Helping local government
build stronger communities.

# LGA Submission

# Red Tape Review

## October 2026

lga South Australia

Document Set ID: 884968
Version: 6, Version Date: 02/11/2026

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# About us

At LGA South Australia our purpose is to help local government build stronger communities.

As the peak body proudly representing 68 councils across South Australia and the Anangu Pitjantjatjara Yankunytjatjara, we champion the needs of our members every single day.

Working for our members, we represent the interests of local government at both state and federal levels and provide robust and innovative solutions to local challenges.

Whether it's policy development, coordination on important issues or training and development, our work is about empowering local government to deliver a real, lasting impact for South Australians. Our trusted services also include tailored cover and risk services for the sector, and access to pre-qualified suppliers and panels to save councils time and money.

With a focus on leadership and representation, our work is driven by a shared passion for making a difference in the lives of the communities.

LGA welcomes the opportunity to provide a submission on Red Tape Review.

# Survey Submission

## Proposed Best Aspects

### *1. Planning System*

The South Australian Planning System is acknowledged as the best in the nation and the following statistics demonstrate the efficiency:

- Greater Adelaide currently has 4633 housing ready lots and 23,010 housing lots with development approval.
- More than 90% of planning consent decisions in South Australia are made within the statutory timeframes, compared with just 64% in Victoria and only 71% in New South Wales.
- Median assessment times are even quicker, at 12 days in South Australia compared with 119 days in Victoria.

The most significant investment that many people make in their lives is their home. The planning system is designed to provide some certainty regarding when they purchase and the amenity they have chosen. Therefore, we would not support changes that result in building height uniformity across residential type zones (e.g. up to 3 storeys) as this approach



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can decrease housing diversity and disrupt infrastructure provision. This position aligns with LGA's response to the Housing Supply Regulation Interim Report.

The key challenge in the delivery of housing and other developments is investment in the enabling infrastructure, e.g. energy, telecommunications, water, wastewater and social infrastructure.

## *2. Subsidiarity*

LGA South Australia subscribes to the principle of subsidiarity, which is the idea that decisions and services should be delivered at the lowest level of government that can do so effectively. Higher levels of government should only intervene when an issue cannot be satisfactorily managed at the local level.

For example, a key strength of South Australia's current heavy vehicle access framework is that it reflects the principle of subsidiarity, with decisions made by the level of government that owns, manages and is accountable for the infrastructure. In South Australia, councils are responsible for maintaining 76% of the road network and are therefore best placed to assess local asset conditions, bridge and culvert capacity, community impacts, safety considerations and long-term renewal implications. This alignment of decision-making authority with asset stewardship helps ensure that access decisions are informed by the most detailed and up-to-date local knowledge, while maintaining clear accountability for managing infrastructure risk and cost.

Importantly, the recent Federal Productivity Commission review1 of heavy vehicle reform supports strengthening, rather than replacing, this model. The review identifies opportunities to improve productivity through better asset data, greater consistency in decision-making, accelerated implementation of the National Automated Access System (NAAS), and increased support for local governments. This demonstrates that productivity and subsidiarity are complementary objectives: the most effective reform pathway is one that equips local road managers with better information, technology and resources, while preserving local decision-making authority over assets for which they remain responsible.

## *3. Occupational licensing and registration schemes*

Occupational licensing and registration schemes are important for service providers who use dangerous chemicals, heat-activated tools, handle food, operate at height, use sharp implements close to skin, deal with hazardous waste (e.g. asbestos, lead paint) etc. These schemes contribute to reducing the risk to customers and reduce the cost to the private sector e.g. through lower insurance premiums.

[1] Study Report - Impacts of heavy vehicle reform | Productivity Commission



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Councils are improving compliance and efficiency by providing clear guidance, tailored advice and risk-based support to businesses.

## Proposed Problematic Areas

### *1. Native Vegetation Issue*

For metropolitan Adelaide, native vegetation (and Biodiversity Act when transitioned) does not apply. For regional cities and townships, the rules apply and this creates additional cost and is a disincentive for economic development in these locations. It also creates inequity between metropolitan Adelaide and the rest of the state.

As an example, for more than a decade, Tatiara District Council worked to facilitate the development of a new medical hub adjacent to the Bordertown Memorial Hospital. This initiative was responding to community concerns about access to local health services and specialist care. The proposed site was located within the township of Bordertown and was selected to support a co-located health services model, delivering significant community, economic and productivity benefits.

