



Department of Local Government

2002
Annual Report



October 2002

The Hon Harry Woods MP
Minister for Local Government

Dear Minister

I am pleased to present the Annual Report of the Department of Local Government for the year ended June 2002 in accordance with the *Annual Reports (Departments) Act 1985*.

The Annual Report includes the operations of the NSW Local Government Boundaries Commission and the NSW Local Government Grants Commission both of which are established under the *Local Government Act 1993*. The operations of the Local Government Pecuniary Interest Tribunal established under the *Local Government Act 1993* are also included. The Grants Commission and Tribunal report separately.

A handwritten signature in blue ink, appearing to read 'Garry Payne', written over a horizontal line.

Garry Payne
Director General
Department of Local Government

Table of Contents

Section 1. Director General's report	6
Charter	7
Director General's report	8
Major achievements	9
Section 2. Our Structure and Staff	11
Summary of operations	12
Organisation chart	14
Senior staff	14
Section 3. Management Performance	15
Performance statement of the Director General	16
Financial overview	19
Performance outputs	20
Rate rebate for pensioners	20
Corporate plan	20
Quality management progress	20
Data collection	21
Guarantee of service and customer service initiatives	21
Section 4. Objectives and Outcomes	22
Objective 1. Legislative Framework	
Providing strategic direction and administering a framework which determines the roles and responsibilities of the local government sector	
Key actions & key outcomes	24
Acts	25
Regulations	26
Judicial decisions	27
Director General's orders	28
Legislation administered	28
Regulatory impact statements	29

Objective 2. Monitoring and Development

Encouraging improvement and development in local government performance and monitoring local government compliance within the legislative framework

Key actions & key outcomes	31
Monitoring	32
Ministerial approvals & concurrences	33
Financial monitoring	37
Council complaints	37
Pecuniary interest complaints	42
Competitive neutrality complaints	43
Investigations under s430	43
Protected disclosures	46
Initiatives to improve and develop local government performance	47

Objective 3. Advice to Government

Providing strategic advice to the Minister and facilitating effective decision making for the local government sector

Key actions & key outcomes	51
Implementating National Competition Policy	51
Companion animals	52
Policy issues and initiatives	55
Tribunals	61
Local Government Boundaries Commission	62
Section 263 Inquiries	62
Inner Sydney Inquiry	62
Albury Wodonga	63
Other Boundary matters	63
Constitution – County Councils	65

Objective 4. Corporate Issues

Providing an organisational climate which promotes excellence in performance through professional and personal development of our staff and the optimum use of resources

Key actions & key outcomes	67
Corporate planning	67
Corporate services reform	68
Employee relations	68
Government action plan for women	69
Ethnic affairs priority statement	70
Disability planning activities	71
Government energy management plan	72
Implementation of privacy legislation	73
Risk management	73
Internal control	75
Information communications and technology	75
Occupational health and safety	77
Recycling program	77
Major assets	77

Objective 5. Funding Programs

Managing funding programs in relation to financial arrangements for local government

Key results	79
The NSW Local Government Grants Commission	79
On-site sewage management	80
Pensioner concession subsidies	84

Section 5. Appendices	85
Appendix 1. Financial statements	87
Appendix 2. Boards, commissions & committees	109
Appendix 3. External boards, commissions & committees	110
Appendix 4. Consultants	112
Appendix 5. Payments to non-government organisations	112
Appendix 6. Freedom of information statistics	113
Appendix 7. Approved borrowing allocations	117
Appendix 8. Financial assistance grant entitlements	122
Appendix 9. Pensioner rebate payments	127
Appendix 10. Circulars to councils	132
Appendix 11. Publications	134
Appendix 12. Payment performance	139
Appendix 13. Staffing statistics	140
Index	145
Key	147

Director General's report



The Department's charter is to promote, assist and encourage excellence in local government by providing mechanisms for continuous improvement in the sector's operation for the benefit of the community. The policy and legal framework we provide the sector is continually developed toward this end.

We have been successful in managing significant issues and challenges during the year, including considerable internal changes and planning associated with the Department's upcoming relocation to Nowra.

Our annual report gives details of our achievements and challenges over the past year. Through the year we have undertaken a review of our corporate plan, due to be finalised later this year. This exercise has affirmed our corporate objectives and charter, and formed the basis of our new logo, launched with the issue of this report.

A large, stylized handwritten signature in green ink, which appears to be 'Garry Payne'. The signature is fluid and cursive, with a prominent loop at the end.

Garry Payne
Director General
Department of Local Government

Major Achievements

July

- Launched a new web site to include maps of all local government areas, site search and the ability for members of the public to enter an address to ascertain the local government area they live in
- On-site Sewerage Risk Assessment System publication issued
- Introduced a debtors system for the collection of Companion Animals registration payments from councils with electronic invoicing and statements
- Issued 'Local Government and You' booklet and brochure

August

- *Septic✓safe* Information Management Handbook Issued
- Upgraded all PC's and Laptops to Office 2000 and trained staff

September

- Companion Animals transition resource package issued to councils and Community Education Grants program guidelines and application forms issued

October

- Published our Annual Report
- Issued Guidelines for Authorised Identifiers

November

- Minister announced inner Sydney boundary alteration proposals and referred to them to the Boundaries Commission for examination and report
- Commissioned consultants to carry out a review of our records and document tracking systems
- Local Government Multicultural Forum was held at Holroyd Council
- Provided councils with information about the evaluation of the NSW Government's *Policy Statement and Guidelines for the Establishment and Implementation of Closed Circuit Television (CCTV) in Public Places* and the effectiveness of CCTV as a crime prevention strategy

December

- Published the Comparative Information on NSW Local Government Councils 1999–2000
- Issued our 2001–2002 Ethnic Affairs Priority Statement (EAPS)
- Released a report on findings from the Crime Prevention Planning and Initiatives survey

January

- Companion Animals Community Education Grants announced

February

- s430 Investigation into Warringah Council commenced

March

- Launched a "Social Justice" page on our Intranet
- Undertook enquiries into allegations of improper influence on the conduct and activities of Fairfield City Council
- Added the draft Code of Accounting Practice – Update No. 10 to the web site
- Kings Forest Estate, Tweed Shire Council s430 investigation report finalised

April

- Completed the upgrade of all file servers to Windows 2000

May

- Released reports analysing findings from council data collection systems for the seizure of cats and dogs for 1999–2000 and 2000–01
- As a part of our role on the Inter-departmental Committee on Closed Circuit TV, we surveyed all councils to monitor their use of CCTV. We will publish a report on findings from the survey later in 2002
- Report and Determination of the Local Government Remuneration Tribunal – 2002 issued

June

- *Local Government Amendment (Anti Corruption) Act 2002* commenced
- Half day session on disability awareness was held for all departmental staff
- Issued a tender for a PABX for the Nowra Office
- Completed collecting nominations for Centenary Medals from councils on behalf of the Premier's Department and forwarded a final report to the Premier's Department
- Consultants engaged by the Office of Information Technology carried out external vulnerability and penetration testing of our web server and IT systems which resulted in a rating of "good"
- Seaside City, Tweed Shire Council s430 investigation report finalised

SECTION

2

Our structure and staff

Summary of Operations

The Department has seven branches that work together to provide a policy and legislative framework for the local government sector.

Business services

Our business services branch provides infrastructure coordination and management for human resources including EEO and training, financial services, records management and administrative services such as insurance, fleet management and accommodation.

We also:

- coordinate the department's strategic management activities
- manage the Pensioner Concession Subsidy Scheme.

Executive support

Our executive support branch coordinates ministerial and departmental services relating to correspondence, public enquiries, customer services, publicity and information. We also provide support services for the Director General.

Information management

Our information management branch provides Information Communications and Technology (IC&T) advisory and support services to internal and external clients and manages a computer systems infrastructure to support business activities.

We also:

- develop systems to support the department's mission and objectives
- co-ordinate all data collection activities for business units
- manage the department's Internet and Intranet services.

Finance management

Our finance management branch monitors local government financial matters including the financial position of councils, rates and charges, rebates, loan borrowings and capital expenditure reviews.

We also:

- collect information and conduct research and policy development on financial and rating issues
- manage the annual allocation of loan borrowing authority between councils
- advise the Minister on rate pegging levels and applications by councils for exemption from rate limitations
- manage the development and application of the Local Government Accounting Code (AAS27)
- identify benchmarking standards to encourage councils to adopt best practice opportunities
- prepare a report each year comparing councils' performances using key management performance indicators.

Legal services

Our legal services branch identifies and reviews the need for changes to local government legislation and formulates legislative proposals.

We also:

- provide high level legal policy advice to the Government on a wide range of issues affecting local government
- process leases and land resumptions for councils
- prepare briefs on and present pecuniary interest matters before the Pecuniary Interest Tribunal
- provide support to the Local Government Boundaries Commission.

Investigations & review

Our investigations and review branch assesses and investigates complaints and allegations about the conduct and activities of councils, elected members and council staff.

We also:

- complete special investigations into councils and inquiries on pecuniary interest matters
- identify areas of local government administration that need more effective control procedures
- support the Pecuniary Interest Tribunal
- provide 'best practice' advice and educational information for elected members and staff on a range of matters related to complaints and probity
- liaise with the Independent Commission Against Corruption and the Ombudsman's Office in relation to the department's investigative function.

Policy and research

Our policy and research branch identifies critical issues in local government management, develops policy and conducts research to promote best practice in local government.

We also:

- conduct extensive interagency consultation to make sure that local government issues are considered in the relevant context
- help councils successfully implement local government legislation
- manage programs in local councils that deal with social planning, sewage management, companion animals, multicultural issues, EEO, state of the environment reports and annual reporting.

SECTION

3

Management performance

Performance Statement of the Director General for 2001–02

NAME	Garry Payne
POSITION	Director General Level 6
PERIOD	1/9/2001 – 31/8/2002

KEY ACCOUNTABILITY **Economic Development**

- Responsible for contributing to the economic development of the State.
- Responsible for management of overall legislative and policy framework for local government in NSW.

Outcomes

- More efficient and responsive government through implementation of Government policy decisions concerning local government.
- Assisting local government in contributing to economic development of the State through regular review of the legislative and policy framework.

KEY ACCOUNTABILITY **National Programs**

- Ensure NSW is a participant in appropriate National programs affecting local government.

Outcomes

- NSW has continued to participate in appropriate National programs and has responded to a number of significant national issues including national security, public liability reform, and the collapse of the HIH group of companies.

KEY ACCOUNTABILITY **Best Practice**

- Identification and development of best practice strategies for local government sector.

Outcomes

- Monitoring and assisting councils which have been identified as having problems in financial or management areas.
- Promotion of good management practice throughout the local government sector to maximise best use of all resources to provide for long-term viability.
- Continued development of a wide range of explanatory publications and guidelines for councils to assist in the implementation of legislative requirements.
- Improved access to information on local government issues for the community and local government sector through continual development of the Department's webpage and introduction of publications in CD form.

Monitoring & Compliance

- Monitoring and compliance with Local Government legislation.

Outcomes

- Review undertaken on local government compliance on reporting requirements, and introduction of electronic reporting arrangements.
- Improved compliance with Local Government Act by local government.
- Investigation of complaints and continued development work to assist councils establish effective complaints handling mechanisms. 1140 complaints were received, compared to 788 in previous year, however the proportion of a serious nature remained consistent.
- Investigations carried out into Warringah Shire Council and Tweed Shire Council.
- Two matters investigated and referred to the Pecuniary Interest Tribunal.
- Possible influence of former Councillor Phuong Ngo on decisions of Fairfield City Council was investigated and referred to the ICAC and Police.
- Significant liaison with Planning NSW and the ICAC regarding strategies to address corrupt conduct associated with council processing of development applications, and introduction of the *Local Government Amendment (Anti-Corruption) Act 2002*.
- Commencement of a new role as the relevant State agency to receive and investigate allegations made by public officials, in accordance with the *Protected Disclosures Act 1974*, in respect of allegations of serious and substantial waste by local government.
- Early identification of councils experiencing financial difficulties.
- Continued liaison with a number of industry groups.

Consultation & Representation

- Ensure effective relationships and consultation mechanisms are maintained with local government and relevant State and Federal agencies to assist in development of appropriate programs and strategies.

Outcomes

- Improved integration of issues affecting local government across State agencies through representation on Inter-departmental working parties and committees.
- Improved Departmental profile as the key agency on strategic issues affecting local government.
- Extensive participation by the Department in key conferences organised by major stakeholders.
- Development of a number of joint publications with other agencies on issues including protected disclosures, environmental programs, social and community planning, and water safety.

KEY ACCOUNTABILITY

Government Policies

- Implementation and achievement of Government's policies in relation to local government.
- Administration of the framework for local government in NSW.

Outcomes

- Rate increase for Councils limited to 3.3%. 28 applications received from councils for special rating variations. Of these, 23 were approved (8 for a lesser amount than requested).
- Support provided to an examination of inner Sydney boundary alteration proposals following the Government's consideration of the Sproats Inquiry, and significant role associated with subsequent legal actions.
- Implementation of amendments to Companion Animals legislation and associated community education initiatives.
- Training activities for the local government sector undertaken across a range of issues including financial management, sewage management, companion animals.
- Development of legislative amendments for new local government election procedures.

KEY ACCOUNTABILITY

Organisational Management

- Effective management practices.
- Achieve a diverse and representative agency workforce which results from employment practices that:
 - Increase the representation, distribution, pay equity and competitiveness of EEO groups in all job types, at all levels.
 - Acknowledge and value diverse cultures and languages which are responsive to the needs of its customer base.
- Ensure access and equity programs actively implemented.
- Occupational health and safety managed to minimise adverse situations.
- Manage corporate credit card usage and compliance within the Department.
- Sound resource management.

Outcomes

- A safe, fair, tolerant and ethical work environment.
- A Department which is able to respond quickly to changing needs.
- Cultural diversity acknowledged and valued by staff.
- A financially responsible Department.
- Improved management of occupational health and safety issues.
- Review of corporate plan undertaken.
- Management of relocation to Nowra.



Garry Payne
Director General



The Hon Harry Woods MP
Minister for Local Government

Financial Overview

Total expenses of the Department for the reporting year were \$87.8 million. This was \$1.1 million above the authorised budget of \$86.7 million due mainly to higher than estimated Pensioner Rebate Subsidies paid to Councils (\$1.5 million).

Actual expenses covered four main areas:

Salary and related payments	\$5.7 million (6.5%)
Other departmental costs	\$2.7 million (3.0%)
Payments from the Companion Animals Fund	\$5.4 million (6.2%)
Grants and Subsidies	\$74.0 million (84.3%)

Net Cost of Services

The actual amount (\$81.8 million) was lower than budget (\$82.2 million) reflecting lower employee related expenses.

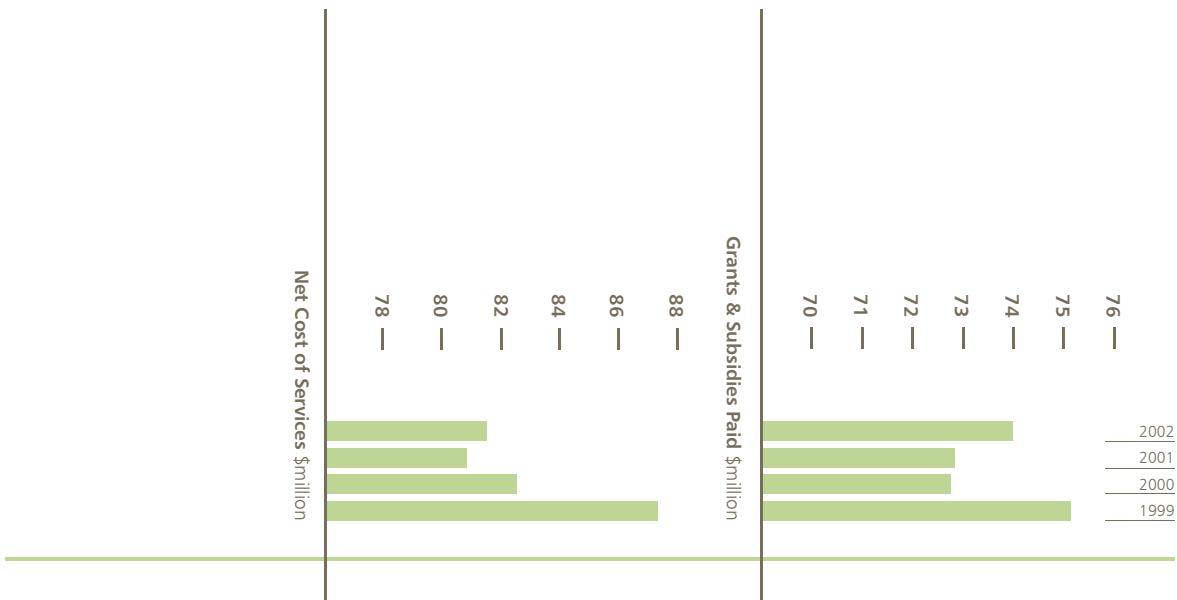
Assets and Liabilities

An increase of \$0.84 million in cash balances at year-end resulted mostly from receipts held temporarily in the Companion Animals Fund pending payments to Councils.

The Department leases its accommodation and, other than computer equipment, owns no substantial assets.

Financial Assistance Grants

The total disbursed to councils during 2001–02 by way of financial assistance grants was \$445.8 million.



Performance Outputs

Table 1. Department's Performance Outputs

Outputs	2000-01 Target	Actual	2001-02 Target	Actual	2002-03 Target
Number of new and simplified amendments to legislation and regulation introduced	12	5	6	6	7
Explanatory publications available	125	97	105	80	80
Participation in educational activities	225	80	86	90	90
Complaints processed	700	840	950	1140	1050
Regulatory determinations made	140	92	67	106	110

Table 2. Companion Animals Performance Outputs

Estimates	2000-01	2001-02	2002-03
Number of animals registered under the Companion Animals Act 1998	238,000	248,000	280,000
Education campaigns conducted	4	4	5

Rate Rebate for Pensioners

Table 3. Rate Rebate for Pensioners

Outcomes	1999-2000 Actual	Target	2000-01 Actual	Target	2001-02 Actual	2002-03 Target
<i>Pensioner households assisted across the rating categories (000)</i>						
General	399.3	399.3	403.2	407.2	413.2	425.8
Water	127.2	127.2	128.5	129.8	131.6	135.6
Sewerage	117.8	117.8	118.9	120.1	121.9	125.6
<i>Outputs</i>						
Council pensioner rebate claims processed	381	390	410	416	426	430

Corporate Plan

During the year we have undertaken a review of our Corporate Plan to better reflect the Department's operations and focus.

We will finalise this process later in the year and publish our new Corporate Plan prior to our commencement of operations in Nowra in 2003.

A copy of the Department's current Corporate Plan can be viewed on our webpage.

Quality Management Progress

The Department's ongoing quality management strategy during the year was directed towards the planning processes for moving operations to a regional environment.

Data Collection

Electronic data collection continues to be a key focus area in terms of the Department's IT strategy. Major collections undertaken during the year include distribution of grants and the financial data return.

Table 4 shows performance over the last three years.

Table 4. Data Collection Table 2000 to 2002

	No.	2000 %	No.	2001 %	No.	2002 %
On Time	731	67.6	540	60.4	560	63.0
<= 1 Week	121	11.2	103	11.5	89	10.0
<= 2 Weeks	69	6.4	50	5.6	77	8.7
<= 3 Weeks	37	3.4	30	3.4	37	4.2
<= 4 Weeks	37	3.4	25	2.8	29	3.3
> 4 Weeks	72	6.7	126	14.1	93	10.5
Not Received	15	1.4	20	2.2	4	0.4
Total	1082	100	894	100	889	100

Note: This includes the following returns:

2000 – Comparative Information Return, Financial Data Return, Rating Return, Grants – Austroads Return, Grants – Financial & General Return, Grants – Roads Return.

2001 and 2002 – Financial Data Return, Rating Return, Grants – Austroads Return, Grants – Financial & General Return, Grants – Roads Return (Due to extraction of Comparative Information Return data from other collection returns)

As fewer resources were dedicated to following up data returns, the 2001 response times were slower than previous years. Even so, 97.8% of data returns were received.

Guarantee of Service and Customer Service Initiatives

Table 5. Guarantee of service

Service Quality Measure	2000-01 Target	Actual	2001-02 Target	Actual	2002-03 Target
% of Departmental correspondence answered within 4 weeks	70%	57.20%	70%	57.80%	70%
% of Land Acquisition Notices approved within 90 days [^]	90%	100%	90%	95%	90%
% of leases and licenses for community land granted within 60 days [^]	90%	75%	90%	100%	90%
% of Annual Accounts extensions granted within 21 days	85%	87.50%	85%	100%	85%

[^] Processing time measured from full receipt of all documentation

SECTION

4

Objectives and outcomes

Objective 1. Legislative Framework

Key Actions

To help us achieve this objective we:

- review, develop and promote legislation and regulations that apply to the local government sector
- develop strategies for local government in NSW by analysing and reviewing policy, environmental scanning, research and consultation with a range of stakeholders
- provide a framework for the application of competition policy principles to the local government sector
- give clear legislative directions about the roles and responsibilities of local government in the regulatory process.

Key Outcomes

The key outcomes of our work in this area are:

- the development and introduction of anti-corruption legislation, allowing the Governor to dismiss the mayor and councillors of a council from civic office where the ICAC in a report recommends that consideration be given to this action because of systemic corruption
- the commencement of new legislation giving effect to the transfer of building regulation functions to the Environmental Planning and Assessment Act, council graffiti removal powers, and the transfer of parking police functions from NSW Police to local government
- the introduction of new regulations giving effect to new local government election provisions and removing the manufactured homes and caravans annual levy
- amendments to the Companion Animals Regulation 1999 and publication of guidelines for the exercise of functions under the Companion Animals Act
- judicial decisions regarding Inner Sydney boundary alteration proposals
- increased access to departmental information by continuous improvement of our website and publication of information in electronic formats

Acts

The following Acts have come into operation during 2001–02:

Local Government (Transfer of Functions) Act 2001

The *Local Government Act 1993* was amended by the *Local Government and Environmental Planning and Assessment (Transfer of Functions) Act 2001* to give effect to the transfer of building regulation functions from the Local Government Act to the Environmental Planning and Assessment Act .

Local Government (Graffiti) Amendment Act 2002

The *Local Government Act 1993* was further amended by the *Local Government (Graffiti) Amendment Act 2002* to allow councils to remove graffiti from private premises where accessible from a public place without having to obtain the prior consent of the owner or occupier of the premises. The provisions commenced on 19 July 2002.

Local Government Amendment (Anti-Corruption) Act 2002

The *Local Government Act 1993* was further amended by the *Local Government Amendment (Anti-Corruption) Act 2002* to allow the Governor to dismiss the mayor and councillors of a council from civic office where the ICAC in a report recommends that consideration be given to this action because of systemic corruption.

- The Governor may dismiss a councillor and disqualify a person from civic office for up to five years where the ICAC has recommended that consideration be given to dismissing that person for engaging in serious corrupt conduct.
- The Minister may suspend a councillor where the ICAC has recommended that consideration be given to suspension, where criminal proceedings for serious corrupt conduct have been instituted, or the councillor has admitted serious corrupt conduct.
- Finally, the general manager of a council may suspend council staff in similar circumstances.

This Act commenced on 17 June 2002.

Local Government Amendment (Miscellaneous) Act 2002

The *Local Government Act 1993* was also amended by the *Local Government Amendment (Miscellaneous) Act 2002* regarding open meetings of councils, management of community land, powers of entry by councils to enter onto private land for maintenance of water infrastructure, revision of council ward boundaries, streamlining of the renewal of approvals to operate sewerage management systems, and other minor or miscellaneous provisions. These provisions commenced on 1 August 2002.

Local Government Amendment (Enforcement of Parking and Related Offences) Act 2002

The *Local Government Act 1993* was amended by the *Local Government Amendment (Enforcement of Parking and Related Offences) Act 2002*, to give effect to the transfer of parking police functions from NSW Police to local government. The amendments provide for the employment of persons who were parking patrol officers by councils. Councils will be able to retain all revenue from the enforcement of parking and related regulations, with the exception of the Councils of the City of Sydney, North Sydney and South Sydney, which have entered into arrangements with the Treasurer in relation to parking enforcement revenue. The Act commenced on 15 July 2002.

Regulations

The following Regulations were introduced during 2001–02:

The Local Government (Elections) Amendment Regulation 2002

This Regulation amended the Local Government (Elections) Regulation 1998 to give effect to a number of provisions contained in the *Local Government Amendment Act 2000* relating to the requirements for group voting and party registration for local government ordinary elections, to be conducted in September 2003. Regulation amendments concerning the registration of political parties commenced on 1 June 2002, with provisions relating to the grouping of candidates commencing on 1 June 2003.

The Local Government (Manufactured Homes Estates and Manufactured Homes) Amendment Regulation 2002 and the Local Government (Caravan Parks, Camping Grounds and Moveable Dwellings) Amendment Regulation 2002

These two regulations amended the Local Government (Manufactured Homes Estates and Manufactured Homes) Regulation 1995 and the Local Government (Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 1995 to remove the obligation to pay the annual levy which, since 1999, has been the responsibility of Planning NSW to collect. Planning NSW, in agreement with NSW Treasury, has agreed that the costs of administering the collection of the levy outweigh the benefits of receiving the levy. However, a failure to apply the levy is a breach of the approval to operate and an offence under the Local Government Act.

Companion Animals Regulation 1999

Following the amendments to the Companion Animals Act in 2001, a number of amendments to the regulation were prepared. These included:

- Amending the Regulation consequent to the Act amendments
- Correcting some minor drafting errors
- Extending the standards relating to microchipping to all cats and dogs microchipped in NSW (for example, cats owned prior to 1 July 1999), not just those required to be microchipped by the Act
- Extending the transition period for dogs registered under the Dog Act by 3 months, to 30 September 2002, so that it aligns with the end of the Dog Act registration year.
- Setting Penalty Notice amounts for the new offences created by the Act amendments.

These new provisions came into effect on 1 October 2001.

New Guidelines for the Exercise of Functions under the Companion Animals Act, incorporating the legislative amendments, were prepared and issued to all councils in August 2001.

New Guidelines for Authorised Identifiers, incorporating the legislative amendments, were prepared and issued to veterinary and other approved identifiers in October 2001. Approximately 700 authorised identifiers who had not used their authorised identifier's number for more than a year were made inactive.

Local Government (General) Amendment (Penalty Notice Offences Regulation) 2001

Penalty notice powers for sewage management offences were introduced with the passage of the *Local Government (General) Amendment (Penalty Notice Offences) Regulation 2001*. The Regulation prescribes a penalty of 3 penalty units (currently \$330) for operating a system of sewage management without prior council approval and a penalty of 3 penalty units (currently \$330) for operating a system of sewage management otherwise than in accordance with the terms of a council approval. The Department will be monitoring the introduction of the new penalty notice powers and preliminary information concerning the use of the penalty notice powers will be collected from councils in September 2002.

Judicial Decisions

South Sydney City Council v Local Government Boundaries Commission & Anor [2001] NSWLEC 280 (6 December 2001)

South Sydney City Council brought proceedings before the Land and Environment Court against the Local Government Boundaries Commission and Edith Hall seeking an injunction preventing Edith Hall from reporting to the Boundaries Commission and/or the Boundaries Commission from reporting to the Minister for Local Government on any matter with respect to the alteration of the boundary of South Sydney City Council's area until such time as South Sydney City Council had a reasonable period of time to make submissions to the Boundaries Commission. The matter was listed for hearing before Bignold, J on 5 December and on 6 December a Judgement was handed down and orders were made as sought by South Sydney City Council. Subsequently the parties negotiated an agreement whereby South Sydney City Council was able to make both oral and written submissions to the Boundaries Commission on the proposal before it affecting South Sydney City Council's boundaries. The proceedings were then discontinued.

