

GENERAL PURPOSE STANDING COMMITTEE NO.6
2016-17 Budget Estimates

Answers to Supplementary Questions– 2 September 2016
Local Government Portfolio

Pounds

Question 1

My office receives many complaints from constituents regarding Local Council Pounds in relation to substandard conditions; extremes in temperature, lack of or poor bedding, crowding, neglect, failure to seek veterinary assistance, kill rates and the lack of No Kill strategies.

A number of RSPCA NSW audits of council pounds have done little to alleviate growing public concerns, and it is the public who pay for these council facilities and services.

- (a) When will the Minister acknowledge that the NSW council pound system needs a drastic overhaul which by necessity should start with a comprehensive state audit and public inquiry?
- (b) Will the Minister agree to undertake a public Inquiry into the overall condition, performance, management and operation of NSW council pounds & shelters to determine the correct use of public money in line with public sentiments?

Answer

All pounds and shelters operating in NSW must comply with the *Prevention of Cruelty to Animals Act 1979*, which sets out requirements for the care and protection of animals, and the *Animal Welfare Code of Practice No 5 - Dogs and Cats in Animal Boarding Establishments*, which sets out requirements cover housing, bedding, temperature, space, health, diet, exercise and veterinary care amongst other things. These are the responsibility of the Minister for Primary Industries.

Question 2

When members of the public are concerned or dissatisfied with the management of a council pound including matter of housing, practices, duty of care, and heightened attention to kill rates, they will invariably lodge verbal or written complaints with council, NSW OLG, local MPS, DPI RSPCA/AWL, the state Ombudsman or Ministers office.

- (a) Can the minister provide an accurate break down of the number, nature and recipients of these types of complaints for the 2015 to 2016 period which would provide some measure of the level of public satisfaction with the management of NSW council pounds?
- (b) Can the minister advise what type of analysis has been undertaken on these complaints to identify and enable corrective and remedial action, who has conducted this analysis and confirm examples where this has occurred.

Answer

These matters are governed by the *Prevention of Cruelty to Animals Act 1979*, which is the responsibility of the Minister for Primary Industries.

Question 3

The Minister I'm sure will vividly recall the examples of systemic cruelty and abuse inflicted on greyhounds. The images of mass burial pits, filled with the lifeless bodies of dogs, many of whom were shot or bludgeoned to death, will remain in our memories forever.

These mass pits are often the final resting place and the common method of disposal for killed impounded companion animals by our NSW council pounds. This is often convenient and

economical as the pounds are frequently situated at council tips, especially in rural and regional areas.

Methods of killing can and do still involve the shooting of un-claimed kittens, cats, puppies and dogs. It is all perfectly legal as is blunt force trauma to the animal's head. Alternately, council can transfer the un-claimed animal to the veterinary practice or universities for experimentation or 'bleeding' as has been the fate of countless numbers of greyhounds, including those surrendered to council pounds.

- (a) Can the minister confirm how many NSW council pounds are:
 - i. Still killing companion animals by firearm and blunt force trauma;
 - ii. Disposing of companion animal bodies at local government tips;
 - iii. Transferring live un-claimed companion animals to universities or vet practices for experimentation or bleeding;
 - iv. Using council (community/public money) to train council staff to undertake killing 'in-house'.
- (b) When will the Minister outlaw such practices which are strongly opposed by the public and yet it is the public who are required to pay for these council facilities and services?

Answer

Councils operate their impounding facilities in accordance with the NSW animal welfare legislation and related codes and practices, which are the responsibility of the Minister for Primary Industries.

Question 4

In August 2015 the CEO of the NSW office of Local Government confirmed that the seizure of cats under the Companion Animals Act 1998 can only be undertaken in certain very specific circumstances, and that neither the Impounding Act 1993 nor Regulations can be relied upon to seize or impound cats. Many NSW councils are however facilitating the trapping, seizure, impounding and killing, including by shooting, of cats either directly or indirectly through the hiring out of traps within their communities.

- (a) Can the Minister confirm under which legislation these NSW councils are acting, and how will the Minister ensure that any breaches of mandatory legislation are adequately enforced?
- (b) Can the minister confirm how many NSW cats have been killed between 2014 and 2016 where some NSW councils have been acting contrary to mandatory legislation.
- (c) Why has there been no government reporting or publishing of intake and outcomes of pound animals since 2012-2013.

Question 5

Transparency and benchmarking improve performance, as evidenced by Victoria's considerably better outcomes for dogs and cats in pounds and shelters than NSW. The euthanasia of dogs was 29% of intakes in NSW versus 14% of intake in Victoria in 2012-2013 when NSW last reported. Why are there no transparency in performance of individual municipalities for intake and outcomes of dogs and cats in NSW, despite taxpayers funding animal control services?

Answer 4 and 5

Answer

The seizure of cats by councils is governed by the *Companion Animals Act 1998*. The Office of Local Government is undertaking a review of pound statistical data to ensure that it is presented in a meaningful and usable format.

Budget spend

Question 6

Can the Minister outline how the \$590 million allocated to “implement the Fit for the Future reforms” will be spent over two years?

Answer

\$355 million was provided to 19 new councils in 2015-16 for the Stronger Communities and the New Council Implementation funds. The Stronger Communities Fund provides new councils with up to \$15 million to support the delivery of projects that improve community infrastructure and services. The New Council Implementation Fund covers the up-front costs of implementing the new council by providing up to \$10 million to each new council.

In the event that any new councils are proclaimed, then those new councils will have access to the Stronger Communities Fund and New Council Implementation Fund. An allocation of \$235 million has been included in the 2016-17 Budget for this purpose.

Question 7

Does this \$590 million spend mean that 30% of the purported \$2 billion savings over 20 years will be blown in just two years?

Answer

No.

Operation Spicer**Question 8**

Is the Minister aware that the Independent Commission Against Corruption’s report into Operation Spicer noted that a prominent property developer’s “fortunes were susceptible to planning decisions made by the council” and that it was in their “interest to foster a favourable relationship with [Hawkesbury] councillors”?

Answer

The Minister is aware of the findings of the Operation Spicer Report.

Question 9

Given this finding, when will the Minister legislate to ban property developers from being elected to council?

Answer

The Government is committed to ensuring that communities in NSW have confidence in the local council officials they elect to represent them.

To this end, the Government has legislated amendments to the *Local Government Act 1993* and its Regulation to:

- increase the transparency of property developers and their close associates who stand for election to councils allowing electors to make their own choice on whether to elect such persons to their local council; and
- create significant disincentives against misuse of civic office by councillors for personal benefit by providing a mechanism to require councillors to surrender to their council any profit derived through the misuse of their office.

Future reforms announced by the Government as part of the package of integrity measures will

remove councils from decision making in relation to planning applications in which a councillor, general manager or their relatives has a financial interest.

These integrity measures are more proportionate to and better targeted at the risk posed by property developers who serve on councils.

Question 10

How many of the Liberal Party's candidates for the 2016 council elections are property developers or real estate agents?

Answer

As a result of amendments made by the Government to the Local Government (General) Regulation 2005, candidates are now required to disclose in candidate information sheets and statistical information sheets when nominating whether they are a property developer or a close associate of a corporation that is a property developer.

The Government does not hold candidate information sheets or statistical information sheets submitted for the 2016 council elections. Candidate information sheets are held by the election manager which is either the Electoral Commissioner or, in the case of elections administered by councils, the general manager of the council concerned. Statistical information sheets are held by councils.

Section 451 of the Local Government

Question 11

Did the Government repeal Section 451 of the Local Government Act because it was evident that it had a corruptive influence on local council?

Answer

In 2015, the Government amended section 451(4). This allows councillors to participate in considering changes to a planning instrument applying to the whole or a significant part of a council's area they have pecuniary interests in. This provision is designed to prevent the loss of quorum in councils when considering planning changes affecting the whole or significant parts of their area that affect the interests of a majority of councillors.

The amendments to the Act ensure that it continues to meet this objective while closing off the risk of abuse by councillors with extensive property and business interests in the council's local area. They do this by limiting its application to the interests councillors have in their and related persons' principal places of residence. Those councillors are still required to disclose the affected interests, but are permitted to participate in the consideration of the planning changes.

Councillors with other property interests that are affected by the changes are precluded from participating in consideration of them.

Question 12

Will the Minister commit to an audit of every time a developer was able to vote in their own self-interest as result of Section 451?

Answer

Councillors are required to declare their pecuniary interest in accordance with the *Local Government Act 1993*

KPMG

Question 13

In relation to the July 2015 KPMG Document titled "Options Analysis: Local Reform

- (a) Can the Minister justify why on the 8th January 2016 he stated that KPMG had independently analysed the financial benefits of forced amalgamations when the July 2015 document indicates came up with the savings in the first place?
- (b) When was KPMG first contracted by the Government to conduct a report on local government reform?
- (c) Why did the Minister advise the Budget Estimates hearing on September 4 2015 that he was awaiting IPART's report on amalgamations in October, if KPMG had already produced its Options Analysis?

Answer

The NSW Government has been investigating reform options to improve the efficiency and financial sustainability of the local government sector since 2011.