While Council recognised the importance of protecting native vegetation, the project highlighted the challenges of applying native vegetation clearance principles within established townships in the same manner as broader rural landscapes. The site contained scattered native trees, and despite earlier advice suggesting the vegetation was of relatively low significance in the context of surrounding parklands, the proposal was assessed as being "seriously at variance" with several clearance principles due to the potential impact on remnant vegetation.

After extensive consultation and assessment, the original three-allotment proposal was unable to proceed. Council was required to redesign the development, substantially reducing its footprint to avoid impacts on native vegetation. While a revised proposal was ultimately approved, it required significant redesign costs, additional offset payments and approximately four months of further assessment and negotiation.

A key concern identified by Council was that the remnancy principle did not adequately distinguish between vegetation located within an established township and that within the broader rural landscape. In practice, this limited flexibility to balance environmental outcomes against the significant public benefits associated with a strategically located health development.

Although native vegetation issues were eventually resolved, the cumulative impacts of delays, redesign requirements and broader cost escalation pressures contributed to the proponent withdrawing from the project in 2023. The ultimate outcome was the community did not receive the needed facility.



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Council considers that a more proportionate regulatory approach for township-based developments could better support essential community infrastructure, regional growth and productivity outcomes, while still achieving appropriate environmental protections. The case illustrates how regulatory settings that are applied too rigidly within townships can unintentionally constrain investment and development opportunities that deliver substantial community benefit.

***Proposal***: Treat regional cities and townships the same as metropolitan Adelaide, particularly where there are opportunities to facilitate growth, particularly housing and employment land within the city/township boundary. The costs to develop in regional areas are often higher than in metropolitan areas, so a change to the legislation would make development more attractive in regional areas.

### *2. Waste Policy Issue:*

For metropolitan councils, the Waste Policy (10.2) requires that councils pick up their 'red' landfill bin every week. Research has also identified that around 50% of the material could be placed into the 'green' FOGO bin. Therefore, councils would like the discretion, following consultation with their communities, to change collection of the 'red' bin from weekly to fortnightly and the 'green' bin to weekly. This would enable the change at no cost to the ratepayer but would reduce costs to councils and therefore ratepayers. A process would be put in place for people who have a higher demand for the landfill bin e.g. a change from 120 litre bin to 240 litre bin.

Management of waste is a significant cost to the South Australian community with Local Government Grants Commission data for 2024-25 finding that the total state expenditure was $327 million .

Further, the average kerbside diversion of FOGO across SA in 2021-22 was 49%. This means that about half the was stream can be removed from landfill and be recycled. This is a important contribution to the State Government's target of 75% diversion from landfill.

***Proposal:*** Remove clause 10.2 from the Waste Policy that will provide the flexibility for councils to minimise the cost of waste to South Australian Businesses.

## Other Options for Consideration

A more targeted analysis would better reflect the role councils play in administering regulation and the impact this has on financial sustainability. Therefore, we welcome an opportunity to respond to the Interim Report that is planned for release in December 2026.

LGA would also want to ensure that if, through this process, regulatory decision-making is shifted away from councils, then liability should shift as well. It is our position that the sector



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should not remain exposed to liability for decisions or frameworks it does not control. For example, if the State centralises road access rules, it should also accept responsibility for the consequences of those rules.

On appeal and objection rights, I would argue these should not be characterised as red tape. They are accountability mechanisms. Removing them may not reduce burden in a meaningful way. Instead, it may instead shift disputes into the courts through judicial review, which could increase litigation risk for councils.

Automatic approvals for higher-risk development, such as townhouses in flood-prone areas or sites with contamination, would effectively transfer risk from the State to councils. If automatic approval pathways are to be considered, they should be limited to lower risk predetermined sites, with clear exclusions for flood zones, heritage areas, and environmentally sensitive sites.

# Letter Submission

## Proposed Problematic Areas

In addition to the survey, LGA made a submission via letter that included additional response to the survey. Please find the additional Problematic Areas included below:

### *3. Food safety inspections*

Your Issues Paper specifically refers to food safety as a potential issue to explore. Along with the perception held regarding the planning and development system to be the best regulatory framework in the country, I would like to bring your attention to the findings from the last Inquiry regarding food premise inspections. South Australia currently uses the South Australian Food Business Risk Classification System developed by SA Health and provides councils with a guide for setting inspection frequencies based on inherent risk. This classification system sets initial, minimum and maximum inspection frequencies. This aids consistency in the implementation and operation by local authorities.