Leichhardt Municipal Council v Minister for Local Government & Anor [2001] NSWSC 1200 (20 December 2001)

Leichhardt Municipal Council brought proceedings before the Supreme Court of NSW against the Minister for Local Government and Local Government Boundaries Commission seeking injunctions restraining the Minister and the Commission from considering and reporting on a proposal to alter the boundaries of Leichhardt Municipal Council. Leichhardt Municipal Council also sought a declaration that the referral to the Boundaries Commission by the Minister was void for uncertainty. The matter was listed before Sully, J and argued on 20 December 2001. In his judgement delivered that day, His Honour dismissed the application and reserved the question of costs, which was later disposed of by agreement between the parties.

South Sydney City Council v Minister for Local Government & Anor [2001] NSWLEC 74 (14 May 2002)

South Sydney City Council brought proceedings in the Land and Environment Court against the Minister and the Local Government Boundaries Commission seeking a declaration that the Boundaries Commission had not examined and reported on the proposal referred to it by the Minister and had denied South Sydney City Council procedural fairness. The matter was listed for argument before Talbot, J and on 14 May 2002 His Honour delivered a judgement granting South Sydney City Council's declaration. The matter was brought before the NSW Court of Appeal by the Minister and Boundaries Commission and set down for hearing on 17 July 2002. Following the close of the reporting period, the courts judgement of 20 August 2002 found against the Council.

Director General's orders

The Director General received applications from four organisations for exemptions under Clause 17(c) of the Companion Animals Regulation, allowing approved organisations to take animals from council pounds for the purpose of re-homing without having to register the animal until a new home is found for it. One site visit was carried out to an approved organisation.

The applications were assessed against criteria provided by the Companion Animals Advisory Board and the Director General approved all four organisations.

Legislation administered

Carlingford Drainage Improvement (Land Exchange) Act 1992
City of Sydney Act 1988
Collarenebri Water Supply Act 1968
Companion Animals Act 1998
Country Towns Water Supply and Sewerage (Debts) Act 1937
Dividing Fences Act 1991
Glen Davis Act 1939 (except part, Minister for Public Works and Services)
Grafton Water Supply Act 1956
Impounding Act 1993
Local Government Act 1993
Local Government Areas Amalgamation Act 1980
Local Government Associations Incorporation Act 1974
Local Government (City of Sydney Boundaries) Act 1967
Newcastle (Miscellaneous Lands) Act 1979
Newcastle National Park Enabling Act 1924
Olympic Arrangements Act 2000 (Part 7 only)
Queen Victoria Building Site Act 1952
Roads Act 1993 section 178(2); Division 2 of Part 3; section 175 and section 252
(remainder Minister for Roads, Minister for Land and Water Conservation and Minister
for the Environment)
Swimming Pools Act 1992
Walgett Water Supply Act 1959

Regulatory impact statements

We did not have to prepare any Regulatory Impact Statements during 2001–02.

Objective 2. Monitoring and Development

Key Actions

- Advise councils and public as to councils' functions and responsibilities
- Evaluate and monitor performance of local government and compliance with legislative obligations
- Ensure council activities requiring Governor's/Minister's approval comply with legislative requirements
- Enhance and promote local government policy
- Foster improvements in local government financial performance and reporting
- Provide and promote avenues for the local government sector, other government agencies, industry and the general public to communicate concerns/problems relating to all aspects of the regulatory system.

Key Outcomes

- 44.67% increase in complaints against councils – 1140 received compared to 788 in previous year
- 2 new pecuniary interest reports submitted to the Pecuniary Interest Tribunal for determination, compared with 4 in previous year
- Investigation under section 430 of the Local Government Act into the planning practices and procedures in respect of two important coastal development projects by Tweed Shire Council continued and was finalised in June 2002
- Investigation under section 430 of the Local Government Act into Warringah Council's effectiveness in the efficient administration and management of its local area, and whether the Council's administration and management is such that it engenders community confidence and support and it is able to meet its Charter under the *Local Government Act 1993* and to otherwise fulfil its statutory functions. This investigation commenced in February 2002 and was nearing completion at the close of the reporting period
- In March 2002 the Department undertook enquiries, using its powers under section 429 of the Local Government Act, into allegations of improper influence on the conduct and activities of Fairfield City Council. The report was provided to the ICAC and the Police.

Monitoring

Annual reports

We monitor the compliance of councils with the annual reporting requirements under section 428 of the Local Government Act. Annual reports, including State of the Environment reports for the year 2000-01 are required to be submitted to the Minister within 5 months of the end of each council year, ie by 30 November. One hundred and eighteen councils (68%) submitted their annual reports by the statutory due date of 30 November 2001, and 163 councils (94%) had submitted their report by 30 June 2002. One hundred and one councils (58%) submitted the State of the Environment reporting sections of their annual reports by the statutory due date of 30 November 2001, and 141 councils (81%) had submitted it by 30 June 2002. For details of councils' compliance with the requirements of section 428, please see *Comparative Information on NSW Local Government Councils – 2000–2001*.

Community/social plans

The Local Government (General) Regulation requires all councils to develop a social/community plan or its equivalent. A review of the 162 social plans received by 30 June 2002 showed that councils generally considered the needs of all seven social justice target groups – young people, older people, children, women, people with disabilities, people from culturally and linguistically diverse backgrounds, and Aboriginal people - in their social/community plans. Councils that failed to consider a particular target group in their plans were advised of the omission by the Department.

During the year we continued to review the *Social/Community Planning and Reporting Guidelines*, which were originally published in 1998. While these *Guidelines* were an effective aid for councils when developing their social/community plans for 1999, we are keen to ensure that the *Guidelines* will be appropriate for councils when preparing their next compulsory social/community plans, which are due in 2004.

A Social Planning Advisory Group, chaired by the Department and consisting of representatives from the Local Government and Shires Associations of NSW, the Local Government Community Services Association and the WSROC Ltd Social Planners Group, was convened to assist in the review and drafting of the revised *Guidelines* and *Manual*.

Annual reporting of social/community activities

The Local Government Act and Local Government (General) Regulation contain a number of provisions for reporting on social/community issues.

The percentage of councils reporting on the mandatory target groups in their annual reports was as follows:

- children (98%)
- people from culturally and linguistically diverse backgrounds (98%)
- Aboriginal people (88%)
- young people (83%)
- people with disabilities (78%)
- older people (73%)
- women (31%)

These percentages are based on a total of 167 annual reports received as at 30 June 2002.

Table 8. Special Variations Approved for 2002–03

Council	Reason sought for Variation	Sought	Approved
Auburn	Revitalisation of town centres	14.29	8.3
Bega Valley Shire	Environmental initiatives	6.3	4.96
Byron Shire	Infrastructure and recurrent services	8.78	8.78
Campbelltown City	Minimum rates increase	Minimum	Minimum
City of Canada Bay	Fivedock mainstreet program	3.88	3.88
Dubbo City	Various infrastructure works	5.74	5.74
Eurobodalla Shire	Tourism, public liability, infrastructure maintenance	5.18	5.18
Gosford City	Loan to reconstruct Surf Lifesaving buildings and Acquatic Centre	7.26	7.26
Griffith City	Road infrastructure	8.31	Declined
Hawkesbury City	Stormwater management levy	9.52	8.52
Hunters Hill	Land acquisition and infrastructure	11.99	8.19
Lake Macquarie City	Continue Lake restoration funding	3.28	3.28
Liverpool City	Environmental projects	4.65	4.65
Newcastle City	Environmental program	4.97	4.97
North Sydney	Neutral Bay Mainstreet Program	4.35	Declined
Penrith City	Environmental management; community safety; econ development	8.1	8.1
Port Stephens	Infrastructure and environmental rehab	10.09	Declined
Randwick City	Infrastructure maintenance & replacement	9.3	8.3
Rockdale City	Infrastructure asset maintenance	8.27	Declined
Shoalhaven City	Emergency management centre	5.28	5.28
Singleton Shire	Loan for Admin Bldg, stormwater & roads	15.14	8.35
Sydney City	Graffiti removal; homeless services	3.11	3.11
Tamworth City	Drainage infrastructure and mainstreet works	8.36	8.36
Wagga Wagga City	Infrastructure & economic development	12.32	8.3
Wentworth Shire	Loan repayments for levee bank	6.44	Declined
Wingecarribee Shire	Infrastructure levy for roads and footpath restoration	11.48	8.34
Woollahra Municipal	Environmental projects	7.82	7.82
Young Shire	Road maintenance and new EFTPOS facility	6.27	6.27

New money borrowings

The limit approved by State Treasury on gross new money borrowings for local government authorities for 2001–02 was \$350 million, an increase of \$70 million from the previous year.

The Minister approved requests totalling \$282 million from councils seeking new money borrowings. Please see Appendix 7 for more details. The actual level of new money borrowing 'taken up' by councils during the year is available in each council's annual report.

Land acquisition approvals

Seventy-seven complete applications were received from councils for the Governor's approval, under section 19 of the *Land Acquisition (Just Terms Compensation) Act 1991*, to the publication of an acquisition notice in respect of the compulsory acquisition of land or easements over land for the purposes of exercising a council function. The Minister's approval was also sought in terms of section 187(2) of the Local Government Act or section 178 of the Roads Act where the proposed acquisition was not exempted from the pre-acquisition procedures of the Land Acquisition (Just Terms Compensation) Act. A complete application is one that contains all the information requested in the 'Guidelines for Compulsory Acquisition of Land by Councils' that were issued to all councils in January 1997. Preliminary applications (ie. incomplete proposals) are not included in Table 9.

Four proposals, or parts of proposals, were declined to be recommended to the Governor as it was determined the purposes were not within the councils' powers.

In respect of seven other proposals the Minister approved, pursuant to section 13(2)(b) of the Act, a reduction in the time between the giving of a proposed acquisition notice and the Gazettal of an acquisition notice and also approved, in one instance, the extension of time, pursuant to section 42 of that Act, for advising of compensation assessed in respect of a proposal.

Nine preliminary applications by councils were taken to have lapsed at the close of the reporting period. In those cases the councils failed to provide necessary additional information to enable the matters to proceed and had not pursued the proposals. Also, over twelve months had elapsed since we requested the additional information.

Three other preliminary applications were formally withdrawn during the reporting period. Of the matters completed outside the GOS period, one of the proposals was ultimately determined to be not within power, one was referred to the Crown Solicitor for advice, and one was a large project involving some seventy properties. These all required considerable examination and were completed within 5 to 18 days of the GOS period.

Table 9. Guarantee of Prompt Service – Land Acquisition Approvals

Month	Received	Completed	Uncompleted at end of month	Outside GOS period
Brought forward 2000–01	9 [^]			
July	7	6	10	0
August	15	18	7	2
September	5	9	3	0
October	1	2	2	0
November	6	3	5	0
December	3	4	4	0
January	3	4	3	1
February	8	5	6	0
March	9	6	9	0
April	8	7	10	0
May	10	11	9	1
June	2	9	2	1

[^] There were in fact 9 matters brought forward from 2000–01. An additional 7 matters received as 'complete applications' in June 2000 were not included in the 2000–01 Table.

Leasing, licensing of or granting other estates in community land

Councils only need to seek the Minister's consent if the proposed granting of a lease, licence or other estate in community land is for more than five years and an objection has been received from a member of the public in respect of a public notice of the proposal. However, the Minister may ask for a proposal for granting a lease, licence or other estate for less than five years to be referred to him.

There was one request by the Minister for a proposal to be referred to him, however on further information it was determined there was no advertised proposal at that stage.

During 2001–02, two applications were carried over from 2000–01. Four applications were received for the Minister's consent which included one application previously examined in 2000–01, submitting further information.

Consent was granted in respect of four proposals. These consisted of the two proposals carried over from the previous reporting year and under preliminary examination at that time; one proposal resubmitted from the previous reporting period after amendments to the relevant plan of management; and one new proposal received in the current reporting year.

The two remaining proposals received during the reporting year underwent preliminary examination but contained deficiencies in details necessary to comply with section 47 of the Act and could not proceed at the time. Further details have been resubmitted in respect of one of those proposals and it was under further examination at the close of the reporting period.

Other approvals

Pipelines Act 1967

Section 8 of the *Pipelines Act 1967* requires the concurrence of several Ministers, including the Minister for Local Government, to the granting of a permit for pipeline operators to enter lands and carry out surveys of possible routes for proposed pipelines. To facilitate the requirement, the Department maintains a watching brief over pipeline proposals and makes recommendations to the Minister accordingly.

There were no permit applications referred for the Minister's concurrence during 2001–02.

Pecuniary Interest Exemptions (s458)

The Minister may allow councillors to participate in council business where they have declared a pecuniary interest, if the Council would otherwise lose a quorum to consider the business or if it is in the public interest to do so. In the reporting year the Minister issued instruments under s458 to various councillors of one council to enable a quorum to be formed and business to proceed. Full disclosure of the pecuniary interests and public access to the instruments containing the Minister's decision were conditions of the Minister's approval.

Formation of Corporations (s358)

Councils intending to form, or participate in the formation of, certain corporations must obtain consent from the Minister under section s358 of the Local Government Act. During 2001–02 the Minister approved four (4) applications. Cudgegong (Abattoir) County Council sought and obtained approval to incorporate Mudgee Bio-Pharmaceutical Pty Ltd and Mudgee Regional Abattoir (Meat Processors) Pty Ltd. An application to establish a company called "Southern Telephone Company Limited" received from Eurobodalla Shire Council as part of the Federal Government's "Networking the Nation" program was also approved. Blacktown City Council's application to establish the "Blacktown Olympic Centre Limited" was approved.

Rating Objections (s600)

The Minister is required to determine any objections by councils to rate rebates sought by certain public authorities where access and maintenance to privately leased parcels of land is provided by those public authorities. There were no objections during the reporting period.

Financial monitoring

Councils' financial reports for 2000–01 were due on 7 November 2001. 143 councils, compared to 132 in 1999–2000, were able to meet the due date. Three councils received a qualified audit report.

We monitor the financial position of a number of councils. This includes those generating some level of concern in the financial area and those who have not submitted their financial reports within a reasonable period following the due date. The following councils were identified as having issues of concern with their financial operations.

Table 10. Councils identified as having financial concerns of varying degrees

Bourke	Gunnedah	Pristine Waters
Brewarrina	Gunning	Severn
Canada Bay	Harden	Uralla
Copmanhurst	Holbrook	Wagga Wagga
Cowra	Ku-ring-gai	Wakool
Deniliquin	Moree Plains	Walgett
Dungog	Merriwa	Warringah
Eurobodalla	Murrurundi	Yallaroi
Evans	Nundle	Young
Glen Innes	Port Stephens	

Council complaints

During 2001–02 we have continued our efforts to ensure that complaints are dealt with in a satisfactory manner at the local level, consistent with the principles of local autonomy and accountability which underpin the *Local Government Act 1993*.

In recent years we have been helping councils develop and take greater responsibility for dealing with complaints at the local level. We have also continued to encourage complainants, wherever appropriate, to raise their concerns directly with their local council. This remains a challenge, as there has been a significant increase in the number of matters raised with the Department during the 2001–02 year, and a number of complaints made to the Department have followed a complainant taking the matter to the council in the first instance and not being satisfied with the council's response.

It is the Department's experience that frequently complaints arise because of a misunderstanding or the failure of a council to satisfactorily explain its actions or decisions or through a complainant's mistaken expectations or lack of knowledge as to the council's role and responsibilities. A well functioning complaints system that clearly sets out such matters has the ability to deal more effectively with matters raised with the council, particularly if the council has a complaints handling policy which informs its community as to what and how matters will be dealt with.

We generally only investigate complaints or allegations that are of a significant nature or indicate serious malfunctions or mismanagement. The proportion of matters initially declined as not warranting further enquires during 2001–02 was consistent with 2000–01, at 79% for both years, indicating that although the number of matters raised with the Department increased significantly during 2001–02, the overall seriousness of those matters did not.

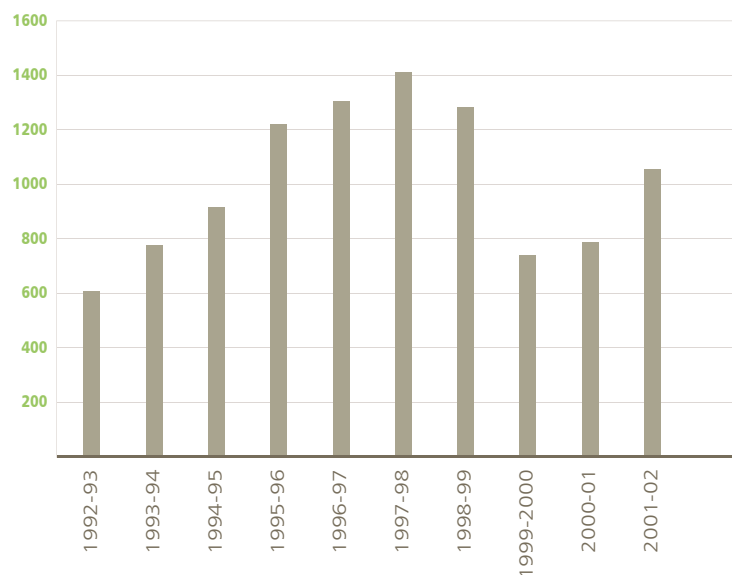
Whether or not a complaint results in an investigation, the issues raised contribute to our knowledge of council operations and may assist in the identification of systemic problems in an individual council or local government generally. The information provided by complainants may also indicate areas where amendments to local government legislation or policy may be required. During the year our ongoing liaison with both the Office of the Ombudsman and the Independent Commission Against Corruption enabled us to crosscheck information and collaborate on a range of matters, and prevented duplication of activities by each agency.

Complaints statistics

During 2001–02 we received a total of 1140 complaints compared to 788 in 2000–01. These were spread over 122 councils compared to 112 councils last year. Approximately 61% of all complaints/allegations related to just 26 councils. No complaints were received for 50 councils compared with 60 last year.

Table 11 shows the number of complaints we received this year compared to the last 9 years.

Table 11. Complaints/allegations received for financial year (and graph)



Financial Year	Total Received
1992-93	608
1993-94	773
1994-95	916
1995-96	1220
1996-97	1307
1997-98	1412
1998-99	1285
1999-2000	738
2000-01	788
2001-02	1140

Table 12 gives details of the councils generating the most complaints and our action.

Table 12. Top 26 Councils by Complaints 2001–02

	complaints received		declined after preliminary assessment		declined after enquiries of Council		proceeded to formal enquiries	
	Nº	Nº	%	Nº	%	Nº	%	
Total All	1140	893	79	151	13	96	8	
Total Top 26 Councils	695	552	79	89	13	54	8	
Councils								
Warringah	195	167	86	17	9	11	6	
Hastings	54	45	83	4	7	5	9	
Maitland	47	41	87	6	13	0	0	
Byron	36	20	56	10	28	6	17	
Tweed	28	20	71	3	11	5	18	
Gosford	27	20	74	4	15	3	11	
Greater Taree	22	14	64	5	23	3	14	
Ku-ring-gai	22	20	91	2	9	0	0	
Wollongong	19	15	79	2	11	2	11	
Lismore	18	14	78	4	22	0	0	
Bellingen	17	15	88	2	12	0	0	
Lake Macquarie	17	12	71	3	18	2	12	
Pristine Waters	16	9	56	5	31	2	13	
Shoalhaven	16	14	88	2	13	0	0	
Sutherland	16	13	81	1	6	2	13	
Pittwater	15	14	93	1	7	0	0	
Baulkham Hills	14	12	86	1	7	1	7	
Ryde	14	9	64	1	7	4	29	
Ballina	13	10	77	0	0	3	23	
Bega Valley	13	10	77	2	15	1	8	
Coffs Harbour	13	11	85	1	8	1	8	
Queanbeyan	13	10	77	3	23	0	0	
Randwick	13	8	62	4	31	1	8	
Woollahra	13	9	69	3	23	1	8	
Auburn	12	11	92	0	0	1	8	
Maclean	12	9	75	3	25	0	0	

The actual number of complaints is not necessarily an effective indicator of performance or the seriousness of the matters raised as some councils may be the subject of a well-organised campaign, often about a single or controversial issue. This type of complaint can distort the image of the council if it does not involve a fault in the process but relates more to concerns about the outcome of the decision. This is particularly the case in relation to some planning/development matters. Provided the decision could legally be made and proper processes were followed, we do not investigate the merit of particular decisions.

Table 12 indicates that, in 2001–02, the council with the most complaints was Warringah followed by Hastings.

The complaints about Warringah Council were mainly about planning and development, meeting procedures, and conduct issues such as pecuniary and non pecuniary interests and maladministration. Warringah was also the most complained about council in 2000–01. We commenced a formal section 430 investigation into Warringah Council in February 2002, which is now nearing completion.

A considerable number of the complaints received about Hastings Council related to the alleged conflict and pecuniary interest of a councillor in local planning matters, and others alleged council maladministration or mismanagement.

Although Byron Shire Council continued to receive a number of complaints about planning and development matters during 2001–02 there has been a significant improvement in terms of the number, type and seriousness of the matters raised with the Department compared to the previous year. The Council was placed on a monthly reporting regime to the Department and had to advise of its progress in implementing our recommendations until January 2002.

The Department continued to receive a large number of complaints about Tweed Shire Council which were mainly about planning and development, as well as conduct related issues. We commenced a formal section 430 investigation into Tweed Shire Council in May 2001, which is now nearing completion.

How we handle complaints

There are three critical phases in our complaints handling process:

Preliminary Assessment

893 out of the total 1140 complaints received during 2001–02 (or 79%) were declined following preliminary assessment. This compares with 79% in the previous year.

Enquiries of Council

247 out of the 1140 complaints received during 2001–02, or 21% of the total, proceeded to this stage. After initial enquiries of council and/or a more detailed assessment, 151 complaints were declined. This brings the total number of complaints declined to 1044 or 92%.

Sometimes we take no further action because a council has already clarified a matter or taken corrective action.

More Formal Preliminary Enquiries

Ninety-six or 8% of the total complaints we received during 2001–02 proceeded to a more formal preliminary enquiries phase. This is compared to 89 or 11% last year.

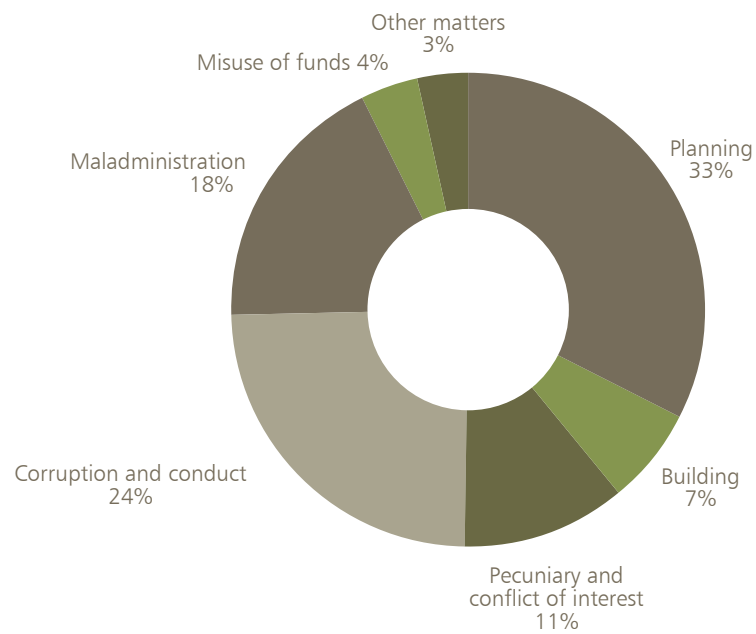
We categorise the complaints we receive and use this information to help us monitor the performance of local government. As has been the case in previous years, most complaints centred on the following issues:

- planning, development and building matters
- corruption and other conduct issues
- maladministration and mismanagement
- pecuniary and/or conflict of interest matters
- complaints handling.

Table 13. Categories of complaints

Please note that a single complaint may refer to multiple categories

Category of complaints and allegations	No. of complaints Received	
	2000-01	2001-02
Planning Associated Matters	297	488
Building Associated Matters	23	99
Pecuniary/Conflict of Interest	168	168
Corruption/Conduct Related Matters	196	279
Maladministration/Mismanagement	65	270
Misuse/Inappropriate use of funds	55	59
Other Matters	31	43
Complaints Handling	103	88
Competition Policy	4	9



Successful outcomes of our complaints review process

During the year we have been able to achieve significant improvements in council management and practices by reviewing complaints and making preliminary enquiries. Generally councils co-operated with us to remedy shortcomings in procedures and address specific service-related complaints without the need for a formal investigation.

Some examples of the positive actions councils have taken in response to our suggestions include:

- reviewing and redrafting of local codes of conduct and codes of meeting practice
- implementing mediation processes to seek resolution of disputes, particularly between councillors and council officers
- adopting improved tendering/purchasing procedures to incorporate issues of probity, transparency, fairness and procedures to deal with unusual tenders
- adopting or reviewing complaints handling procedures
- reviewing alleged conduct of councillors and staff against adopted codes of conduct and taking appropriate action
- implementing policies and procedures for the handling of conflicts of interests
- implementing policies and procedures for dealing with staff/councillor interaction and access to information
- reviewing and altering advertising and notification policies in respect of development applications
- investigating allegations about the conduct of council officers into a variety of matters and taking disciplinary action where warranted
- clarifying council decisions, thereby improving community understanding and acceptance of often-unpopular decisions
- investigating instances where orders not carried out or compliance not enforced and improve existing procedures
- reviewing and extending notification deadlines and giving additional time to those wishing to submit objections
- reviewing and amending privacy policies and practices so as to conform with legislative requirements
- reviewing and amending where necessary council's practices in relation to the closure of meetings and making documents available for inspection, thereby providing greater openness and transparency in council decision making.

Pecuniary interest complaints

The *Local Government Act 1993* prescribes a framework governing the handling of pecuniary interest complaints. Although we received 168 allegations of pecuniary or non-pecuniary conflict of interest, only 8 met the criteria of a formal pecuniary interest complaint. Of these only 3 resulted in a pecuniary interest complaint being made by the Director General pursuant to s460.

The Director General determined that three matters should proceed to investigation. Two investigation reports have resulted from these complaints and have been submitted to the Pecuniary Interest Tribunal for determination.

At this stage the Tribunal has not conducted a hearing into either of the other two matters.

The Table below details the activity associated with pecuniary interest complaints during 2001–02 compared to the previous year.

Table 14. Pecuniary Interest matters	2000–01	2001–02
Complaints not determined at 1 July	1	2
Complaints received in year	9	8
Complaints determined in year	6	9
Complaints not determined at 30 June	3	2
Complaints declined	3	4
Complaints to investigation	4	3
Investigations not complete at 1 July	1	1
Investigations commenced in year	4	3
Investigations finalised in year	4	2
Investigations not complete at 30 June	1	2
Reports undetermined by PIT at 1 July	0	2
Reports referred to PIT in year	3	2
Reports determined by PIT in year	1	1
Reports undetermined by PIT at 30 June	2	3
Determination by PIT – proven	1	1
Determination by PIT – not proven	0	0

Competitive neutrality complaints

There were no complaints made to the Department in 2001–02 that qualified as competitive neutrality complaints (ie. those involving breaches of the National Competition Policy (NCP) principles).

We did receive a small number of complaints alleging anti-competitive behaviour by councils, but these were found to be based on misconceptions about National Competition Policy principles and their application to local government, and/or misunderstanding of the applicable facts and circumstances. For example, if a council contracts out a particular service or function, the particular circumstances may be such that the operation, if a business, is not council's business. National Competition Policy only applies to significant council operated businesses.

Investigations under s430

While the Department receives many complaints and allegations, only a small number lead to the commencement of a formal investigation under section 430 of the *Local Government Act 1993*. During the year, one s430 investigation concluded, one continued, and one new investigation was approved.

s430 Investigation into Ku-ring-gai Council

Last year's report noted that Ku-ring-gai Council's response to the recommendations contained in the report of the investigation was received only a few days before the close of the reporting period and was being evaluated. That response proved to be inadequate, as Council had still not demonstrated that it had acted on or complied with the remaining outstanding recommendations. However, we were advised that Council would deal with some of the outstanding items in July and August of 2001.