Starting in mid-July 2015, KPMG modelled a hypothetical merger configuration based on the one recommended by the Independent Local Government Review Panel. KPMG modelled the possible costs and benefits of those hypothetical mergers at both the State and council level. The merger configuration used at this time was for modelling purposes only. It did not reflect the final mix of mergers proposed.

KPMG's role in this process was to undertake modelling based on the merger configurations provided, and provide independent estimates of costs and savings of each merger.

Following the release and consideration of the IPART Fit for the Future Report and a review of merger preferences submitted by councils, the NSW Government proposed an initial 35 council mergers.

Amalgamations

Question 14

Will the Minister commit to giving residents and ratepayers the right to vote on the future of their local council through a binding plebiscite?

Answer

The process for proposing and establishing mergers between council areas is outlined in Chapter 9 of the *Local Government Act 1993*. This process was followed by the NSW Government.

Question 15

Can the Minister advise what steps were taken in the recruitment process for Council Administrators?

Answer

Administrators were appointed in accordance with section 256 of the *Local Government Act 1993*.

This decision was made after reviewing expressions of interest from former mayors and councillors, and an assessment of each individual's skills matched to the specific challenges of overseeing a merger within each area.

Question 16

Does the Minister accept there is an inherent conflict of interest in appointing delegates who recommend the amalgamation of local councils as the Administrator of an amalgamated council?

Answer

Delegates were appointed by the Chief Executive of the Office of Local Government as is clearly set out in the *Local Government Act 1993*. The delegates were required to independently assess each proposal against 11 criteria as specified by section 263 of the Act. Delegates were not advocates for or against any proposal. Each of the delegate's reports were also reviewed and commented upon by the independent Local Government Boundaries Commission.

The process of choosing administrators had regard to the skills and experience of individuals.

Question 17

Have a set of guidelines been provided to Council Administrators regarding their role?

(a) What actions will be taken if they do not adhere to these guidelines?

Answer

Governing During Change: Guidance for Administrators was provided to council Administrators.

The guidelines outline statutory requirements of Administrators under the *Local Government Act 1993*. Like councillors, Administrators are bound to act in accordance with legislative requirements.

Local Government elections**Question 18**

What evidence is there to support holding local council elections, for those councils that have been amalgamated, in September 2017?

Answer

Running local government elections is a significant undertaking. The Local Government Act requires the first election for new councils to be run by the NSW Electoral Commissioner.

The NSW Electoral Commission advised that it was not practical to hold elections for the new councils in September 2016. The Commission advised that its preference was to hold elections for the new councils in September 2017.

Question 19

Is the Minister aware of comments made by Inner West Council Administrator Richard Pearson that he would have "no great concern" if elections were held in March 2017?

Answer

Yes

Constitutional recognition of local government

Question 20

What steps is the Minister taking to advocate for constitutional recognition of local government that gives local councils proper legal protections?

Answer

The NSW Government continues to support consideration of symbolic recognition of local government in the Australian Constitution.

GPSC 6 Inquiry into Local Government**Question 21**

What steps is the Minister taking to implement recommendations from the Parliamentary Inquiry into Local Government including:

- (a) Recommendation 5: That the Minister for Local Government work cooperatively with the local government sector to petition the Australian Government to seek to redistribute Financial Assistance Grants in order to direct additional funding to councils with the greatest needs, provided councils with the capacity to raise additional local revenue are able to do so?
- (b) Recommendation 16: That the NSW Government make Joint Organisations available to all councils in New South Wales?
- (c) Recommendation 17: That the NSW Government work with local government on a statutory model for Joint Organisations based on the Hunters Hill, Ryde and Lane Cove Council model as a cooperative and consensus model for local council reform in Metropolitan Sydney?

Answer

The distribution of Financial Assistance Grants across NSW is undertaken by the NSW Grants Commission. The NSW Government is continuing to work with the NSW Grants Commission on a process to redistribute Financial Assistance Grants to those councils most in need.

Joint Organisations are a major part of the NSW Government's plan to strengthen local government and to build growth and capacity in regional and rural NSW.

Woolhara**Question 22**

Has the Minister found a solution to address the differences in the rating systems between in amalgamated councils after the four year rate freeze?

- (a) In particular, what is the solution to the inevitability that a majority of Waverley/Randwick will change the rating system to extract disproportionately high rates from Woollahra's wealthier landholders?
- (b) What will these residents receive in return by way of increased services?

Answer

The Government has engaged IPART to conduct a review of the NSW local government rating system, in order to improve its efficiency and equity and to ensure that councils can implement sustainable fiscal policies over the longer term.

IPART's draft report was handed down on 22 August 2016, and puts forward a series of reform options. These options include a range of potential changes to the way merged councils can levy rates. IPART is seeking public feedback on these options.

Following public consultation on the draft report, IPART will hand down its final recommendations in December 2016, including any recommendations relating to rates charged by merged councils. The Government will consider the report's findings and respond in 2017.

Local Representative Committees

Question 23

What was the process for appointing former councillors as Local Representative Committee members?

Answer

The appointment process was a matter for each Administrator.

Former councillors and mayors were given the opportunity to provide an Expression of Interest (EOI) regarding their role in the new council prior to the mergers occurring. After the mergers occurred, the administrators of new councils considered these EOIs when selecting LRC members. Administrators were also provided with guidance material stating that the LRC should primarily comprise of mayors and councillors of the former councils who have demonstrated a commitment to the success of the new council, and other community representatives where appropriate.

Question 24

What are the job requirements of these committee members, including minimum hours of work?

Answer

LRCs provide advice on local views and issues affecting the new council. Administrators may require LRCs to provide input to the new councils integrated planning and reporting materials, assist to engage communities and partners in planning for the new council, and provide input into the selection of priority projects to be funded by the Stronger Communities Fund. Guidelines provided to administrators stated that LRCs should meet at least monthly.

The specific duties and responsibilities of LRC members are a matter for individual councils.

Question 25

What was the pay rate of Local Representative Committee members?

Answer

The remuneration of LRC members is determined by the new council. Councils are generally remunerating former councillors at a rate consistent with the rate each was receiving from their former council.

Question 26

Can Local Representative Committee members speak to the media or their local residents?

Answer

Councils throughout New South Wales have different policies for engaging with media. This is a matter for each individual council.

Question 27

Are Local Representative Committee meetings open to the public to participate?

Answer

The location and format of meetings held by LRCs are matters for each Committee and the Council.

Question 28

Are Local Representative Committees required to report to the Minister and/or Department?

(a) If so, where are these reports published?

Answer

Reporting requirements that LRCs have to their councils are a matter for each individual council.

Question 29

What steps are being taken to ensure that redevelopment projects comply with local council's Plan of Management?

Question 30

What steps are being taken to ensure that redevelopment projects comply with local council's Conservation Management Plan?

Answer 29-30

A development application by Council would be considered by the Joint Regional Planning Panel, under the *Environmental Planning and Assessment Act 1979*, which is the responsibility of the Minister for Planning.

Question 31

What grants have been provided in the last five years towards work associated with Bondi Park, the Bondi Pavilion and Bondi Beach Plan of Management?

Answer

The Office of Local Government has no discretionary funds for grants to the Council for this purpose.

Local Council Pounds**Question 32**

What steps is the Minister taking to ensure that Council Pounds are managed to comply with:

- (a) The *Prevention of Cruelty to Animals Act 1979*?
- (b) The NSW Animal Welfare Code of Practice No.5 – Dogs and Cats in Animal Boarding Establishments?
- (c) The *Companion Animals Act 1998*?
- (d) The *Impounding Act 1993*?

Answer

Guidelines are provided to councils on implementing the framework under the *Companion Animals Act 1988* and the *Impounding Act 1993*. The *Prevention of Cruelty to Animals Act 1979* and the NSW Animal Welfare Code of Practice No.5 – Dogs and Cats in Animal Boarding Establishments, are the responsibility of the Minister for Primary Industries.

Question 33

How many complaints regarding incidences of non-compliance in Council Pounds have been lodged in the last financial year?

Question 34

How many Council Pounds have been declared non-compliant in the last financial year?

Answer 33-34

The Office of Local Government has received one complaint concerning compliance by a council pound with the requirements of either the *Companion Animals Act 1998* or the *Impounding Act 1993*. The Council's actions were found to be legitimate and consistent with regulatory requirements.

Question 35

What steps are being taken to ensure that all councils comply with providing the mandatory pound reporting data to the Office of Local Government?

Answer

Councils are required to provide pound data, under section 67A of the *Companion Animals Act 1998*.

Question 36

Are the RSPCA, Animal Welfare League or the NSW Police compelled to notify the Minister for Local Government where there is any incident or instance involving breaches of Acts or complaints concerning a council pound?

- (a) If not, why not?
- (b) If yes, which council pounds have been investigated following complaints?

Answer

Alleged breaches of the welfare legislation and related codes and practice are the responsibility of the Minister for Primary Industries.

Question 37

How many grants have been provided under the Responsible Pet Ownership Grants Program for local Councils in NSW?

- (a) Which councils have these grant been provided to?
- (b) What is the total amount of money that has been provided through these grants?

Answer

Details on the Responsible Pet Ownership Grants Program is available at www.olg.nsw.gov.au/councils/responsible-pet-ownership-grants-program

Taxation and Representation

Question 38

What would be the response of the Government to local ratepayers who, deprived of representation in their local municipalities as a result of forced amalgamation, invoke the long-established principle of "No Taxation Without Representation" and refused to pay council rates until that representation was restored?

