

**Submission
No 120**

INQUIRY INTO LOCAL GOVERNMENT IN NEW SOUTH WALES

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The Hon. Paul GREEN
Chair, General Purpose Standing Committee #6

Re: Inquiry into Local Government / Fit For The Future

This submission relates to deficiencies in the Fit For The Future process of Waverley Council. Waverley Council was one of a very small number of councils that proposed an amalgamation option that was aligned with submissions from its proposed merger partner. In reaching these decisions, each council claimed that amalgamation was widely supported by community surveys.

Despite the background information provided to recipients in the surveys being reasonably balanced, the consultation analysis conducted by/for Waverley Council was grossly deficient. It is reasonable to presume that the survey and results analysis methodologies used were designed to bias the survey toward an amalgamation outcome. I have attached the report from the research company (IRIS) for your reference.

The specific concerns with the analysis process are as follows:

1. The online, printed and telephone survey asked respondents for their most preferred option, from no amalgamation through a range of amalgamation options. When the respondent's preferred option was selected, a request was made for next and subsequent options in order of preference, essentially an optional preferential ballot. Unless a respondent chose the "prefer not to indicate a preference" response at some stage, all the options would thus be ranked in order of preference. A respondent opposed to any amalgamations would have needed to select the "no amalgamation" option as their first preference and the misleading "prefer not to indicate a preference" as their second preference to avoid having their response counted as being in favour of one or more merger options by virtue of having selected them with a lower preference.

This is a highly misleading way to conduct a survey of whether a merger was supported. An unbiased survey would have first asked for a clear yes/no indication for any kind of merger, and then evaluated which of the merger options was most preferred.

Nonetheless, the "no merger" option was the most preferred in all the surveys by a factor of 2 to 1 above the most preferred merger proposal.

2. The analysis of the responses to the ranking of merger options was also grossly misleading. Instead of performing a standard preferential ballot count, the second and subsequent preferences of all respondents were considered to have equal weight in determining the most supported option. Thus respondents whose first preference was for no merger were also counted in support of one or more merger options.

By using this process, an option (merge with Woollahra and Randwick) that received around 17% of first preference support was declared the most preferred with 75% "support" while the most popular "no merger" option ranked fourth with 66% "support". The option selected for Waverley's IPART submission received around 70% "support", the third ranked under this bizarre method.

As the counting of preferential ballots is commonplace in government practise in Australia, it is astounding that a supposedly reputable consultant would devise some other way to determine the result and even more unlikely that a council would agree that this could in any way be a fair summary of community opinion on the amalgamation question.

3. Access to the raw survey data which would allow a more unbiased analysis of the results has been denied to residents and councillors who voted against the motion to support

amalgamation with Randwick.

It is yet to be seen how much weight IPART will place on any claims by Waverley Council that its decision to opt for a merger with Randwick is supported by its community. The most likely conclusion is that these councils have taken advantage of the government's agenda to secure local political advantage through an unpopular forced amalgamation, particularly with the (reluctant) inclusion of Woollahra Council.

I am sure that others who make submissions to your Inquiry will expose the many other deficiencies in the Fit For The Future process, the IPART evaluations and the NSW Government's agenda to weaken local representation. The information provided to me by Waverley Council indicated that remaining as a stand-alone council would retain meaningful local democracy while still meeting the financial and other criteria determined by the NSW Treasury, except perhaps for the elusive minimum population target.

It would be a serious mistake for the NSW Parliament to approve new legislation to facilitate council amalgamations by ministerial fiat. If a sensible case can be made for any proposal, it can and should be tested by a referendum of those affected by it.

Yours faithfully,

Chris Maltby