By the beginning of June 2002, Council had not provided an update or other evidence that it had fulfilled all its obligations. We therefore asked Council to provide a prompt response outlining the steps taken to implement, in a timely and appropriate manner, the outstanding recommendations. By the close of the reporting period, we had not yet received a reply to that request. We did, however, receive a reply a few days later and we are now evaluating this response.

s430 Investigation into Tweed Shire Council

An investigation into Tweed Shire Council under section 430 of the *Local Government Act 1993* was authorised on 23 May 2001. The terms of reference for the investigation were to investigate and report on planning processes and procedures at Council in respect of two important coastal development projects—Kings Forest Estate and Seaside City.

We interviewed a number of witnesses and undertook an extensive examination of Council files and records. An initial draft report of the investigation was then completed. To ensure that the requirements of natural justice and procedural fairness were met, we provided extracts of the draft report to anyone likely to be adversely affected by the findings, including representatives of the majority owner and developer. Each person who received an extract was invited to comment on the relevant extract. Most did so, and their comments were considered in producing the next draft. However, before we could release the next draft for further comment, two people associated with the majority owner and the developer of the Seaside City land commenced legal proceedings against the Departmental Representative in the Supreme Court of NSW seeking to prevent the completion of the investigation and release of the report.

After various directions hearings, interim orders of the Court (that had been made on the agreement of the parties) were varied (again by agreement). This allowed the investigation on the Kings Forest Estate project to proceed.

Consequently, two investigation reports were prepared—one regarding Kings Forest Estate and one regarding Seaside City.

Kings Forest Estate

A final draft report on Kings Forest Estate was provided to Councillors and Council staff in early December 2001 for comment. Each recipient of the draft had been requested to agree to confidentiality conditions, but as one Councillor, Clr Lynne Beck, refused, Council later resolved not to provide a response.

On 20 March 2002 the Kings Forest Estate investigation report was finalised and issued to the Minister, the Director General and the Council in accordance with the Act. On the same day the Minister tabled the report in Parliament, and a copy was tabled by Council at its meeting. We also published a copy of the report on our website.

The main issues examined in the report concerned allegations made by some Councillors about the role of the Council's Director of Development Services regarding a local environmental study and draft local environmental plan. In this case, these planning documents were essential steps towards a proposed rezoning of the land if a proposed substantial residential subdivision and development were to occur. The report cleared the Director and his staff of the allegations against them, finding that the Councillors' allegations were based on a misunderstanding of the legal requirements and best-practice planning procedures and processes followed in strategic planning matters.

The report raised serious concerns about the role and conduct of a number of the majority Councillors, particularly the former Mayor, Clr Beck, and the former Deputy Mayor, Clr Bob Brinsmead.

The report made a number of recommendations requiring action by Council. Under the Act, Council was required to respond to the Minister within 40 days to advise what it had done or proposed to do to implement the recommendations contained in the report. Council's preliminary response, advising that it would implement all but one of the recommendations was provided to the Minister on 30 May 2002. At the close of the current reporting year, Council's response was being considered.

Seaside City

The legal proceedings in relation to the remainder of the investigation and report affecting the Seaside City project and related matters continued during early 2002. In accordance with agreed orders of the Court, extensive comments and submissions from the plaintiffs and the owner of the majority of the Seaside City land, Richtech Pty Ltd, were provided to our representative. These comments were considered in the production of a further draft report, which was provided to the plaintiffs and the directors of the company for further comment. These comments were considered in producing a final draft of the second and final instalment of the report which was then provided to Council for comment.

Two Councillors declined to sign the required confidentiality conditions and Council resolved not to provide a response to the draft report. On receipt of that advice, the report was finalised and issued to the Minister, the Director General and Council on 19 June 2002. On the same day the Minister tabled the report in Parliament, and a copy was tabled by Council at its meeting. The report was also published on our website. In accordance with section 11 of the *Independent Commission Against Corruption Act 1988*, the Director General also referred a copy of the report to the Independent Commission Against Corruption.

This part of the investigation and report concentrated on the procedures followed by Council concerning the appointment of an independent consultant to undertake a local environmental study and produce a draft local environmental plan with a view to possible rezoning of the land to permit the immediate subdivision and sale of residential lots for development, rather than for long term tourist development.

The report found that the steps taken by Council leading up to the appointment of the consultant demonstrated a process that was fundamentally flawed and not transparent. The report was also strongly critical of the role of the majority Councillors Beck and Brinsmead.

The report made a substantial number of recommendations to address these matters, including a very rare and exceptional recommendation that consideration be given to surcharging the 7 majority Councillors.

At the close of the current reporting period, we had not yet received Council's response to those recommendations.

In the course of this investigation, the Department has had occasion to express serious concerns at the responses of some Councillors who chose to attack the integrity and bona fides of the Departmental Representative undertaking the investigation in strong and inappropriate terms. The Department wishes to make it clear that it has full confidence in our representative and is fully satisfied that the investigation was properly undertaken and all due process met.

S430 Investigation into Warringah Council

The Department has received a significant number of complaints regarding the operation of Warringah Council in recent years, and in February 2001 Warringah Council resolved to request the Minister for Local Government to commission a section 430 investigation.

During the period 1 May 2001 to 30 April 2002, the Department received 188 letters of complaint regarding Warringah Council. On analysis, these letters related to 262 specific allegations or complaints. Major areas of concern to complainants included planning and development approval issues as well as councillor conduct and alleged conflicts of interest/pecuniary interest.

On 4 February 2002, the Director General of the Department approved and authorised an investigation pursuant to section 430 of the Local Government Act in respect of Warringah Council, and appointed Mr Jim Mitchell as the Departmental Representative.

The terms of reference of this investigation are to investigate and report on:

- council's effectiveness in the efficient administration of its local area, including but not limited to, meeting procedures, conduct of councillors including conflicts of interest and pecuniary interest, as well as planning related processes but not the merits of particular applications or proposals
- whether the council's administration and management is such that it engenders community confidence and support and it is able to meet its charter under the *Local Government Act 1993* and to otherwise fulfil its statutory functions
- any other matter, which warrants mention, particularly where it may impact upon the effective administration of the area and/or the working relationship between the council, councillors and its administration.

At the close of the reporting period the investigation report was nearing completion.

Protected Disclosures

In December 2001 amendments to the *Protected Disclosures Act 1974* (PDA) nominated the Department as the relevant State agency to receive and investigate allegations made by public officials, in accordance with the PDA, in respect of allegations concerning serious and substantial waste by local government.

Our primary role in relation to Protected Disclosures is:

- Dealing with disclosures about serious and substantial waste by councils
- In the case of reprisals, being the appropriate organisation to contact if the disclosure has been made to it, or through a council's internal reporting system
- Directly investigating protected disclosures referred from the ICAC or the Ombudsman under s25 of the PDA
- Investigating internal protected disclosures by staff or councillors referred to the DLG under s26 of the PDA
- Advising and educating councils in relation to the Act
- Facilitating the implementation of the Protected Disclosures legislation
- Participating in providing formal training, together with the Ombudsman and the ICAC, to Council officers and councillors
- As a member of the Protected Disclosures Steering Committee.

This new role is an important step in providing a mechanism whereby a public official may make a disclosure to us in respect of serious and substantial waste in local government. Such disclosures, if made in accordance with the Act, provide the protections under the Act to that public official.

Initiatives to improve local government performance

Aboriginal initiatives

We currently provide advice to the Minister and other NSW government agencies on a range of issues affecting Aboriginal people from a local government perspective. For example, we provided input to the development of the new NSW Government Aboriginal Affairs policy.

We were represented on the Ministerial Council on Aboriginal and Torres Strait Islander Affairs (MCATSLIA) working party which met between August and December to look at national agreements to improve services for Aboriginal communities.

We carried out a survey of councils in August 2001 to collect data on the Aboriginal Mentoring Program and Aboriginal Advisory or Consultative Committees. The survey found that 17 councils had implemented the Aboriginal Mentoring Program as at 30 June 2001. A total of 30 people have participated or were participating in the Program. Eight councils indicated that they intend to implement the Program prior to June 2002. Forty-seven councils have an Aboriginal Advisory or Consultative Committee operating as at 30 June 2001. Twenty-three councils indicated that they plan to establish a Committee by June 2002.

We provided information to all councils on the Elsa Dixon Aboriginal Employment Program administered by the Department of Education and Training and encouraged their participation in the Program to provide employment or career opportunities for Aboriginal people.

We attended the two Local Government Aboriginal Network conferences held during the reporting period.

Village committees

Following a major Government review of the Unincorporated Area of the State, in 1998 village committees were established at Silverton and Tibooburra in consultation with local communities. The Committees are incorporated under the *Associations Incorporation Act 1984*.

Each committee has five members. Three are community representatives and two are people nominated by and representing the Minister for Land and Water Conservation and the Minister for Local Government.

The periodic election of three community members of the Silverton Village Committee took place in September 2001. As only two nominations were received by the close of nominations, those two candidates were automatically elected and a by-election to fill the remaining vacancy was scheduled for October 2001. The by-election generated one nomination with that person also being automatically declared elected.

The next scheduled election of three community members of the Tibooburra Village Committee is to take place in September 2002, and preparations for the election were in progress at the time of preparation of this Report.

During the 2001–02 year, each committee was successful in obtaining funding under a variety of State and Commonwealth programs to carry out works and services benefiting their local areas and communities. Both of the Committees also received Local Government Financial Assistance Grants (refer to Appendix 8 for details).

The primary focus of the Committees has continued to be directed towards the improvement of the local water supply, the provision of new infrastructure and services to meet the needs of their local communities, the management and preservation of sites having significant heritage value, and increasing the tourism potential of their areas in recognition of the importance of tourism in the local economies.

This year, major works focussed on maintaining and increasing the storage capacity of the Tibooburra water supply system were carried out during the year, with plans for further significant upgrading of both water quality and supply under active consideration.

Training

We take part in on-site council training, presenting sessions on various topics.

Some of the presentations we have done during 2001–02 include:

- a presentation to the Australian Professional Ocean Lifeguards Association on the role of the Department in water safety in September 2001
- a paper on evaluating physical activity initiatives presented at the NSW Active Communities Network Conference at Bathurst in March 2002
- a presentation to the City of Sydney Law Society “Camera, Cameras Everywhere – for Better or Worse” seminar held as part of Law Week on local government and closed circuit television (CCTV)
- presentations on Companion Animals issues to meetings and conferences of key organisations including: Australian Institute of Rangers Annual Conference; Animal Welfare League Annual Conference; Australian Institute of Rangers Western Division Meetings (Armidale and Brewarrina), Centennial Park & Moore Park Trust Rangers Group, Councils Unite for Pets, University of Sydney Final Year Veterinary students
- presentations on the SepticSafe Program and developing methodologies for the assessment of sewage pollution risks from on-site sewage management facilities were made to the On-site '01 Conference – Advancing on-site wastewater systems: design and maintenance held in Armidale during September 2001
- presentations on local government financial management and service development for the delivery of environmental management services were made to the Hawkesbury Lower Nepean Local Government Advisory Group in February 2002
- advice and assistance to various councils regarding tendering and procurement, conduct and conflict of interest, the proper interaction of staff and councillors and Protected Disclosures
- a presentation at the LGMA Local Government Finance Professionals Annual Conference held in Homebush Bay in May 2002
- a presentation at the Local Government Auditor’s Association Annual Conference held at Mascot in May 2002
- attendance at the annual meeting of the National Local Government Financial Management Forum held in Brisbane in June 2002. It included finance representatives from all States and the Northern Territory as well as representatives from the Australian Accounting Standards Board
- a series of 10 presentations to finance professionals in local government throughout the State. Issues covered included financial reporting requirements, changes in Australian Accounting Standards, audit reports and proposed legislative amendments
- presentation to the Rating Professionals Annual Conference in Albury in March 2002.

Publications

During 2001–02 we have prepared and published a range of documents including:

- the '*Local Government and You*' information paper and brochure providing general information about the role of local government
- Guide to Preparing Strategic Companion Animals Management Plans
- An update of Information Paper no 3 – *Chapter Summary of the Local Government Act 1993*
- the *On-Site Sewerage Risk Assessment System* report and the *Septic Safe Information Management Handbook*
- an update of the *Local Government Pecuniary Interest Tribunal Procedure*
- *Guidelines on the exercise of functions under the Companion Animals Act* and *Guidelines for Authorised Identifiers*
- *Comparative Information on NSW Local Government Councils 1999–2000*, which forms part of an overall approach to provide greater transparency of operations and public accountability and help local councils gauge their performance and develop best practice models
- Two reports analysing council data collection systems for seizures of cats and dogs for the 1999–2000 and 2000–01 financial years
- Update No.10 to the *Local Government Code of Accounting Practice & Financial Reporting*, incorporating new standards and policy initiatives
- Reports of the s430 investigation into Tweed Shire Council
- *Thinking about blowing the whistle – how to make a protected disclosure.*

Objective 3. Advice to Government

Key Actions

To help us achieve this objective we:

- act as a major link between State and local government
- coordinate and provide timely and accurate advice on issues affecting local government to the Minister, State government and other relevant agencies
- review issues concerning local government boundaries.

Key Outcomes

The key outcomes of our work in this area are:

- the development of policy advice and initiatives on a range of key issues
- ongoing support of the Companion Animals Advisory Board
- Government consideration of the Sproats Inquiry recommendations and referral of Inner Sydney boundary alteration proposals to the Boundaries Commission for examination and report
- advice provided on 99 matters before Cabinet that impact on the local government sector
- ongoing support of the operations of the Boundaries Commission.

Implementing National Competition Policy

The State is required to review its legislation in accordance with the Competition Principles Agreement signed in 1995. The resulting review of the *Local Government Act 1993* has been an exhaustive process resulting in a comprehensive analysis of the provisions of the Act in light of competition policy. An Issues Paper in 2000 was widely advertised and a reference group established. The Review Committee, comprising senior officers from the Department, the Cabinet Office and NSW Treasury, guided the recommendations for reform contained in the 'National Competition Policy - Review of the Local Government Act 1993'. The Report was submitted to the Government in July 2001 and was released to the public in April 2002.

The Report's primary recommendations are amendment of the Local Government Act with respect to certain matters, including:

- removing the requirement for business approvals for undertakers and mortuary businesses, as these businesses are sufficiently regulated under public health legislation and the Local Government (Orders) Regulation 1999
- allowing greater market entry by allowing councils to access bulk purchasing arrangements of certain organisations, subject to appropriate probity and transparency requirements applying to such organisations
- introducing greater flexibility for councils to set fees for business and 'contestable' activities, while still maintaining accountability to the community
- removing the current restrictions on income raised from rent of community land

- defining the ways in which monies received through business activities and required to be held in a restricted use fund can be transferred to general funds, for the transfer of dividends and community service obligations.

The costs and benefits of these provisions have been examined and it is considered that having regard to competition policy, they cannot be justified on grounds of the benefits they provide to society. Accordingly, amendments to the Local Government Act are proposed to remove the anti-competitive provisions from the Act. It is anticipated that the amendments will be introduced into Parliament for the 2002 Spring Sitzings.

Companion animals



Companion Animals Advisory Board

The Companion Animals Advisory Board (CAAB) was established in October 1998 to provide advice to the Minister.

At the end of the reporting period four board meetings had been held and the board visited Pittwater Council, the NSW Animal Welfare League's Head Office at West Hoxton, and Parliament House. A joint meeting was also held with the Minister of Agriculture's Animal Welfare Advisory Council to discuss common issues and establish three joint committees.

Two new members were appointed to the CAAB to fill casual vacancies:

- Dr Paul Hansen, nominated by the Australian Veterinary Association's NSW Division
- Mr Des Bolt, Senior Ranger, Ballina Shire Council, nominee of the Shires Association.

The Minister also approved a deputy for member Mr Keith Edwards.

The Board had seven subcommittees concerned with Assistance Animals, Community Education, Conference, Dingoes, Legislation Review, Liaison Officer, and Pounds.

The Assistance Animals Subcommittee met with Assistance Dogs for Independence.

The Conference Subcommittee organised the first annual conference on companion animals during the year, in association with the Department and the Australian Institute of Local Government Rangers. The conference was held after the reporting period, on 1 August 2002, and had an overwhelming response from councils. The Minister awarded two prizes for best innovation and best animal management plan.

The Pounds Subcommittee met with enforcement and pound staff from Bathurst, Blacktown, Blayney, Cowra, Dubbo, Hawkesbury, Lithgow, Mudgee, Oberon, Orange, Pittwater, Rylstone, Weddin, Wollongong.

The main activities of the Board and its subcommittees have been:

- formally referring the draft code of practice for companion animals in pounds to the Minister for Agriculture for inclusion into the Prevention of Cruelty to Animals Act
- providing advice and a number of major reports to the Minister including the Report from the Review of the Legislation, the Response to the Parliamentary Regulatory Review Committee's Report on Dingoes, and the Strategic Plan for Community Education.

- publishing reports of results of the 1999–2000 and 2000–01 pound data collections. The data shows that overall, the number of animals entering pounds and the number being euthanased is decreasing, although in some areas these results are less clear. Due to a number of limitations of the data collected, the results need to be interpreted with caution and the electronic collection form for 2002 has been amended to improve data quality and ease of use. The establishment of baseline data and the increasing use of the collection system by councils are two major outcomes from the project.

NSW Companion Animals Register

The NSW Companion Animals Register has been operating since July 1999 and records the two-stage registration process. The first stage is microchipping from 12 weeks of age or at point of sale and the second stage is lifetime registration from 6 months of age for cats and dogs. The register is used by local councils, police and other authorised officers to enforce the *Companion Animals Act 1998*.

The register has been operating smoothly throughout the year and a new 24 hour, 7 day a week monitoring system for down-time commenced operation during the Christmas–New Year period. This has effectively reduced down-time.

As at 25 June 2002 there were a total of 664,174 animals recorded on the register.

Pet Line call centre

The Pet Line call centre commenced operations in August 2000 to help veterinarians implement the Companion Animals Act. In particular, it allows the owners of an animal to be notified if the animal has been found injured and delivered to the vet.

Vets have 24 hour, 7 day access to the Companion Animals Register so that they can reunite found animals with their owners. When the vet has supplied details of where an animal is being held, the Pet Line notifies the owner so that the animal can be retrieved. To remind vets of this emergency service, 2500 fridge magnets were distributed during the year.

Pet Line is not intended for use by members of the public and is only accessible by people already authorised to use the Companion Animals Register. During the year three private registers were also given access to the Pet Line to assist in tracing the owners of lost animals.

During 2001–02, the Pet Line received more than 6,400 phone calls. In a review of 132 calls made to the Pet Line during the period October to December 2001, 73% led to owners being contacted successfully. Of those that were unsuccessful, the majority were because the owner had either moved or were not answering their phone.

Dog attack strategy

Following media attention on dog attacks and calls for the banning of specific breeds of dogs, the Minister requested that an independent report on the issue be commissioned to inform development of a dog attack strategy.

Dr Kersti Seksel, a veterinary surgeon and internationally recognised animal behaviourist, was contracted to write this report and found that:

- overseas research has revealed that banning specific breeds of dogs has not reduced the number of dog attacks or dog bites
- breed alone is a poor indicator of whether or not a dog is going to be aggressive towards humans
- there is a danger that banning or restricting specific breeds lulls people in to a false sense of security because they think that only these dogs attack

- probably the most difficult problem with breed specific legislation is definitively matching the dog with the breed. There is no DNA test available to differentiate between breeds and it seems unlikely that one will be developed within the next 50–100 years. It is not possible to be certain that a dog is of a specific breed from its physical characteristics alone
- changing the attitude of the public to dog ownership responsibilities will have by far the greatest potential impact in reducing the incidence of dangerous dog attacks.

In light of Dr Seksel's findings the Department has formulated a dog attack strategy that includes:

- amending the Companion Animals Regulation 1999 to:
 - Require local courts to notify councils when they declare a dog dangerous
 - Require local councils to comply with guidelines when declaring and enforcing dangerous dog declarations
- developing a resource package for local councils including best practice models, a frequently asked questions document, a brochure for owners of dangerous dogs, and new guidelines that councils must follow
- developing resource packages for local courts and police in relation to dog attacks and dangerous dogs
- reviewing the data collected and the reporting mechanisms on the existing annual council survey of reported dog attacks
- continuing to work co-operatively with other relevant agencies such as the Local Government and Shires Associations and TAFE to promote the ongoing training and development of council animal control officers
- acting as the lead agency for a whole-of-government strategy for the prevention of dog attacks. Agencies to be involved in the task force include NSW Health, the Department of Community Services, the Department of Ageing, Disability and Home Care, Department of Education and Training and the NSW Police Service
- developing ongoing community education activities to promote responsible pet ownership. To this end, the 2002 companion animals community education grants program will target projects specifically designed to prevent dog bites.

Advice on implementation

We provide advice to councils and other stakeholders to help them implement the *Companion Animals Act 1998*.

For example, we have:

- issued 9 circulars to councils in relation to legislative amendments, pound functions, register operations and community education activities
- published 'A Guide to Developing Strategic Companion Animal Management Plans'
- released the dangerous dog survey report
- held regular meetings with the Australian Veterinary Association NSW and National Division, NSW RSPCA, NSW Animal Welfare League, and other key stakeholders
- participated as member of the liaison group for the development of a National Training Package for the Animal Care and Management Industries, the Urban Animals State Government Officer's Group, the National Consultative Committee on Animal Welfare and the Urban Animal Committee

- participated in the National Urban Animal Management Conference
- given radio interviews for Sydney and regional radio stations on various provisions of the legislation, provision of advice to media officer for television and newspaper articles on current issues
- met with the Greyhound Racing Authority on the requirements relating to greyhounds.

Liaison with other states

The annual meeting of the Urban Animals State Government Officer's Group was held in August 2001. Issues discussed included cross-border issues, progress with the establishment of a national dangerous dog register, and legislative amendments in other Australian states and territories.

In particular, advice on restricted breed legislation was given to individual states and the Group made a submission on the Queensland Government's proposed amendments to the Local Government Act on restricting breeds.

Policy issues and initiatives

Privacy issues

During the reporting period we continued to work closely with Privacy NSW to implement the *Privacy and Personal Information Protection Act 1998* (PPIP Act) in local government. The PPIP Act provides for the protection of personal information, and for the protection of the privacy of individuals generally. The Act establishes 'Information Protection Principles' that apply to the way councils manage personal information.

We provided advice to councils and others in relation to:

- the application of the PPIP Act, which protects personal information from inappropriate access, and regulates the collection, storage, use and disclosure of personal information by councils
- the application of the Privacy Code of Practice for Local Government, which modifies some provisions of the PPIP Act as they apply to councils
- the application of the model Privacy Management Plan for Local Government
- the adoption of councils' Privacy Management Plan, required under the PPIP Act.

We participated in the Privacy NSW Roundtable and the Department is also represented on the Local Government Working Party.

Public liability

Local government is increasingly concerned about its widening exposure to liability and the resulting rise in the cost of insurance cover for public liability and professional indemnity. The collapse of the HHH Insurance group has left some councils exposed to liability with respect to claims that would otherwise have been met by their insurers.

The Public Bodies Review Committee of the NSW Parliament conducted an inquiry into local government exposure to liability with the assistance of the Department. Following the Committee's Report, two major cases were handed down by the High Court of Australia (reported last year). As a consequence, the Minister has requested the Committee to conduct an inquiry into the effect of these decisions. The Inquiry into the Effects on Government Agencies of the Abolition of the Common Law Immunity of Nonfeasance is ongoing. The Council of Australian Governments has commissioned the Australian Transport Council to examine the implications of the abolition of the non-feasance immunity as well.

During the reporting period the Premier announced a two-stage reform package to address spiralling public liability costs in NSW. Stage One, the Civil Liability Bill, limits general damages as well as setting maximum amounts for loss of earnings and earning capacity. The Bill was passed by Parliament in June 2002 and is taken to have commenced on 20 March 2002. Stage Two involves a further Bill to be introduced in the Spring Sittings of Parliament, which will make fundamental changes to the law of negligence.

Coastal management activities

A Departmental Officer represents the Minister on the Coastal Council of New South Wales, and the Strategic Action Committee of that Council.

The Minister for Local Government was appointed to a new Cabinet Sub-Committee on Coastal Management. An Interdepartmental Working Group, on which the Department is represented, was established to support that sub-committee in July 2000.

A Coastal Package comprising a broad range of coastal management initiatives was announced on 26 June 2001 by the Premier and is being progressively implemented by a number of State agencies. The package includes undertaking a Comprehensive Coastal Assessment, a Coastal Protection State Environmental Planning Policy, a Coastal Water Quality Management Strategy, updating and extending the Coastal Policy, amendments to the *Coastal Protection Act 2002*, a new Coastal Zone Management Manual and other initiatives.

Crime prevention

The *Children (Protection and Parental Responsibility) Act 1997*, administered by the Attorney General, provides for councils to develop local crime prevention plans and to have them approved as safer community compacts by the Attorney General. We are represented on the Evaluation and Coordination Committee, which monitors the implementation of the Act.

The Minister for Local Government is a member of the Community Solutions and Crime Prevention Cabinet Sub-Committee which was established by the NSW Government in late 2001. Key roles of the sub-committee are to coordinate urgent action responses to crime hotspots in NSW, steer the development/implementation of a Crime Prevention Framework and state wide Strategic Plan, and oversight initiatives funded through the Community Solutions Fund administered by the Premier's Department. The Community Solutions and Crime Prevention Working Group was set up to assist the Cabinet Sub-Committee. The Department is represented on this group.

We also assisted the Attorney General's Department to assess nine Safer Community Compact Grant applications submitted by local councils that have had local crime prevention plans endorsed as safer community compacts. These grants are available to fund specific components of local compacts. We provided advice to the Attorney General's Department on the development of a framework for local crime prevention planning.

Graffiti

We are involved in implementing the NSW Government's Graffiti Solutions Program through membership of the Graffiti Strategy Taskforce and the Graffiti Solutions Senior Officers Working Group. We have contributed to the following Program initiatives:

- The "Beat Graffiti Grants Scheme" provides grants to local councils, schools, Police, Community Youth Clubs and community organisations for projects aimed at reducing young people's involvement in illegal graffiti by providing positive alternatives such as legal walls, recreational activities and training programs. A total of 56 councils were funded under this Scheme in 2001-02

- “Community Service Order Scheme” which involves young and adult offenders on Community Service Orders being made available to local councils to clean up graffiti
- “Graffiti Information Line” enables members of the public to report graffiti incidents and obtain information about graffiti initiatives in their local area
- “Reducing Graffiti – Councils Plans and Policies” report presents findings from an analysis of the graffiti policies/plans provided by councils in July 2001
- “Graffiti at Large: Local Issues – Local Solutions Conference” held in November 2001. A two page hand out listing the various graffiti strategies used by local councils was distributed at this conference
- amending the *Local Government Act 1993* to give councils the power to remove graffiti from private property adjacent to public land.

Closed circuit television (CCTV) in public places

We continue to be represented on an inter-departmental committee which developed “NSW Government Policy Statement and Guidelines for the Establishment and Implementation of Closed Circuit Television (CCTV) in Public Places”. The document aims to assist agencies, particularly local councils, considering CCTV as a possible response to local community safety concerns and is available from our website.

In accordance with one of the recommendations of the evaluation of the Policy Statement and Guidelines conducted in the first half of 2001, we again surveyed all councils about their use of CCTV. A total of 145 councils responded to this survey which is a response rate of 83%.

Of these 145 councils:

- 48 councils are currently operating CCTV schemes compared to 31 in 2001
- of these 48 councils, 8 are rural and 40 are urban compared to 9 rural and 22 urban councils in 2001
- 17 councils use cameras in public places where they have a duty of care, e.g. CBD areas and malls, compared to 10 councils in 2001
- 20 councils use cameras in council owned/managed facilities such as swimming pools, sporting facilities, libraries and art galleries compared to 9 councils in 2001
- 27 councils have surveillance inside and immediately outside council’s administration buildings compared to 7 councils in 2001
- 9 councils have portable cameras that can be deployed at particular problem locations for a limited time compared to 2 councils in 2001
- 8 councils have unconnected or fake cameras to act as a deterrence compared to 2 councils in 2001

We expect to release a report on findings from the survey by the end of 2002.

We made a presentation to the City of Sydney Law Society “Camera, Cameras Everywhere – for Better or Worse” seminar held as part of Law Week in May on local government and CCTV.