Answer

Under the proclamations establishing the new councils, the administrators appointed to those councils have all the functions of the councillors and mayors of the councils.

Ratepayers of local government areas have a statutory liability to pay rates irrespective of whether they are represented by elected councillors or represented by an administrator.

All new councils have a Local Representative Committee to provide advice on local views and issues, providing an additional avenue for residents and ratepayers to receive advocacy on their behalf.

Oatley Bowling Club site

Question 39

What consultation has the Minister had with the then Hurstville Council and/or newly created Georges River Council about the proposed redevelopment of the former Oatley Bowling Club site?

Answer

None.

Question 40

What steps does the Minister take to ensure that local councils properly consult with their local residents during the development application process?

Answer

The development application process is a matter for the Minister for Planning.

Question 41

Does the Minister have concerns about significant development applications being determined by councils in camera?

Answer

Councils should comply with their obligations under the *Local Government Act 1993* when closing their meetings to the public. Councils should only do so where grounds exist under section 10A of the Act that would permit them to do so.

Clarence Valley asbestos investigation

Question 42

What steps have been taken to address concerns that Clarence Valley Council has failed to respond to community concerns about the burial of asbestos at the South Grafton depot site?

Question 43

Will the Minister conduct an investigation into the site?

Question 44

What steps have been taken to investigate whether Clarence Valley Council dumped and buried asbestos concrete material at the site in question?

Answer 42-44

Clarence Valley Council is required to remediate land as required by the *State Environmental Planning Policy (SEPP) No. 55 – Remediation of Land and the Managing Land Contamination: Planning Guidelines SEPP 55 – Remediation of Land*. A remediation plan has been prepared and work has commenced.

Matters concerning illegal dumping are a matter for the Minister for the Environment.

OLG Advice

Question 45

Minister, after the announcements about the forced council mergers on 20th December last year, many councils, academics and others including myself applied to the Office of Local Government for a copy of the KPMG Report that had used to justify the mergers. However, as reported in the Sydney Morning Herald on 25th January, the Office of Local Government wrote back to everyone advising that they had not seen the report.

- (a) What are the reasons that the Office of Local Government (OLG) was not trusted to see the report?
- (b) When were they advised that they would be denied access to the report? By whom? (c) If the OLG had not seen the report, who briefed you? When?
- (d) Has the OLG now seen the full Report? When did they receive a copy?

Answer

The KPMG reports are publically available. The Office of Local Government has worked closely with the Department of Premier and Cabinet throughout the process to create new councils.

KPMG and Other Contracts

Question 46

The Government paid KPMG \$499,895.00 for 'Local Government Reform – Scenario modelling' in July to August 2015.

- (a) Was this work beyond the skills of the Office of Local Government? Was the Office consulted during the preparation of the report?
- (b) What were the key findings?
- (c) Were you interviewed by these consultants as they prepared their report?
- (d) Have you seen the Report?
- (e) Has the Office of Local Government seen the Report?
- (f) When did you first become aware that KPMG was preparing this second report on local government mergers?
- (g) Were you consulted about the terms of reference?
- (h) Were you consulted about the recommendations?
- (i) Was anyone in the Office of Local Government consulted? Whom? When?
- (j) Who was consulted in the preparation of the report?
- (k) What were the key findings and recommendations in the report?
- (l) Has the report been made public? Will it? Why not?

Question 47

Have any other tenders been awarded in relation to this matter?

Answer 46 and 47

Please refer to the answer to question 13.

The work carried out by KPMG under this contract was overseen by the Office of Local Government and the Department of Premier and Cabinet. The Local Government Reform Project was also overseen by the Local Government Reform Taskforce which includes representatives from the Office of Local Government, the Office of the Minister for Local Government, the Department of Premier and Cabinet, the Office of the Premier and the Office of the Deputy Premier.

Question 48

The Government also awarded KPMG Australia Pty Ltd another contract for 'Preparation and Delivery of Merger Proposals' valued at \$380,500.00. But the contract duration is listed as both starting and ending on 1 December 2015.

- (a) Was this work beyond the skills of the Office of Local Government? Was the Office consulted during the preparation of the report?
- (b) What were the key findings?
- (c) Were you interviewed by these consultants as they prepared their report?
- (d) Have you seen the Report?
- (e) Has the Office of Local Government seen the Report?
- (f) When did you first become aware that KPMG was preparing this second report on local government mergers?
- (g) Were you consulted on the terms of reference?
- (h) Were you consulted about the recommendations?
- (i) Was anyone in the Office of Local Government consulted? Whom? When?
- (j) Who was consulted in the preparation of the report?
- (k) What were the key findings and recommendations in the report?
- (l) Has the report been made public? Will it? Why not?
- (m) Have any other tenders been awarded in relation to this matter?

Answer

Please refer to the answers to questions 13 and 46.

KPMG was engaged to prepare the documents which accompanied the merger proposals as released on 6 January 2016.

The output of this work is contained in the 35 original Government merger proposal documents which include all final outputs from KPMG' analysis.

Information about KPMG's analysis and modelling has also been made publicly available in the following documents:

- An overarching report outlining merger benefits entitled Local Government Reform Merger Impacts and Analysis, released on 18 December 2015
- A technical report outlining KPMG's modelling assumptions entitled Outline of Financial Modelling Assumptions for Local Government published on 20 January 2016.

Question 49

The Government awarded yet another contract to another consultant, this time Hudson Global Resources, for 'Assessment of GM in LG'. Again the contract duration was for one day: 1st May 2016. The amount paid by the Government was \$200,000.

- (a) Was this work beyond the skills of the Office of Local Government? Was the Office consulted during the preparation of the report?
- (b) What were the key findings?
- (c) Were you interviewed by these consultants as they prepared their report?
- (d) Have you seen the Report?
- (e) Has the Office of Local Government seen the Report?
- (f) When did you first become aware that KPMG was preparing this second report on local government mergers?
- (g) Were you consulted on the terms of reference?
- (h) Were you consulted about the recommendations?

- (i) Was anyone in the Office of Local Government consulted? Whom? When?
- (j) Who was consulted in the preparation of the report?
- (k) What were the key findings and recommendations in the report?
- (l) Has the report been made public? Will it? Why not?
- (m) Have any other tenders been awarded in relation to this matter?

Answer

Hudson Global Resources was engaged to assist with the assessment process for potential interim General Managers appointed to new councils. Hudson was selected to undertake this work due to their specialist recruitment expertise. No other tenders were awarded in relation to the assessment of interim General Managers.

Hunter Proposals

Question 50

When will the Minister make a formal announcement abandoning the forced merger proposals on the government's so-called "Stronger Councils" website relating to councils in the Hunter?

Answer

Consideration of the delegate's report and the comments of the NSW Local Government Boundaries Commission for each proposal will occur in accordance with section 218F the Local Government Act 1993.

Financial Risks and Audits

Question 51

What action will you take to ensure the 'residual' portion of the site at Regatta Way, Summerland Point that was stipulated to be transferred to the ownership of the Council and used for public recreation, is not instead sold to a developer?

- a) Will you meet with local residents concerned about the ongoing inaction of the council in relation to this matter?

Answer

Matters concerning amendments to the local environmental plan and the voluntary planning agreement are the responsibility of Central Coast Council.

Question 52

Has a forensic audit found that Liverpool City Council may have been exposed to specific financial risk as a consequence of a contract outsourcing customer and management services with Queensland based Propel Partnerships?

- a) If so, what measures will you put in place to ensure that such risks to council and their ratepayers are minimised in the future

Answer

The Office of Local Government has not undertaken a forensic audit at Liverpool City Council.

Question 53

Will you ensure that the Audit, Risk and Improvement Committees at all councils have at least one member who is not a councillor, a staff member of the council or a member of an entity controlled by the council? If not, why not?

Answer

Recent amendments to the *Local Government Act 1993* require all councils to appoint an Audit, Risk and Improvement Committee. The operations of Audit, Risk and Improvement Committees will be prescribed by supporting regulations which will be developed in consultation with the local government sector and internal audit practitioners. The amendments will commence once the regulations have been finalised.

It is anticipated that consistent with the Office of Local Government's current Internal Audit Guidelines, councils' Audit, Risk and Improvement Committees will be required to have an independent chair and a majority of independent members.

Local Council Elections**Question 54**

Are there any proposals to delay the election proposed for September 2017 until March 2018?

Answer

The proclamations creating each new council scheduled the election date as 9 September 2017.

Developers**Question 55**

Have you had meetings with major developers, lobbyists or developer groups in the last 12 months at which council amalgamations were discussed?

- (a) If so, with whom?
- (b) On what date?
- (c) What was the nature of those discussions?

Answer

Details of meetings are provided in Ministerial Diary Disclosures

OLG**Question 56**

Can you please provide a structure chart or charts showing the position title, level/grading, salary range, status (permanent, temporary, and so on) and occupancy (permanently occupied, temporarily occupied – and for what period, vacant) of all permanent and temporary positions in OLG:

- (a) as at 1 September 2016.
- (b) as at 1 July 2015.

Answer

Staffing information will be available in the Office of Local Government's Annual Report.