In 2018, the State Local Government Red Tape Reduction Taskforce identified food safety inspections as a priority area for review to reduce regulatory burdens and support economic growth. Industry associations raised concerns about food safety regulation, but most issues lacked specific evidence. Only one specific council-related example was provided and, upon investigation, was found to be based on factual errors. Despite this, stakeholders agreed there was value in further exploring industry concerns.

To better understand the issues, KPMG facilitated consultations and a workshop involving industry associations, SA Health, LGA, and council environmental health managers.



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Discussions revealed that the primary challenges were not regulatory requirements themselves but communication, relationships, information sharing, and understanding between regulators and businesses.

*Key Issues Raised by Industry in 2018*

Industry representatives, particularly the Australian Hotels Association and Restaurant & Catering Association SA, raised concerns about:

- Inconsistent enforcement and inspections across councils, resulting in different compliance costs and requirements for similar businesses.
- Variations in interpretation and application of food safety regulations between Environmental Health Officers (EHOs), councils, and business types.
- A perception that EHOs lack understanding of the commercial realities facing businesses, particularly small businesses.
- Concerns that inspections can focus too heavily on minor premises issues such as walls, ceilings and floors rather than food safety risks that directly affect public health.
- Inspections being conducted during peak trading periods, creating operational pressures for businesses.
- Alleged inconsistencies in the timeframes provided to rectify breaches.
- A perceived lack of a clear and accessible appeals or dispute resolution process for businesses wishing to challenge regulatory decisions.

In response to the industry concern, an investigation found:

- Most concerns were based on perceptions rather than specific examples, and additional evidence was requested to assess alleged inconsistencies.
- EHOs are expected to exercise professional discretion and risk-based judgement, meaning different responses may be appropriate depending on the circumstances and level of risk.
- Enforcement follows a graduated approach, starting with education and advice before progressing to formal action where appropriate.
- A statewide risk classification framework, developed by SA Health, guides inspection frequency and prioritises businesses according to food safety risk.
- Inspections may occur during busy periods because EHOs need to observe food handling practices under normal operating conditions.
- Timeframes for rectifying breaches are determined using a risk-based assessment of the seriousness of the issue.



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- Multiple review and complaint mechanisms already exist, including council complaint processes, the Ombudsman, ICAC, SACAT and, ultimately, the Supreme Court.

Overall, while regulatory inconsistency was the initial concern, subsequent discussions found that the main issues were largely related to implementation of the framework (such as, communication, understanding and relationships between regulators and industry), rather than problems with the regulatory framework itself.

### *4. Cost shifting*

I have also taken the opportunity to provide a copy LGA's research into local government cost shifting which was undertaken in response to our sector's concerns about inefficiency and inequity in delivery. Cost shifting occurs when responsibilities, services, functions or regulatory obligations are transferred to local government by other levels of government without the provision of adequate and ongoing funding to meet the associated costs.

Cost shifting places unsustainable financial pressure on councils, limits the capacity of local government to deliver core services and infrastructure, and reduces the ability of councils to respond effectively to local community priorities.

Based on the survey undertaken for the research, the estimated total cost shift to the South Australian local government sector of $253.9 million, or an average of $3.7 million per council and an average per rateable property cost of $271, noting that this figure will vary by council. This represents a significant cost to members of South Australian communities.

LGA is in the process of updating this report to seek more current data and to compare with the 2022-23 baseline.



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## Additional Red Tape Issues for Consideration

In addition to LGA's survey response, LGA has identified several other red tape issues for consideration by the Commission, either as part of this Inquiry or for future deliberations. In identifying these issues, we have also incorporated a high-level assessment of the benefits and costs of a change, with a particular focus on reducing red tape for businesses.