Bushfire hazard reduction

We were a member of the Bushfire Hazard Reduction Inter-Departmental Committee (IDC), which was chaired by the National Parks and Wildlife Service.

The IDC finalised its report in October 2001, making recommendations to the Minister for the Environment and the Minister for Emergency Services to streamline the approval process for bushfire hazard reduction.

The bushfires of December 2001 increased the urgency for improved processes and there have subsequently been amendments to the Environmental Planning and Assessment Act and the Rural Fires Act to make the Rural Fire Service the consent authority for bushfire hazard reduction.

Physical activity

The NSW Physical Activity Strategic Plan 1997–02 aims to increase the participation of the people of NSW in physical activity. It emphasises collaboration between NSW Government agencies, local government, non-government organisations and the private sector. We are represented on the NSW Physical Activity Task Force and helped develop the strategic plan. We are currently represented on the Physical Activity Lead Agency Committee which has been established to oversee the implementation of the strategic plan.

We have completed the objectives in the strategic plan for which we were the lead agency. This included developing guidelines to help local councils encourage their communities to participate in physical activity. The publication is now being evaluated. Following the collection of baseline data in late 2000 and early 2001, we will be doing a follow-up survey later in 2002 to determine the take-up and usefulness of the guidelines.

We are currently participating in the evaluation of the implementation of the strategic plan and the Lead Agency Committee. The purpose of the evaluation is to inform the development of the next strategic plan and the future role and operation of the Committee.

Healthy ageing

To help implement the NSW Government Healthy Ageing Framework 1998–03 we have:

- provided information to local councils on how to meet the needs and issues of older people in social planning processes. We have continued to review council social plans and advise councils if they have not included older people. Our social/community planning guidelines and manual are currently being reviewed to improve the quality of plans, including in relation to meeting the needs of older people
- participated in a working party to develop a guide to writing and implementing Seniors Centres Management Policies. The guide includes sample policies and advice on how to include local seniors groups in the process of policy development and implementation.

Water safety

We are represented on the NSW Water Safety Taskforce which was established to provide advice to the Minister for Sport and Recreation on water safety. The Taskforce is chaired by the Department of Sport and Recreation and, as well as the Department, includes representatives from a range of key organisations with an interest in water safety, including the Local Government and Shires Associations and the Australian Professional Ocean Lifeguard Association.

The NSW Water Safety Framework 2001–03 was completed and the Taskforce will oversee its implementation. The aim of the Framework is to reduce the trend in the annual rate of drownings, near drowning and water related accidents in NSW. It includes three key priority areas:

- Education – the development and implementation of water safety education and public awareness strategies targeting identified user groups, and encouraging a consistent approach to the training of those responsible for delivering water safety services

- Standards – the effective and coordinated management of water-related policy, legislation, regulation and standards
- Evidence – the improvement of data collection on water-related injury morbidity and mortality and water-related rescues, and the monitoring and evaluation of water safety strategies.

The Framework is available from our website at www.dlg.nsw.gov.au. An update report on the implementation of the Framework is also available from our website.

Sub-committees have been established to provide the Taskforce with advice on each of the key priority areas. We are represented on the Standards Sub-committee.

The revised Australian Standard 2416 – “Design and application of water safety signs” was released in 2002. Local councils are required to comply with this Standard under the Local Government (General) Regulation. We assisted the Research Sub-committee of the Taskforce develop and distribute a survey of all councils to collect information about backyard swimming pools and a survey of all coastal councils to collect information about the use of signage to warn of the dangers of rockfishing.

We were also represented on a working group established to address a number of issues of concern to Surf Lifesaving NSW. To assist the working group, we carried out a survey of all coastal councils to collect information on a range of matters relating to arrangements between local councils and surf lifesaving clubs. A report on findings from the survey is expected to be completed by December 2002.

Following concerns raised by the Department of Sport and Recreation and the Department of Education and Training regarding pool entry costs and access to pool space in relation to their learn to swim programs, we issued circulars to councils encouraging them to support both programs.

Hands up for women in local government project

We are represented on a steering committee, established by the Department for Women, which oversees a project to encourage more women councillors to re-stand at local government elections. The project arose from concerns expressed by women councillors that they faced a number of issues which deterred them from re-standing, including lack of access to information and training, significant business and family commitments, lack of childcare, and the behaviour of other councillors.

Following the release of an Issues Paper in March 2001, a ten point plan for supporting women councillors in NSW was released in December 2001. The plan incorporates induction, code of conduct, information kits, information dissemination, planning and management, participatory planning, training, mentoring, meeting practice, and evaluation of councils. The implementation of the plan is being trialed by Parramatta, Waverley, Broken Hill, Kempsey and Gilgandra Councils.

We have agreed to provide information and advice to the Department for Women to help compile an information kit for women councillors. The kit will contain various fact sheets and case studies.

Local government multicultural forum

The 2001 Local Government Multicultural Forum: “Building Bridges” was held on 8 November 2001, hosted by Holroyd City Council. The focus of this year’s forum was on improving service delivery to residents from culturally and linguistically diverse backgrounds.

The morning session consisted of three papers concerning migration and government responses to settlement issues, and three workshops which examined the role of local government in these matters. The afternoon session included the launch of the Language Aide Kit, four workshops that presented examples of portable best practice service delivery to migrant communities, and a final presentation on the economic impact and a cost benefit analysis of migration.

The total number of participants who attended the 2001 Forum was 108, a slight increase on the numbers at the 2000 Forum. Forty councils were represented at the 2001 Forum compared to 36 councils at the 2000 Forum.

The next forum is to be held in November 2002, hosted by Ryde City Council. It will be incorporated in a two-and-half day NSW Local Government Community Services Association (LGCSA) state conference titled 'Without Prejudice – Access and Equity a Service Guarantee.' The conference will explore social justice, immigration, multiculturalism, discrimination, equal opportunity, human rights, and access and equity.

NSW salinity strategy

We are represented on the Salinity Strategy Officers Group and contribute to the development of state and local salinity management programs, including the Local Government Salinity Initiative.

Management and re-use of sewage effluent in NSW

We contributed to an Environment Protection Authority Working Group for the development of a draft policy on the management and re-use of sewage effluent arising from the NSW Water Conservation Strategy which sets policy direction for water conservation initiatives in urban and rural areas.

Stormwater management

The NSW Stormwater Trust administers the Urban Stormwater Program, providing grant funds for innovative projects to improve urban stormwater quality, a state wide education initiative, and support for the implementation of stormwater management plans. Our Director General is a director of the Stormwater Trust.

We monitor council stormwater revenue and expenditure and support the development and implementation of stormwater management plans and the enhancement of council drainage services, where appropriate.

Local government urban water services

The Department of Land and Water Conservation (DLWC) provides policy direction and administers funding programs and technical services for local government water supply and sewerage services administered under the *Local Government Act 1993*.

We work closely with the DLWC to coordinate service development programs, monitor council water service revenue and expenditure, and provide direction to councils regarding water service revenue policy.

During the past year we contributed to the evaluation of the performance of council water services and to the development of streamlined arrangements for trade waste discharge to council sewerage schemes.

Other environmental initiatives

We have worked on a range of environmental initiatives and projects including the National Greenhouse Strategy and impacts of climate change as well as initiatives to address acid sulphate soils and conserve native vegetation. We have also contributed to the NSW Biodiversity Strategy which produced the Biodiversity Planning Guide for NSW Local Government. This publication won the Planning Ministers' Award as the overall winner of the Australian Awards for Planning Excellence from the Royal Australian Planning Institute in April. We have also been involved in the review of environmental legislation such as the Water Reform Package and the operation of aspects of the *Water Management Act 2000*, the *Contaminated Lands Management Act 1997*, and the *Protection of the Environment Operations Act 1997*.

Food safety

We are represented on an agency steering committee providing advice to the Hon John Kerin AM for a review required by section 73 of the *Food Production (Safety) Act 1998* concerning the integration of the NSW food safety system. Local councils are responsible for managing food safety regulation in the retail, food service and some secondary manufacturing sectors. An Issues Paper was released for public comment in June 2002.

Tribunals

Local Government Remuneration Tribunal

The Local Government Remuneration Tribunal determines the maximum and minimum amounts of annual fees to be paid to mayors, councillors and chairpersons of county councils in various categories. The Hon C L Cullen QC is the sole Tribunal Member assisted by two Assessors.

In its April 2002 determination, following the consideration of submissions, the Tribunal increased minimum and maximum fees for councillors and mayors in all categories, and chairpersons of county councils, by three percent. Three councils were reclassified and the maximum fees for category S4 (county councils engaged in significant commercial activities) were increased to equate with those of category 5.

Local Government Pecuniary Interest Tribunal

The role of the Local Government Pecuniary Interest Tribunal is to consider reports from the Department on alleged breaches of the pecuniary interest provisions and to determine the matters by hearing, where appropriate. Mr D P F Officer, QC is the current Member of the Tribunal. We conduct initial investigations, and provide administrative support and assistance to the Tribunal, including preparing briefs of evidence, issuing process and engaging counsel to present matters before the Tribunal.

Two undetermined matters were brought forward from the previous reporting period and two investigation reports were referred to the Tribunal by the Department during the reporting period.

The Tribunal heard two matters and, in respect of one matter found the offence proven and issued a reprimand to the councillor. The councillor has lodged an appeal with the Supreme Court which has not been finalised at the close of the reporting period. In respect of the second matter, the Tribunal proceeded to commence hearings but the matter has been adjourned to August 2002. There were therefore three undetermined matters with the Tribunal at the close of the reporting period.

The Tribunal publishes a separate report of its activities, which is available on the Department's website. The Tribunal's decisions and orders in matters coming before it are also available on the Department's website.

Local Government Boundaries Commission

The Local Government Boundaries Commission has the function of examining and reporting on any matter referred to it by the Minister regarding the boundaries of local government areas and the areas of operation of county councils.

The Commission has four members appointed by the Governor. The Chairperson is nominated by the Minister, one member is an officer of the Department nominated by the Director General, and two members are appointed from the panel constituted under section 262(1) of the Local Government Act.

In 2001–02 the members of the Commission were Ms Edith Hall (Chairperson); Councillor Leo Kelly, Councillor Bill Bott (to 11 October 2001) and Councillor Colin Sullivan (from 3 April 2002) and Ms Michelle Carnegie. The Members (excepting Cllr Sullivan) have each been appointed for a term of 5 years from 1 July 1998.

Section 263 inquiries

After receiving a voluntary amalgamation proposal referred by the Minister for examination and report, the Commission commences an inquiry in accordance with section 263 of the *Local Government Act 1993*. The inquiry process includes receiving written submissions, a postal survey of electors and a public hearing over a period of not less than 40 days.

The Act also requires the Boundaries Commission to consider a range of factors specified in section 263(3).

Windouran Shire Council and Conargo Shire Council

The new Conargo Shire Council commenced operations on 1 July 2001 and a postal ballot was held to select councillors to represent the Windouran ward of the new council until the first ordinary election of the new council in September 2003.

The new Conargo Shire Council has 9 councillors and serves a population of approximately 1,826.

Nundle Shire Council and Parry Shire Council

Nundle Shire Council and Parry Shire Council submitted a draft of their voluntary amalgamation proposal in July 2001 and held a series of public meetings during August 2001. Preliminary hearing dates were set aside for October 2001 and the councils commenced negotiation on a 1 January 2002 operational date for a newly merged council.

In late September 2001 Parry Shire Council resolved to suspend the voluntary merger due to concerns regarding the possible impact of an outstanding HIH claim on Nundle Shire Council's finances. At the close of the reporting period this merger proposal remained suspended.

Inner Sydney inquiry

In October 2000 the then Governor appointed Professor Kevin Sproats to conduct the Local Government Public Inquiry into the efficiency and effectiveness of local government in the areas of Botany Bay, Leichhardt, Marrickville, Randwick, South Sydney, Sydney, Waverley and Woollahra.

Professor Sproats presented his report to the Governor in April 2001. His primary recommendation was that the structure of local government in this inner Sydney region be recast by creating four new councils, and his alternate recommendations were for a series of boundary alterations throughout the region.

The Minister received formal responses to Professor Sproats' recommendations from the affected councils in June 2001, the majority of which did not support Professor Sproats' central recommendation.

In November 2001 the Government considered the Sproats Report and decided to adopt two minimalist options. Accordingly, on 15 November 2001 the Minister referred two boundary alteration proposals to the Local Government Boundaries Commission for examination and report.

Albury Wodonga – One Vision One Future

In March 2001 the New South Wales and Victorian Governments announced a proposal to create one city of Albury Wodonga.

The Director General is a member of the Inter-Governmental Working Group which was established to deal with the issues of service delivery in the region and to develop a plan for creating a cross-border city in Albury Wodonga.

The Governments set up a detailed consultation process to provide for a thorough evaluation of the proposal, including the appointment of the Rt Hon Ian Sinclair to undertake extensive community consultation.

Following this, the Premiers announced the expansion of the existing Working Group to create an Inter-Governmental Taskforce including the Mayors of both cities. The Taskforce will be co-chaired by NSW MLC, the Hon. John Hatzistergos and Parliamentary Secretary to the Victorian Premier, Mr Bruce Mildenhall.

The Taskforce will undertake further work to resolve cross border anomalies and improve cross-Council administrative and planning functions, and it is anticipated that it will report to both State Governments in early 2003.

Further information on Albury Wodonga is available on the website www.alburywodonga.gov.au.

Other boundary matters

Boundary alterations

Inner Sydney

In November 2001 the Government considered the Sproats Report and decided to adopt two minimalist options. Accordingly, on 15 November 2001 the Minister referred two boundary alteration proposals to the Local Government Boundaries Commission for examination and report.

These proposed boundaries changes are:

- the transfer of Glebe and Forest Lodge from Leichhardt Council to the City of Sydney Council
- the transfer of Woolloomooloo, Kings Cross, Potts Point, Rushcutters Bay, Elizabeth Bay, Darlinghurst, Chippendale, the University of Sydney and the Royal Prince Alfred Hospital from South Sydney City Council to the City of Sydney Council
- the transfer of Bondi Junction to Waverley Council (currently Bondi Junction is divided between Waverley and Woollahra Councils).

The *Local Government Act 1993* requires the Boundaries Commission to have regard to a number of factors when examining boundary alteration proposals, including the social and economic impact of proposals.

In December 2001 South Sydney City Council and Leichhardt Municipal Council launched legal actions against the Boundaries Commission in the Land and Environment Court and the Supreme Court respectively. These were unsuccessful attempts to prevent the Boundaries Commission's examination and report to the Minister on these proposals.

The Boundaries Commission completed its examination of the proposals in March 2002, after giving the five affected councils ample opportunity to provide input to their consultants, the opportunity to lodge their own written submissions by a closing date of 28 February 2002, and the opportunity to make oral presentations to the Commission in March 2002.

The Boundaries Commission reports recommended that the boundary alterations proceed. In considering these reports the Minister sought the views of the affected councils.

South Sydney City Council then commenced legal action in the Land and Environment Court against the Minister and the Boundaries Commission. Following consideration of Justice Talbot's judgement in favour of the council, the government commenced an appeal in the NSW Court of Appeal to address a number of significant concerns and possible errors of law. Following the close of the reporting period, an expedited hearing was held by the court in July 2002 and its judgement of 20 August 2002 found against the Council.

The Government will consider the appropriate course forward for these communities and maintain dialogue with the councils.

Queanbeyan–Yarrowlumla

Queanbeyan City Council requested that the Minister reconsider a proposal, which was the subject of a public inquiry and determination in 1990 by the Local Government Boundaries Commission, to alter the boundary between the City and the Yarrowlumla area. The Council was informed that the request did not constitute a formal proposal as the 1990 proposal had been determined and current information in accordance with section 263 of the Local Government Act should be provided with any future proposal.

Other proposals

The *Local Government Act 1993* enables the Minister to refer boundary alteration or variation proposals of a minor nature to the Director General.

During 2001–02 the Director General has examined:

- A proposal to rationalise the boundary between the Area of Mulwaree and the City of Goulburn to locate land in one ownership within one local government area to enable compatible development. The proposal was recommended by the Director General and Gazetted on 20 July 2001.
- A proposal to rationalise the boundary between the City of Gosford and the Area of Wyong to locate land in one ownership, severed by the extension of the F3 Freeway, within one local government area. The proposal was recommended by the Director General and Gazetted on 30 November 2001.
- A proposal involving a minor adjustment of the boundary between the Area of Evans and the City of Bathurst to consolidate land in one ownership within one local government area. The proposal was recommended by the Director General and Gazetted on 1 March 2002 with effect from 30 June 2002.

-
- A proposal to rationalise the boundary between the areas of Mudgee and Coolah to bring two properties wholly within one council area. The proposal was recommended by the Director General and Gazetted on 31 May 2002.
 - A proposal to rationalise the boundary between the Areas of Mulwaree and Gunning, to bring two properties wholly within one council area, has been recommended by the Director General but had not received the Governor's consent at 30 June 2002.

Constitution – County Councils

There were no amendments or alterations to the constitutions of any county councils during the reporting period.

Objective 4. Corporate Issues

Key Actions

To help us achieve this objective we:

- provide a strategic management framework which supports implementation of government reforms, initiatives and accountability requirements
- provide a human resources framework which promotes ethical behaviour, employment equity and the principles of cultural diversity, supports staff in achieving their full career potential, and enhances the department's operations
- facilitate decision making through equitable allocation of resources, integrated planning and management practices and reporting structures
- provide an effective financial management system to align strategic operational and financial decision making
- provide and maintain an information technology infrastructure in accordance with industry standards, government policies and strategies and make optimum use of technology.

Key Outcomes

- Launch of our redeveloped webpage in July 2001
- Review of our corporate plan
- Continued implementation of a range of disability planning strategies
- Review of our records management and document tracking systems and identification of strategies to improve compliance with State Records requirements
- Achieved Government electronic service delivery targets, and implemented measures to protect electronic information and minimise security risks
- Significant training initiatives focussed on EEO and career development

Corporate Planning

Our involvement in a significant amount of litigation and internal changes associated with the Department's planned relocation to Nowra impacted on our 2001-02 plans.

Considerable work has been associated with a number of external factors including the collapse of the HHH group of companies, financial difficulties of a small number of councils, and a significant increase in the number of complaints received regarding councils and councillors.

The review of our corporate plan affirmed our core business and activities and assisted in identifying appropriate plans for our operations in a regional location.

Corporate Services Reform

The Department of Gaming and Racing provided financial processing, human resources and payroll services to the Department of Local Government for a third year under a service agreement.

Senior staff from both departments met regularly during the year to monitor performance and discuss service delivery issues.

At the time of reporting negotiations for a new contract that addresses any impacts from the relocation to Nowra are well advanced.

Employee Relations

Workforce planning issues associated with the relocation of the Department to Nowra, now scheduled to take place in January 2003, remained the key concern for staff during 2001–02.

Two orientation trips to Nowra were conducted in February 2002 to assist staff to familiarise themselves with the Shoalhaven region.

Several Joint Consultative Committee (JCC) meetings were held during the year to develop agreed strategies for managing the diverse range of issues identified by staff in three surveys conducted in May and November 2001 and April 2002.

In the latest survey 44% of staff indicated an intention to relocate with the Department to Nowra. The remainder indicated that they will seek redeployment or have expressed interest in receiving an offer of voluntary redundancy.

Workplace reform and flexible work practices

The Department continued with the implementation of workplace reforms in line with the Memorandum of Understanding (MOU) entered into on 2 March 2000 between the government and the PSA and other public sector unions to progress priority issues for continued reform in the NSW public sector.

Several part-time work arrangements granted to meet individual family and/or carer needs were renewed or amended to address changed circumstances.

Management has agreed in JCC discussions that in addition to the special leave available under the Transferred Officers Compensation Award there may be a specific need to extend flexible work arrangements on an individual basis as an interim measure for staff relocating to Nowra.

Industrial relations

The Crown Employees (Public Sector – Salaries January, 2002) Award provided for salaries to be increased by three per cent (3%) with effect from the beginning of the first pay period to commence on or after 1 January 2002. In addition the Award provides for two further increases of four per cent (4%) and five per cent (5%) from the first pay periods after 1 January 2003 and 1 July 2003 respectively.

The Department is required to fund six per cent (6%) of the pay increases from productivity savings resulting from workplace reforms that are being introduced progressively under the MOU.

Two formal grievances were lodged during the year. Both matters were referred to independent mediators for reports before appropriate courses of action were determined.

The average sick leave for 2001–02 was 7.6 days compared to 5.0 days and 6.2 days in each of the two previous years.

Code of conduct

No changes were made to the code of conduct during the year. A comprehensive review of the code is planned in the coming year.

Equal employment opportunity

EEO management planning focuses on mainstreaming responsibility to provide broader accountability for developing and implementing EEO initiatives across the Department. Equity issues are incorporated into corporate and branch planning and performance agreements.

EEO initiatives during 2001–02 included:

- Conducting a series of in-house training programs on social justice principles, disability awareness, and cultural and Aboriginal awareness
- Arranging interview and resume writing skills training and mentoring assistance for staff on request
- Encouraging the discussion of EEO issues at the Joint Consultative Committee by appointing representatives of EEO interest groups to the committee.

An in-house harassment awareness training program planned originally for this year has been deferred until after the relocation to Nowra. Other initiatives planned include an internal EEO survey to update our workforce statistics in Nowra and targeted recruitment campaigns to address equity imbalances.

Spokeswomen's Program

The Department supports the vision and purpose of the Spokeswomen's Program. The Program forms an integral part of our equal employment opportunity program with regular seminars, newsletters and information sessions being provided for female staff.

The Program is currently managed by two Spokeswomen. Significant initiatives during the year included a Career Development presentation by the Department's EAPs provider, a workshop on safety awareness training, and participation in the Springboard Women's Development Program.

These activities were supported with strong participation by female staff and by women invited from other public sector organisations located at Bankstown.

Training

The Department subscribes to the Australian Training Register to assist managers, supervisors and staff identify suitable courses to meet identified training needs. A link to the register is maintained on the intranet.

During 2001–02 a total of \$49,959 was spent on external training courses and study assistance programs for staff. In addition a range of corporate training sessions were provided in-house at a cost of \$35,127.

Government Action Plan for Women

The Department continues to be committed to the principles of equity and access for all members of the community. In our work, we aim to promote a greater focus on women's interests and strategies among NSW councils to remove the barriers that many women may face in achieving full participation in all aspects of society.

We are an active participant in inter-agency liaison groups that are taking a whole of Government approach to implementing the Action Plan for Women. These include the Employment Equity Specialists' Association, the Physical Activity Taskforce, the Graffiti Strategy Taskforce and the Inter-Departmental Committee on Closed Circuit Television (CCTV).

Recently we have joined with six partners to implement the Women in Local Government project. In NSW only 28% of elected members are female and only 9% of senior council roles are held by women. Subject to funding availability, the group will oversee various activities and programs that aim to:

- increase the number of women in decision making roles in local government both at the employee and councillor level
- develop a career path and support structures for women in local government
- produce a publication with appropriate strategies/departments/programs for women in all councils
- ensure local government more accurately reflects the diversity of the communities it serves.

We also provide local councils with legislative and policy direction on women's issues. For example:

- the Local Government (General) Amendment (Community and Social Plans) Regulation identifies women as one of the mandatory target groups that councils must include in their Social/Community Plans. The Regulation encourages councils to distribute resources in a fair and equitable manner and involve all residents and stakeholders in local decision-making. To assist councils to prepare a new Social/Community Plan due in 2004, we have worked with NSW government and non-government agencies, local councils and industry bodies to produce enhanced guidelines and a manual
- our Social Justice Resource Kit helps our staff to take into account the needs of social justice groups, including women, in policy development. We are currently modifying the Kit so that it can be used by local councils
- the Aboriginal Mentoring Program which we initiated in 1997 continues to be successful in encouraging Aboriginal people, including women, to stand for election as local government councillors. In 2001 half the participants in the scheme were women.

Ethnic Affairs Priority Statement

Our 2001–02 Ethnic Affairs Priority Statement (EAPS), continued to reflect our emphasis on:

- encouraging ethnic affairs principles and practices to be adopted in day-to-day activities
- fully integrating ethnic affairs considerations in all management practices and planning processes, both at departmental level and within the local government sector.

Progress made in implementing EAPS during 2001–02

Some of our departmental initiatives included:

- preparing our EAPS in consultation with branch managers so that we continued to achieve a broader allocation of ethnic affairs responsibility across the department
- providing cross cultural training sessions for staff
- developing a social justice resource kit which encourages staff to take into account multicultural considerations when undertaking departmental activities

- making changes to the Department's Library Services to make them more accessible for council staff who work on cultural diversity issues
- working with the NSW Ministry for the Arts on its guidelines to help councils develop cultural plans for their community. One of the priority areas for the plan will be addressing the needs of people from culturally and linguistically diverse backgrounds

Some of our initiatives with local councils included:

- the Local Government Multicultural Forum organised by Holroyd City Council in November 2001
- reviewing the Social/Community Planning and Reporting Guidelines and Manual to improve the performance of councils in addressing the needs of people from culturally and linguistically diverse backgrounds in their local area
- conducting community awareness campaigns about the companion animals legislation, with special emphasis on making sure information is accessible to ethnic communities
- establishing a Companion Animals Community Education Grants Program to help councils develop resource material, with one of the priority areas being resources aimed at people from culturally and linguistically diverse backgrounds
- including strategies for consulting with non-English speaking communities in the guidelines for preparing Local Companion Animals Management Plans.

Key ethnic affairs strategies proposed for the coming year

Some of our departmental initiatives will be:

- developing an induction program for departmental staff which is consistent with the Ethnic Affairs Priorities Statement (EAPS) Standards Framework
- consulting with people from culturally and linguistically diverse backgrounds as part of the review of the Companion Animals Act
- considering the appointment of people from culturally and linguistically diverse backgrounds to the Companion Animals Advisory Board when the term of appointment for current members expires.

Some of our initiatives with local councils will be:

- modifying the social justice resource kit which was developed for departmental staff so that it can be used by councils to take into account multicultural considerations when undertaking their activities
- continuing to have as one of the priority areas for the 2002–03 funding round of the Companion Animals Community Education Grants Program resources aimed at people from culturally and linguistically diverse backgrounds

Disability Planning Activities

Our Disability Action Plan is available from our website.

During 2001–02, we have made the following progress in implementing its strategies.

Physical access

The design of our new building in Nowra provides access for people with disabilities including lifts, car parking and toilet facilities. The fitout of the building will take into account the needs of staff with disabilities.

Positive community attitudes

We have included a comprehensive section about addressing the needs of people with disabilities in the revised Social/Community Planning and Reporting Manual, due to be released in late 2002.

Staff training

Training sessions about the Social Justice Resource Kit and disability awareness were held for all staff in 2002.

Provision of advice

The Social Justice Resource Kit (available to all staff on the intranet) provides information and advice to help staff take the needs of people with disabilities into account in the provision of advice about local government issues.

Information about services

Our website complies with Human Rights and Equal Opportunity Commission guidelines on accessibility.

Employment in the public sector

We employ three staff with disabilities and when we move to Nowra we will explore proactive strategies to employ additional people with disabilities.

Advice to local councils

Our review of 162 council social/community plans showed that 160 (or 99%) identify issues and strategies in relation to people with disabilities. Our revised Social/Community Planning and Reporting Manual includes a comprehensive section to assist councils address the needs of people with disabilities. We also completed a survey of councils that collected baseline data about their Disability Action Plans and Access Committees. A report on the findings of this survey will be distributed to councils in July. We are also modifying our Social Justice Resource Kit so that it can be placed on our website and used by councils.

We have commenced a comprehensive evaluation of our Disability Action Plan to make sure its implementation is on track.

Government Energy Management Plan

The Department is committed to policies and practices that aim to achieve lower and sustainable levels of energy use and greenhouse emissions.

On-going measures adopted to support this strategy include:

- promoting energy conservation with staff
- rationalising the size and engine capacity of the department's motor vehicle fleet
- liaising with the property services manager and other tenants to improve energy conservation in the Civic Tower at Bankstown.

The new Government Office Block nearing completion in Nowra is being constructed to 5 star energy efficiency rating with SEDA.