Question 57

Can you please provide a schedule of all contractors and consultants employed to date by OLG in relation to any aspect of local government reform, listing name, work performed, total cost and what the engagement process was (competitive tender, and others)?

Answer

Financial statements, including expenditure on contractors and consultants, will be available in

the Office of Local Government's Annual Report.

Question 58

You have had an Acting Chief Executive in OLG for almost a year.

- (a) Was there any merit selection process for the role?
- (b) Do you intend to substantially fill the position? When?
- (c) Will a formal recruitment process be undertaken? When?

Answer

The Acting Chief Executive was appointed to the role under Section 29 of the *Government Sector Employment Act 2013*. The Secretary of the Department of Planning and Environment will determine when to substantially fill the role based on the needs of the agency, in accordance with the requirements of the *Government Sector Employment Act 2013* and the Government Sector Employment Regulation 2014.

OLG

Question 59

What is the average time it takes OLG to investigate an allegation of misconduct, from the day the allegation was received by OLG to the day it was concluded (either with a penalty/sanction or a clearance)?

- (a) What is the range of times it takes for this?

Answer

Upon receipt of a misconduct allegation, OLG first conducts an assessment and then, if required, an investigation. An assessment may include extensive preliminary enquiries that may include obtaining and analysing information from the relevant council. Since the misconduct provisions of the *Local Government Act 1993* commenced in March 2013, 146 assessments have been concluded.

Investigations are more involved, and their length depends on the complexity of each matter. Since March 2013, 17 misconduct investigations have been finalised.

Question 60

How many responses were received to the consultation on the phase 1 changes to the LG Act? What did they say? How many were written responses vs electronic forms? Why has the OLG not released an analysis of the responses? Will the analysis be released? When?

Answer

The paper: *Towards New Local Government Legislation Explanatory Paper: proposed Phase 1 amendments* ("the Phase 1 paper") was released on 6 January 2016 and submissions closed on 22 March 2016. The Office of Local Government received 154 electronic responses and 15 written submissions. The Office of Local Government calculated that the balance of the proposals outlined in the paper received majority support, with most support in the range of 68-89%.

Amalgamations

Question 61

Why did you ignore the voluntary amalgamation proposals that were put forward in good faith by councils in accordance with the Government's own process, and choose to forcibly amalgamate those councils with different partners?

Answer

All proposals, including those initiated by councils, were reviewed and considered in accordance with the process required under the Local Government Act 1993.

Question 62

Why were some councils that were supposedly “fit for the future” forcibly amalgamated when they had participated in good faith and been found to be fit?

Answer

The creation of new councils followed four years of extensive consultation with the community and the local government sector regarding structural reform to the sector. This process included reviews by the Independent Local Government Review Panel (the Panel) and IPART concerning challenges facing the sector and potential options to ensure the sustainability of councils in NSW.

Findings from these reviews and the financial performance of councils presented a compelling case for reform and demonstrated that the local government sector would struggle to meet future demands from residents. The NSW Government has taken action to ensure that councils can continue to deliver and improve the services and infrastructure communities need now and in generations to come.

In determining which councils to merge, the findings from the Fit for the Future process were considered against the Panel recommendations and merger preferences lodged by each council.

Amalgamations**Question 63**

Why have the majority of the non-structural recommendations of the ILGRP report been ignored?

Answer

In developing the *Fit for the Future* reform package, the NSW Government considered 65 recommendations presented by the Independent Local Government Review Panel. Of these, 29 were fully supported, 24 were supported in-principle, and four were partially supported. Only seven recommendations were not supported by the Government.

Question 64

For each of the ILGRP’s recommendations that it has accepted, when will the Government take action to implement them, and what will this involve?

Answer

The Fit the Future Progress Report, released on 18 December 2015, provides an update on implementation of *Fit for the Future* initiatives as well as new reform priorities, and is available at www.fitforthefuture.nsw.gov.au

Question 65

Why is the Government actively preventing struggling councils from accessing TCorp funds at an attractive rate? This seems punitive rather than helpful.

Answer

The Treasury Corporation borrowing facility is available to councils that have been deemed Fit for the Future and are able to satisfy TCorp’s borrowing requirements. It is important that councils can demonstrate they are in a sound position to undertake responsible borrowing on behalf of their

communities.

Question 66

What quantitative evidence or modelling do you have that ‘rates are going to go down’? Will you make this public? When?

Answer

Following the amalgamation of a number of councils between 2000 and 2004, the Office of Local Government researched the adopted rating structures of the new councils. An overview of this analysis was provided to General Purpose Standing Committee Number 6 in 2015.

While the Fit for the Future reforms have provided additional funding for transition costs to the new councils established in 2016, it should be noted that in the 2000-2004 amalgamations, new councils did not receive any financial assistance and were required to fully fund the transition process themselves.

In December 2015, the Premier requested that IPART undertake a review of the local government rating system, including options for an approach to achieve the Government’s policy of freezing existing rate paths for any merged councils. IPART published its interim report on 1 August 2016. I am currently considering IPART’s draft recommendations.

Question 67

Why haven’t you implemented the recommendations of the Parliamentary Inquiry into Local Government Reform?

Answer

The Government response to the Parliamentary Inquiry into Local Government was tabled in Parliament on 29 April 2016.

Question 68

Does the Government intend to force any further amalgamations (other than the “pending” ones)?

Answer

The outcomes of the council boundary review process were announced on 12 May 2016.

Rates – IPART pensioner rebate

Question 69

In your media release dated 21 June this year regarding the NSW Budget, your first dot point of budget highlights is: ‘\$79 million to ease cost of living pressures for pensioners through the Pensioners Rebate Scheme, subsidising council rates and charges.’

- (a) Would you agree that only a heartless, penny-pinching government would try to abolish this Scheme and cost shift the whole rates burden onto pensioners?

Answer

The NSW Government has made it clear that it will not make any changes to the Pensioners Council Rate Rebate Scheme which adversely affect pensioners.

Council budgets

Question 70

In light of the forcibly merged Northern Beaches Council spending over \$40,000 of the \$10 million allocated to them by the Government on a conference conducted by the General Manger, what guidelines are in place to ensure these funds are expended to benefit the local community as intended rather than act as a piggy bank for insiders? Will you make these guidelines public? If not, why not?

Answer

Guidelines have been made available to councils assisting them to understand their responsibilities in relation to the New Council Implementation Fund. This funding is administered by the Office of Local Government and is contingent on strict reporting requirements.

Rate freeze**Question 71**

In December 2015 when the Premier and yourself announced proposals to merge councils across NSW, why did you fail to correct media stories that this included a “rate freeze”, when all that was proposed was a “rate path freeze”?

Answer

In the joint media release from the Premier and the Minister of 18 December 2015 Stronger Councils for Sydney and Regional NSW, the Minister announced that there will be no change to merged councils’ existing rate path for four years.

When the new councils were created on 12 May 2016, the Minister reiterated that the rate protection policy commitment means residents of new councils will pay no more for their rates than they would have under their old council for four years.

Swimming Pools**Question 72**

Were swimming pools with out-of-ground pool walls as part of the pool barrier ever legal in NSW? If not, when did they cease being legal? Why?

Question 73

If their construction had been approved by a local government authority, are they illegal?

- (a) Are they legal now?
- (b) If not, what action is being taken by you to alert the owners of such pools that their pools are illegal?
- (c) How are the owners of such non-complying pools being notified?
- (d) How is the rectification being monitored? By whom?
- (e) What penalties apply for non-compliance?

Question 74

Do you believe that a 1200mm high pool fence in front of a 1200mm high non-scalable out-of-ground pool wall will make it safer?

Question 75

Do you believe that a 1200mm high pool fence in front of a 4.0 metre high non-scalable out-of-ground pool wall will make it safer?

Question 76

Do you believe that a 1200mm high pool fence surrounding a pool sitting on 5.0 metre high non-scalable reinforced concrete piers will make it safer?

Question 77

What is your estimate of the cost to owners of such swimming pools, that have previously been approved, to meet the government's requirements regarding fencing?

Answer 72-77

External walls of out of ground pool walls would not ordinarily satisfy the requirements of section 7 of the *Swimming Pools Act 1992*. This has been the law of NSW since the inception of the Act. Provisions introduced into the Building Code of Australia by AS1926.1-2012 preserve the law of NSW.

Under section 22 of the *Swimming Pools Act 1992*, a local authority may grant exemptions from barrier requirements that are impractical or unreasonable in particular cases. Recording such exemptions is a matter for the relevant local authority.

Pool owners are responsible for maintaining a compliant barrier. Local authorities have inspection and enforcement responsibilities to ensure compliance with the Act and Regulations. A list of penalties can be found under section 22 of the *Swimming Pools Regulation 2008*.

Entertainment Expenses**Question 78**

How much did your Ministerial Office spend last financial year on entertainment expenses?

- (a) I would also then assume you should have no problem with entertainment expenses by local councils?

Answer

Expenditure on hospitality across the Government - which includes catering for stakeholder meetings and courtesy calls with visiting dignitaries - totalled \$25,059 in 2015-16.

Question 79

How much did the Office of Local Government spend last financial year on entertainment expenses?

Answer

Information relating to the Office of Local Government accounts is provided in the Annual Report.

Air fares and accommodation**Question 82**

How often do the administrators and general managers of the newly merged councils meet together?

