

**Submission
No 178**

INQUIRY INTO ELECTORAL AND POLITICAL PARTY FUNDING

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FRIENDS OF TURRAMURRA

SUBMISSION

TO

**N.S.W. LEGISLATIVE COUNCIL SELECT COMMITTEE
ON ELECTORAL AND POLITICAL PARTY FUNDING**

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1 INTRODUCTORY THESIS

It is commonly accepted that the State Labor Government benefits substantially from donations from the development industry, and it is presumed this is a significant driver of policy. What is less often discussed is that the Liberal party is also actively seeking donations from the same sources and its policies are likely similarly driven. In other words, if one is to believe that the Labor party's policies are driven by attracting donations it is naive to believe that the Liberal party is not doing the same thing.

The dilemma for an opposition party, in this case the Liberal party, is how to have sufficient influence and decision making power in order that it is worth the while of an organisation to make a donation to "buy" influence. When not in power at State Government level, the obvious alternative is to try to seize control of Local Government, the level of Government that currently largely controls decisions relating to zonings and development approvals. Further, it could reasonably be argued that a major reason a State Government may seek to remove these powers from Local Government, as appears to be happening in NSW currently, is to remove a source of funding from opposition.

This submission seeks to demonstrate that the thesis outlined above is in operation currently in Ku-ring-gai Municipality.

We believe that Ku-ring-gai is the exemplar of all that is wrong with the planning system in New South Wales, of how the chasing of developer donations leads political parties to lose sight of the interests of their electorate and the community as a whole, and of how both sides of politics and both major political parties are prepared to sacrifice good planning and the preservation of the community's values, heritage and environment in order to adopt policies that favour the business groups that have sufficient funds to donate money to political parties.

We would like to make it clear that in no way is this submission seeking to imply any impropriety, wrong-doing or corrupt action by any of the individuals who may be named within this submission. Rather, the intention is to demonstrate that the problems discussed exist at the party political level and result from the systemic, cultural and institutional corruption driven by donations that appears to exist within both major political parties, not just within New South Wales but across all levels of Government within Australia.

The very fact that an Inquiry in to this issue is being conducted is evidence that there is a problem.

2 WHY WANT CONTROL OF KU-RING-GAI ?

In the previous financial year, more than \$1.7 billion of development has occurred in Ku-ring-gai. Within New South Wales, this scale of development is second only to, and only marginally less than, the level of development occurring in Sydney CBD. Further, it is almost double the amount of development occurring within Parramatta, one of the five major "Regional Cities" defined in the Metropolitan Strategy. (see Appendix D)

Indeed, Mr Triguboff, owner of Meriton, was reported two years ago as saying Meriton already owned more than a \$150 million of development land within Ku-ring-gai and that he saw it as the next major development area of Sydney. In the now infamous article in the *Sydney Morning Herald* of 11th October 2006 "Triguboff - Lets Trade Trees For Homes" Mr

Tribuboff also openly admitted to his large donations and close relationships to both political parties. Also, the June/July LandMark White Merket Review noted that “a number of developers have bought land along the region’s railway corridor in anticipation of multi-unit development opportunities” before LEP-194 was even gazetted. (see Appendix B)

Clearly, a political party that dominates decision-making within a Council that controls zoning approvals and development application approvals in an area where such massive development is occurring, and will continue to occur for the foreseeable future, stands to have considerable leverage on developers seeking to do business within that municipality.

Because of the political demographics of the area as being amongst the safest Liberal Federal and State seats in the country, an interesting dynamic exists in the Upper North Shore area. Effectively, the Labor party has almost no chance of ever getting a member elected and the Liberal party can do most anything and still be confident of winning the seats. Therefore, there is tremendous “upside” to both parties from pushing development into the area to leverage donations, and almost no electoral risk. Whilst donations accrued from actions in Ku-ring-gai don’t need to be spent to win elections in Ku-ring-gai, they can be ducted to the Party to fund campaigns in other areas across the country. It is interesting to note that, despite all that has happened, and the appalling and hugely unpopular planning advocated by the Liberal dominated Council that is outlined in this submission, Barry O’Farrell increased his vote at the last State election.

Our thesis is also further reinforced by the comments of the administrator at Warringah Council, a Council that was essentially dismissed for corrupt conduct and financial mismanagement. Mr Pearson commented on the repeated attacks levelled at him by the Liberal party since the Council, which the Liberal party controlled, was dismissed. He clearly stated that he believed that the source of the Liberal party's discontent was that they were no longer receiving donations from developers since they lost control of the Council. (see Appendix C)

It is our contention that at the last Council election the Liberal party sought control of Ku-ring-gai Council because they knew of the potential to leverage development donations when considering rezoning and development applications given the enormous amount of development that was to come, and is now occurring, in Ku-ring-gai.

3 PAST LABOR PLANNING DECISIONS IN KU-RING-GAI

It is possible to demonstrate that a rapidly incrementing rate of development in Ku-ring-gai, linked to development donations, emanated from State Labor decision making.

In May 2004, a Local Environment Plan (LEP-194) was gazetted to provide multi-unit housing along the Pacific Highway and railway corridor and St Ives in Ku-ring-gai gai. Before the Gazettal of LEP-194 the State Government required it to be amended on numerous occasions to increase the area of rezoning and the permissible height and density of development within the rezoned areas. This was ostensibly done in order that the areas being zoned would be viable for developers thus ensuring a very high level of “uptake”. In other words the development standards and areas rezoned were ensured to be financially profitable enough to developers that the theoretical dwelling yields of the

LEP are likely to be achieved almost in full. The projected yield for LEP-194 was just over 10,000 dwellings. (see Appendix E – Part 1)

It must be noted that LEP-194 contributes in full to Ku-ring-gai's obligations under the Metropolitan Strategy.