Implementation of Privacy legislation

The *Privacy and Personal Information Protection Act 1998* (PPIP Act) established a number of Information Protection Principles (IPPs) that apply to the way public sector agencies manage personal information. The PPIP Act applies to the Department as well as to councils.

We are committed to privacy protection and have adopted a Privacy Management Plan that includes our policies and practices for dealing with privacy and personal information. The Plan is available on the Department's website.

During the year we have:

- distributed copies of the privacy management plan to all new staff
- maintained the plan on our website
- maintained an internal ethics committee to review each of our research projects to ensure compliance with the IPPs
- restricted access within the Department to certain Departmental files that are likely to contain personal information, such as files about pecuniary interest matters
- conducted training for staff on the PPIP Act and how it relates to the handling of personal information in the Department and in councils.

An individual can apply for a review of our conduct if they feel we have contravened an applicable IPP, contravened our privacy code of practice or disclosed personal information from a public register kept by the Department. We received two applications for review during 2001–02.

Risk management

The Department adopts an integrated risk management approach whereby risk assessments are incorporated as essential components in strategic and operation decisions made by management.

Factors that may impact on the capacity of the organisation to meet corporate objectives are identified and strategies are developed and implemented to help manage those risks.

Benefits to the organisation of this integrated approach include:

- better information for decision making
- increased productivity
- safer work environment
- enhanced probability of achieving objectives.

During 2001–02 managing potential risks associated with the Department's scheduled relocation to Nowra in January 2003 continued to be a prime concern. Maintaining continuity of business and working smarter from a regional location have been identified as key areas to focus on in the coming year.

The Treasury Managed Fund managed by the GIO provides insurance coverage to the Department. The contract of coverage provides for workers compensation, public liability, motor vehicles, property and miscellaneous.

Security of electronic information

In September 2001, the NSW Government directed all agencies to undertake measures to protect electronic information (Premier's Department Circular 2001-46).

These measures are:

- All agencies are to develop and implement policies and plans for information security management by December 2002
- All agencies are to assign responsibility for Information Technology (IT) security to a nominated officer
- All agencies are to ensure that all staff, including contractors and consultants, understand their responsibilities for information security
- The Department of Information Technology and Management will establish a program for external penetration testing of agencies IT systems after agencies
- Agencies are to have their IT systems certified to the national standard AS/NZS 4444 information security management when accredited certifiers become available.

The Department of Information Technology and Management established on-line reporting arrangements for agencies' quarterly progress reports on implementing security management measures. We submitted returns for the quarters ending 31 October 2001, 31 January 2002 and 30 April 2002.

We have an Internet and E-mail policy in place that restricts the downloading of certain types of files that present a security risk. Also our e-mail monitoring software is integrated with the virus scanning software and isolates all e-mails suspected of containing a virus. E-mails with attachments such as executable and movie files are also quarantined. Internet browsing log files are checked weekly for inappropriate sites and a procedure is in place for the reporting of inappropriate access.

A security risk analysis and report, together with a policy and plan for information security management and appropriate staff training will be developed by 31 December 2002. The plan will outline the action to be taken to have our IT systems certified to the national standard AS/NZS 4444.

Our nominated officer for Information Technology security is the Manager, Information Management Branch.

We were subject to the Department of Information Technology and Management's vulnerability assessment and penetration testing in May 2002. Our IT security was assigned a rating of 'good' from possible ratings of 'excellent', 'good' and 'poor'. At the time of testing, our firewall was causing some concern and an upgraded replacement was leased. The replacement firewall addressed some of the issues outlined in the detailed report and the remainder are being investigated.

Planning for the office relocation to Nowra includes the purchase of a more rigorous firewall to be installed prior to the move. A new firewall will be purchased and installed in the first quarter of 2002-03.

Internal control

As part of an on-going program the Internal Audit Bureau conducted reviews of the processing of personnel/payroll and accounting transactions by the Department of Gaming and Racing under a service agreement.

Internal control systems and procedures were reported as satisfactory.

A comprehensive report commissioned on the Department's records management and document tracking systems included a series of recommendations to improve compliance with requirements promulgated by State Records. At the time of reporting, implementation of the recommendations is nearing completion.

Information Communications and Technology

Electronic Service Delivery (ESD)

We met the Government's target of providing all appropriate services electronically by December 2001 and a final report on ESD was issued to the Department of Information Technology and Management in January 2002. Even though we have met all Government targets, ESD remains an important strategic activity that we will constantly monitor and review in future.

We presented the Companion Animals Register as a case study at the "NSW E-Government Forum – A celebration of achievements by NSW Government Agencies in delivering Internet Services to the Community" which was held shortly after this reporting period, on 26 July 2002.

The Internet-based Register, which is contracted out and commenced operations in July 1999, was subject to a Department audit in 2001. As a result a number of reports were enhanced to streamline accounting and reconciliation processes, and electronic Invoice/Statements to councils were introduced on 1 July 2001.

To improve the quality of data being entered onto the Register, we have also commenced action to install a third party software module that verifies addresses at the time of data entry. We expect that this new system will be implemented in the first quarter of 2002-03.

We continue to be represented on a Local Government and Shires Associations (LGSA) Online Services Reference Group. The LGSA gained Networking the Nation Funding to assist country councils with implementing Internet-based services, and 116 councils are currently participating in this program.

We are also represented on an Environment Protection Authority (EPA) Steering Committee for a "Smoky Vehicles" ESD project. The project will provide authorised EPA, Roads and Traffic Authority (RTA) and council officers with the ability to report smoky vehicles over the Internet. A component of the project will include the trial of a handheld device for reporting.

A major achievement this year has been the launch of our redeveloped web page in July 2001. Our new web page provides clients with maps of all local government areas within the state and a list of towns/suburbs within each area, and a search engine has been added together with the facility for clients to enter an address to ascertain the local government area for that address. A new file server was purchased to run the web page and is hosted by our Internet Service Provider.

We have received a wealth of positive feedback since launching our new web page, with activity statistics for the period 16 August 2001 to 30 June 2002 as follows:

General Statistics

Hits	Entire Site (Successful)	4,699,082
	Average Per Day	14,730
Visits	Visits	214,879
	Average Per Day	673
Visitors	Unique Visitors	56,415
	Visitors Who Visited Once	45,470
	Visitors Who Visited More Than Once	10,945

Top 10 Pages

		Visits
1	Department of Local Government – Home Page	84,646
2	Local Government Directory	54,965
3	Local Council Lookup	39,401
4	Publications Page	23,338
5	Publications Search	19,342
6	Council by Regions Page – Local Government Area Boundaries	14,489
7	Positions Vacant Page	6,716
8	Department of Local Government – Commissions and Tribunals Index Page	5,214
9	Council Contact Details Page	4,093
10	Companion Animals Home Page	3,807

We had planned to commence an Electronic Self Service for Personnel and Payroll Transactions project during the year, which will now commence in the first quarter of 2002–03. We will be carrying out this project in conjunction with the Department of Gaming and Racing (DGR), as our Human Resources functions are contracted out to them.

Upgrade to Windows 2000, Office 2000 and Windows 2000 Server

During 2000–01 we commenced a project to upgrade all our personal computers and laptops to Windows 2000 and Office 2000, and to upgrade our file servers to Windows 2000 Server. The Windows 2000 component for desktops and laptops was completed in 2000–01.

This year we successfully completed this project. We finalised the upgrade to Office 2000 and associated staff training in August 2001, and the upgrade of the file servers to Windows 2000 in April 2002.

Relocation to Nowra

Our planning for the technical issues associated with the office relocation to Nowra in January 2003 is well advanced.

In October 2001 we received a report by IT&C Services providing specifications, plans and a budget for the information technology elements for our building in Nowra. IT&C Services were engaged by the Department of Public Works and Services (DPWS) to provide Information Technology and Communications advisory services for the Government office accommodation.

In June 2002 we released the specification for a PABX for our Nowra building for tender, and will also be issuing tenders or requests for quotations for data communications, firewall, video conferencing and unified messaging in late 2002.

Occupational Health and Safety

The Department is strongly committed to implementing appropriate occupational health and safety policies and practices for staff and visitors to its premises. We value staff as our most important asset and regular consultation between staff and management contributes significantly to identifying strategies for maintaining a safe working environment.

A new OH&S committee was elected and held four meetings during 2001-02.

Members of the OH&S Committee attended training courses appropriate for committee representatives and a series of OH&S awareness training sessions were conducted in-house to acquaint staff with relevant requirements of the new Act and Regulation.

Six members of staff undertook first aid training with St John Ambulance and were rostered as first aid officers when they received their certificates.

No claims for compensation were reported in 2001-02 compared to two in each of the two previous years.

Recycling program

Waste Reduction and Purchasing Policy (WRAPP) principles are integrated into the Department's operational policies and practices.

During the reporting year the Department continued to implement a range of strategies to reduce the generation of waste and promote resource recovery and the use of recycled material.

Measures adopted have included:

- electronic distribution and collection of council information via email
- using email and intranet to distribute information to and between staff
- using environmentally friendly paper stocks for Departmental publications
- producing Departmental publications on CD-ROM
- recycling office paper and toner cartridges
- encouraging staff to use water glasses and eliminating the purchase of plastic cups.

Over 95% of the paper products purchased by the Department contained recycled content.

Major assets

The Department of Local Government holds no major assets

Objective 5. Funding Programs

Key Results

- Provide an equitable framework for allocation of financial assistance grants
- Educate and inform councils about the work of the Grants Commission
- Manage, maintain and evaluate the Pensioner Rebate Payment System
- Manage administrative arrangements for the Septicsafe program
- Manage allocation of grants from the Companion Animals Fund for community education

The NSW Local Government Grants Commission

The NSW Local Government Grants Commission operates under sections 613 to 618 of the *Local Government Act 1993* and its running costs are funded by the State Government. It makes recommendations on the distribution of general purpose funding to local government in accordance with the Commonwealth *Local Government (Financial Assistance) Act 1995*.

The funding has two components: a general purpose component and a local roads component. However the total funds are paid to councils as unconditional general purpose grants.

The total national entitlement for 2001–02 was \$1,394,413,411. The general purpose component was \$965,841,233 and the local roads component was \$428,572,178. These amounts have been adjusted to take into account the actual changes in the annual CPI to March 2002, and the share of the national population to December 2001, compared to those forecast by the Commonwealth.

The NSW share of the national entitlements was \$327,747,092 for the general purpose component and \$124,342,237 for the local roads component – a total of \$452,089,329. This represents a 5.4% increase in entitlements to NSW compared to the 2000–01 CPI/population adjusted amount.

The grant funds are paid to councils each quarter by electronic transfer on the first business day after they are received by the State.

Grant allocations

The general purpose component of the grant aims to equalise the financial capacity of councils. The objective is to ensure that each council is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the State. The calculations take into account the council's expenditure needs for the provision of services and their relative capacity to raise revenue. A minimum grant "safety net" applies.

The local roads component is based on a formula involving population, road length, and bridge length.

Grant entitlements to individual councils are shown in Appendix 8.

Membership

The Commission consists of three part-time members and the Deputy Chairperson who is a full-time officer of the Department of Local Government. The Commission's two full-time support staff are officers of the Department of Local Government.

The membership to 30 June 2002 is:

- Barbara Armitage OAM, Chairperson
- Grahame Gibbs, Deputy Chairperson
- Emeritus Professor Maurice Daly
- Councillor Warren Mundine

During 2001–02 the Commission:

- visited 36 councils to explain how the grants were determined and to give councils the opportunity to raise issues about the grant process. The Commission usually holds its business meetings in conjunction with these visits
- attended the National Conference of Grants Commissions, hosted by the Queensland Grants Commission in November 2001
- undertook six council road and bridge audits to check the validity of data used in the grant calculations.

Future directions

- Review of the methodology in light of issues raised by councils and the findings of the Commonwealth Grants Commission's 2001 review of the Commonwealth legislation.
- Continuation of the road and bridge audit program.

For more information about the Commission's work, please see its Annual Report on the Department's website.

On-Site Sewage Management



Decentralised or on-site sewage management (OSM) involves the processing of sewage close to where it is generated either within the boundaries of premises or in small neighbourhood schemes. With advances in technology OSM systems are increasingly recognised as a satisfactory alternative to centralised sewerage services in terms of operating costs and public health and environmental performance standards. In NSW about 50% of non-metropolitan households or 15% of all households rely on decentralised systems of sewage management.

The Department administers the *septic safe* Program, which was introduced to assist local councils to systematically regulate and manage the cumulative impact of onsite and decentralised sewage services within New South Wales. The Program (\$3.8M over four years) aims to assist councils to:

- identify and assess existing on-site sewage management systems
- develop and implement local government policies and programs to supervise the operation of those systems and to systematically manage cumulative pollution impacts
- assess the risk of sewage pollution on public health, river systems and catchments and where necessary, implement pollution action plans, including monitoring and assessment of pollution risks and the implementation of management programs
- implement sustainable sewage management through a range of council functions including land use/settlement planning and development control, regulation of sewage management activities, and environmental assessment, monitoring, reporting services
- establish ongoing accountability through an integrated approach to the management of ecosystem health and through local state of the environment reporting.

The *septic✓safe* program is being implemented in two broad phases:

Phase 1 aims to achieve the implementation of systematic information collection and management systems for council oversight of decentralised sewage management activity. Phase 2 aims to implement a systematic sewage pollution risk assessment in sensitive areas to support efficient and effective cumulative impact management.

The implementation of the *septic✓safe* Program commenced in 1999 following the introduction in 1998 of regulatory reforms to clarify the ongoing accountability of landowners and occupiers for their on-site and decentralised sewage management activities. The *septic✓safe* Program has provided basic financial assistance and management tools to enable councils to keep good records of the small sewage management facilities in use in their area and to implement practical arrangements for the management of cumulative impacts. Phase 1 of the *septic✓safe* Program will be substantially completed by December 2002. The components of phase 1 were:

1. *septic✓safe* OSM Strategy Development Program

Funding of \$2.1 million was allocated pro rata to 142 councils to assist them to identify the nature and location of septic systems and to develop and implement a sewage management strategy. The majority of participants have received their full entitlement, totalling \$2,064,270 to June 2002. Councils that have not demonstrated satisfactory progress include Balranald, Bland, Bombala, Cooma-Monaro, Gundagai, Tweed, Walcha, Yallaro and Young. *Septic✓safe* grants to those councils totalling \$37,167 have been held back pending satisfactory completion of agreed actions.

2. *septic✓safe* OSM Strategy Enhancement and Research Program

Approximately \$400,000 in special project grants was provided for 18 projects to enhance management strategies for sewage pollution in environmentally sensitive areas and for 5 projects to investigate critical knowledge gaps. All projects are expected to be completed by the end of 2002 and reports will be published on the *septic✓safe* website.

3. *septic✓safe* Short Course (NSW TAFE)

Funding was provided for the development by NSW TAFE of a short course in safe on-site sewage management. The course was accredited by NSW TAFE in December 2001. The Department of Local Government is working with the Department of Education and Training and the NSW Utilities and Electro-technology Industry Training Advisory Board to develop additional teaching resources to enhance the usefulness of the Course, and these are expected to be completed by August 2002. The *septic✓safe* Short Course provides training for council staff, service agents and landowners to qualify them to conduct routine safety checks and provide reports to local councils.

4. *septic✓safe* Guidelines and Technical Sheets

New OSM Guidelines titled 'Environment and Health Protection Guidelines: On-site Sewage Management for Single Households' were published in 1998 to complement regulatory reform and to set direction for the *septic✓safe* Program. Since that time there has been considerable advancement in on-site sewage management technologies and management systems and new industry standards have been released. In order to keep the Guidelines current the Department has commissioned and is progressively publishing a series of Technical Sheets covering emerging issues. The Department will be undertaking a major review of the Guidelines during 2002–03.

5. *septic✓safe* Community Information and Council Management Tools

To support the systematic management of decentralised sewage management activities by councils the Department commissioned the preparation of common community information and management resources including an OSM Information Management System Handbook, an On-Site Sewage Risk Assessment System Handbook, an Easy Septic Guide and a Communication Strategy and Media Kit. All are publicly released and available from the *septic✓safe* website.

Phase 2 of the *septic✓safe* Program involves evaluation and consolidation of achievements to date and a significant enhancement of council management capability through the implementation of a sewage pollution risk assessment system in key coastal oyster growing estuaries and drinking water catchments.

In May 2002 the Department commenced a formal evaluation of the *septic✓safe* Program. The evaluation is being conducted by ARTD Management and Research Consultants. The evaluation is predominantly concerned with the outcomes of phase 1 but will include a 'process' evaluation of sewage pollution risk assessment system project strategy. The purpose of the evaluation is:

1. to review the *septic✓safe* Program and evaluate achievements against NSW Government objectives
2. to assess the effectiveness and usefulness of the *septic✓safe* Program
3. to identify any gaps and on-going needs for future program administration.

Information Management and Risk Assessment Systems

Systematic sewage pollution risk assessment is a key factor for better management of the cumulative impacts of decentralised sewage management activity. Current assessment technologies focus on the design and siting of sewage facilities on premises (i.e. for development consent and installation approval) but techniques for monitoring the ongoing operation of sewage facilities and for assessing the fate of sewage effluent after leaving premises are still at an early stage of development. Consequently two key investments were made during phase 1 of the Program to develop better methodologies for information management and risk assessment. The OSM Information Management System Handbook provides generic guidelines for setting up a sewage management database to facilitate efficient access to information for reporting, auditing and management purposes and to assist with the generation of correspondence, approvals, maps, reports and other relevant documents. The Onsite Sewage Risk Assessment System (OSRAS) Handbook provides a detailed description of a methodology for mapping and assessing the hazards and downstream risks associated with decentralised sewage management activity. The methodology was developed jointly by the Department of Local Government and Brown and Root (now Halliburton KBR) and utilises a Geographic Information System to assess local hazards and the cumulative risk of harm from sewage pollution to identified environmental receptors (waterways, drinking water catchments, shellfish harvesting areas, etc.).

As part of the process for development of the OSRAS methodology two small pilot project studies were conducted in the Blue Mountains City Council area (Katoomba) and the Eurobodalla Shire Council area (Tuross Estuary). These studies are reported in the OSRAS Handbook. A large scale pilot study is proposed to be conducted in the Hawkesbury Lower Nepean Catchment area during 2002–03. The major pilot will provide an ongoing risk assessment system for councils and state agencies with relevant responsibilities in the region and will be used to develop training modules and other general implementation tools and to provide detailed costing of work. General implementation is proposed from 2003 in other coastal regions with a focus on oyster growing areas, coastal lakes and estuaries and drinking water catchments.

Survey – *septic✓safe* Sewage Management Strategy Development Program

In February 2001 the Department surveyed the 142 councils participating in the *septic✓safe* Sewage Management Strategy Development Program. The purpose of the survey was to enable a performance assessment of each council's OSM strategy and services. The survey primarily related to activities undertaken by councils in the previous year to 30 June 2001. The key results include:

System and Program Information:

- 262,987 OSM systems were identified and reported on by the 142 councils
- 80% of these systems have a current council operating approval
- 123 NSW councils had an on-site sewage management strategy for their area.

System Inspection & Performance:

- 26,931 or 10% of identified OSM systems were inspected in the previous year
- 7,869 (32%) of systems inspected were found to be not operating satisfactorily.

Main Reasons Inspected Systems Failed:

- 29% failed because effluent discharged to sub-soil trenches was found to be surcharging and either ponding on the surface or running off the site
- 29% failed because of excessive build up of sediment or scum in the septic tank
- 21% failed because of structural damage to septic tanks or drains.

Companion Animals Community Education Grants Program

The *Companion Animals Act 1998* provides for the establishment of a Companion Animals Fund, and for a proportion of the Fund to be used for ongoing community education campaigns.

Since the establishment of the Fund the Companion Animals Advisory Board has been responsible for co-ordinating statewide community education campaigns, principally targeting awareness of owner's responsibilities under the new legislation.

Having passed the initial commencement phase of the legislation, in September 2001 the Community Education Grants Program was announced to assist in the development of community education resource materials.

The Grants Program provides annual grants for discrete, time limited projects which produce community education resource materials that can be used by all NSW councils. Individual grants of up to \$10,000 are available to:

- NSW councils, or
- Groups of NSW councils, or
- Not-for-profit organisations in partnership with NSW councils.

A total of 25 submissions were received and 22 were funded, with funding totalling \$166,580. Of those not funded, one submission was withdrawn and two were ineligible on the basis of the advertised guidelines.

Pensioner Concession Subsidies

Under State legislation some pensioners are eligible for mandatory concessions.

The subsidies provided to councils meet half the cost of pensioner rebates applicable to council rates and fully subsidises the entitlement to rate rebates for the Commonwealth 'extension' group of pensioners.

In 2001–02 the Department paid \$73.5 million to councils in pensioner concession subsidies.

Local councils are able to provide further information for people interested in making an application.

SECTION

5

Appendices

Statement by Department Head

Year ended 30 June 2002

Statement by Department Head

Pursuant to section 45F of the *Public Finance and Audit 1983*, I state that:

- (a) the accompanying financial statements have been prepared in accordance with provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit (General) Regulation 1995 and the Treasurer's Directions
- (b) the statements exhibit a true and fair view of the financial position and transactions of the Department of Local Government
- (c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Garry Payne
Director General
18 September 2002



Box 12 GPO
Sydney NSW 2001

INDEPENDENT AUDIT REPORT DEPARTMENT OF LOCAL GOVERNMENT

**To Members of the New South Wales Parliament and
the Director-General Department of Local Government**

Scope

I have audited the accounts of the Department of Local Government for the year ended 30 June 2002.

The Director-General is responsible for the financial report consisting of the statement of financial performance, statement of financial position, statement of cash flows, program statement – expenses and revenues and summary of compliance with financial directives, together with the notes thereto, and information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament and the Director-General based on my audit as required by sections 34 and 45F(1) of the *Public Finance and Audit Act 1983* (the Act). My responsibility does not extend to an assessment of the assumptions used in formulating budget figures disclosed in the financial report.

My audit has been conducted in accordance with the provisions of the Act Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the Act, Accounting Standards and other mandatory professional reporting requirements, in Australia, so as to present a view which is consistent with my understanding of the Department's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of the Department of Local Government complies with section 45E of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Department of Local Government as at 30 June 2002 and the results of its operations and its cash flows for the year then ended.

J Kheir BEc, FCPA
Director of Audit

Sydney 16 October 2002

Statement of Financial Performance for the Year Ended 30 June 2002

		Actual	Budget	Actual
	Notes	2002 \$'000	2002 \$'000	2001 \$'000
Expenses				
Operating expenses				
Employee related	2(a)	5,687	6,025	5,563
Other operating expenses	2(b)	7,908	7,486	8,983
Maintenance		33	42	61
Depreciation and amortisation	2(c)	139	82	173
Grants and subsidies	2(d)	74,001	73,100	72,739
Total Expenses		87,768	86,735	87,519
Less:				
Retained Revenue				
Sale of goods and services	3(a)	1	25	84
Investment Income	3(b)	144	200	218
Retained taxes, fees and fines	3(c)	5,653	4,317	6,184
Other revenue	3(d)	67	–	123
Total Retained Revenue		5,865	4,542	6,609
Gain on disposal of non-current assets	4	56	–	8
Net Cost of Services	21	81,847	82,193	80,902
Government Contributions				
Recurrent appropriation (net of transfers)	5	82,030	81,161	81,020
Capital appropriation	5	49	49	50
Acceptance by the Crown Entity of employee entitlements and other liabilities	6	602	687	638
Total Government Contributions		82,681	81,897	81,708
Surplus/(deficit) for the year from ordinary activities	15	834	(296)	806
Total revenues, expenses and valuation adjustments recognised directly in equity				
		–	–	–
Total changes in equity other than those resulting from transactions with owners as owners				
		834	(296)	806

The accompanying notes form part of these statements.

Statement of Financial Position as at 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Assets				
Current Assets				
Cash	9 & 20	4,088	3,016	3,247
Receivables	10	1,044	248	260
Total Current Assets		5,132	3,264	3,507
Non Current Assets				
Property, Plant and Equipment	11			
– Plant and Equipment		336	328	361
Total Property, Plant and Equipment		336	328	361
Total Non Current Assets		336	328	361
Total Assets		5,468	3,592	3,868
Liabilities				
<i>Current Liabilities</i>				
Payables	12	1,666	819	799
Employee entitlements	13	738	839	839
Total Current Liabilities		2,404	1,658	1,638
Total Liabilities		2,404	1,658	1,638
Net Assets		3,064	1,934	2,230
Equity				
Accumulated Funds	15	3,064	1,934	2,230
Total Equity		3,064	1,934	2,230

The accompanying notes form part of these statements.

Statement of Cash Flows for the Year Ended 30 June 2002

	Notes	Actual 2002 \$'000	Budget 2002 \$'000	Actual 2001 \$'000
Cash flows from operating activities				
<i>Payments</i>				
Employee related		(5,369)	(5,503)	(5,048)
Grants and subsidies		(74,001)	(73,100)	(72,729)
Other		(7,531)	(7,748)	(8,904)
Total Payments		(86,901)	(86,351)	(86,681)
<i>Receipts</i>				
Sale of goods and services		26	25	62
Retained taxes, fees and fines		4,912	4,317	6,184
Interest		158	212	196
Other		439	240	405
Total Receipts		5,535	4,794	6,847
Cash flows from Government				
Recurrent appropriations (net of transfers)	5	82,030	81,161	81,020
Capital appropriation	5	49	49	50
Cash reimbursements from the Crown Entity		186	165	157
Net cash flows from Government		82,265	81,375	81,227
Net cash flows from operating activities	21	899	(182)	1,393
Cash flows from investing activities				
Proceeds from sale of Plant and Equipment		62	–	13
Purchases of Plant & Equipment		(120)	(49)	(193)
Net cash flows from investing activities		(58)	(49)	(180)
Net increase/(decrease) in cash		841	(231)	1,213
Opening Cash and Cash Equivalents		3,247	3,247	2,034
Closing cash and cash equivalents	9 & 20	4,088	3,016	3,247

The accompanying notes form part of these statements.

Program Statement—Expenses and Revenues for the Year Ended 30 June 2002

Department's expenses and revenues

	Program 1 ^		Program 2 ^		Program 3 ^		Not Attributable		Total	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<i>Expenses</i>										
<i>Operating expenses</i>										
Employee related	5,319	5,295	68	68	300	200	–	–	5,687	5,563
Other operating expenses	2,639	2,721	–	–	5,269	6,262	–	–	7,908	8,983
Maintenance	33	61	–	–	–	–	–	–	33	61
Depreciation and amortisation	139	173	–	–	–	–	–	–	139	173
Grants & subsidies	457	687	73,544	72,052	–	–	–	–	74,001	72,739
Total Expenses	8,587	8,937	73,612	72,120	5,569	6,462	–	–	87,768	87,519
<i>Retained Revenue</i>										
Sale of goods and services	1	84	–	–	–	–	–	–	1	84
Investment income	44	218	–	–	100	–	–	–	144	218
Retained taxes, fees and fines	–	–	–	–	5,653	6,184	–	–	5,653	6,184
Other revenue	67	113	–	–	–	10	–	–	67	123
Total Retained Revenue	112	415	–	–	5,753	6,194	–	–	5,865	6,609
Gain/(Loss) on sale of non-current assets	56	8	–	–	–	–	–	–	56	8
Net cost of services	8,419	8,514	73,612	72,120	(184)	268	–	–	81,847	80,902
Government contributions ^ ^	–	–	–	–	–	–	82,681	81,708	82,681	81,708
Net expenditure/(revenue) for the year	8,419	8,514	73,612	72,120	(184)	268	(82,681)	(81,708)	(834)	(806)
Administered expenses & revenues										
<i>Administered Expenses</i>										
Transfer payments (Note 7)	–	–	–	–	–	–	(445,834)	(427,659)	(445,834)	(427,659)
Total Administered Expenses	–	–	–	–	–	–	(445,834)	(427,659)	(445,834)	(427,659)
<i>Administered Revenues</i>										
Transfer receipts (Note 7)	–	–	–	–	–	–	445,834	427,659	445,834	427,659
Consolidated Fund	–	–	–	–	–	–	–	–	–	–
Total Administered Revenues	–	–	–	–	–	–	445,834	427,659	445,834	427,659
Administered Revenues less Expenses	–	–	–	–	–	–	–	–	–	–

^ The name and purpose of each program is summarised in Note 8
 ^ Appropriations are made on an agency basis and not to individual programs.
 ^ Consequently, government contributions must be included in the 'Not Attributable' column.