Answer

Administrators and interim general managers of all newly merged councils have the opportunity to attend regular forums hosted by the NSW Government to discuss issues and share lessons learned through implementation.

Question 83

Who pays for their airfares?

Answer

Paying the cost of airfares is a matter for each council.

Question 84

Who pays for their accommodation?

Answer

Paying the cost of accommodation is a matter for each council.

Interim General Managers

Question 85

How many interim general managers of forcibly merged councils have resigned since the mega councils were established? From which councils?

Answer

The NSW Government is aware of one resignation tendered from Ms Vanessa Chan, the Interim General Manager of Inner West Council, who resigned effective 1 September 2016.

Co-administrators

Question 86

Minister, what was the rationale for appointing co-administrators of some of the forcibly merged councils?

Answer

No co-administrators have been appointed.

Plans to reduce dog bites

Question 87

Given that nationally around 14,000 dog bite victims present at hospitals each year, and four people every day are hospitalised, do you agree that existing dog control measures are not sufficient?

Answer

The Government is committed to promoting responsible pet ownership to minimise the risk of dog attacks on people and animals as far as possible. To support this goal, comprehensive laws are in place for the management and control of dogs that are restricted breeds, dangerous or menacing are in place.

To improve community safety, the Government is actively supporting programs to educate the community about responsible pet ownership and safe interaction with dogs. A key component is the successful annual Responsible Pet Ownership Schools Education Program, which delivers key messages about dog safety to children in Kindergarten to Year 2. In recent years, the NSW Government has expanded this program to preschool children and families expecting a baby.

Question 88

Do you support the establishment of a national register of dog bites to track incidents and record the value – or otherwise – of actions such as banning specific breeds?

(a) If yes or no, what action will you take?

Answer

NSW is widely recognised as having the most comprehensive dog attack data collection in Australia. NSW councils are required to report all dog attacks on the Companion Animals Register, including information about the number of victims, compliance action, injuries, breed of dog involved and number of dogs involved. The Government would support a means to collect national data about dog attacks, although it is noted that this is a matter that requires the agreement of jurisdictions.

Boundaries Commission**Question 89**

In the 'Gundagai Independent' on 26th May this year, Boundaries Commissioner Rick Firman said that the role of the Commission in relation to the 2016 merger proposals "was to review the delegate's report and provide its comments to the minister. That role has not involved the commission re-examining the advantages and disadvantages of the merger proposal, holding public inquiries or calling for submissions."

(a) Minister, do you agree with Mr Firman that this was the correct and appropriate role for the commission?

Answer

The process for examining and reporting on merger proposals is set out in the *Local Government Act 1993*. Section 218F sets out the role of the Boundaries Commission where a proposal has been referred to the Departmental Chief Executive for examination.

RSVP**Question 90**

At least one of the newly merged councils is obliging those members of the public who wish to attend the meeting to RSVP. The date for the RSVP is prior to the business papers being published, so members of the community are not aware what business is on the agenda. Do you think this is a good practice?

Answer

It is a matter for each council to manage attendance at meetings by members of the public in accordance with requirements under Chapter 4 of the *Local Government Act 1993*.

Stronger communities fund**Question 91**

A number of councils such as Goulburn Mulwaree who have not been forcibly merged, feel discriminated against as they are not eligible to receive a \$10 million grant under the Stronger Communities Fund. Why are you discriminating against residents in these council areas? Don't they also deserve support with infrastructure funding?

Answer

The Stronger Communities Fund is provided to new councils to kick start the delivery of projects that improve community infrastructure and services. The Fund is not available to other councils. Councils deemed 'fit for the future' are able to access the TCorp borrowing facility, enabling councils to access cheaper loans to invest in infrastructure.

DPC budget and local government reform**Question 92**

What is the proportion of the DPC budget has been spent on local government reform, in particular to any work performed relating to Stronger Councils, Fit for the Future and/or the Local Government Reform Taskforce, relating to the following budget line items for the projected 2015/2016 expenditure:

- (a) Temporary Employees – short term staff
- (b) Contractors
- (c) Consultants
- (d) Travel and accommodation – overseas
- (e) Travel and accommodation – domestic

Answer

Expenditure on staff, contractors, consultants and travel is provided in agency annual reports.

OLG Budget – merger process**Question 93**

In relation to the estimates - detailed report for the OLG:

- (a) Budget item "Temporary employees – short term staff": in the 2015/16 projections, what proportion of the \$2,860,000 was spent in relation to the Stronger Councils, Fit for the Future, and Local Government Reform Taskforce and related work?
- (b) Budget item "Contractors", in the 2015/16 projections: what proportion of the \$2,305,000 was spent in relation to the Stronger Councils, Fit for the Future, and Local Government Reform Taskforce and related work?
- (c) Budget item "Consultants", in the 2015/16 projections: what proportion of the \$600,000 was spent in relation to the Stronger Councils, Fit for the Future, and Local Government Reform Taskforce and related work?
- (d) Budget item "Other legal fees and disbursements (to the private sector)": in the 2015/16 projections, what proportion of the \$300,000 was spent in relation to the Stronger Councils, Fit for the Future, and Local Government Reform Taskforce and related work?
- (e) Budget item "Other operating expenses": in the 2015/16 projections, what proportion of the \$4,914,000 was spent in relation to the Stronger Councils, Fit for the Future, and Local Government Reform Taskforce and related work?
- (f) What are the reasons for the 2016/17 budgeted reduction in the "Local Infrastructure Renewal Scheme – rec study to loca"?
- (g) What are the reasons for the 2016/17 budgeted reduction in the "Local Government – current grants"? Is this expected to continue to decline over the forward estimates?

Answer

- (a) to (e) Financial statements will be available in the Office of Local Government's Annual Report.
- (f) The Local Infrastructure Renewal Scheme was allocated an overall budget of \$120 million to 2025. Funds are paid out to councils on a six monthly basis as per claims received. The

annual budget allocation is based on estimated claims to be received in that financial year, however this does not reduce the overall budget allocation, which remains at \$120million.

- (g) The Making Local Government Stronger budget reduces over the forward estimates as the *Fit for the Future* reforms are progressively implemented through this period.

Merged Council Information

Question 94

What mechanisms do you use to monitor the effects of your forced mergers on local councils?

Answer

New councils are being supported by the NSW Government in carrying out their merger activities through the facilitation of information sharing, and the provision of timely and accurate advice and information on issues including governance, employment matters and industrial issues.

Question 95

In total, how many officers or staff in the recently forcibly merged councils in NSW have been made redundant and/or taken a voluntary separation?

- (a) How many are expected to be made redundant and/or take a voluntary separation in the next two years?

Question 96

In total, how much has been paid to date on redundancy and/or voluntary separation payments?

- (a) How much is expected to be paid on redundancy and/or voluntary separation payments in the next two years?

Answer 95 and 96

There can be no forced redundancies of non-senior staff members for three years after the merger date, in accordance with 354F of the *Local Government Act 1993*. In addition, council staff working in rural centres with a population of 5,000 people or fewer are protected under section 218CA of the Act. Expenditure and savings relating to voluntary redundancies are a matter for each council.

Question 97

In total, how much has been spent on merging IT, accounting and financial systems in your forcibly merged councils?

- (a) How much is expected to be spent in the next two years?

Answer

The amounts spent on merging IT, accounting and financial systems is a matter for each council.

Through the New Council Implementation Fund, the NSW Government has provided up to \$10 million to each new council to assist with implementation costs.

Question 98

In total, how much has been spent on external consultants to plan and implement the forced mergers?

Answer

Expenses will be provided in Annual Reports.

Question 99

What are the numbers of redundancies and/or voluntary separations of non-senior staff members

for each of the following newly merged councils:

- (a) Armidale Regional Council
- (b) Canterbury-Bankstown Council
- (c) Central Coast Council
- (d) City of Parramatta Council
- (e) Cumberland Council
- (f) Edward River Council
- (g) Federation Council
- (h) Georges River Council
- (i) Gundagai Council
- (j) Hilltops Council
- (k) Inner West Council
- (l) Mid-Coast Council
- (m) Murray River Council
- (n) Murrumbidgee Council
- (o) Northern Beaches Council
- (p) Queanbeyan-Palerang Regional Council
- (q) Snowy Monaro Regional Council
- (r) Snowy Valleys Council
- (s) Western Plains Regional Council

Answer

Please refer to the answer to question 95.

Question 100

How much has been paid out in redundancies and/or voluntary separations of non-senior staff members for each of the following newly merged councils:

- (a) Armidale Regional Council
- (b) Canterbury-Bankstown Council
- (c) Central Coast Council
- (d) City of Parramatta Council
- (e) Cumberland Council
- (f) Edward River Council
- (g) Federation Council
- (h) Georges River Council
- (i) Gundagai Council
- (j) Hilltops Council
- (k) Inner West Council
- (l) Mid-Coast Council
- (m) Murray River Council
- (n) Murrumbidgee Council
- (o) Northern Beaches Council
- (p) Queanbeyan-Palerang Regional Council
- (q) Snowy Monaro Regional Council
- (r) Snowy Valleys Council
- (s) Western Plains Regional Council

Answer

Please refer to the answer to question 95

Question 101

How much has been spent on merging IT, accounting and financial systems for each of the

following newly merged councils?