| Matter for Consideration | Benefit | Cost |
|---|---|---|
| **1.Council Structures**<br><br>***Issue***: The *Local Government Act* limits flexibility in determining more efficient structures to deliver services e.g. each council must have a CEO. This has a clear link in mitigating the financial sustainability risk for councils.<br><br>***Proposal***: Amend the *Local Government Act* to provide more flexibility for councils to determine the most efficient and effective structure to deliver services to their communities. | Medium | Low |
| **2.Council Procurement**<br><br>***Issue:*** South Australia currently lacks any formal requirement for council procurement collaboration. Victoria's local government procurement reforms demonstrate the value of modernising council purchasing through collaboration. In 2020, Victoria replaced rigid tender thresholds with a principles-based requirement that each council consider and demonstrate opportunities for collaborative procurement on major contracts. This approach preserves council autonomy while encouraging strategic joint purchasing for better community value.<br><br>Collaborative procurement reduces procurement duplication across councils, but also significantly reduces supplier compliance costs by allowing suppliers to access multiple councils through a single procurement process or platform of pre-qualified suppliers, rather than responding repeatedly to similar tenders with similar information. | High | Low |



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| Matter for Consideration | Benefit | Cost |
|---|---|---|
| Victoria identified sector-wide benefit potential of $180 million to $350 million per annum, while multiple council collaborative procurement projects have demonstrated measurable savings in practice:<br><br>• Collaborative bituminous road resealing procurement by Ararat, Ballarat, Golden Plains, Hepburn and Pyrenees councils has delivered $3.1 million savings over five years.<br>• Tree pruning and line marking collaboration involving Banyule, Boroondara, Knox, Manningham, Maroondah, Monash, Nillumbik, Whitehorse and Yarra Ranges councils resulted in around $800,000 savings over five years<br><br>South Australia has already demonstrated that collaborative and aggregated procurement can materially reduce costs, with recent collaborative energy procurement projects generating close to $1 million per annum in recurring savings across participating councils.<br><br>One supplier recently commented that for 3 separate tenders for a single council required the same information to be provided 3 times. Where more councils collaborate on procurement, this requires that information to be provided to each council and then to be individually approved by each Chamber. This creates a barrier to collaboration and is a disincentive for companies to do business with councils.<br><br>***Proposal***: Introduce a *Local Government Act* amendment modelled on Victoria's Section 109. Councils would be required to explicitly consider and document opportunities to collaborate with other councils or public bodies for significant procurements, without mandatory dollar thresholds or any compulsion to use specific providers. | | |



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| Matter for Consideration | Benefit | Cost |
|---|---|---|
| **3.Concessions for Rates**<br><br>***Issue***: Council regularly engages with residents who access a range of State Government concession programs designed to support people experiencing financial hardship, older residents, pensioners and other eligible community members. While these concessions provide valuable assistance, community feedback indicates that application, verification and ongoing eligibility processes can at times be complex, time-consuming and difficult to navigate.<br><br>***Proposal***: Seek to streamline the process through providing access to a single data base (consistent with privacy requirements) that makes accessing concessions clearer and easier for residents. | High | Low |
| **4.Authorised Persons / Officers definition and requirements in legislation**<br>***Issue:*** Inconsistent definitions and requirements for the various 'authorised' officers/persons between different Acts relevant to a council. For example:<br>• Some Acts refer to 'Authorised Persons', while others have 'Authorised Officers' and, in some cases, a specific name e.g. Fire Prevention Officer.<br>• Authorised Person ID cards have differing requirements, e.g. the Dog Management Officer ID card has to be signed by the CEO.<br>• The requirement to use the ID is also inconsistent with some Acts require the person to show the ID before taking action and others you only have to show it if asked.<br><br>***Proposal:*** Develop and implement a consistent framework for 'authorisations' for all Acts / regulations. | Low | Medium |



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| **5.Construction Industry Training Fund Levy**<br><br>***Issue:*** The CITF Act was amended so that all projected over $100,000 need to pay a Levy to support training in the building and construction industry. For council, road works are captured under this model and for regional councils, training is not run locally. Therefore, the intent of the change to improve the quality of the industry is not being achieved. It is also resulting in a cost to South Australian communities outside metropolitan Adelaide where there is no benefit.<br><br>***Proposal:*** Exempt regional roadworks from the CITF Act. | High | Low |
| **6.Crown / Community Land - Allow local government to purchase Crown Land without competition for market value.**<br>***Issue:*** Currently councils can only buy land off market if it is a current custodian with improvements. This makes non-competitive sale to councils difficult.<br><br>***Proposal:*** Amend section 25(1) to add an ability for any local council (as defined under the *Local Government Act 2009*) to purchase any Crown land. Premier and Cabinet Circular 114 is being amended to allow for favourable treatment for direct sale to Council. The provision should allow any disposal to be conditional upon the land being registered as community land or registration of a Crown Condition Agreement. | Medium | Low |
| **7.Crown / Community Land - Delegate Ministerial Revocation Power for Dedicated Community Land**<br>***Issue:*** Currently under the *Local Government Act*, councils are required to identify all council land under care and community management. Councils are required to keep an up-to-date list and publish it (in various forms). If a council wants to remove a piece of land from being dedicated for community and care purposes this can happen under the community land revocation clause but needs to be approved by the Minister for Local Government.<br><br>***Proposal:*** Amend the legislation to empower councils to revoke | High | Low |