Summary of Compliance with Financial Directives

	Recurrent Appropriation	Expenditure/Net Claim on Consolidated Fund	Capital Appropriation	Expenditure/Net Claim on Consolidated Fund	Recurrent Appropriation	Expenditure	Capital Appropriation	Expenditure
	2002				2001			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Original Budget Appropriation/Expenditure								
Appropriation Act s26 PF&AA – Commonwealth specific purpose payments	81,161	81,161	49	49	80,921	80,720	50	50
	445,834	445,834	–	–	427,659	427,659	–	–
	526,995	526,995	49	49	508,580	508,379	50	50
Other Appropriations/Expenditure								
Treasurer's Advance	1,140	869	–	–	450	300	–	–
	1,140	869	–	–	450	300	–	–
Total Appropriations/Expenditure/Net Claim on Consolidated Fund (includes transfer payments)	528,135	527,864	49	49	509,030	508,679	50	50
Amount drawn down against Appropriation	–	527,864	–	49	–	508,679	–	50
Liability to Consolidated Fund	–	–	–	–	–	–	–	–

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

Notes to the Financial Statements

NOTE

1

Summary of significant accounting policies

(a) Reporting Entity

The Department of Local Government as a reporting entity comprises all the entities under its control.

The reporting entity is consolidated as part of the NSW Total State Sector and as part of the NSW Public Accounts.

(b) Basis of Accounting

The Department's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB)
- Urgent Issues Group (UIG) Consensus Views
- the requirements of the Public Finance and Audit Act and Regulations
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain plant and equipment, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Administered Activities

The Department administers Commonwealth transfer payments through the Local Government Grants Commission (refer Note 7).

Transactions relating to the administered activities are not recognised as the Department's revenues and expenses, but are disclosed in the Program Statement as "Administered Revenues" and "Administered Expenses".

(d) Revenue recognition

Revenue is recognised when the Department has control of the good or right to receive, it is probable that the economic benefits will flow to the Department and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) *Parliamentary Appropriations and Contributions from Other Bodies*

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenues when the Department obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

The Department had no unspent appropriations and no liability in respect of transfer payments at year end.

(ii) Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services, i.e. user charges. User charges are recognised as revenue when the Department obtains control over the assets that result from them.

(iii) Investment income

Interest revenue is recognised as it accrues.

(iv) Companion Animals

Under the Guidelines sent out to Councils with DLG Circular 2000-09, there is a requirement that Councils pay to the Department monthly the total amount of Registration fees for transactions that have been successfully entered on the Companion Animals Register. Collections recorded in the Register by Councils at year end totalled \$5.2m (\$4.9m in 2001) which is recorded as retained taxes, fees and fines. The Department changed its accounting policy in the financial year ending 30 June 2002 and details of the change are set out in Note 1(q).

A quarterly reimbursement is made to the councils based on Register Reports for the quarter. A total of \$5.6m (\$6.5m in 2001) in expenses are recorded as other operating expenses and employee related expenses in the Statement of Financial Performance.

(e) Employee Entitlements

(i) Salaries and Wages, Annual Leave, Sick Leave and On-costs

Liabilities for salaries and wages and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

(ii) Long Service Leave and Superannuation

The Department's liabilities for long service leave and superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee entitlements and other liabilities".

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year-end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(f) Insurance

The Department's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(g) Accounting for Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office which is recognised as part of the cost of acquisition of an asset or as part of an item of expense
- receivables and payables which are stated with the amount of GST included.

(h) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is determined as the fair value of assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the acquisition date. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained.

(i) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised. The costs of assets, which form part of a network (computers), have been aggregated together when applying the capitalisation threshold.

(j) Revaluation of Physical Non-Current Assets

Plant and equipment are valued based on the estimated written down replacement cost of the most appropriate modern equivalent replacement facility having a similar service potential to the existing asset.

Each class of physical non-current assets is revalued every 5 years. The last such revaluation was completed on 30 June 2001 (refer Note 11).

In accordance with Treasury policy, the Department has applied the AASB 1041 "Revaluation of Non-Current Assets" transitional provisions for the public sector and has elected to continue to apply the existing revaluation basis, while Treasury's policy on fair value is finalised. It is expected, however, that in most instances the current valuation methodology will approximate fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation is separately restated.

Otherwise, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset account to which they relate. The net asset accounts are increased or decreased by the revaluation increments or decrements.

The recoverable amount test has not been applied as the Department is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

Revaluation increments are directly credited to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as an expense in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

(k) Depreciation of Physical Non Current Assets

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Department.

All material separately identifiable component assets are recognised and depreciated over their shorter useful lives, including those components that in effect represent major periodic maintenance.

The following useful lives have been determined for each class of assets.

	2002 Years	2001 Years
Office Furniture	10	10
Plant & Equipment	7	7
Computer	3	3
Software	3	3
Leasehold improvements	5	5

(l) Maintenance and Repairs

The costs of maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

(m) Leased Assets

Operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

(n) Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(o) Payables

These amounts represent liabilities for goods and services provided to the Department and other amounts, including interest. Interest is accrued over the period it becomes due.

(p) Budgeted amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations under s 21A, s 24 and/or s 26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Statement of Financial Performance and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts i.e. per the audited financial statements (rather than carried forward estimates).

(q) Change in accounting policy

The Department changed its accounting policy in the financial year ending 30 June 2002 to recognise Registration fees when entered in the Register rather than when Registration fees are received from councils. The financial effect of this change in accounting policy has been to recognise \$0.74m as revenue in retained taxes, fees and fines. An expense of \$0.59m has also been recognised being the reimbursement due to councils based on the revenue recorded of \$0.74m.

NOTE

Expenses

2

(a) Employee related expenses comprise the following specific items

	2002 \$'000	2001 \$'000
Salaries and wages (including recreation leave)	4,803	4,585
Superannuation	397	395
Long service leave	180	218
Workers' compensation insurance	33	31
Payroll tax and fringe benefits tax	262	331
Overtime and meal allowance	12	3
	5,687	5,563

(b) Other operating expenses

	2002 \$'000	2001 \$'000
Operating lease rental expense		
– minimum lease payments	729	989
Auditors Remuneration		
– audit or review of the financial reports	31	32
Travelling and Subsistence	156	150
Motor Vehicle Expenses	74	82
Advertising and Publicity	16	80
Fees for Services (excl. Consultants)	417	365
Contractors	287	294
Consultants	212	100
Insurance	21	18
Postal and Telephones	149	189
Printing	104	85
Retainers and Fees	98	128
Companion Animals Payments	5,269	6,263
Other	345	208
	7,908	8,983

(c) Depreciation and amortisation expense

	2002 \$'000	2001 \$'000
Depreciation – Plant and Equipment		
Office Furniture	1	29
Other Plant and Equipment	29	42
Computer Equipment	104	97
	134	168
Amortisation		
Leasehold improvements	5	5
	5	5
Total depreciation and amortisation	139	173

(d) Grants & Subsidies

	2002 \$'000	2001 \$'000
Sewage Management Program	457	615
Pensioner Rebate Subsidies	73,544	72,052
Western Division Grant	–	67
Community Service Obligation – Guarantee and Credit rating	–	5
	74,001	72,739

NOTE

3

Revenues

	2002 \$'000	2001 \$'000
(a) Sale of goods and services		
Sale of goods		
Sale of Publications	–	1
	–	1
Rendering of services		
User Charges	1	8
Sub lease Macquarie Street Office	–	75
	1	83
Total sale of goods and services	1	84
(b) Investment Income		
Interest	144	218
	144	218
(c) Retained Taxes, fees and fines		
Companion Animals registration fees	5,653	6,184
	5,653	6,184
(d) Other revenue		
Expenses recouped from local councils	17	97
Other	50	26
	67	123

NOTE

4

Gain on Disposal of Non Current Assets

	2002 \$'000	2001 \$'000
Gain on disposal of plant and equipment		
Proceeds from disposal	62	13
Written down value of assets disposed	6	5
Gain on disposal of plant and equipment	56	8
Gain on disposal of non current assets	56	8

NOTE

5

Appropriations

Recurrent appropriations	2002 \$'000	2001 \$'000
Total recurrent drawdowns from Treasury (per Summary of Compliance)	527,864	508,679
Less: Liability to Consolidated Fund (per Summary of Compliance)	–	–
Total	527,864	508,679
Comprising:		
Recurrent appropriations (per Statement of Financial Performance)	82,030	81,020
Transfer payments (refer Note 7)	445,834	427,659
Total	527,864	508,679
Capital appropriations		
Total capital drawdowns from Treasury (per Summary of Compliance)	49	50
Less: Liability to Consolidated Fund (per Summary of Compliance)	–	–
Total	49	50
Comprising:		
Capital appropriations (per Statement of Financial Performance)	49	50
Transfer payments	–	–
Total	49	50

Acceptance by the Crown Entity of Employee Entitlements and other Liabilities

NOTE

6

The following liabilities and/or expenses have been assumed by the Crown Entity or other government agencies:

	2002 \$'000	2001 \$'000
Superannuation	397	395
Payroll tax	25	25
Long Service Leave	180	218
	602	638

NOTE

7

Transfer Payments

Financial assistance grants are provided to municipalities and shires under the *Local Government (Financial Assistance) Act 1995*. The Department administers Commonwealth transfer payments through the Local Government Grants Commission.

The total amount disbursed to councils by way of financial assistance grants was \$445.8m (\$427.7m in 2001).

NOTE

8

Program Information

- a) *Program 1: Development, Oversight of and Assistance to Local Government*
Objective: To develop a framework for local government which facilitates high quality local government services for New South Wales citizens.
- b) *Program 2: Rate Rebates for Pensioners*
Objective: To provide relief to eligible pensioners from council rates.
- c) *Program 3: Companion Animals*
Objective: To improve companion animal welfare and to reduce the environmental impact of companion animals.

NOTE

9

Current Assets – Cash

	2002 \$'000	2001 \$'000
Cash at bank and on hand	4,088	3,247
	4,088	3,247

For the purpose of the Statement of Cash Flows, cash includes cash on hand and cash at bank

Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

Cash (per Statement of Financial Position)	4,088	3,247
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	4,088	3,247

NOTE

10

Current Assets – Receivables

	2002 \$'000	2001 \$'000
Interest receivable from Crown Entity	69	83
Retained taxes, fees and fines	741	–
Other receivables	234	177
	1,044	260

NOTE

11

Non-Current Assets – Property, Plant and Equipment

	2002 \$'000	2001 \$'000
Plant and Equipment		
At Cost	120	–
At Valuation	1,805	2,026
	1,925	2,026
Accumulated Depreciation at Cost	9	–
Accumulated Depreciation at Valuation	1,580	1,665
	1,589	1,665
Total Property, Plant and Equipment at Net Book Value	336	361

Reconciliations

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year are set out below (the Department does not own any property):

	2002 \$'000	2001 \$'000
Plant and Equipment		
Carrying amount at start of year	361	346
Additions	120	193
Disposals	(6)	(5)
Depreciation expense	(139)	(173)
Carrying amount at end of year	336	361

Plant and Equipment was revalued in accordance with AASB 1041 (Accounting for the revaluation of Non-Current Assets) as at 30 June 2001. Written down current replacement cost was the basis of revaluation, which was determined by senior officers of the Department.

NOTE

12

Current Liabilities – Payables

	2002 \$'000	2001 \$'000
Creditors	1,666	799
Total	1,666	799

NOTE

13

Current Liabilities - Employee entitlements and other provisions

	2002 \$'000	2001 \$'000
Recreation leave and annual leave loading	529	542
Accrued salaries and wages	112	114
Payroll tax	97	183
Total employee entitlements and other provisions	738	839
Aggregate employee entitlements	738	839

The amount of recreation leave paid has been charged directly to the Statement of Financial Performance. In addition to this the Department has a total liability of \$1.5m (\$1.5m in 2001) for long service leave for which the Crown assumes liability.

NOTE

14

Restricted Assets

The Department has no assets over which any externally imposed restrictions on usage apply.

NOTE

15

Changes in Equity

	Accumulated Funds		Total Equity	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Balance at the beginning of the financial year	2,230	1,424	2,230	1,424
Changes in equity – other than transactions with owners as owners				
Surplus/(deficit) for the year	834	806	834	806
Total	834	806	834	806
Balance at the end of the financial year	3,064	2,230	3,064	2,230

NOTE

16

Contingent Liabilities

There are no known contingent liabilities as at 30 June 2002.

NOTE

17

Commitments for Expenditure

There are no capital commitments or other expenditure commitments at 30 June 2002 (NIL 2001).

Operating Lease Commitments

	2002 \$'000	2001 \$'000
Future non-cancellable operating leases not provided for and payable:		
Not later than one year	469	636
Later than one year and not later than 5 years	33	86
Later than 5 years	-	-
Total (including GST)	502	722

Contingent Assets

The total 'operating lease commitments' above includes input tax credits of \$45,697 (\$65,569 in 2001) that are expected to be recoverable from the Australian Taxation Office.

The Department has long term operating leases for the rental of office accommodation and motor vehicles. Details of these lease arrangements are:

Office Accommodation

The estimated total cost is based on current rentals continuing for the entire term of the lease.

Motor Vehicles

The operating lease is the standard Government arrangement for leasing motor vehicles from StateFleet Services. At 30 June 2002 this arrangement applied to the entire departmental fleet of 5 vehicles.

These operating lease commitments are not recognised in the Financial Statements as liabilities.

NOTE

18

Budget Review

(a) Net Cost of Services

The net cost of services was lower than budget by \$0.35m. This was primarily due to the lower level of project funding for the On-Site Sewage Management Program and lower departmental employee related expenses. In addition, there was higher than budgeted revenue from the Companion Animals Program as a result of a change in accounting policy whereby registration fees are now recognised on an accruals basis. These positive variances were partially offset by higher than estimated payments of pensioner rate rebates to Councils.

(b) Assets and Liabilities

Cash

The year end cash balance is \$1.07m over budget. This is primarily due to cash held in respect of the Companion Animal Fund.

Creditors

The level of creditors is \$0.85m over budget due to the accrual of reimbursements due to councils from the Companion Animals Fund.

(c) Cashflows

The net cashflow on operating activities is \$1.08m better than budget primarily due to the lower level of project payments for the On-Site Sewage Management Program and lower departmental operating payments.

NOTE

19

Material Assistance Provided

The Department has received no material assistance free of charge from any other party for the period ending 30 June 2002.

NOTE

20

Financial Instruments

Financial instruments give rise to positions that are financial assets or liabilities of the Department or its counterparties. For the Department these financial instruments include cash, receivables, and trade creditors and accruals.

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate adjusted for a management fee to Treasury. The interest rate on bank balances at balance date (refer Note 9) was 3.73% (4.00% in 2001) and during the year the average interest rate was 3.52% (4.83% in 2001). The Department does not have any bank overdraft facility.

Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales of goods and services are made on 14 day terms.

For other receivables the credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on other receivables. The carrying amount approximates net fair value.

The Department does not have any significant exposure to any individual customer or counterparty.

Trade Creditors and Accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the Treasurer's requirements. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. In accordance with the Treasurer's requirements the Minister is able to award interest for late payment. No interest was awarded during the year.

NOTE

21

Reconciliation of cash flows from operating activities to the net cost of services

	2002 \$'000	2001 \$'000
Net Cash Flows from Operating Activities	(899)	(1,393)
Cash Flows from Government/Appropriations	82,079	81,070
Acceptance by Crown Entity of employee entitlements and other liabilities	602	638
Depreciation	139	173
Provision for employee entitlements	(101)	32
Increase in payables	867	489
Increase in receivables	(784)	(99)
Net gain on sale of plant and equipment	(56)	(8)
Net Cost of Services	81,847	80,902

End of Audited Financial Statements

Appendix 2. Boards, Commissions & Committees

Boards, Commissions & Committees established by the Department as at 30 June 2002

Companion Animals Advisory Board

Chair
Cl P Arnold

Members:
Mr Des Bolt, Ms M Craig, Dr R Burton (Deputy Chair), Ms S Chaseling, Mr K Edwards, Ms D Ford, Ms J Hughes, Dr Paul Hansen, Ms Karen Thorne, Mr B Wilton, Dr R Zammit.

Environment & Health Protection Guidelines: On-Site Sewage Management For Single Households Review

Members
P Hood, N Shaw, R Mitchell, E Shelley, G Hopkins

Joint Consultative Committee

Chair
T Rogers (Until Oct 2001), Jim Mitchell

Members: K Butson, G Gibbs, J Hogg, J Webb, T Garbin, J Smith

Local Government Accounting Advisory Group

Chair
F Portelli

Members
S Sloan, B Jenkins, G Mottau, B Finch, J Spencer, J Gordon, D Jones, W Taylor, S Samra

Local Government Boundaries Commission

Chair
E Hall

Members
L Kelly, W Bott (until Nov 2001), C Sullivan, M Carnegie

Local Government Grants Commission

Chair
B Armitage

Members
T Rogers (until Oct 2001), M Daly, P Dixon (Until Sept 2001), Warren Mundine (from Feb 2002), Grahame Gibbs (from Dec 2001)

Local Government Pecuniary Interest Tribunal

Member
David Officer QC

Local Government Remuneration Tribunal

Member
Justice C Cullen

Assessors
M Deaham, G Payne

Occupational Health & Safety Committee

Chair
P Hood

Members
R Cicchiello, J Hogg, M Gleeson, H Kanj, L Barbour

On-site sewage management TAFE course

Chair
P Hood

Members
M Choudry, C Cappe, H Scott, J Whitehead, K Peterson, K Simmat, L Tiddy, N Harper, N Shaw, N O'Keefe, N Cahill, P Wakelin, S West, S Page, W Wydmuch

Pool Fencing Advisory Committee

Members
P Collins, P Ley, V Carey, P Corr, D Lyle

Rate Pegging – Committee Of Advice

Members
G Gibbs, T Rogers (Until Oct 2001), Hugo Harmstorf, Jim Mitchell

Septic safe evaluation project

Members
P Hood, K Paterson, E Shelley, T Bles

Septic Safe Technical Advisory Panel

Chair
M Tuck

Members
R Irvine, P Hood, N Shaw, L Huxedurp, S McOrrie, K Jackson, M Tunks, B McRae, D Hale, C Mitchell, T Lustig

Appendix 3: External Boards, Commissions & Committees

External Boards, Commissions & Committees as at 30 June 2002

Name	Member
Acid Sulphate Soils Financial Instruments Working Group	J Sparks
Bushfires Hazard Reduction Inter-Departmental Committee (National Parks and Wildlife Service)	M Craig
Chief Executives Committee	G Payne
Children (Protection and Parental Responsibility) Act Coordination and Evaluation Committee (Attorney General's)	K Paterson
Coastal Council of NSW	L Barbour
Committee on Uniformity of Plumbing and Drainage Regulations in NSW (DLWC)	H Musidlak
Community Solutions Working Group	J Mitchell
Department of Transport Committee	M Gleeson
Effluent Management Policy Committee (EPA)	J Scott, R Irvine
Electricity Underground Steering Committee	J Mitchell
Employment Equity Specialists' Association (EESA)	V Dryden
Environment Protection and Biodiversity Conservation Act Inter-Agency Taskforce	N Smith
EPA Local Government Forum	R Irvine, J Sparks
Flood Plain Management Manual Review Committee (DLWC)	M Carnegie
Food Safety Agency Steering Committee	K Paterson
Government Agencies' Road Safety Council	G Payne
Graffiti Solutions Taskforce (Attorney General's)	K Paterson
Inter-Departmental Working Party on Camps at Lightning Ridge (Mineral Resources)	A Garbin
Inter-Departmental Committee on Cemeteries	H Musidlak
Inter-Departmental Committee on Closed Circuit Television (Attorney General's Department)	K Paterson
Inter-Departmental Committee on Parking Enforcement (NSW Police Service)	R Wilmot
Land and Environment Court Review Working Party	P Chapman
Land and Water Management Plan Assessment (DLWC)	R Irvine
Law Society Planning and Development Sub Committee	Paul Chapman
Local Government Joint Officers Group (LOGJOG)	J Mitchell
Local Government Liaison Committee	J Mitchell
Local Government Privacy Working Party	J Smith
Local Government Road Safety Program Steering Committee	K Paterson
Local Government Strategic Liaison Group (Health)	J Sparks
Local Government Sub-Committee of the Salinity Senior Officers Group	R Irvine
Major Hazards Council Reference Group	H Musidlak
Major Hazards Inter-agency Committee (Planning NSW)	J Mitchell
Ministry of Energy and Utilities Technical Reference Group on Undergrounding of Electricity Cables	A Garbin
National Consultative Committee on Animal Welfare Companion Animals Committee	R Larkin
NSW Biodiversity Strategy Implementation Group	J Scott, J Sparks, H Musidlak
NSW FMD Relief & Recovery Task Force	M Carnegie

Name	Member
NSW Inter-Departmental Committee on Migrant Settlement	V Dryden
NSW Physical Activity Lead Agency Committee (Health)	K Paterson
NSW Shooting Clubs Departmental Liaison Committee	A Garbin
NSW Stormwater Trust	G Payne
NSW Water Safety Taskforce (Sport and Recreation)	K Paterson
Online Services Reference Group	K Bishop
Planning Cluster – Interim Steering Committee	J Mitchell
Plumbing Regulation Review Inter-Departmental Committee (Cabinet Office)	M Craig
Protected Disclosures Act Implementation Steering Committee	M Drinan
Public Sector Management Course Local Government Management Committee	M Craig
Seniors Centre Management Working Party	J Sparks
Silverton Village Committee Inc	A Garbin
Smoky Vehicle Reporting Steering Committee	K Bishop
State Contracts Control Board	J Mitchell
State Emergency Management Committee	M Carnegie
State Greenhouse Network (Cabinet Office)	H Musidlak
State Government Urban Animal Management Coordinators	R Larkin
State Road Traffic Noise Committee	N Smith
State Stormwater Advisory Committee (EPA)	R Irvine
Steering Committee on the Application of Competitive Neutrality Principles to Local Government (Cabinet Office)	J Mitchell
Stormwater Trust Sustainable Funding Working Group (NSW Stormwater Trust)	G Payne, R Irvine
Strategic Action Committee (Coastal Council)	L Barbour
Sustainable Development Network	N Smith
Taskforce on the Regulation of Brothels	P Chapman
Tibooburra Village Committee Inc	A Garbin
Trade Waste Sewage Working Group (DLWC)	R Irvine
Urban Development Industry Liaison Committee (DUAP)	M Craig
UTS Centre for Local Government Board of Management	M Craig
Walk to Work Day Steering Committee (Premier's)	H Musidlak
Wastewater Management Advisory Committee (Health)	R Irvine
Working Group on the Application of Competitive Neutrality to Local Government (Treasury)	J Mitchell

Appendix 4. Consultants

Six consultants were engaged during the reporting year at a total cost of \$212,335.

Three Environmental category consultants exceeding \$30,000 comprised:

Consultant	Cost	Details
PKF Consulting	\$81,539	Boundary Alteration proposals – Impact Assessments
GEAC Computers Pty Ltd	\$50,014	Boundary Alteration proposals – Data Migration Analysis
Planning Initiatives	\$30,092	Advice on planning issues
Total	\$161,645	

An amount of \$50,690 was spent on 3 consultancies of less than \$30,000 in the following areas:

Management services	\$34,350
Information technology	\$16,340

Appendix 5. Payments to Non-Government Organisations

In the reporting year no payments were made to non-government organisations.

Appendix 6. Freedom Of Information Statistics

During 2001–02 Freedom of Information (FOI) procedures had no significant impact on the Department's administration and no major FOI compliance issues or problems arose. Since the introduction of the Freedom of Information Act on 1 July 1989 the Department has received a total of 175 FOI applications.

Seventeen applications were received in the reporting period, which represents about the average number of FOI applications for any reporting period. Two applications were brought forward from 2000–01. Of the applications on hand in the reporting period, six were granted access in full, four were granted partial access, five were refused, one was transferred and three were in process but not completed.

During 2001–02 no applications for internal reviews of the Department's determinations were made nor were there any appeals to the NSW Ombudsman in regard to determinations. Additionally, there were no appeals/complaints to, or decisions made by, the Administrative Decisions Tribunal in regard to determinations made by the Department.

The Department's policy and procedures are aligned with the objectives of the FOI Act and the Ombudsman's policies and guidelines. The Department is committed to assisting those wishing to exercise their rights under that Act. In addition, the Department's philosophy towards its affairs is one of openness. Any request for access to the documents held by the Department will be favourably considered and wherever possible access to the documents will be arranged informally and free of charge. However, there are inhibiting factors and these include the time and resources which may be involved in providing access, the political sensitivity of the material and the rights to privacy of others who may be affected by the disclosure of the information. There continues to be a significant number of telephone enquiries made by the public about councils and their administrative procedures, both in relation to information and documents that are required to be publicly available under the *Local Government Act 1993* and that which is accessible under the FOI Act.

Section A – Number of FOI requests

FOI requests	Personal ^	Other ^	Total ^
A1 New (including transferred in)	5 (3)	12 (11)	17 (14)
A2 Brought forward	0 (0)	2 (1)	2 (1)
A3 Total to be processed	5 (3)	14 (12)	19 (15)
A4 Completed	5 (3)	10(9)	15(12)
A5 Transferred out	0 (0)	1 (1)	1 (1)
A6 Withdrawn	0 (0)	0 (0)	0 (0)
A7 Total processed	5 (3)	11 (10)	16 (13)
A8 Unfinished (carried forward)	0 (0)	3 (2)	3 (2)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section B – What happened to completed requests

(Completed requests are those in line A4).

Result of FOI Request	Personal ^	Other ^
B1 Granted in full	2 (0)	4 (3)
B2 Granted in part	2 (3)	2 (4)
B3 Refused	1 (0)	4 (2)
B4 Deferred	0 (0)	0 (0)
B5 Completed ^	5 (3)	10 (9)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section C – Ministerial certificates

Nil in the last four years.

Section D – Formal consultations

Number of requests completed during the period which required a formal consultation(s).

	Issued	Total
D1 Number of requests requiring formal consultation(s)	6 (4) ^	198 (6) ^

^ Figures in brackets are 2000–01 statistics for comparison purposes. One issue required third party consultation with all 172 general purpose councils. The remaining consultations were over the five remaining issues.

Section E – Amendment of personal records

Number of requests for amendment processed during the last three periods – Nil

Section F – Notation of personal records

Nil.

Section G – FOI requests granted in part or refused

Basis of disallowing access – number of times each reason cited in relation to completed requests which are granted or refused.

Basis of disallowing or restricting access	Personal ^	Other ^
G1 Section 19 application incomplete, wrongly directed	0 (0)	0 (0)
G2 Section 22 deposit not paid	1 (0)	1 (1)
G3 Section 25(1) (a1) (diversion of resources)	0 (0)	2 (0)
G4 Section 25(1) (a) exempt	0 (3)	2 (5)
G5 Section 25 (1) (b) (c) (d) otherwise available	0 (0)	0 (0)
G6 Section 25(4) confidential source of information	2 (0)	2 (0)
G7 Section 28(1) (b) (documents not held)	0 (0)	1 (0)
G8 Section 24(2) deemed refused, over 21 days	0 (0)	0 (0)
G9 Section 31(4) (released to Medical Practitioner)	0 (0)	0 (0)
G10 Totals	3(3)	6 (6)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section H – Costs and fees of requests processed during the period

(Does not include costs and fees for unfinished requests).

	Assessed Costs ^	FOI Fees Received ^
H1 All completed requests	\$915 (\$2262)	\$465 (\$1005)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section I – Discounts allowed in the last two years

Type of discount allowed	Personal ^	Other ^
Public interest	0 (0)	0 (0)
Financial hardship – Pensioner/Child	1 (1)	0 (0)
Financial hardship – Non profit organisation	0 (0)	1 (0)
Total	1 (0)	1 (0)
Significant correction of personal records	0 (0)	0 (0)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section J – Days to process

Number of completed requests by calendar days (elapsed time) taken to process.