- (a) Armidale Regional Council
- (b) Canterbury-Bankstown Council
- (c) Central Coast Council
- (d) City of Parramatta Council
- (e) Cumberland Council
- (f) Edward River Council
- (g) Federation Council
- (h) Georges River Council
- (i) Gundagai Council
- (j) Hilltops Council
- (k) Inner West Council
- (l) Mid-Coast Council
- (m) Murray River Council
- (n) Murrumbidgee Council
- (o) Northern Beaches Council
- (p) Queanbeyan-Palerang Regional Council
- (q) Snowy Monaro Regional Council
- (r) Snowy Valleys Council
- (s) Western Plains Regional Council

Answer

Please refer to the answer to question 97

Question 102

How much has been spent on external consultants and/or contractors and/or temporary short-term staff to plan and execute the forced amalgamations for each of the following councils?

- (a) Armidale Regional Council
- (b) Canterbury-Bankstown Council
- (c) Central Coast Council
- (d) City of Parramatta Council
- (e) Cumberland Council
- (f) Edward River Council
- (g) Federation Council
- (h) Georges River Council
- (i) Gundagai Council
- (j) Hilltops Council
- (k) Inner West Council
- (l) Mid-Coast Council
- (m) Murray River Council
- (n) Murrumbidgee Council
- (o) Northern Beaches Council
- (p) Queanbeyan-Palerang Regional Council
- (q) Snowy Monaro Regional Council
- (r) Snowy Valleys Council
- (s) Western Plains Regional Council

Answer

Consultants were engaged to support implementation of the council merger program as a whole and do not relate to each specific council.

Merged council expenditure

Question 103

Parramatta Council had previously advised residents that there was to be a speed cushion installed on Loftus St. Following the forced council merger, of what is now known as Cumberland Council, council advised residents that the timing of the work “will depend on the availability of funds and competing priorities”. Given that the money for this project had been ear marked for the speed cushion, will the Government ensure the funds are made available to implement a much-needed traffic safety measure?

Answer

Councils are required under the *Local Government Act 1993* to have a delivery program and community strategic plan.

Cumberland Council has reported that it is conducting due diligence and traffic committee process in relation to the project, and is undertaking traffic volume and speed counts to assess the work required. The prioritisation of the project is a matter for Council in consultation with the community.

Question 104

In terms of already ear-marked expenditure for street works and other road safety measures by councils who are now subsumed into a larger local government area, what is the advice OLG and/or the Minister has given to the administrators of the new merged councils areas about the implementation of such expenditure?

Answer

Guidance provided to Administrators in the *Governance During Change* document states that “the budget, revenue policy and fees and charges for 2016-17 should be based primarily on the direction provided in the delivery programs and long term financial plans of the former councils.”

Representation on local representative committees in forcibly merged council areas**Question 105**

What considerations were administrators required to take into account in forming the local representative committee?

Answer

Please refer to the answer to question 23.

Question 106

Was any of the considerations geographic location, gender, age, experience, or anything else?

Answer

The guidance notes stated that the LRC should primarily comprise councillors of the former council who have demonstrated a commitment to the success of the new councils. Information from the Expression of Interest process for former mayors and councillors run prior to the establishment of new councils was used to assist with the appointment of members. The Administrator had discretion to appoint other community representatives where appropriate.

Question 107

Is the Minister aware of the unbalanced nature of the Cumberland Council local representative committee?

Answer

The composition of the Cumberland Council LRC was a matter for the Administrator of Cumberland Council.

Question 108

Local swimming pools are often at the heart of suburban communities, with there being many campaigns run to preserve and not close down local pools. I make reference in particular to the former Holroyd City Council, where council had once considered closing both Wentworthville and Guildford pools but did not due to the opposition of the community. What advice has the Government provided to administrators in relation to changing the operations and/or shutting down local community pools?

Answer

Guidance notes issued to administrators stated that the first priority for the implementation of new councils is that there be no disruption in the provision of existing services to communities. The notes also stated that there will be opportunities for councils to identify and deliver service improvements, including wider access to existing facilities such as libraries, community halls, aquatic centres and community centres.

Question 109

How much funding will the Minister and/or the Government provide to City of Parramatta Council for the relocation of Parramatta Pool due to the decision of the NSW Government to upgrade Parramatta Stadium?

- Funding arrangements related to stadium upgrades are a matter for the Minister for stadiums/sport

Answer

Funding arrangements related to stadium upgrades are a matter for Minister for Sport.

Question 110

The former Parramatta City Council had a parking panel to review parking fines. With the forced amalgamation of councils, people who received parking fines in Granville, Guildford and Merrylands no longer have access to the parking panel. What will the Minister do to rectify this immediately, so that Granville, Guildford and Merrylands residents are not worse off, and can have their fines reviewed by a body other than SDRO?

Answer

In accordance with Section 24A of the *Fines Act 1996*, residents receiving council fines for parking can request a review of the penalty notice. State Debt Recovery (SDR) conducts reviews on behalf of most councils, and it is understood that the reviews completed by the City of Parramatta are the same statutory review as those conducted by SDR.

Question 111

Where this has affected residents in other council areas, what steps is the Minister taking so that residents are not left worse off in relation to having their parking fines reviewed by a body other than the SDRO?

Answer

Please refer to the answer to question 110

Council mergers and rate rises

Question 113

Can the Minister confirm that the modelling used for the Government to say that “merged councils result in lower rates” is flawed?

- (a) In particular, that the modelling did not show a direct connection (whether causative or correlative) between merged council entities and lower council rates?
- (b) Can the Minister confirm that the modelling of the 22 merged council entities, the modelling showed that:
 - i. Out of the 22 councils, 11 councils found that in the following year that their rates were lower (exclusive of the rate peg being applied in the following year’s rates);
 - ii. Out of the 22 councils, 8 councils found that in the following year that their rates were higher (exclusive of the rate peg being applied in the following year’s rates); and
 - iii. Out of the 22 councils, 3 councils had no data.

Answer

The modelling was provided to the General Purpose Standing Committee Number 6 in 2015 and showed 11 councils that were merged in 2004 had lower rates in the following year after the merger when compared to the rate take of the merged councils in the year prior to the merger. Further modelling released to the Committee showed that 17 councils merged between 2000 and 2004 had lower rates when compared to the average rate for their council classification grouping in 2013/14.

Question 114

Does the Minister, and by extension the Government, still want to make the claim that merged councils will result in lower rates?

Answer

The merger proposals released by the NSW Government on 6 January 2016 were projected to result in savings to residents and ratepayers of \$2 billion over a twenty year period. This saving will allow councils to lower their rates, or fund better services and new infrastructure for communities that would otherwise need to be paid for through increased rates.

Local Government Forced Amalgamations Impact on Contractors

Question 115

The Government has claimed to not be seeking savings in wages through the reform process in small rural and regional areas, by putting a moratorium on reducing staff numbers in these councils (eg: Dungog). However they have not provided a similar guarantee for small businesses that contract to Council. Given that uncertainty and forced amalgamations have put a \$250,000 cap on contracts that can be automatically entered into by councils who are in limbo awaiting determinations, what impact is this having on small councils in rural and community areas such as Dungog?

Answer

Guidelines issued for council decision making during merger proposal periods by the Office of Local Government in December 2015 under Section 23A state that councils subject to merger proposals should not enter into a contract or undertaking involving the expenditure or receipt by the council of an amount equal to or greater than \$250,000 or 1% of the council’s revenue from rates in the preceding financial year (whichever is the larger), unless:

- The contract or undertaking is being entered into as a result of a decision made or a procurement process commenced prior to the start of the merger proposal period; or
- Entry into the contract or undertaking is reasonably necessary for the purposes of:
 - Meeting the council's ongoing service delivery commitments to its community; or
 - To implement an action previously approved under a council's Delivery Program or the Operational Plan for the relevant year.

Councils subject to a merger proposal may still enter into contracts over \$250,000 in accordance with these guidelines. The guidelines contain adequate flexibility for councils to manage contracts with small businesses without committing a potential new council to a significant ongoing financial commitment.

Question 116

Can Councils make arrangements to enter into contracts over \$250,000, has the Government tracked how many requests have been made? If so, how many have been made?

Answer

Please refer to the answer to question 115.

Question 117

Is the Minister aware of any such issues being experienced by any small business across the state of NSW?

Answer

As outlined in the answer to question 115, councils subject to a merger proposal may enter into contracts over \$250,000 in accordance with the guidelines.

Question 118

Where bulk tendering has not already occurred (eg, Hunter Region of Councils), there is potential for two small businesses who have been separately contracting to two formerly separate but now newly merged councils to be in competition when the merger occurs. What steps is the Minister for Small Business taking to ensure that such competition is fair and that smaller and micro businesses are not cannibalised by larger businesses?

Answer

The proclamation creating new councils automatically transferred the assets, rights, and liabilities of a former council to the new council. These clauses provide for the transfer of physical assets (such as cars, buildings, plant and equipment) along with intangible assets and liabilities (such as service contracts and outstanding debts). This ensured the general business and operations of former councils were preserved, including contracts and services. The only exception is contracts for auditing services, with the council required to appoint only one of the former councils' auditors.

Question 119

Will these issues provide private sector job losses in regional and rural towns with small populations, despite the government's assurances that public sector job will not be lost in those areas?

