

Submission
No 47

INQUIRY INTO THE DEVELOPMENT OF ARTS AND
CULTURAL INFRASTRUCTURE OUTSIDE THE SYDNEY
CBD

Organisation: Lake Macquarie City Council
Name: Ms Morven Cameron
Position: Director Community Development
Telephone: 0249210333
Date Received: 01/09/2008



1 September 2008

The Committee Manager
Public Works Committee
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir,

Subject: Inquiry into the Development of Arts and Cultural Infrastructure Outside the Sydney CBD

Lake Macquarie City Council is pleased to provide comments to the inquiry into the development of arts and cultural infrastructure outside the Sydney CBD, in particular in relation to current funding arrangements.

Financial constraints

This year Lake Macquarie City Council has endeavoured to increase community consultation by developing the first *Lake Macquarie Community Plan 2008-2018*, which sets out the aspirations, needs, and priorities of the people of the City.

The General Manager, Mr Brian Bell states in the introduction of the document,

"Many of the aspirations put forth by the Lake Macquarie community will be unachievable under the current financial situation and funding availability from the State and Federal governments. However, the Lake Macquarie Community Plan 2008-2018 will allow future councils and the community to work towards funding what they see as their affordable priorities."

Lake Macquarie City Council recognises the importance of engaging the community in setting the long-term priorities of the City and the financial difficulties that this presents. A number of focus areas for cultural projects were raised and are now incorporated in the 10 year vision. These include:

- Provide a space within the City for Cultural activities and performances (including a purpose built performing arts centre);
- Development of a library technology strategy to improve access to online information and resources;
- Improve communication of library programs and opportunities to the community;
- Develop library services for the ageing population;
- Increase community engagement in Art Gallery programs; and
- Extend the Gallery facilities to diversify community use.

Our Ref: F2004/12647
Your Ref: Inquiry into Development of Arts and Cultural Infrastructure
ABN 81 065 027 868

response to Inquiry into the Development of - Infrastructure Outside the Sydney CBD 1 September 2008.DOC

www.lakemac.com.au

Phone: 02 **4921 0333**

126-138 Main Road Speers Point NSW 2284
Box 1906, Hunter Region Mail Centre NSW 2310
Fax: 02 4958 7257 council@lakemac.nsw.gov.au

Affiliated Sister Cities • Hakodate, Japan • Tanagura, Japan • Round Rock, Texas, USA • Rotorua, New Zealand

These community-identified priorities will require Lake Macquarie City Council to invest significantly in infrastructure, including technology and online facilities where demand is growing exponentially. However, local government operates under significant financial control by other levels of government and it will be extremely difficult to achieve these community priorities unless there is fundamental regulatory reform.

For example, Lake Macquarie City Council is responsible for funding the 10 libraries and a mobile library operating in the City. In the 2006/07 budget year, total library expenditure was approximately \$8.96million, while funding from the NSW Government equated to just 5 per cent.

Library services have changed significantly in recent years, and there is growing expectation that Council will provide adequate computer and internet services. Anecdotal evidence suggests that demand is greatest in areas of socio-economic disadvantage and areas with a higher population of older residents.

Changes to the way in which libraries, and more broadly arts and culture, is funded must be addressed to ensure that there is equitable access to services.

Partnerships and private sector funding

Lake Macquarie City Council does support in principle the notion of partnerships and private sector funding, however in practice there are very few opportunities to develop partnerships when building infrastructure in the current taxation environment. Construction of new facilities is limited and therefore limits the requirement for partnerships.

However, reform of Developer Contributions legislation to allow Councils to levy for regional cultural infrastructure, including public art, and assistance lobbying the Federal Government for changes to Deductible Gift Recipient legislation, which would provide a tax benefit for corporate entities to support cultural infrastructure projects, would greatly increase the opportunities to fund the provision of arts and cultural infrastructure.

Lake Macquarie City Council believes that there are many opportunities to engage with businesses in the local government area, especially where there is a historical link with the community. Lake Macquarie City Council has a number of long-term projects it is committed to completing, however these will be difficult to fund alone. Amending tax legislation to encourage corporate philanthropy would allow Lake Macquarie City Council to establish a Cultural and Arts Trust. This would provide a tax benefit to the business and the financial support for Council to complete important cultural projects throughout the City.

Certainty of funding

All levels of government have recognised the need for an increased focus on forward / strategic planning, this is especially critical for large infrastructure projects. Current funding mechanisms available from both State and Federal Government involve grant applications being submitted and assessed on an cyclical basis. In Lake Macquarie City Councils experience both tiers of government have been supportive and allowed for funds to be carried forward when unexpected project delays occur. However, it would make the forward planning and funding of infrastructure projects more achievable if Councils were given

certainty of funding or a commitment to fund a percentage of costs at an earlier stage of each project, i.e. concept design. This would assist Councils as it would create a situation where funds assured could be used to leverage potential funds from other tiers of government or the private sector.

Lake Macquarie City Council has recently been successful in doing this for the Fernleigh Track, a cycle track jointly owned by this Council and Newcastle City Council, for which Stage 3 will be funded with grant monies from State and Federal Government and both Lake Macquarie and Newcastle City Councils.

Lake Macquarie City Council appreciates the opportunity to provide comments to this inquiry. Should you require further information, please contact me on 4921 0726

Yours sincerely



Morven Cameron
Director Community Development