Elapsed Time	Personal ^	Other ^
J1 0 – 21 days	3 (1)	7 (3)
J2 22 – 35 days	1 (2)	1 (2)
J3 Over 35 days	1 (0)	2 (4)
J4 Total	5 (3)	10 (9)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section K – Processing time

Number of completed requests by hours taken to process.

Process Hours	Personal ^	Other ^
K1 0 – 10 hours	4 (3)	5 (8)
K2 11 – 20 hours	1 (0)	4 (0)
K3 21 – 40 hours	0 (0)	1 (1)
K4 Over 40 hours	0 (0)	0 (0)
K5 Total	5 (3)	10 (9)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Section L – Reviews and appeals

Number finalised during the period.

	Number finalised
L1 Number of internal reviews finalised	0 (2) ^
L2 Number of Ombudsman reviews finalised	0 (0) ^
L3 Number of District Court appeals finalised	0 (0) ^

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Details of internal review results

In relation to internal reviews finalised during the period.

Bases of Internal Review	Personal ^		Other ^	
	Upheld	Varied	Upheld	Varied
Grounds on which internal review requested				
L4 Access Refused	0 (0)	0 (0)	0 (0)	0 (0)
L5 Deferred	0 (0)	0 (0)	0 (0)	0 (0)
L6 Exempt matter	0 (0)	0 (1)	0 (0)	0 (1)
L7 Unreasonable charges	0 (0)	0 (0)	0 (0)	0 (0)
L8 Charge unreasonably incurred	0 (0)	0 (0)	0 (0)	0 (0)
L9 Amendment refused	0 (0)	0 (0)	0 (0)	0 (0)
L10 Totals	0 (0)	0 (1)	(0) (0)	0 (1)

^ Figures in brackets are 2000–01 statistics for comparison purposes.

Appendix 7. Approved Borrowing Allocations

Council	1999–2000 (\$'000)	2000–01 (\$'000)	2001–02 (\$'000)
Albury City	3,200	–	2,000
Armidale Dumaresq	6,400	5,278	7,100
Ashfield Municipal	–	–	–
Auburn	6,000	–	–
Ballina Shire	835	1,735	570
Balranald Shire	250	654	1,000
Bankstown City	4,000	8,000	8,000
Barraba Shire	140	–	–
Bathurst City	2,800	4,000	2,920
Baulkham Hills Shire	6,500	–	6,500
Bega Valley Shire	2,063	3,440	2,605
Bellingen Shire	200	377	–
Berrigan Shire	–	–	–
Bingara Shire	100	50	–
Blacktown City	–	–	–
Bland Shire	–	–	–
Blayney Shire	2,100	165	1,000
Blue Mountains City	–	2,000	1,500
Bogan Shire	200	122	180
Bombala	230	505	660
Boorowa	200	600	400
Botany Bay City	–	–	–
Bourke Shire	996	500	500
Brewarrina Shire	1,555	350	890
Broken Hill City	–	–	–
Burwood	1,400	2,000	1,500
Byron Shire	3,030	7,448	8,004
Cabonne	200	495	300
Camden	1,320	2,300	2,000
Campbelltown City	5,500	2,500	2,500
Canada Bay City	–	–	4,000
Canterbury City	–	–	3,000
Carrathool Shire	275	450	250
Castlereagh–Macquarie County	–	–	–
Central Darling Shire	–	–	–
Central Murray County	–	–	–
Central Northern County	–	–	–
Central Tablelands Water	500	–	6,425
Cessnock City	–	3,675	1,250
Clarence River County	421	437	410
Cobar Shire	700	535	1,000

Council	1999–2000 (\$'000)	2000–01 (\$'000)	2001–02 (\$'000)
Coffs Harbour City	21,192	30,714	5,140
Conargo Shire	–	–	–
Concord (former)	3,000	–	–
Coolah Shire	500	244	550
Coolamon Shire	–	–	–
Cooma–Monaro Shire	1,100	–	–
Coonabarabran Shire	–	905	–
Coonamble Shire	–	300	340
Cootamundra Shire	500	940	818
Copmanhurst Shire	–	–	125
Corowa Shire	2,110	–	–
Cowra Shire	200	688	400
Crookwell Shire	400	850	300
Cudgong (Abattoir) County	2	1,000	2,000
Culcairn Shire	28	400	300
Deniliquin	540	–	1,280
Drummoyne (former)	–	–	–
Dubbo City	2,400	–	900
Dungog Shire	420	85	640
Eurobodalla Shire	8,130	4,904	6,030
Evans Shire	120	–	–
Fairfield City	2,450	2,600	5,430
Far North Coast County	–	–	–
Forbes Shire	2,200	1,308	9,700
Gilgandra Shire	–	200	–
Glen Innes Municipal	–	–	–
Gloucester Shire	–	–	–
Goldfields Water County	–	–	–
Gosford City	5,030	–	–
Goulburn City	2,715	3,270	3,300
Grafton City	1,070	–	–
Great Lakes	1,450	2,210	2,602
Greater Taree City	3,641	900	900
Griffith City	–	1,800	1,500
Gundagai Shire	–	–	–
Gunnedah Shire	450	600	450
Gunning Shire	100	70	–
Guyra Shire	1,500	225	260
Harden Shire	450	300	500
Hastings	3,133	6,400	1,500
Hawkesbury City	–	1,000	–
Hawkesbury River County	–	–	–
Hay Shire	–	33	–

Council	1999–2000 (\$'000)	2000–01 (\$'000)	2001–02 (\$'000)
Holbrook Shire	125	200	–
Holroyd City	–	300	1,851
Hornsby Shire	–	1,000	1,000
Hume Shire	–	–	1,950
Hunters Hill Municipal	–	–	300
Hurstville City	–	–	–
Inverell Shire	–	–	–
Jerilderie Shire	300	–	200
Junee Shire	–	500	2,200
Kempsey Shire	6,355	1,900	4,540
Kiama Municipal	4,500	500	4,000
Kogarah Municipal	–	–	–
Ku-ring-gai	2,600	2,600	2,600
Kyogle	717	1,588	750
Lachlan Shire	–	–	–
Lake Macquarie City	4,000	3,250	4,000
Lane Cove	1,000	–	–
Leeton Shire	4,480	102	852
Leichhardt Municipal	4,500	5,000	5,000
Lismore City	3,701	541	2,758
Lithgow City	250	55	1,582
Liverpool City	6,500	6,000	13,250
Lockhart Shire	194	267	256
Lower Clarence County (North Coast Water)	–	4,400	5,000
Maclean Shire	1,141	1,178	500
Maitland City	665	1,804	4,010
Manilla Shire	–	120	160
Manly	1,000	1,000	1,300
Marrickville	1,742	1,686	2,030
Merriwa Shire	300	990	160
Midcoast County	7,250	500	–
Mid–Western County	–	–	–
Moree Plains Shire	4,955	3,375	600
Mosman Municipal	500	880	250
Mudgee Shire	6,115	5,179	3,925
Mulwara Shire	167	150	100
Murray Shire	350	350	350
Murrumbidgee Shire	–	–	–
Murrurundi Shire	–	325	212
Muswellbrook Shire	280	100	–
Nambucca Shire	770	460	–
Narrabri Shire	429	222	4,700
Narrandera Shire	670	633	250

Council	1999–2000 (\$'000)	2000–01 (\$'000)	2001–02 (\$'000)
Narromine Shire	1,050	22	–
Newcastle City	–	–	–
New England Weeds Authority	–	–	–
North Sydney	650	–	–
North West Weeds County	–	–	–
Nundle Shire	–	–	–
Nymboida Shire (former)	845	500	–
Oberon	700	400	–
Orange City	1,230	4,990	980
Parkes Shire	1,500	830	500
Parramatta City	4,579	3,600	9,175
Parry	100	–	165
Penrith City	3,200	3,400	2,800
Pittwater	–	–	1,000
Port Stephens	1,000	13,000	8,000
Pristine Waters			66
Queanbeyan City	–	2,050	1,150
Quirindi Shire	–	–	–
Randwick City	–	–	–
Richmond River County	500	1,000	1,500
Richmond Valley	1,100	1,387	517
Riverina Water County	–	–	–
Rockdale City	–	1,100	1,100
Rous Water	–	–	–
Ryde City	3,500	–	–
Rylstone Shire	–	–	–
Scone Shire	200	500	–
Severn Shire	155	472	175
Shellharbour City	482	1,583	563
Shoalhaven City	16,711	2,650	19,368
Singleton Shire	219	135	100
Snowy River Shire	–	–	750
South Sydney City	–	–	–
Southern Slopes County	–	–	–
Strathfield Municipal	1,000	1,000	1,000
Sutherland Shire	4,400	6,270	7,700
Sydney City	–	–	–
Tallaganda Shire	–	–	3
Tamworth City	3,300	4,090	2,900
Temora Shire	250	450	745
Tenterfield Shire	400	350	555
Tumbarumba Shire	–	–	500
Tumut Shire	4,505	105	–

Council	1999–2000 (\$'000)	2000–01 (\$'000)	2001–02 (\$'000)
Tweed Shire	2,491	3,057	5,834
Ulmarra Shire (former)	–	–	–
Upper Hunter County	–	–	–
Upper Macquarie County	–	–	–
Uralla Shire	311	971	1,182
Urana Shire	100	200	–
Wagga Wagga City	–	–	–
Wakool Shire	450	650	800
Walcha	350	–	–
Walgett Shire	–	200	–
Warren Shire	1,050	1,198	50
Warringah	–	1,015	1,260
Waverly	1,000	1,000	1,000
Weddin Shire	–	–	–
Wellington	–	1,216	1,158
Wentworth Shire	450	1,425	1,150
Willoughby City	1,000	–	4,400
Windouran Shire (former)	–	–	–
Wingecarribee Shire	2,000	16,800	3,000
Wollondilly Shire	1,500	2,250	750
Wollongong City	4,550	3,831	6,539
Woollahra Municipal	–	–	–
Wyong Shire	7,622	7,000	4,000
Yallaro Shire	971	793	1,240
Yarrowlumla Shire	1,976	110	–
Yass Shire	250	380	6,050
Young Shire	415	200	350
Total	259,564	248,896	282,140

Appendix 8. Financial Assistance Grant Entitlements

Local Governing Body	1999–2000	2000–01	2001–02
Albury City	3,083,476	3,282,644	3,539,464
Armidale Dumaresq	2,454,616	2,555,748	2,710,160
Ashfield Municipal	1,047,460	1,076,244	1,089,700
Auburn	1,492,224	1,608,392	1,738,592
Ballina Shire	2,231,824	2,376,088	2,535,628
Balranald Shire	1,634,928	1,712,608	1,815,532
Bankstown City	4,069,680	4,412,400	4,758,988
Barraba Shire	995,836	1,060,656	1,133,888
Bathurst City	1,952,716	2,066,228	2,212,240
Baulkham Hills Shire	2,752,260	2,918,244	3,105,252
Bega Valley Shire	3,484,476	3,664,772	3,915,796
Bellingen Shire	1,819,112	1,889,796	1,974,112
Berrigan Shire	2,153,544	2,268,360	2,406,048
Bingara Shire	774,508	797,332	836,272
Blacktown City	10,582,786	11,233,345	11,707,180
Bland Shire	3,393,892	3,596,852	3,849,924
Blayney Shire	1,334,524	1,351,768	1,396,988
Blue Mountains City	5,543,700	5,675,780	5,912,712
Bogan Shire	1,858,000	1,932,564	2,040,840
Bombala	1,054,396	1,061,320	1,088,384
Boorowa	889,916	910,292	963,944
Botany Bay City	912,476	994,696	986,296
Bourke Shire	2,539,420	2,666,968	2,834,300
Brewarrina Shire	1,695,388	1,775,416	1,881,968
Broken Hill City	2,595,008	2,707,196	2,814,544
Burwood	585,716	611,212	621,684
Byron Shire	1,859,168	1,962,096	2,099,652
Cabonne	2,579,396	2,649,412	2,756,804
Camden	1,588,344	1,733,132	1,904,964
Campbelltown City	7,830,748	7,807,360	7,933,968
Canada Bay City	n.a.	n.a.	1,255,508
Canterbury City	3,757,284	3,913,328	4,028,572
Carrathool Shire	2,612,824	2,802,252	3,012,136
Central Darling Shire	2,298,052	2,426,120	2,585,264
Cessnock City	3,749,480	3,908,392	4,126,484
Cobar Shire	2,517,796	2,609,560	2,742,048
Coffs Harbour City	3,671,600	3,904,724	4,225,220
Conargo Shire	n.a.	n.a.	1,585,008
Conargo Shire (former)	892,220	937,676	n.a.
Concord (former)	490,788	519,180	n.a.

Local Governing Body	1999–2000	2000–01	2001–02
Coolah Shire	1,477,292	1,533,820	1,602,936
Coolamon Shire	1,742,984	1,827,320	1,940,032
Cooma-Monaro Shire	1,986,912	1,994,492	2,052,192
Coonabarabran Shire	2,099,232	2,159,656	2,253,652
Coonamble Shire	1,986,580	2,051,528	2,142,360
Cootamundra Shire	1,411,672	1,433,196	1,478,964
Copmanhurst Shire	1,125,736	1,145,028	1,178,808
Corowa Shire	2,013,908	2,135,664	2,287,360
Cowra Shire	2,351,228	2,440,884	2,508,964
Crookwell Shire	1,200,404	1,208,252	1,256,132
Culcairn Shire	1,310,980	1,340,700	1,392,016
Deniliquin	1,297,324	1,309,612	1,336,744
Drummoyne (former)	631,340	662,672	n.a.
Dubbo City	3,465,500	3,640,460	3,865,636
Dungog Shire	1,439,296	1,473,352	1,498,908
Eurobodalla Shire	4,016,968	4,196,028	4,411,904
Evans Shire	1,256,952	1,285,392	1,340,472
Fairfield City	7,495,520	7,840,004	8,227,316
Forbes Shire	2,869,944	2,992,316	3,167,252
Gilgandra Shire	1,744,588	1,789,116	1,865,224
Glen Innes Municipal	917,596	916,836	938,564
Gloucester Shire	1,209,584	1,225,984	1,259,112
Gosford City	7,197,000	7,368,568	7,673,568
Goulburn City	1,450,476	1,531,732	1,641,712
Grafton City	1,482,060	1,497,968	1,555,928
Great Lakes	3,711,496	3,970,336	4,304,116
Greater Taree City	3,700,408	3,928,852	4,188,144
Griffith City	2,213,016	2,316,664	2,417,076
Gundagai Shire	1,001,680	1,026,600	1,069,176
Gunnedah Shire	2,425,604	2,363,632	2,476,716
Gunning Shire	710,568	723,672	823,780
Guyra Shire	1,245,384	1,293,188	1,368,544
Harden Shire	1,374,916	1,448,224	1,536,816
Hastings	4,380,336	4,693,160	5,096,868
Hawkesbury City	3,302,184	3,487,904	3,683,304
Hay Shire	1,382,280	1,417,304	1,479,852
Holbrook Shire	757,676	775,108	806,780
Holroyd City	2,465,124	2,660,000	2,862,032
Hornsby Shire	2,953,368	3,076,408	3,230,888
Hume Shire	1,247,356	1,261,548	1,309,108
Hunters Hill Municipal	269,248	287,700	305,196
Hurstville City	1,336,752	1,383,208	1,479,016
Inverell Shire	2,928,996	3,064,768	3,249,876

Local Governing Body	1999–2000	2000–01	2001–02
Jerilderie Shire	1,210,240	1,270,600	1,343,800
Junee Shire	1,517,700	1,554,796	1,621,324
Kempsey Shire	3,046,932	3,212,928	3,419,824
Kiama Municipal	1,049,440	1,111,532	1,168,668
Kogarah Municipal	997,040	1,034,544	1,095,508
Ku-ring-gai	2,136,300	2,223,028	2,334,876
Kyogle	2,131,944	2,226,044	2,319,760
Lachlan Shire	4,121,122	4,315,162	4,573,725
Lake Macquarie City	9,855,584	10,218,860	10,800,016
Lane Cove	615,572	637,760	657,484
Leeton Shire	1,839,440	1,902,988	1,997,232
Leichhardt Municipal	1,712,280	1,671,796	1,710,024
Lismore City	3,759,892	4,006,504	4,308,368
Lithgow City	2,372,688	2,452,116	2,574,172
Liverpool City	5,268,996	5,687,768	6,180,444
Lockhart Shire	1,919,676	2,039,288	2,191,128
Lord Howe Island Board	103,420	108,052	114,048
Macleay Shire	2,231,048	2,296,508	2,383,376
Maitland City	3,232,700	3,392,540	3,655,984
Manilla Shire	917,812	936,516	976,172
Manly	717,360	743,368	780,736
Marrickville	3,336,296	3,424,604	3,474,116
Merriwa Shire	749,328	753,624	772,104
Moree Plains Shire	3,588,260	3,663,008	3,758,604
Mosman Municipal	534,212	553,628	583,992
Mudgee Shire	2,468,212	2,539,496	2,641,192
Mulwaree Shire	1,504,944	1,631,568	1,731,792
Murray Shire	1,682,896	1,751,888	1,830,948
Murrumbidgee Shire	898,444	928,212	971,772
Murrurundi Shire	654,320	662,792	683,888
Muswellbrook Shire	1,853,148	1,890,780	1,967,516
Nambucca Shire	2,129,816	2,202,388	2,308,784
Narrabri Shire	3,371,304	3,455,532	3,593,540
Narrandera Shire	2,207,556	2,300,692	2,440,828
Narromine Shire	2,174,240	2,258,860	2,373,800
Newcastle City	8,630,136	9,145,404	9,704,844
North Sydney	1,079,932	1,124,396	1,180,340
Nundle Shire	433,960	440,040	452,444
Nymboida Shire (former)	1,028,740	n.a.	n.a.
Oberon	1,098,344	1,148,792	1,215,856
Orange City	2,267,408	2,392,200	2,565,964
Parkes Shire	2,963,860	3,077,164	3,244,644
Parramatta City	4,152,072	4,316,256	4,481,496

Local Governing Body	1999–2000	2000–01	2001–02
Parry Shire	2,093,460	2,146,856	2,247,708
Penrith City	7,480,928	7,804,504	8,239,424
Pittwater	1,137,168	1,175,816	1,232,076
Port Stephens	3,215,252	3,448,220	3,712,152
Pristine Waters	n.a.	2,497,920	2,551,600
Queanbeyan City	1,753,072	1,796,748	1,883,984
Quirindi Shire	1,256,244	1,289,480	1,347,136
Randwick City	2,303,072	2,400,160	2,510,296
Richmond Valley	3,034,228	3,084,152	3,208,612
Rockdale City	1,823,552	1,895,264	2,017,524
Ryde City	1,891,596	1,953,976	2,046,180
Rylstone Shire	1,069,952	1,080,536	1,113,028
Scone Shire	1,567,696	1,598,492	1,647,952
Severn Shire	1,190,564	1,251,548	1,329,760
Shellharbour City	2,424,048	2,628,720	2,864,288
Shoalhaven City	7,358,520	7,665,468	8,085,896
Silverton Village Committee	17,884	18,636	19,640
Singleton Shire	1,808,664	1,867,952	1,966,124
Snowy River Shire	1,623,728	1,647,096	1,693,608
South Sydney City	2,751,828	2,759,408	2,731,164
Strathfield Municipal	547,152	572,964	601,072
Sutherland Shire	4,113,340	4,288,180	4,508,928
Sydney City	393,240	450,972	510,320
Tallaganda Shire	937,996	944,372	986,172
Tamworth City	2,413,008	2,541,680	2,710,080
Temora Shire	1,738,220	1,791,692	1,842,784
Tenterfield Shire	2,101,400	2,176,844	2,300,048
Tibooburra Village Committee	38,236	39,844	41,992
Tumbarumba Shire	998,064	1,024,700	1,063,452
Tumut Shire	1,732,828	1,778,136	1,848,324
Tweed Shire	5,012,512	5,367,804	5,841,144
Ulmarra Shire (former)	1,451,536	n.a.	n.a.
Uralla Shire	1,279,112	1,326,276	1,396,196
Urana Shire	1,121,568	1,175,712	1,257,004
Wagga Wagga City	4,757,988	5,043,324	5,392,476
Wakool Shire	1,881,752	1,954,884	2,050,780
Walcha	925,492	968,824	1,030,772
Walgett Shire	2,878,268	2,984,460	3,137,976
Warren Shire	1,388,084	1,404,916	1,439,640
Warringah	2,590,924	2,722,416	2,844,176
Waverley	1,800,872	1,754,672	1,733,696
Weddin Shire	1,397,924	1,452,516	1,529,280
Wellington	2,231,964	2,270,340	2,344,288

Local Governing Body	1999–2000	2000–01	2001–02
Wentworth Shire	2,897,596	3,021,100	3,182,156
Willoughby City	1,132,228	1,214,912	1,290,652
Windouran Shire (former)	507,244	545,772	n.a.
Wingecarribee Shire	2,921,440	3,116,520	3,318,244
Wollondilly Shire	2,159,080	2,325,192	2,410,276
Wollongong City	9,285,604	10,175,828	11,036,584
Woollahra Municipal	1,000,424	1,048,860	1,100,272
Wyong Shire	6,635,120	6,991,920	7,481,684
Yallaroi Shire	1,492,436	1,537,304	1,599,924
Yarrowlumla Shire	1,106,792	1,109,820	1,136,716
Yass Shire	1,723,540	1,708,084	1,723,372
Young Shire	1,932,664	1,986,636	2,076,456
Total Entitlements	411,258,768	429,091,459	452,089,329

Note: Actual grants entitlements have been adjusted for variations in the estimates of CPI and the States' shares of the national population.

Appendix 9. Pensioner Rebate Payments

Council	Oct 2001 \$	Feb 2002 \$	Jun 2002 \$	Total \$
Albury City	771,305	0	0	771,305
Armidale Dumaresq	247,599	33,345	34,056	315,000
Ashfield Municipal	323,233	0	3,613	326,846
Auburn	446,580	13,574	0	460,155
Ballina Shire	592,217	17,796	58,836	668,848
Balranald Shire	28,456	1,065	0	29,521
Bankstown City	1,787,258	0	22,332	1,809,590
Barraba Shire	57,831	0	0	57,831
Bathurst City	454,311	3,214	3,737	461,262
Baulkham Hills Shire	611,231	10,466	7,481	629,177
Bega Valley Shire	622,190	0	7,095	629,285
Bellingen Shire	0	265,189	0	265,189
Berrigan Shire	180,530	3,588	2,468	186,585
Bingara Shire	54,276	0	2,570	56,845
Blacktown City	1,576,516	17,370	12,861	1,606,747
Bland Shire	80,590	0	4,888	85,478
Blayney Shire	82,388	0	0	82,388
Blue Mountains City	823,545	0	0	823,545
Bogan Shire	38,610	422	89	39,122
Bombala	42,365	1,454	635	44,454
Boorowa	31,022	278	207	31,507
Botany Bay City	0	355,989		355,989
Bourke Shire	21,227	0	5,708	26,935
Brewarrina Shire	10,184	987	0	11,172
Broken Hill City	476,172	3,111	1,901	481,184
Burwood	242,685	4,459	971	248,115
Byron Shire	409,107	34,212	30,691	474,009
Cabonne	175,805	0	2,392	178,196
Camden	211,272	4,520	0	215,792
Campbelltown City	754,899	10,524	9,842	775,266
Canada Bay City	600,155	0	10,392	610,546
Canterbury City	1,315,543	0	31,676	1,347,219
Carrathool Shire	26,613	0	0	26,613
Central Darling Shire	0	0	29,102	29,102
Central Tablelands County	14,208	28,334	15,189	57,730
Cessnock City	676,096	0	11,139	687,235
Cobar Shire	58,420	0	2,721	61,142
Coffs Harbour City	1,117,388	54,986	13,974	1,186,347
Conargo Shire	0	0	1,602	1,602

Council	Oct 2001 \$	Feb 2002 \$	Jun 2002 \$	Total \$
Coolah Shire	62,126	729	171	63,027
Coolamon Shire	51,586	0	327	51,913
Cooma-Monaro Shire	176,088	0	668	176,756
Coonabarabran Shire	123,531	0	70	123,601
Coonamble Shire	66,452	1,071	7	67,530
Cootamundra Shire	174,488	0	0	174,488
Copmanhurst Shire	53,330	0	1,253	54,583
Corowa Shire	197,633	1,479	1,017	200,129
Cowra Shire	265,009	0	0	265,009
Crookwell Shire	71,752	0	0	71,752
Culcairn Shire	64,573	0	0	64,573
Deniliquin	173,071	0	2,419	175,490
Dubbo City	465,046	3,653	4,108	472,807
Dungog Shire	136,039	0	0	136,039
Eurobodalla Shire	902,850	3,689	1,847	908,386
Evans Shire	25,907	0	0	25,907
Fairfield City	1,426,601	26,039	9,118	1,461,758
Forbes Shire	182,871	0	0	182,871
Gilgandra Shire	72,914	0	0	72,914
Glen Innes Municipal	174,342	4,379	3,011	181,732
Gloucester Shire	100,645	0	125	100,770
Goldenfields Water County	48,765	48,992	25,290	123,047
Gosford City	2,547,594	132,340	103,205	2,783,138
Goulburn City	406,187	3,203	3,324	412,714
Grafton City	408,011	0	0	408,011
Great Lakes	645,285	6,103	3,229	654,618
Greater Taree City	671,818	14,773	5,389	691,980
Griffith City	306,513	9,168	2,648	318,329
Gundagai Shire	0	0	57,804	57,804
Gunnedah Shire	215,586	2,499	0	218,086
Gunning Shire	16,278	1,477	69	17,823
Guyra Shire	73,265	0	934	74,199
Harden Shire	82,494	619	1,013	84,126
Hastings	1,525,638	90,533	0	1,616,170
Hawkesbury City	376,954	0	0	376,954
Hay Shire	56,800	0	549	57,349
Holbrook Shire	36,717	0	169	36,886
Holroyd City	813,198	0	0	813,198
Hornsby Shire	837,870	2,880	5,038	845,787
Hume Shire	79,662	0	4,539	84,201
Hunters Hill Municipal	64,175	0	0	64,175
Hurstville City	758,947	5,533	2,111	766,591
Inverell Shire	325,503	0	4,785	330,288

Council	Oct 2001 \$	Feb 2002 \$	Jun 2002 \$	Total \$
Jerilderie Shire	0	15,057	0	15,057
Junee Shire	72,660	0	466	73,126
Kempsey Shire	624,937	0	12,192	637,129
Kiama Municipal	211,108	1,724	917	213,749
Kogarah Municipal	493,665	831	0	494,496
Ku-ring-gai	439,596	22,146	0	461,742
Kyogle	168,906	0	4,090	172,996
Lachlan Shire	94,209	0	2,083	96,292
Lake Macquarie City	2,320,192	80,369	0	2,400,560
Lane Cove	166,206	0	0	166,206
Leeton Shire	164,993	4,384	835	170,212
Leichhardt Municipal	362,370	0	0	362,370
Lismore City	570,831	67,628	52,017	690,476
Lithgow City	426,335	7,367	4,157	437,858
Liverpool City	757,894	0	17,983	775,877
Lockhart Shire	33,539	0	703	34,241
North Coast Water (Lower Clarence County)	29,183	28,905	58,657	116,745
Maclean Shire	383,436	3,110	2,148	388,694
Maitland City	0	577,293	0	577,293
Manilla Shire	0	78,391	0	78,391
Manly	236,684	0	10,553	247,237
Marrickville	574,977	8,261	5,689	588,927
Merriwa Shire	36,694		0	36,694
MidCoast County	101,172	383,215	195,693	680,080
Moree Plains Shire	0	0	108,509	108,509
Mosman Municipal	111,183	2,733	1,131	115,047
Mudgee Shire	299,521	3,795		303,316
Mulwara Shire	0	49,052	1,467	50,518
Murray Shire	115,547	365	1,518	117,430
Murrumbidgee Shire	21,679	0	0	21,679
Murrurundi Shire	34,268	190	0	34,458
Muswellbrook Shire	168,057	13,415	1,137	182,609
Nambucca Shire	426,931	7,168	0	434,099
Narrabri Shire	175,092	0	2,538	177,630
Narrandera Shire	126,866	0	0	126,866
Narromine Shire	83,108	0	744	83,852
Newcastle City	1,954,743	0	12,412	1,967,156
North Sydney	192,218	0	0	192,218
Nundle Shire	10,687	167	301	11,156
Oberon	49,707	1,544	199	51,450
Orange City	610,439	0	5,100	615,539
Parkes Shire	256,851	2,859	3,096	262,806