Answer

Section 218CA of the *Local Government Act 1993* requires that a merged council must maintain the number of regular staff of a former council employed at a rural centre, as far as reasonably practical. A rural centre is defined as a centre of population of 5,000 people or fewer. Part of the

rationale of this provision is to maintain economic activity supporting both public and private sector jobs in rural centres.

As outlined in the answer to question 118, the proclamation creating a new council transferred existing contracts of former councils to the new councils. Renewing contracts or issuing new tenders will be a matter for the new council in accordance with the same legislative requirements as former councils. The savings projected to occur from each merger will also give new councils the opportunity to pursue new services and infrastructure, which is more likely to result in increased opportunities for council to engage with the private sector.

Question 120

Does the Government place more value on public sector jobs or private sector jobs, or is there another reason that the Government has acted to protect public sector jobs but not private sector jobs?

Answer

Please refer to the answer to Question 119.

Question 121

Given the Government has promised a moratorium on council job losses in regional and rural local government areas with small populations, what guarantees have been made to protect contractors in the same areas?

Answer

Please refer to the answer to Question 119.

Question 122

What is the average cost to a small business of an audit of the Government's Payroll Tax rebate?

Answer

This is a matter for the Small Business Portfolio.

Question 123

What actions has the Minister undertaken to ensure small businesses who were contracted to undertake work on behalf of merged Councils were compensated for any losses sustained as a result of the mergers?

Answer

As outlined in the answer to question 118, the proclamation transferred existing contracts of former councils to the new council, with the exception of contracts relating to auditors.

Question 124

Were affected small businesses notified their contracts would be terminated prior to the announcement of these mergers?

Answer

Please refer to the answer to question 123.

Question 125

If not, why not?

Answer

Please refer to the answer to question 123.

Question 126

Has the Minister met with affected small businesses since the mergers were announced?

Answer

Please refer to the answer to question 123.

Question 127

If so,

- (a) How many small businesses have been adversely affected by the forced merger process?
- (b) How many jobs within small businesses have been lost?
- (c) How many small businesses have gone into liquidation due to the termination of contracts?

Answer

Please refer to the answer to question 123.

Question 128

Has the Minister advocated for the implementation of a financial assistance package to ensure affected small businesses have the opportunity to remain sustainable following the termination of their contracts with merged Councils?

Answer

Please refer to the answer to question 119.

Question 129

Minister, in terms of the \$2 billion purported savings that have been calculated by KPMG – what is the proportion of each of those savings, in terms of staff savings, M&C savings, and councillor fee savings?

Answer

Information related to the costs and savings projected by KPMG for merger proposals is outlined in the document Outline of Financial Modelling Assumptions for Local Government Merger Proposals as released by the NSW Government.

Domestic Violence Leave and Allowances

Question 130

For each department, statutory agency and/or other bodies in the Minister's Portfolio please report:

- (a) Date of introduction of domestic violence leave into enterprise agreements/contracts of employment, awards as applicable;
- (b) Whether or not all employees and/or contractors are eligible for domestic violence leave;
- (c) Number of days of domestic violence leave that have been taken in each financial year since the introduction of such leave;
- (d) Number of days available for eligible staff to access domestic violence leave in each financial year;
- (e) Number of other personal days of leave that have been taken in each financial year since the introduction of domestic violence leave;
- (f) Number of sick days available for eligible staff to access domestic violence leave in each financial year;

- (g) Whether or not all staff and/or contractors have access to Employee Assistance Programs?
- (h) What training has been undertaken with management and administration for those involved in approving and/or processing domestic violence leave on issues such as?
 - i. Privacy and confidentiality of information about domestic violence
 - ii. Access to emotional, psychological, financial and medical support which may be required
- (i) Who has provided training on domestic violence in the workplace?
- (j) What percentage of staff in each agency has undertaken domestic violence training?
- (k) What efforts have been made to ensure that perpetrators (or their accomplices) within the staffing profile are not able to access personal information of victims in order to identify their location, or other information which may assist in committing domestic violence against them, including changing or accessing records in such a way as to disadvantage them financially or legally?

Answer

Each agency is responsible for implementing NSW Government policy. The information sought is not collected centrally.

Holroyd Council Amalgamation

Question 131

How many former Holroyd Council staff have been made redundant following the forced amalgamation into Cumberland Council?

- (a) How much has been paid in redundancy payouts?

Answer

There can be no forced redundancies of non-senior staff members for three years after the merger date, in accordance with 254F of the *Local Government Act 1993*.

Question 132

How much has been spent on merging IT, accounting and financial systems between Holroyd, Auburn and (partially) Parramatta Councils as part of the creation of Cumberland Council?

Answer

The amounts spent on merging IT, accounting and financial systems is a matter for each council.

Through the New Council Implementation Fund, the NSW Government has provided \$10 million to Cumberland Council to assist with implementation costs.

Question 133

How much has been spent on external consultants to plan and execute the forced amalgamations of former councils which now make up Cumberland Council?

Answer

Please refer to the answer to question 95. Consultants were engaged to support implementation of the council merger program as a whole and do not relate to each specific council.

Sexual harassment and Anti-bullying training and awareness programs

Question 134

For each department, statutory agency and/or other bodies in the Minister's Portfolio please report:

- (a) Date of introduction of sexual harassment and anti-bullying training and awareness programs
- (b) Whether or not all employees and/or contractors have received such training?
- (c) Is this course mandatory for all employees/ contractors?
- (d) How long for each session, how many sessions?
- (e) Who delivers it?
- (f) Is the program tailored to take into consideration specific needs of LGBTQIA, ATSI and CALD or other at risk groups?
- (g) How?
- (h) What percentage of staff in each agency has undertaken sexual harassment and anti-bullying training and awareness programs?

Answer

Each agency is responsible for implementing NSW Government policy. The information sought is not collected centrally.

Local Government Amalgamations

Question 135

When will announcement be made on the possible merger of Newcastle/Port Stephens/Dungog Councils?

- (a) When will elections be held for these councils?

Answer

The Minister is considering the delegate's report and the comments of the NSW Local Government Boundaries Commission for each proposal in accordance with section 218F the Local Government Act 1993.

Flexible Workplaces

Question 136

Minister, the Premier announced on International Women's Day that the public service would all have access to flexible working arrangements by 2019.

- (a) Do you centrally register staff who have flexible work arrangements?
- (b) What numbers of staff within your Department currently have flexible working arrangements?
- (c) Are you aware of any measures that are currently underway to implement this?

Answer

NSW Government agencies are developing initiatives to implement the NSW Government's policy that 100 per cent of public service jobs will be flexible by 2019 on the basis of 'if not, why not'.

Office Administration

Question 137

How many staff are in your ministerial office?

- (a) What was the average salary for staff members in your office during 2015-16?
- (b) What is the estimated average salary for a ministerial staffer in your office in 2016-17 based on current appointments?

Answer

Ministers' staff numbers and salary bands are available on the DPC website. Refer to: [http://www.dpc.nsw.gov.au/about/publications/premiers and ministers staff numbers](http://www.dpc.nsw.gov.au/about/publications/premiers_and_ministers_staff_numbers).

Question 138

How many blackberries/iphones/smart phones are assigned to your staff?

- (a) For each phone, how much was each bill in 2015-16?
- (b) How many phones have been lost or replaced due to damage in your office?
 - i. What is the cost of replacing those phones?

Answer

There were 280 smart phones in use across all Ministers' offices in 2015-16. The total usage cost of these smart phones and other mobile devices (including iPads) was \$452,830, a 21.7% per cent reduction on the 2008-09 expenditure of \$578,691. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Ministerial and Correspondence Services.

Question 139

How many iPads or tablets has DPC assigned to your Ministerial office and to whom have they been issued?

- (a) What was the cost of providing iPads or tablets to your Ministerial Office in 2015-16?
- (b) How many iPads or tablets have been replaced due to lost or damage in 2015-16?
 - i. What was the cost of replacing these devices?

Answer

There were 148 iPads in use across all Ministers' offices in 2015-16. The cost of replacing any lost or stolen devices is claimed through the NSW Treasury Managed Fund. Repairs are funded by the Department of Premier and Cabinet, Ministerial and Correspondence Services.

Question 140

Has any artwork been purchased or leased for display in your Ministerial office in 2015-16?

- (a) What is the cost of this?

Answer

Artwork includes art donated at no cost by a local artist and artwork on loan from the Art Gallery of NSW for which the Gallery charges a nominal subscription fee.

Question 141

Have any floral displays or indoor plants or potplants been hired or leased for display in your ministerial office in 2015-16?

- (a) If so, what was the cost of these items?

Answer

Floral arrangements purchased by the Ministry are managed within the office's budget.

Question 142

Have any floral displays or indoor plants or potplants been purchased for display in your ministerial office in 2015-16?

- (a) If so, what was the cost of these items?

Answer

Floral arrangements purchased by the Ministry are managed within the office's budget.

Question 143

What was the total cost of all subscriptions by you and your staff to online news services, newspapers, magazines, journals and periodicals in 2015-16?

- (a) What are these services/newspapers/magazines/journals/periodicals?
 - i. Who is the subscriber for each of these?

Answer

The Office subscribes to a modest number of publications, the cost of which is managed within the Office's budget.