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| Matter for Consideration | Benefit | Cost |
|---|---|---|
| community land status. This could also speed up making land available for housing and other economic development opportunities. | | |
| **8.Crown / Community Land - Disposal of community land**<br>***Issue:*** Ministerial approval is needed for councils to dispose of community land. This is inconsistent with the notion of local government being a responsible level of government and could be removed.<br><br>***Proposal:*** Remove the requirement for Ministerial approval to dispose of community land. | Low | Low |
| **9.Development Application - Outdoor Dining**<br>***Issue:*** Inconsistent regulatory requirements by different councils for outdoor dining (including signage, furniture, structures etc).<br><br>***Proposal:*** Ensure a consistent and fair approach for regulatory requirements across different councils and types of business, particularly outdoor dining. | Medium | Low |
| **10.Food and Health Inspections - Local Government**<br>***Issue:*** There is inconsistency with the way in which local government health inspections are carried out across different council areas, leading to compliance costs for businesses depending on where a business is located. However, food businesses have different risk profiles depending on the activities they undertake, with higher-risk activities requiring additional controls. Authorised officers use professional judgement when applying regulatory powers. Apparent inconsistencies often reflect the exercise of discretion based on the specific circumstances and level of risk involved.<br><br>Also, differences in compliance requirements between different types of venues has been raised e.g. strict audit inspection regimes for | Medium | Medium |



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| Matter for Consideration | Benefit | Cost |
|---|---|---|
| hotels versus a food truck located outside, giving it a competitive cost advantage. However, food trucks must comply with the same Food Standards Code requirements as fixed premises. As they often operate across multiple council areas, they may be subject to additional inspections.<br><br>***Proposal:*** Review the food/health inspection requirements to ensure consistency across geographical areas and within the industry, and an appropriate risk-based approach. It is suggested that the reviewers consider the introduction of a licensing and registration scheme to streamline administrative processes for food and health businesses. This position was recently reinforced by the **Managing food safety in council areas** report from the Audit Office of South Australia, which identified opportunities to strengthen the consistency and efficiency of food safety regulation across the state. Such a system would not only reduce red tape but also improve oversight, data quality and public health outcomes. | | |
| **11.Licensing - Supported Residential Facilities**<br>***Issue:*** Councils are no longer the appropriate licensing authority given the introduction of the NDIS. Also, councils do not have the appropriate skills to undertake this work.<br><br>***Proposal:*** Transfer licensing of Supported Residential Facilities to the state government | High | Low |
| **12.Roads - Councils do not have powers to manage unmade roads**<br>***Issue:*** The *Local Government Act* and *Road Traffic Act* do not give councils appropriate powers to manage unmade public roads, especially in rural areas. There are many “public roads" laid out in old rural subdivisions which have never been formed, or are no longer used, and over time have been occupied by adjacent landowners. In some cases, there is remnant "public" infrastructure still in place, including culverts and bridges. While some are required/used as fire trails, many are purely used for private access or private purposes. With the increase in use of four-wheel drive vehicles and motor bikes, the public are insisting on using some of these roads as "challenges" | Low | Low |



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| Matter for Consideration | Benefit | Cost |
|---|---|---|
| for their driving. This leads to complaints from adjacent landowners and exposes council to a potential liability for the use/misuse, and damages to either user's vehicles or the road and infrastructure in the road. Clearer statutory provisions need to be provided so Council can effectively close a road to all, or certain classes of vehicles, and be able to effectively enforce these provisions.<br><br>***Proposal:*** Closure of public roads under the *Roads (Opening and Closing) Act* are cumbersome so a change in legislation to give councils power to manage unused /unmade public road. | | |



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