



New South Wales

The Hon Tony Kelly MLC
Minister for Rural Affairs,
Minister for Local Government,
Minister for Emergency Services, and
Minister for Lands

Submission
No 45

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Mr K P Greene MP
Chair
Legislative Assembly
Standing Committee on Public Works
Parliament of NSW
Macquarie Street
SYDNEY NSW 2220

31 AUG 2004

Dear Mr Greene

I refer to your letter of 22 June 2004 inviting the Department of Local Government to make a submission to the Inquiry into the Joint Use and Co-location of Public Buildings.

The department is currently co-located with several state government agencies in purpose built Government Offices situated in Nowra. Suitable existing office accommodation was not available at the time the move was announced in 1999. The construction of new offices to suit the needs, not only of the department, but also other state agencies was managed by the Office of Government Business, Department of Commerce (formerly NSW Public Works).

The department is not currently involved in any activities in relation to the planning of facilities that are or could be jointly used and managed by different agencies or state and local government in the context of the inquiry's terms of reference.

Councils, as locally elected governing bodies, are vested by legislation with their own autonomous functions and powers, including providing and managing public facilities. As such, councils are primarily responsible to their residents and ratepayers, rather than to me, for the manner in which they carry out their functions.

There are many examples of councils' involvement in providing public buildings, which are co-located and offer joint use. The legislative base for such activity is contained in sections 220 and 355 of the *Local Government Act 1993*. A council, as a statutory body (section 220), may share or hire its resources. Section 355 provides, among other things, that a function of a council may be exercised by two or more councils jointly, or partly or jointly by the council and another person or persons.

The NSW Government has recently accepted the recommendations of Emeritus Professor Maurice Daly, Commissioner of the Liverpool City Council Public Inquiry.

As a result, I intend to introduce legislation amending the *Local Government Act 1993* to give effect to recommendations from the inquiry in relation to the capacity of councils to enter into public-private partnerships to develop infrastructure or services related to their overall operations or objectives.

In particular, the proposed legislation and regulations will provide a framework that councils will need to adhere to both in the formulation/management of projects and prior to entering into contractual arrangements where the project value is in excess of \$30 million or 25% of the total annual revenue of the council whichever is the lesser. The proposed changes will, on their passage through Parliament, have effect retrospectively from 2004.

With respect to your request for information on joint use and co-location of public buildings in rural areas, I refer you to the following examples of potential interest to the committee as innovative and successful public spaces combining council services, cultural and community services within a single project in rural areas.

The Temora Library/Visitor Information Centre/Community Technology Centre has developed an information centre and community space that is seen as a model for rural towns. Cootamundra Public/TAFE library was the first fully joint use shared library facility between a local council and state educational authority.

I acknowledge the range of benefits that can be realised through the joint use and the co-location of buildings either through joint ventures between councils, the government, non-government organisations or the private sector to meet the diverse and changing needs of communities.

However, there are also many potential disadvantages, which can be minimised through careful planning and responsive project management.

Thank you for the opportunity to provide comment in relation to the Inquiry into the Joint Use and Co-location of Public Buildings.

Yours sincerely

The Hon Tony Kelly MLC
Minister for Local Government