012	22-22A High Street	Section 96 Modification - Part 2
62	2012	129 Bower Street	Section 96 Modification - Part 2
125	2012	2 Addison Road	Threatened species development - Construction of stairs to the foreshore
129	2012	30 White Street	Alterations and additions
130	2012	133-139 Pittwater Road	Extension of hours - BP Service Station

Environmental Services Division Report No. 31 (Cont'd)

DA#	Year	Site	Proposal
133	2012	14 Abernethy Street	Alterations and additions
137	2012	22 Central Avenue	Alterations and additions
144	2012	51 Gordon Street	Demolition and new 2 storey dwelling
145	2012	112 Sydney Road	Demolition and new 4 storey dwelling
146	2012	8 Jackson Street	Alterations and additions
148	2012	33 Peacock Street	Demolition and new 2 storey dwelling
153	2012	25 Eurobin Avenue	Construction on an arbour over the existing driveway, masonry wall with water feature at rear, installation of above ground portable spa with pergola and access stairs
165	2012	8 Avona Crescent	Alterations and additions
170	2012	10 Bligh Crescent	Construction of a new two (2) storey dwelling
176	2012	16 Gordon Street	Alterations and additions
178	2012	7 Montpelier Place	Construction of a swimming pool, retaining walls, alteration to existing driveway and landscaping
184	2012	1-7 Sydney Road	Change of use to a Refreshment Room and outdoor seating area
189	2012	67 Curban Street	Alterations and additions
190	2012	53-57 Pittwater Road	Change of use to a Cafe/ Bar including courtyard seating and interior signage
192	2012	45 Kangaroo Street	Alterations and additions
193	2012	9 Bower Street	Partial demolition of existing dwelling, construction of basement garage, ground floor front and rear addition, first floor front addition, front and rear terraces, swimming pool, deck and driveway
194	2012	56-68 West Esplanade	Change of use to a Café (Refreshment Room) with associated fit out and signage
195	2012	52 Darley Road	Alterations and additions to an existing Boarding House
196	2012	2-8 Darley Road	Construction of an internal dividing wall within an existing retail shop to create an additional retail shop
198	2012	3 Pitt Street	Six (6) lot Strata Subdivision of an existing Residential Flat Building under State Environmental Planning Policy (Affordable Rental Housing) 2009
200	2012	2 Cormack Street	Construction of a new carport on the existing driveway
204	2012	89-91 Bower Street	Construction of a double garage at the rear of the site and extension to the existing driveway
205	2012	25 Arthur Street	Alterations and additions
206	2012	7 Fairlight Street	Alterations and additions to an existing Residential Flat Building
208	2012	3 Addison Road	Alterations & additions to an existing RFB

Environmental Services Division Report No. 31 (Cont'd)

DA#	Year	Site	Proposal
209	2012	43 The Crescent, Manly	Alterations and additions to an existing Residential Flat Building
210	2012	73 Whistler Street	Demolition of an existing dwelling and new 2 storey dwelling
212	2012	25 Pittwater Road	Demolition of the rear addition and construction of a five (5) storey Residential Flat Building
213	2012	2 Rolfe Street	Construction of a single carport and a front fence
215	2012	65 Clontarf Street	Construction of a double carport forward of the building line
216	2012	Wharves and Jetties	Alterations and additions to the existing Manly Wharf Hotel
217	2012	67 Griffiths Street	Alterations and additions
219	2012	11-27 Wentworth Street	Establishment of an additional use as Skin Penetration
220	2012	23 Lodge Street	Alterations and additions
221	2012	38 Abernethy Street	Alterations and additions
224	2012	16 Jellicoe Street	Alterations and additions
226	2012	82 The Corso	Removal of two (2) under awning Advertising Structures (signs) and installation of four (4) under awning Advertising Structures (signs)
227	2012	46 Malvern Avenue	Change of use to a six (6) room Boarding House under Affordable Rental Housing State Environmental Planning Policy, alterations and additions to including a fourth floor additional to create a caretakers unit
229	2012	21 Daintrey Street	Alterations & additions to an existing RFB
230	2012	15A Amiens Road	Construction of a new driveway, hardstand parking area and turning area
231	2012	28 Belgrave Street	Change of use to a Take Away Food and Ice Cream Shop and shop fit out
234	2012	92 The Corso	Demolition of rear of the existing building, ground floor and first floor rear addition including a new loading dock and a second floor addition with office space and balcony
235	2012	106 North Steyne	Demolition of existing structures, construction of a five (5) storey Residential Flat Building containing eight (8) units with fourteen (14) car spaces in the basement
236	2012	5 Margaret Street	Alterations and additions
237	2012	44 Malvern Avenue	Alterations & additions
238	2012	4 Ocean Road	Alterations & additions
239	2012	47 Kangaroo Street	Alterations & additions
240	2012	14 Bungaloe Avenue	Demolition and construction of a detached single garage in the front setback and new window to dwelling
241	2012	43 The Corso	Replacement of the existing four (4) advertising structures (signage)