Question 144

What was the total value of all gifts purchased for use by you and your office in 2015-16?

- (a) What were the gifts purchased?
 - i. Who were they gifted to?

Answer

Gifts are presented to dignitaries during overseas missions and to dignitaries visiting NSW.

Question 145

Do you purchase bottled water or provide water coolers for your office?

- (a) What is the monthly cost of this?

Answer

No.

Question 146

What non-standard features are fitted to your ministerial vehicle?

- (a) What is the cost of each non-standard feature?

Answer

Ministers, the Leader of the Opposition, other nominated public office holders and certain former office holders are provided with official cars and drivers. During 2015-16 all costs associated with these vehicles were paid from the relevant office's budget.

Question 147

What was the total bill for your office in 2015-16 for:

- (a) Taxi hire
- (b) Limousine hire
- (c) Private hire care
- (d) Hire car rental
- (e) Ridesharing services

Answer

Expenditure on taxis, hire cars and ride share services across the Ministry in 2015-16 was \$99,463. This compares with 2009-10 expenditure of \$175,776.

Question 148

Were any planes or helicopters chartered by you or your office and paid for with public money in 2015-16?

(a) If yes, will you please detail each trip, the method of transport and the cost?

Answer

Expenditure on charter flights for the Ministry totalled \$28,706 in 2015-16. This compares with expenditure in 2009-10 of \$282,000.

Hospitality

Question 149

How much did your Ministerial office spend on hospitality, including catering and beverages, in 2015-16?

Answer

Expenditure on hospitality across the Government - which includes catering for stakeholder meetings and courtesy calls with visiting dignitaries - totalled \$25,059 in 2015-16.

Question 150

How much did your Department/agency spend on hospitality, including catering and beverages, in 2015-16?

Answer

Costs are managed within each agency's recurrent budget.

Labour Hire Firms

Question 151

Do any Departments/agencies within your portfolio responsibilities utilise the services of Labour Hire Firms? If yes, please advise in table form for 2015-16:

- (a) The names of the firms utilised
- (b) The total amount paid to each firm engaged
- (c) The average tenure period for an employee provided by a labour hire company
- (d) The longest tenure for an employee provided by a labour hire company
- (e) The duties conducted by employees engaged through a labour hire company
- (f) The office locations of employees engaged through a labour hire company
- (g) The highest hourly or daily rate paid to an employee provided by a labour hire company

Answer

The Planning and Environment Cluster uses Labour Hire firms, in accordance with NSW Public Service policies to cover temporary vacancies as required. There are no central records maintained, with operations authorised to make such arrangements, subject to their overall labour expense cap.

Media and Public Relations

Question 152

How many media or public relations advisers are employed for each of your portfolio agencies?

Answer

Staff numbers are included in the Annual Report.

Question 153

What is the forecast for the current financial year for the number of media or public relations advisers to be employed and their total cost?

Answer

There are currently no plans to increase the number of media staff undertaking media or public relations activities.

Question 154

What is the total cost of media monitoring services used by Departments/agencies within your portfolio responsibilities?

Answer

The NSW Government purchases all commercial media monitoring centrally through the Department of Premier and Cabinet which delivers significant savings through aggregated procurement. The total cost of the whole of government service in 2015-16 was \$1,900,000 compared to \$2,394,973 in 2009-10.

Question 155

Have you had media training or speech training?

(a) If yes, who paid for it?

(b) If paid by taxpayers, what was the amount paid in 2015-16?

Answer

No.

Question 156

How much did your ministerial office spend on Facebook advertising or sponsored posts in 2015-16?

Answer

No taxpayer money has been spent on Facebook advertising or sponsored posts.

Question 157

How much did your Department/agency spend on Facebook advertising or sponsored posts in 2015-16?

Answer

The only Department expenditure has related to StudyNSW investing \$2320 on boosted posts since April 2016, resulting in reach of 3,868,800 people. Content on the StudyNSW Facebook page highlights why Sydney and NSW is a world class study destination to increase the number of international students studying in NSW.

Overseas Trips**Question 158**

Were any of your overseas trips in the last financial year paid for in part or in full by using public money?

(a) If so, did any of your relatives or friends accompany you on these trips?

Question 159

Have you undertaken any official overseas travel that was privately funded?

- (a) If so, what was the nature of these trips?
- (b) Who paid for these trips?

Answer 158-9

Details of overseas travel including costs are published on the Department of Premier and Cabinet's website.

Department / Agency Travel

Question 160

What was the total expenditure in 2015-16 by Departments/agencies within your portfolio on:

- (a) Taxi hire
- (b) Limousine/private car hire
- (c) Hire car rental
- (d) Ridesharing services

Answer

All Departments' travel in 2015-16 was in accordance with NSW Treasury and Finance Circular OFS-2014-07. DPC taxi travel is in line with the Department's Taxi Usage Policy.

DPC travel costs for 2015/16 were as follows:

- a) \$240,543. This compares with \$466,745 in 2009-10
- b) \$554. This compares with \$10,000 in 2009-10
- c) \$102,180. This compares with \$53,047 in 2009-10
- d) \$225. This compares with \$0 in 2009-10

Consulting

Question 161

How much did the Department/agencies under your portfolio responsibility spend in legal costs in 2015-16?

- (a) For what specific purposes or matters was legal advice sought?

Question 162

Have Department/agencies under your portfolio engaged any consultants to provide the following services or advice in 2015-16:

- (a) Social media
 - i. And the cost of these services
- (b) Photography
 - i. And the cost of these services
- (c) Acting training
 - i. And the cost of these services
- (d) Ergonomics
 - i. And the cost of these services

Answer 161-2

Financial statements, including Legal Services expenditure and expenditure on consultants, are available in agency annual reports.

Department / Agency Staffing

Question 163

How many redundancies were processed by Departments/agencies within your portfolio responsibilities during 2015-16?

- (a) Of these redundancies, how many were:
 - i. Voluntary
 - ii. Forced
- (b) What was the total cost of all redundancies?

Question 164

Have any staff who received a redundancy in the last two years undertaken any paid work or provided any paid services for the agency with which they were formerly employed?

- (a) What was the nature of these works/services?
- (b) What was the total cost of these works or services?

Question 165

Are any staff formerly employed by your ministerial office now employed by Departments/agencies under your portfolio responsibility?

Question 166

How many staff were dismissed from Departments/agencies under your portfolio responsibilities in 2015-16?

- (a) What were the reason/s for each dismissal?

Answer 163-6

Voluntary redundancies are a component for agencies to achieve their efficiency dividends. Redundancy figures across the sector for 2015/16 are anticipated to be in the order of 2,099 – totalling 11,777 since July 2011. The Labour Expenses Cap introduced in the 2012-13 Budget also continues to give Secretaries as much flexibility as possible to achieve these savings in the most appropriate ways to meet the service requirements of their agencies. Nurses, police officers and teachers in schools have been quarantined from this measure.

Smart Phone Accounts**Question 167**

Do the Departments/agencies within your portfolio have an iTunes account?

- (a) What was the total expenditure in 2015-16 on iTunes?
 - i. What applications/subscriptions/services were purchased through iTunes?

Question 168

Do the Departments/agencies within your portfolio have an Android account?

- (a) What was the total expenditure in 2015-16 on Android?
 - i. What applications/subscriptions/services were purchased through Android?

Answer 167-8

IT costs are managed within each agency's budget and are guided by NSW Government's ICT and procurement policies and frameworks.

Websites Visited**Question 169**

What were the top 20 most utilised (by data sent and received) unique domain names accessed by

your Ministerial office this year?

Question 170

What were the top 20 most accessed (by number of times accessed) unique domain names accessed by your Ministerial office this year?

Answer 169-70

Due to the way the Ministers' IT network infrastructure is configured with third party service providers, DPC does not have a single data source showing domain access and utilisation figures.

Merchant fees

Question 171

Please provide a list of all transactions where customers need to pay a merchant fee on credit and/or debit card payments in your Department/agency.

Question 172

Please provide the percentage and/or amount of the merchant fees applied to all credit and/or debit card payments/transactions in your Department/agency.

Question 173

What was the total amount paid in merchant fees on credit and/or debit card payments in your Department/agency in 2015-16?

Answer 171-173

All NSW Government agencies are required to impose surcharges to recoup their merchant interchange fees, pursuant to Treasury Circular TC12/13. DPC does not accept payment for goods and services so we do not impose merchant fees on our customers.

DPC staff only use their Pcards for the purchase of goods and services for official business purposes. If particular vendors elect to impose a merchant fee on card transactions, that is an unavoidable cost of doing business. It would not be possible to determine fees charges to Departmental cards, as these would either be embedded in the individual transaction cost, or if separately disclosed would require each monthly card statement for each user to be reviewed.

Probity Auditor

Question 174

Has your office or department used a Probity Auditor or Probity Advisors, or similar, in the past five years? If so please list the company and/or individual, the project, the engagement dates, and their total remuneration in tabular format?

Answer

In accordance with the NSW Procurement Board's Direction (PBD-2013-05), DPC has internal mechanisms in place to ensure that probity considerations are routinely taken into account in its procurement decisions, and the use of external probity advisers and auditors is the exception rather than the rule. The Department's Annual Report includes all consultancies valued more than \$50,000.