



Ms Madeleine Foley  
Director  
General Purpose Standing Committee No. 6  
Parliament House  
Macquarie St  
Sydney NSW 2000

Dear Ms Foley

I refer to my recent appearance on 24 of August 2015 before the General Purpose Standing Committee No.6 for the purpose of giving evidence in relation to the Inquiry into Local Government.

Please find enclosed responses to questions taken on notice at the Inquiry hearing (Attachment A). Soft copies of these responses have also been forwarded to GPSC6.GPSC6@parliament.nsw.gov.au.

Should you wish to discuss these responses in further detail, please contact Ms Alyssa Stempniak, Principal Advisor, Advocacy, on

Yours sincerely )

**Robyn Hobbs OAM**  
**Small Business Commissioner**

3 September 2015

INQUIRY INTO LOCAL GOVERNMENT  
NSW SMALL BUSINESS COMMISSIONER

QUESTIONS TAKEN ON NOTICE AT PUBLIC HEARING #6 ON 24 AUGUST 2015

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**QUESTION:**

**Mr DAVID SHOEBRIDGE:** You said that a food truck travelling from council A to council B through another council could be stopped by officers from that intermediate council and quizzed about health standards and regulations. Is that correct?

**Ms HOBBS:** That is correct.

**Mr DAVID SHOEBRIDGE:** To your knowledge has that ever happened?

**ANSWER:**

The Office of the NSW Small Business Commissioner (OSBC) has not recorded any complaints from NSW food truck operators in relation to inspections by council officers during transit from one council LGA to another.

More broadly, the OSBC is concerned that food truck operators are faced with high levels of administrative burden when they operate in various LGAs. According to the Food Authority's "Guidelines for Mobile Food Vending Vehicles"<sup>1</sup>, food truck operators may be required to do some or all of the following:

- Obtain the prior consent of every local council in whose area the vehicle will be used for storing, preparing or selling food.
- Check the requirements of every local council the food truck works in prior to operation.
- Obtain council approval for garaging or maintaining the mobile food vending vehicle at particular premises.
- Organise an inspection at the commencement of trade in the "home jurisdiction".
- Provide a current inspection report to officers from the council in whose area they trade.

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**QUESTION:**

**Mr DAVID SHOEBRIDGE:** How many restaurants have come to you and said that they have to navigate 41 different local council areas and different policies in order to get footpath dining?

**Ms HOBBS:** I cannot give you a number but what I do take is representations from small businesses who tell me how difficult it is—those 30,000 also in the cafés, restaurants and

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[http://www.foodauthority.nsw.gov.au/\\_Documents/industry\\_pdf/Mobile\\_Food\\_Vending\\_Guidelines.pdf](http://www.foodauthority.nsw.gov.au/_Documents/industry_pdf/Mobile_Food_Vending_Guidelines.pdf)

small bars—to get business approvals.

**Mr DAVID SHOEBRIDGE:** How many have told you that they have problems dealing with the differences between council A and council B?

**Ms HOBBS:** That is a question I have to take on notice.

**ANSWER:**

The OSBC has not recorded any complaints from NSW restaurants that have been required to navigate 41 different local council LGAs and policies in relation to outdoor dining policies. The reference to 41 different councils was used to illustrate the fact that neighbouring councils, particularly in the Sydney metropolitan area, can impose different conditions on cafes and restaurants through their outdoor dining policies. Where possible, policies should be streamlined across LGAs to encourage a level playing field while meeting the needs of the community.

The OSBC has not recorded any complaints from NSW restaurants that have had problems dealing with the differences in outdoor dining policies between councils.

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**QUESTION:**

**The Hon. CATHERINE CUSACK:** Would you like to expand a little further about those who are trying to provide services to local councils but who are dealing with multiple councils and having to be accredited to do work for multiple councils?

**Ms HOBBS:** Procurement is always a challenge. It does not matter the size of the business, whether it is a big or a small business. We are working very closely with our colleagues at the Department of Finance, Services and Innovation to make it easier for businesses to actually have procurement in New South Wales.

**The Hon. CATHERINE CUSACK:** What are some of the hurdles they are currently facing in relation to local government?

**Ms HOBBS:** Some of the hurdles they face in particular in trying to get work—and it is in the three tiers of government if you like: Commonwealth, State and local council—is actually competing against larger business. The challenge smaller businesses will always have is that a consortium of a large business will always have more resources and sometimes the smaller guy gets left out.

**The Hon. CATHERINE CUSACK:** I was thinking if one was providing a gardening service or something like that across various councils, for example, the 10 councils that straddle Parramatta Road, one would need to comply with 10 different sets of policies and 10 different contracts.

**Ms HOBBS:** What does happen, and I think the Committee is probably familiar with this, is the ROC structure. Sometimes where you have groups of councils they will go through a combined tender process, for example, so it might be for waste, stationery, fleet management or landscaping services. I am happy to take that on notice and come back to you with some more information if that is helpful.

**ANSWER:**

Councils must adhere to many rules and regulations when procuring goods and services including those outlined in the *Local Government Act (NSW) 1993* and internal procurement policies, which vary from council to council.

The procurement process can be difficult for small businesses to navigate and is more complex when small businesses are providing services to more than one council or government agency.

Regional Organisation of Councils (ROCs) are voluntary groupings of councils that are usually formed in geographically adjoining areas. ROCs undertake a range of functions on behalf of their member councils, including procurement. The benefits in undertaking joint procurement among member councils can include reduced costs, access economies of scale, reduced duplication of effort, shared service delivery and other cooperative activities.

For suppliers, the benefits of joint procurement can include only having to tender for one contract across multiple councils instead of having to tender separately. This can provide efficiencies for suppliers including reduced duplication of effort and administrative cost savings.