Council	Oct 2001 \$	Feb 2002 \$	Jun 2002 \$	Total \$
Parramatta City	1,132,211	0	0	1,132,211
Parry Shire	0	162,373	0	162,373
Penrith City	1,096,982	31,271	9,670	1,137,923
Pittwater	349,042	3,851	2,464	355,357
Port Stephens	605,037	43,570	11,460	660,068
Pristine Waters	157,106	1,724	2,498	161,328
Queanbeyan City	0	830,272	0	830,272
Quirindi Shire	81,595	965	1,077	83,637
Randwick City	821,989	0	18,982	840,971
Richmond Valley	354,457	62,444	24,011	440,912
Riverina Water County	58,979	64,269	52,774	176,021
Rockdale City	1,075,959	12,301	0	1,088,259
Rous Water	0	11,699	0	11,699
Ryde City	832,841	4,222	5,173	842,236
Rylstone Shire	79,911	0	1,554	81,464
Scone Shire	0	128,298	13,605	141,903
Severn Shire	27,908	0	0	27,908
Shellharbour City	604,409	0	0	604,409
Shoalhaven City	2,367,684	0	79,710	2,447,394
Singleton Shire	194,096	3,334	2,913	200,343
Snowy River Shire	38,279	0	18,788	57,067
South Sydney City	0	287,934	0	287,934
Strathfield Municipal	204,813	0	0	204,813
Sutherland Shire	1,686,332	12,094	6,274	1,704,700
Sydney City	19,507	0	0	19,507
Tallaganda Shire	37,160	0	673	37,833
Tamworth City	694,419	8,928	4,676	708,023
Temora Shire	95,461	0	750	96,211
Tenterfield Shire	111,643	292	0	111,935
Tumbarumba Shire	50,292	0	0	50,292
Tumut Shire	211,256	9,399	871	221,526
Tweed Shire	1,763,284	15,372	11,945	1,790,601
Uralla Shire	90,083	0	0	90,083
Urana Shire	0	13,650	0	13,650
Wagga Wagga City	581,334	4,392	3,973	589,699
Wakool Shire	0	64,492	0	64,492
Walcha	0	41,220	0	41,220
Walgett Shire	0	0	81,297	81,297
Warren Shire	31,096	935	1,150	33,182
Warringah	1,003,858	5,809	0	1,009,667
Waverley	402,230	4,801	0	407,031
Weddin Shire	56,487	3,207	1,453	61,148

Council	Oct 2001 \$	Feb 2002 \$	Jun 2002 \$	Total \$
Wellington	177,025	2,925	0	179,949
Wentworth Shire	0	85,666	0	85,666
Willoughby City	330,622	0	2,715	333,337
Wingecarribee Shire	523,607	92,001	61,793	677,400
Wollondilly Shire	239,014	3,917	2,387	245,319
Wollongong City	2,130,200	33,117	14,023	2,177,340
Woollahra Municipal	184,114	0	0	184,114
Wyong Shire	3,117,756	143,262	70,425	3,331,444
Yallaroi Shire	0	0	42,062	42,062
Yarrowlumla Shire	46,313	0	0	46,313
Yass Shire	118,740	0	2,562	121,302
Young Shire	214,705	0	1,392	216,096
Total	67,132,260	4,778,015	1,633,838	73,544,113

Appendix 10. Circulars to Councils

2001

01/44 Strategic Tasks Guide for Councils
01/45 Financial Reporting 30 June 2001
01/46 Information Paper No.4 Local Govt in NSW Issues & Info Aboriginal Communities
01/47 Dept of Education & Training Swimming Scheme
01/48 Report Findings from Physical Activity Survey
01/49 Septic Safe Info Management System Handbook
01/50 Dangerous Dog Survey
01/51 Information Regarding Pensioner Concession Applications
01/52 On-Site Sewage Management
01/53 Electronic Reporting by Local Govt
01/54 Aboriginal & Disability Initiatives Survey
01/55 Council Claims for Payment of Pensioner Concessions Subsidies
01/56 Policy Statement-NSW Govt Procurement
01/57 Companion Animal Register
01/58 Companion Animals Act-Transition Package
01/59 Companion Animals Community Education
01/60 Walk to Work Day
01/61 Companion Animals Act - Notice of Orders
01/62 Elsa Dixon Aboriginal Employment Program
01/63 Companion Animals:Animals with two Chips
01/64 2001 Local Govt Multicultural Forum
01/65 2001–02 Rating Return
01/66 Water Safety
01/67 Suspicious Mail & Packages
01/68 Reducing Violence against Gay, Lesbian and Transgender People
01/69 Closed Circuit TV
01/70 Report on Crime Prevention Planning and Initiatives Survey

2002

02/01 Council Claims for Payment of Pensioner Concessions
02/02 Council Urged to Recognise Volunteer Council Fire Fighters
02/03 Companion Animals Conference August 2002
02/04 Companion Animals Amendment - Registration Tags
02/05 New Penalty Notice Powers for On-site Sewage Management
02/06 Freedom of Information Summary of Affairs
02/07 Council Data Collection System for Seizures of Cats and Dogs
02/08 Place Management
02/09 Water Safety
02/10 Local Govt Amendment Act 2000
02/11 Councils Supporting Anzac Day Events
02/12 Walk to School Day Pedestrian Council of Australia

02/13 Centenary Medal
02/14 Adjustments to Notional Income in 2002–03 for New Crown Land
02/15 Information about Rating for 2002–03
02/16 Requested Borrowing Allocations for 2002–03
02/17 Variation of General Income for 2002–03
02/18 Additional Fees for Expedited Assessment of Development Applications
02/19 Applications for Ministerial Approval for Special Variation to General Income
02/20 Code of Accounting Practice & Financial Reporting – Update #10
02/21 Closed Circuit TV
02/22 Council Claims for Payment of Pensioner Concession Subsidies
02/23 Surveys Regarding Seized Cats and Dogs and Pound Activity
02/24 Report of the NSW State Coroner on a Fatality Involving a Garbage Truck
02/25 Freedom of Information Summary of Affairs
02/26 Water Safety
02/27 Draft Social/Community Planning and Reporting Guidelines and Manual

Appendix 11. Publications

Information Papers

Information Paper 1	Strategic Tasks for Councils (revised September 2000)
Information Paper 2	Index for Local Government Act 1993 & Regs
Information Paper 3	Chapter Summary of the Local Government Act (revised)
Information Paper 4	Information for the Aboriginal community in NSW
Information Paper 6	So you're thinking of becoming a Local Government Councillor

Practice Notes

Practice Note 1	Public Land Management (revised May 2000)
Practice Note 2	Approval of Caravan Parks & Manufactured Home Estates
Practice Note 3a	Building Notification (revised)
Practice Note 4	Mine Rating
Practice Note 5	Recruitment of the General Manager & Senior Staff
Practice Note 6	Code of Conduct
Practice Note 7	Freedom of Information
Practice Note 8a	Tendering in the Construction Industry (revised)
Practice Note 9	Complaints management in Councils
Practice Note 12	Resource Sharing for Local Government
Practice Note 13	State of the Environment Reporting
Practice Note 14	Local Approvals Policies (LAPs)
Practice Note 15	Water Safety (an update of Practice Notes 10 & 11)

Publications

The publications listed have been prepared by the Department of Local Government and are available on the internet at www.dlg.nsw.gov.au and from our Bankstown office. Unless otherwise stated, publications are free.

- Are Vehicles Trespassing On Your Land Or Blocking Your Driveway, August 1998 (home page only)
- Asset Accounting Manual Update No 4 (home page only)
- Candidates and Councillors 1995 — The 1995 Survey of Local Government Elected Members and Candidates (home page only)
- Candidates and Councillors 1999–2000 — Report on the Survey of Local Government Elected Members and Candidates for Elections held between September 1999 and August 2000
- ‘Chip In — So Your Pet Can Dial Home’, Your Rights and Responsibilities Under the Companion Animals Act 1998 – brochures
- Companion Animals Regulation 1999 (home page only)
- Comparative Information on NSW Local Government Councils — 1995–96, 1996–97, 1997–98, 1998–99 (home page only)
- Council Staff and Councillor’s Views About Youth Consultation, May 1999 (home page only)
- Competitive Tendering Guidelines, January 1997
- Department of Local Government Annual Report 1999–2000
- Department of Local Government Corporate Plan
- Disability Action Plan 2001–03
- Dividing Fences Law
- Dog and Cat Owners, Things You Need to Know About the Companion Animals Act
- EEO in Local Government Implementation Kit
- Environmental & Health Protection Guidelines — On-site Sewage Management for Single Households (home page only)
- Environmental Guidelines — State of the Environment Reporting by Local Government, December 1999
- 2000–01 Ethnic Affairs Priorities Statement (EAPS)
- Fair Go Fair Say — Proceedings of the 1997 Local Government Multicultural Forum
- Free Parking Area Agreements, August 1998 (home page only)
- Freedom of Information Statement of Affairs December 2000
- Freedom of Information Summary of Affairs December 2000
- Guarantee of Service
- Guidelines for Preparing Amalgamation Proposals, Local Government Boundaries Commission, August 1999 (home page only)
- Guidelines and Code of Practice for Dance Parties, April 1998
- Guidelines for the Compulsory Acquisition of Land by Councils
- Guidelines on the Management of Competitive Neutrality Complaints, October 1997

- How Local Councils Consult With Young People, October 1997 (home page only)
- How Young People Would Like to be Consulted, December 1998 (home page only)
- Local Government Act brochures: (also available translated into community languages)
- Do I need approval for building work?, Why do you pay rates?, How to have your say in council, Your Council – brochures (home page only)
- Local Government Code of Accounting Practice & Financial Reporting (home page only)
- Local Government (Approvals) Regulation 1999 (home page only)
- Local Government (Financial Management) Regulation 1999 (home page only)
- Local Government (General) Regulation 1999 (home page only)
- Local Government (Meetings) Regulation 1999 (home page only)
- Local Government (Orders) Regulation 1999 (home page only)
- Local Government (Rates and Charges) Regulation 1999 (home page only)
- Local Government (Tendering) Regulation 1999 (home page only)
- Local Government (Water Services) Regulation 1999 (home page only)
- Local Government Filming Protocol, September 2000
- Local Government Pecuniary Interest Tribunal — Procedure, November 1998 (home page only)
- Local Government Pecuniary Interest Tribunal Annual Report 2000 (home page only)
- Major and Special Events Planning – A Guide for Promoters and Council, October 1997 (home page only)
- Management Planning for NSW Local Government, Guidelines — January 2000
- Ministerial Guidelines on Alcohol-Free-Zones, November 1998 (home page only)
- Multiculturalism & Local Governance — A National Perspective, November 1998
- NSW Local Government Directory (home page only)
- NSW Local Government Grants Commission Annual Report 1999–2000
- Perspectives (Local Government Newsletter) Issues 1 –20
- Pricing and Costing for Council Businesses — A Guide to Competitive Neutrality, July 1997
- Privacy Management Plan (home page only)
- Privacy, You and Your Local Council (home page only)
- Proposals To Encourage Regional Co-operation Between Local Government Authorities in NSW, January 1997 (home page only)
- Report of an Investigation Under Section 430 of the *Local Government Act 1993* Re: Ku-ring-gai Council (home page only)
- Review of the *Local Government Act 1993* — Report on the Act Review, June 1999 (home page only)
- Social/Community Planning and Reporting Guidelines/Manual, June 1998
- Swimming Pool Laws brochure, August 2000

- The Unintended Impact of National Competition Policy on Non Government Organisations Preliminary Report, December 1997 (home page only)
- Under Careful Consideration: Key Issues for Local Government. Guidelines to Reduce Conflicts of Interest in Councils, March 1997 (home page only)
- Youth Consultation Checklist, May 1999 (home page only)
- 2000–01 Ethnic Affairs Priorities Statement (EAPS)
- Candidates and Councillors 1999–2000 — Report on the Survey of Local Government Elected Members and Candidates for Elections held between September 1999 and August 2000
- Code of Accounting Practice & Financial Reporting (Code) Update No. 9
- Creating Active Communities— Physical Activity Guidelines for Local Councils
- Disability Action Plan 2001–03
- Dividing Fences Law
- Freedom of Information Statement of Affairs — December 2000
- Freedom of Information Summary of Affairs —December 2000
- Guideline 2000/Gen1— Guideline on the Exercise of Functions under the Companion Animals Act
- Local Government Filming Protocol
- Minister’s Second Reading Speech — Local Government Amendment Bill 2000
- Multicultural Forum Notes -held on Monday 6 November 2000 at Rockdale City Council
- NCP Review of the *Local Government Act 1993* — Issues Paper
- On-Site Sewage Management “The Easy Septic Guide”
- Physical Activity Guidelines for Local Councils
- Report on Physical Activity Survey, June 2001
- Section 263 Inquiry into Proposed Voluntary Amalgamation of Concord and Drummoyne Councils, July 2000
- Section 263 Inquiry Report into Proposed Voluntary Amalgamation of Conargo and Windouran Shire Councils, March 2001
- Strategic Tasks Guide for Councils
- Swimming Pool Laws — Brochure (revised and reissued)

Publications Produced During 2001-02

- Local Government and You: Information and Issues for Aboriginal People in NSW, July 2001
- Brochure — Your Local Government and You, July 2001
- Strategic Tasks for Councils 2001–02, July 2001
- Guide to Preparing Strategic Companion Animals Management Plans, July 2001
- Multicultural Forum Notes, July 2001
- Report on Physical Activity Survey, July 2001
- Onsite Sewerage Risk Assessment System, July 2001

- Freedom of Information — Summary of Affairs — June 2001, August 2001
- Septic Safe Information Management Handbook, August 2001
- Guidelines on the exercise of functions under the Companion Animals Act, August 2001
- Companion Animals Community Education Grants Program — Grant Application Form, September 2001
- Companion Animals Community Education Grants Program — Guidelines, September 2001
- Department of Local Government Annual Report 2000–01, October 2001
- NSW Local Government Grants Commission Annual Report 2000–01, October 2001
- Guidelines for Authorised Identifiers, October 2001
- Companion Animals Amendment Regulation 2001 Explanatory Notes, October 2001
- Companion Animals Amendment Bill 2001—Explanatory Notes to Schedule 1, October 2001
- Comparative Information on NSW Local Government Councils 1999–2000, December 2001
- Ethnic Affairs Priorities Statement 2001–02, December 2001
- Chapter Summary of the *Local Government Act 1993* — Updated Information Paper No 3, December 2001
- Dangerous Dog Survey 2001 — Report on Findings, February 2002
- Report of an Investigation under section 430 of the *Local Government Act 1993* Re: Tweed Shire Council, March 2002
- Local Government Code of Accounting Practice & Financial Reporting — Update No. 10 — April 2002, April 2002
- Local Government Code of Accounting Practice & Financial Reporting — Update No. 10 — April 2002 — Summary of Changes, April 2002
- Report and Determination of the Local Government Remuneration Tribunal — 2002, May 2002
- Local Government Pecuniary Interest Tribunal Procedure, May 2002
- Analysis of Council Data Collection System for Seizures of Cats and Dogs 1999–2000, May 2002
- Analysis of Council Data Collection System for Seizures of Cats and Dogs 2000–01, May 2002
- Report of an Investigation under section 430 of the *Local Government Act 1993* Re: Tweed Shire Council Second Instalment on Seaside City and Related Matters, June 2002
- Thinking about blowing the whistle — how to make a protected disclosure, June 2002

Appendix 12. Payment performance

1. Accounts Payable Performance

Quarter Ending	Current	30 Days	60 Days	90 Days
At 30 September 2001	\$1,525,975	–	–	–
At 31 December 2001	\$1,386,124	–	–	–
At 31 March 2002	\$1,266,907	–	–	–
At 30 June 2002	\$2,047,794	–	–	–

This table shows accounts payable at the end of each quarter as extracted from the Department's accounting system.

2. Payments on Time

Quarter Ending	Accounts Paid on Time		Amount Paid On Time	Amount Paid
	Target	Actual		
At 30 September 2001	85%	95%	\$1,441,933	\$1,525,975
At 31 December 2001	85%	94%	\$1,300,318	\$1,386,124
At 31 March 2002	85%	95%	\$1,199,290	\$1,266,907
At 30 June 2002	85%	95%	\$1,944,560	\$2,047,794

Appendix 13. Staffing Statistics

Staff structure as at 30 June 2002

Branch	Est	Filled	Male	Female	P/T
Executive	2	1	1		
Executive Support	6	4		4	
Business Services	5	2	1	1	
Financial Management	12	11	9	2	
Information Services	3	3	3		
Investigations & Review	9	8	6	2	
Legal Services	11	12	2	10	3
Policy & Research	17	15	5	10	2
Minister's Office	14	13	4	9	
Total	79	69	31	38	5

This table includes permanent, temporary and part-time staff, Minister's Office staff and externally funded staff. The table does not include staff on unpaid leave, staff on temporary appointments outside the Department or casuals.

Senior Executive Service

Name of agency	Department of Local Government	
Name of position	Director General	Deputy Director General
Name of officer	Garry Payne	Vacant
Current level of remuneration	\$226,095	Nil
Performance payment made in 2001-02	Nil	Nil

Level	1998-99	1999-2000	2000-01	2001-02
1				
2	1	1	1	-
3				
4	1	1	1	-
5				
6	1	1	1	1
7				
8				
Totals	3	3	3	1

No SES positions were held by women in the years reported. During 2001-02 the Department also used the services of an unattached level 5 SES officer.

Staff employed in various categories

Category	30.6.00	30.6.01	30.6.02
Senior Executive Service	3	3	1
Clerks	58	58	56
Clerical Officers	2	4	5
Legal Officers	3	3	5
Senior Ministerial Staff	2	2	2
Totals	68	70	69

Representation and recruitment of Aboriginal employees and employees with a disability

	1999 – 2000 Total	Aboriginal People	People with Disabilities	2000 – 01 Total	Aboriginal People	People with Disabilities	2001 – 02 Total	Aboriginal People	People with Disabilities
Total Employees	68	0	5	70	0	3	69	0	2
Number %		0	7.4		0	4.29		0	4
Recruited in year	4	0	0	12	1	0	8	0	0
Number %		0	0		1.4	0		0	0

Representation of EEO groups within levels

	1999 – 2000 Total	Women	NESB	2000 – 01 Total	Women	NESB	2001 – 02 Total	Women	NESB
Below CO1	-	-	-	-	-	-	-	-	-
CO Grade 1–2	-	-	-	-	-	-	-	-	-
A&C Grades 1–2	4	4	3	7	7	4	7	5	3
Number %		100	75		100	57.1		71.4	42.8
A&C Grades 3–5	6	6	-	4	3	-	5	5	1
Number %		100			75			100	20
A&C Grades 6–9	29	10	3	26	10	3	24	10	1
Number %		24.5	10.3		38.5	11.5		41.6	4.1
A&C Grades 10–12	24	9	4	28	15	1	30	12	
Number %		37.5	16.7		53.6	3.6		40	
Above A&C Grades 12	5	-	1	5	-	1	3	-	
Number %			20			20			
Totals	68	29	11	70	35	11	69	32	5
Number %		42.6	16.2		50	16.2		46.3	7.2

This table includes permanent, temporary and part-time staff, Minister's Office staff and externally funded staff. The table does not include staff on unpaid leave, staff on temporary appointments outside the Department or casuals.

Percentage of total staff by level

Level	< \$27,606	\$27,606-\$36,258	\$36,259-\$40,535	\$40,536-\$51,293	\$51,294-\$66,332	\$66,333-\$82,914	> \$82,914 (non SES)	SES > \$82,914	Total	Estimated Subgroup Totals
Total Staff (Number)			5	4	22	22	0	2	55	
Staff responding to EEO data form (Respondents)		100%	100%	95%	100%			100%	54	54
Men					59%	55%		100%	27	27
Women		100%	100%	41%	45%				28	28
Aboriginal & Torres Strait Islander People										
People from Racial, Ethnic, Ethno-Religious Minority Groups		80%	25%	5%	5%				7	7
People whose language first spoken as a child was not English		60%	25%	5%					5	5
People with a disability			20%		5%				2	2
People with a disability requiring adjustment at work										

- Subgroup as % of Total Staff at each Level
- Subgroup as Estimated % of Total Staff at each Level

This table does not include casual staff.

Figures for EEO groups other than women have been adjusted to compensate for the effects of non-response to the EEO data collection. EEO statistics reported in years prior to 1998 may not be comparable due to a change in the method of estimating EEO group representation.

Percentage of total staff by employment basis

Level	Permanent Full-time	Permanent Part-time	Temporary Full-time	Temporary Part-time	Contract SES	Contract Non SES	Casual	Total	Estimated Subgroup Totals
Total Staff (Number)	44	4	4	1	2	0	4	59	
Staff responding to EEO data form (Respondents)	98%	100%	100%	100%	100%			92%	54
Men	55%		25%		100%			46%	27
Women	45%	100%	75%	100%			100%	54%	32
Aboriginal & Torres Strait Islander People									
People from Racial, Ethnic, Ethno-Religious Minority Groups	14%		25%					12%	7
People whose language first spoken as a child was not English	9%		25%					9%	5
People with a disability	5%							3%	2
People with a disability requiring adjustment at work									0

- Subgroup as % of Total Staff at each Level
- Subgroup as Estimated % of Total Staff at each Level

This table does not include casual staff.

Figures for EEO groups other than women have been adjusted to compensate for the effects of non-response to the EEO data collection. EEO statistics reported in years prior to 1998 may not be comparable due to a change in the method of estimating EEO group representation.

Contractors

The Department paid \$287,000 for contracted services during the reporting year to individuals or organisations.

Payments made under a major contract with the Department of Gaming and Racing for the provision of corporate support services totalled \$235,000.

Overseas Travel

Officers of the Department undertook no overseas travel during the reporting year.

Index

Aboriginal Initiatives		47
Access to Services	11(1) (c) ARDA & 3(c) ARDR	inside front cover
Acts		25
Advice to Government		51–65
Actions & Outcomes	3(b) ARDR	24,31,51,67,79
Albury-Wodonga		63
Amalgamations (section 263 inquiries)		62–63
Annual Report costs	TM 92/9 & 4(f) ARDR	inside back cover
Assets		4ARDR77
Auditor General's Opinion		s9(l)(b)ARDA88
Borrowing Allocations		117–121
Boundary Alterations		63–64
Boundaries Commission		62–63
Bushfire Hazard Reduction		57–58
Charter		7
Circulars to Councils		132–133
Clients		inside front cover
Closed Circuit Television (CCTV) in Public Places		57
Code of Conduct		69
Committees, Boards	3(d)(i) & 3(d)(iii)ARDR	109
Companies	PM91/2	not applicable
Companion Animals		52–55
Competitive Neutrality Complaints		43
Complaints	3(l)ARDR	37–38
Conargo Shire Council		62
Consultants	3(j)ARDR	112
Contents	5(2)ARDR	2–5
Contractors		143
Corporate Planning		20,67
Crime Prevention		56
Customer Service		inside front cover, 21
Data Collection		21
Director General's Report		8
Disability Planning Activities		71–72
Education and Training		47–49
Electronic Service Delivery		75–76
Employee Costs	3(j)(ii)ARDR	99
Employee Relations		68–69
Equal Employment Opportunity	3(j2)ARDR & TC G1991/18	69
Ethnic Affairs Priority Statement	TC 97/07	70–71
External Boards, Committees		110–111
Financial Monitoring		37
Financial Overview		19
Financial Statements	9(l)(a)ARDA & 2BARDR	87–108
Freedom of Information	6(2)ARDA	113–116
Funding Programs		79–84
Government Action Plan for Women		69–70
Government Energy Management Plan		72
Graffiti		56–57
Grants Commission		79–80
Grants – Financial Assistance		122–126
Grants to non-Government Organisations	3(e)(i-v)ARDR	112

Guarantee of Service		21
Guarantee of Prompt Service – Land Acquisition	3(m)ARDR	35
Hands up for Women in Local Government Project		59
Healthy Ageing		58
Human Resources	3(j)(i)ARDR	68
Industrial Relations	3(j)(iv)ARDR	68
Information Technology		75–76
Inner Sydney Inquiry		63–64
Internal Control	s9(l)(b1)ARDA	75
Investigations under s430		43–46
Judicial Decisions		27–28
Leasing and Licensing of Community Land		36
Land Disposal	3(j3)(i-vi)ARDR	not applicable
Leave Entitlements Value	3(e)(iii)ARDR	102,105
Legislation – administered	3(a)ARDR	29
Legislation – changes	s11(1)(f)ARDA & 3(f)ARDR	24–25
Letter to Minister	s11A ARDA	1
Major Achievements		9–10
Major Works	3(h) (vii-viii) ARDR	not applicable
Management Performance	3(g) & 3(h)(ii) & (v) ARDR	20–21
Ministerial Approvals and Concurrences		33–37
Monitoring and Development		31–49
Multicultural Forum		59–60
National Competition Policy		51–52
NSW Salinity Strategy		60
Occupational Health and Safety		77
On-Site Sewage Management Program		80–83
Organisation Chart	3(d)(ii)ARDR	14
Overseas Travel	3(j)(vi)ARDR	143
Payment Performance Report	3(n) & (o)ARDR TC 97/07	139
Pecuniary Interest Complaints		42–43
Pecuniary Interest Tribunal		61
Pensioner Rebate Subsidies		84,127–137
Performance Outputs		20
Performance Statement of Director General	3A(2)ARDR	16–18
Personnel Policies and Practices		68–69
Pet Line Call Centre		53
Physical Activity		58
Presentations		48
Privacy Legislation		55,73
Protected Disclosures		46–47
Publications	3(k)ARDR52,	134–138
Public Inquiries		62–63
Public Liability		55–56
Quality Management		20
Rate Rebate for Pensioners		20
Recruitment	3(j)ARDR	142–143
Recycling Activities	MR 27/31990	77
Remuneration Tribunal		61
Research and Development	3(i)ARDR	not applicable
Risk Management and Insurance Activities	TD 900.01	73–74
Section 263 Inquiries		62

Senior Executive Service	3A ARDR & PM 92/4	140
Septic Safe		80–83
Special Rating Variations		33–34
Spokeswomen’s Programme		69
Staff – Principal Officers	3(d)(i)ARDR	14
Staffing Statistics	3(j)(i)ARDR	140–143
Stormwater Management		60
Summary of Operations	s9(l)(c)ARDR & s11(l)(e)ARDA	12–13
Time for Provision of Services	34(m)ARDR	inside front cover
Training		48,69
Water Safety		58–59

Key

ARDA	Annual Reports (Departments) Act 1985
ARDR	Annual Reports (Departments) Regulation
DSP	NSW Disability Strategic Plan
PL	Premier’s Letter
PM	Premier’s Memorandum
TC	Treasury Circular
TD	Treasurer’s Direction
TM	Treasurer’s Memorandum

Note: Reporting on recommendations of the Royal Commission into Aboriginal Deaths in Custody has been completed – see 1996/97 Annual Report.



This report is printed on Euro Art (Body) and Freelife Vellum Cream (Appendices). Euro Art papers are totally chlorine free and carry the Nordic Swan environmental symbol, awarded for compliance with stringent standards set down by the Nordic Ecolabelling Board for environmentally friendly pulp and paper manufacturing.

Freelife Vellum papers contain 80% recycled content and 20% elemental chlorine free pulp.

ISBN	0 7310 9494 8
Annual Report production cost	\$19,294.51
Total number of copies printed	1200
Average cost per copy	\$16.08

Produced by the Department of Local Government

© Department of Local Government 2002