Environmental Services Division Report No. 31 (Cont'd)

DA#	Year	Site	Proposal
242	2012	14 Richmond Road	Use of part of the lower ground floor of the existing dwelling as a family flat
243	2012	19 Edgecliffe Esplanade	Construction of retaining walls, terrace and landscaping
244	2012	2-8 Darley Road	Change of use to a Refreshment Room (Restaurant)
245	2012	21 Castle Circuit	Construction of a swimming pool, extension to an existing deck and landscaping
247	2012	59 North Steyne	Alterations & additions to an existing RFB
250	2012	Wharves and Jetties	Shop fitout, signage, outdoor seating area, licensed premises and extend the hours of operation – Tenancy 14 – Guzman Y Gomez, Mexican Taqueria - Manly Wharf

The following applications are currently with Lodgement & Quality Assurance for notification, advertising and referral to relevant parties.

183/2012 Sandy Bay Rd, CLONTARF 2093

Removal of swing moorings, demolition of existing twenty-one (21) vessel birth marina, construction of a new marina containing eighty-seven (87) vessel births, entry way, platform, above ground fuel tanks, relocation of existing public swing moorings and alterations and additions to the existing boatshed – Clontarf Marina

159/2011 28A Alexander St, MANLY 2095

Section 96 to modify approved Construction of two (2) x two (2) storey semi detached dwellings with double garages, swimming pools and Torrens Title Subdivision – involving increase in the floor level and the ridge height by 300mm – Part 2

450/2008 25 Bellevue St, FAIRLIGHT 2094

Section 96 to modify approved Alterations and additions to the existing dwelling including first floor addition, new basement laundry and carport – involving the construction of the carport forward of the building line – Part 2

246/2012 Wharves and Jetties, MANLY 2095

Repair and replacement of the existing slipway to the Manly Rowing and Sailing Club

248/2012 85 Ellery Pde, SEAFORTH 2092

Alterations and additions to an existing dwelling including front and rear additions to ground and first floor, rear deck extension and rear balcony

185/2012 37 The Corso, MANLY 2095

Section 96 to modify approved Change of use to a Cafe (Refreshment Room), fitout and alterations to the shopfront – involving the replacement of the shopfront to the Henry Roth Arcade - Part 2

249/2012 17 Birkley Rd, MANLY 2095

Alterations and additions to an existing dwelling including rear additions with bathroom, bi-fold doors and deck extensions

358/2010 80 Bower St, MANLY 2095

Section 96 to modify approved Demolition of an existing and construction of a new three (3) storey

Environmental Services Division Report No. 31 (Cont'd)

dwelling with detached two (2) storey garage/ outbuildings, decks and access stairs – involving the deletion of condition ANS09 – Foreshore Access Stairs - Part 4

350/2011 75 The Corso, MANLY 2095

Section 96 to modify approved Change in use to a Restaurant (level 2), alterations and additions to existing building including a new lift –Steyne Hotel – involving the retention of the stairs and the removal of walls - Part 2

216/2011 8 Brisbane St, FAIRLIGHT 2094

Section 96 to modify approved Alterations and additions to an existing dwelling including first floor addition, internal alterations, bi-fold doors, pergola, balcony, carspace, driveway and removal of two (2) trees – involving modifications to the layout of the first floor, delete rear balcony and increase the size of the car parking space - Part 2

251/2012 34 Ponsonby Pde, SEAFORTH 2092

Alterations and additions to an existing dwelling including front additions to the ground and first floors

252/2012 96 The Corso, MANLY 2095

Change of use to a food shop, fitout and signage - Yogurtland

445/2007 24 Collingwood St, MANLY 2095

Section 96 to modify approved Demolition of the existing dwelling house and erection of a new dwelling house – involving side addition, modification to kitchen/ living area, works to outdoor room and planter boxes – Part 3

253/2012 106 Darley Rd, MANLY 2095

Construction of a temporary structures being a display apartment and car park for ten (10) parking spaces

254/2012 14 Rosedale Av, FAIRLIGHT 2094

Construction of a front retaining wall

132/2012 3 Munoora St, SEAFORTH 2092

Section 96 Modification

255/2012 15 Dalwood Av, SEAFORTH 2092

Demolition of existing dwelling, construction of a new three (3) storey dwelling including double garage, front and rear terraces, driveway, front fence, tree removal and landscaping

256/2012 67 Collingwood St, MANLY 2095

Small shop (General Store) located in the detached garage at rear of the existing dwelling and facing Cameron Avenue, Manly

257/2012 9 Gourlay Av, BALGOWLAH 2093

Alterations and additions to an existing dwelling including addition of a first floor deck, the extension of the existing garage with a studio above and driveway

258V/2012 35 Pittwater Rd, MANLY 2095

Alterations and additions to an existing dwelling including a rear pergola and a side fence

94/2010 18 Fisher St, BALGOWLAH HEIGHTS 2093

Alterations & Additions to Dwelling

Environmental Services Division Report No. 31 (Cont'd)

The following development applications were determined by the Manly Independent Assessment Panel at its meeting held on Thursday 15th November 2012:-

DA#	Year	Site	Proposal
277	2011	374-378 Sydney Road - Approved	Section 82A Review - Part 2
298	2011	131A Woodland Street - Approved	Section 82A Review - Part 2
65	2012	120 Pittwater Road - Approved	Section 82A Review - Part 2
105	2012	385 Sydney Road - Approved	Demolition, new 4 storey building
143	2012	44 Alma Street - Refused	Alterations and additions

RECOMMENDATION

THAT the information be received and noted.

ATTACHMENTS

There are no attachments for this report.

PS031212ESD_2.DOC

***** End of Environmental Services Division Report No. 31 *****

TO: Planning and Strategy Committee - 3 December 2012
REPORT: Corporate Services Division Report No. 31
SUBJECT: Constitutional Recognition of Local Government - The Case for Change
FILE NO:

SUMMARY

This report provides background information on the issue of Constitutional recognition of local government and attaches a submission for Council's endorsement to the Joint Parliamentary Committee established by federal parliament into the proposed Constitutional recognition of local government.

It recommends that Council support the financial recognition of councils via an amendment to Section 96 of the Federal Constitution to ensure that the Federal Government is able to continue to provide direct funding to local and regional communities.

REPORT

Although the Commonwealth Government has provided direct funding to local government for many years, two recent High Court decisions have challenged its power to do so.

These decisions, known as the *Pape Case* and the *Williams Case*, have handed down judgements that challenge the Commonwealth's ability to fund activities that it believes are in the national interest. The cases purport that, in fact the Commonwealth can only spend money where it has a specific power under the Constitution.

This presents a compelling case to include local government in the Constitution. Without Constitutional recognition, direct Commonwealth funding of local government, through programs such as *Roads to Recovery*, may be technically invalid. Local government needs certainty and security of funding in order to provide the range and level of services expected by the community.

The establishment of a Joint Select Committee on Constitutional Recognition of Local Government will allow the Commonwealth Parliament to examine the local government question. A parliamentary committee will also be effective in testing the level of bipartisan support at the State/Territory level, as well as public opinion through submissions. It can then make recommendations about the best way to proceed.

Last year, the federal government appointed independent expert panel on Constitutional Recognition of Local Government, recommended to the government that a referendum on financial recognition of local government was a viable option.

This report proposes that Manly Council supports the financial recognition of councils via an amendment to Section 96 of the Federal Constitution so that it would read: "*Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory*".

The Joint Parliamentary Committee and its proposed terms of reference is a necessary step forward to progressing the future interests and resources of local government. Given this, it is important that Manly Council provides a submission to the this committee and supports the Australian Local Government Associations' (ALGA) drive for local government Constitutional recognition.

Corporate Services Division Report No. 31 (Cont'd)**RECOMMENDATION****That:**

1. Manly Council provide and lodge the attached submission to the Joint Select Committee on Constitutional Recognition of Local Government established by the Commonwealth Government; and
2. Manly Council supports a publicly funded referendum which is required to amend the Federal Constitution to enable section 96 to read that "*Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory*".

ATTACHMENTS

- AT- 1** Submission 2 Pages
AT- 2 The Case for Change (Booklet) Tabled

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***** End of Corporate Services Division Report No. 31 *****



Manly Council Submission

To: Federal Government's Joint Select Committee on Constitutional Recognition of Local Government

Introduction

Manly Council supports the campaign of the Australian Local Government Association to achieve constitutional recognition of Local Government.

It supports that a Joint Parliamentary Committee has been established by Federal Parliament to look at the report of the Expert Panel into the constitutional recognition of local government, including the level of support for the proposal by the States and Territories, and the potential consequences for Local Government and the States and Territories of such an amendment.

The establishment of a Joint Select Committee on Constitutional Recognition of Local Government will allow the Commonwealth Parliament to examine the local government question. A parliamentary committee will also be effective in testing the level of bipartisan support at the State/Territory level, as well as public opinion through submissions. It can then make recommendations about the best way to proceed.

Last year, the Expert Panel recommended to the government that a referendum on financial recognition of local government was a viable option.

Manly Council supports the financial recognition of Councils via an amendment to Section 96 of the Federal Constitution so that it would read: "Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory".

Background

Although the Commonwealth Government has provided direct funding to local government for many years, a recent High Court decision has challenged its power to do so.

The 2009 High Court case of *Pape v Commissioner of Taxation* has found that the Commonwealth does not have power to directly fund areas such as local government. It can only spend money where it has a specific power under the Constitution.

ATTACHMENT 1

Corporate Services Division Report No. 31.DOC - Constitutional Recognition of Local Government - The Case for Change Submission

The decision presents a compelling reason to include local government in the Constitution. Without Constitutional recognition, direct Commonwealth funding of local government, through programs such as Roads to Recovery, may be technically invalid. Local government needs certainty and security of funding in order to provide the range and level of services expected by the community.

Local government raises its own revenue through rates (local government's only tax), fees and charges. For the past decade, local government has raised around 3 per cent of Australia's total taxation revenue. Although local government generates around 80 per cent of its revenue, funding from the Commonwealth Government through grants is an important source of revenue, particularly for regional and remote communities.

General purpose funding from the Commonwealth accounts for around 7 per cent of total local government revenue. This funding is in the form of Financial Assistance Grants (FAGs) which assist local government to perform its functions.

Issues For Manly Council

Manly Council received in the order of \$1.158 million for 2012-13 financial year from the Financial Assistance Grants for operational purposes. As in past years, the continued need for funding from the Commonwealth Government is critical for Council's limited revenue sources and continued and increasing local needs.

General purpose funding from the Commonwealth to local government has diminished over time in real terms, leaving many councils struggling to provide the level of services required by the community and threatening the long-term future of other councils.

An independent report by PricewaterhouseCoopers in 2006 estimated the impact of under-funding of local government was a \$14.5 billion backlog in repairing ageing infrastructure such as roads, swimming pools, libraries and town halls. The Commonwealth Government's Regional and Community Infrastructure Program provided \$1 billion in the 2008/09 and 2009/10 financial years for infrastructure renewal, but much more funding is needed to reverse the decline.

In the absence of greater funding from Commonwealth and state governments, local government faces the choice of reducing services, further delaying repair work, or trying to raise more local revenue (from local communities already paying their fair share). Funding certainty is critical to the short and long-term planning of councils, particularly in rural and regional areas where there is a greater reliance on external funding.

This is an on-going issue identified in for Manly Council's long term resourcing strategy, particularly the need to maintain its \$4.9 million in assets and \$2.8 million identified funding gap while meeting current needs.

In response to community demand, local government has become involved in much wider areas than the traditional property and roads infrastructure, such as community, cultural, recreation, health and welfare, with growing demand for more services. This means local government is currently providing a greater range of services to fill a gap that should be funded by other levels of government. These difficulties are outlined in Manly Council's Community Strategic Plan Beyond 2021.

ATTACHMENT 1

Corporate Services Division Report No. 31.DOC - Constitutional Recognition of Local Government - The Case for Change Submission

Manly Council's Position

Manly Council supports the consideration of the following issues as part of its submission:

- That Federal Government should be able to have the power to be able to provide funding directly to local government where this is in the national interest.
- That Councils need certainty of funding so that programs like Roads to Recovery can continue.
- Council supports an amendment to Section 96 of the Constitution so that it would read: "Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory".
- That bi-partisan support is an essential precondition if a referendum is to have the best chance of success to amending the Constitution.
- That such a referendum should be held at a time that maximises its chance of success.
- That Council support a publicly funded national education and awareness campaign to inform the public about the Constitution, how to change it, and about the question being asked before the referendum. An informed voter is more likely to cast an informed vote, which is based on facts rather than misinformation.

Conclusion

Manly Council supports the establishment of the Joint Select Committee on Constitutional Recognition of Local Government by the Commonwealth Government.

We recommend that there is bi-partisan support for this to protect the future and current financial resourcing of Local Government. This issue is critical now and for the future of Manly Council's and other local government revenue that is already constrained from a limited tax and fees source.

There is also a need for a publicly funded referendum to gain the support required to change the Federal Constitution to enable section 96 to be changed to read that "Parliament may grant financial assistance to any state or local government body formed by or under a law of a state or territory". This is vital to protect Council's current and future revenue basis.

The Joint Select Committee and its proposed terms of reference are a significant step toward securing the future interests and resources of local government, and Manly Council looks forward to finally seeing local government Constitutional recognition.