The gazettal of LEP-194 was followed on the same day by a Ministerial S.55 directive for Ku-ring-gai Council to plan the redevelopment of six retail centres: St Ives, Turramurra, Pymble, Gordon, Lindfield and Roseville. (see Appendix E – Part 2)

It must be noted that the gazettal of LEP-194 and the issuing of the S.55 directive to re-develop the Retail Centres occurred prior to the preparation and issue of the Metropolitan Strategy. In other words, Ku-ring-gai was forced to undertake massive residential and retail / commercial planning before the State Government had adopted any policy guideline regarding how this should be done and what level of expansion was required, or how population increase was to be managed and distributed in Sydney as a whole.

The State Government has refused to Gazette Urban Conservation Areas (UCAs) in Ku-ring-gai that were identified by the National Trust – some classed as State Significant.

Further, the State Government has flatly refused to even consider gazetting these UCAs until the planning for Ku-ring-gai has been completed, claiming the UCAs would be an impediment to development.

In 2003, the State Government refused to Gazette draft LEP-187 Environmentally Sensitive Areas in Ku-ring-gai that was intended to identify and protect areas of environmental sensitivity, including listed endangered ecological communities.

In other words, the State Government has deliberately refused to implement appropriate protective controls during planning, specifically in order to sacrifice heritage and environment to facilitate development.

Statements regarding the significance of the heritage and environment in Ku-ring-gai can be found in Appendix F.

In May 2003, the then Minister for Planning assumed control of 6 sites in Ku-ring-gai under SEPP-53 for multi-unit apartment buildings to “set an example” to Ku-ring-gai. Ku-ring-gai remains the only municipality to which SEPP-53 still applies and the Minister has refused to grant an exemption until planning for Ku-ring-gai is completed.

Recently, the Minister has used his powers under the Part 3A amendments to the EP&A Act to assume control of 2 sites in Ku-ring-gai – the SAN Hospital site in Wahroonga (up to 1,500 dwellings proposed) and the UTS Lindfield campus (up to 450 dwellings proposed). These dwellings are additional to the planning outlined above.

Finally, the State Government required that the retail centre plans for Ku-ring-gai be prepared and submitted for gazettal by Dec 2007, BEFORE the Metropolitan Strategy North Sub-Region plan is finished.

4 LIBERAL PARTY ACTIVITY ON KU-RING-GAI COUNCIL

At the last Ku-ring-gai Council election, the Liberal party made a deliberate decision to take control of the Council. The issue was even discussed by members of the Liberal party with heads of some local community groups. It should be noted that the community groups opposed the move. It is interesting to note that the Liberal party chose to run the candidates as “Independents” at the time of the election, and more recently these Councillors refer to themselves as “Liberal Independents”. However, their campaigns were substantially supported by, or in some cases specifically managed by, the Young Liberals and / or other members of the Liberal party. Further, their candidacy was endorsed by both Brendan Nelson and Barry O'Farrell personally.

At the time it was not clear why this move was made, however, one reason given to Community groups was to use Local Government as a training ground for people who may progress to higher levels of Government. The vast majority of the community had no idea this was occurring, voting for the candidates believing them to be independents as their election material claimed. Indeed, most residents in Ku-ring-gai are still unaware of the political ties of these Councillors.

Since their election, it has become apparent that these “Liberal independent” Councillors are far from independent and in fact have major ties to the Liberal party, as detailed below:

- Jennifer Anderson: Liberal party member and worked as a consultant to Brendan Nelson before resigning and winning a by-election for Roseville ward in Ku-ring-gai; (see Appendix A – Part 1)
- Ian Cross: Liberal party member;
- Nick Ebbeck: (Mayor) Liberal party member and claimed to lead the majority Liberal faction on Ku-ring-gai Council; (see Appendix A – Part 2)
- Tony Hall: Liberal party member and was on the Liberal party pre-selection committees for the New South Wales seats of Epping and Davidson. It should be noted that Cr Hall's wife works in Brendan Nelson's office and it is believed that other family members play significant roles in the Liberal party; (see Appendix A – Part 3)
- Michael Lane: Liberal party member and was Vice President of Policy for the Liberal party State Electoral Conference for Davidson in New South Wales; (see Appendix A – Part 4)
- Maureen Shelley: Liberal party member and was chairperson (and later a member) of the Liberal party pre-selection committee for the New South Wales seat of Davidson. She also challenged Bronwyn Bishop for pre-selection for the Federal seat of Mackellar at the last Federal election; (see Appendix A – Part 5)
- Adrienne Ryan: Liberal party member and stood for pre-selection for the seat of Epping for the New South Wales Legislative Assembly at the last State election; (see Appendix A – Part 6)

See also Appendix A – Part 7

There may be other links that are not documented above.

Note: the three other Councillors are all genuine independents

It is clear that far from simply being members of the Liberal party, the majority of these Councillors play significant roles within the party management and policy making structure – put bluntly, many of them hire-and-fire State and Federal Liberal Party members. The idea that a “Chinese wall” can exist between their activities as decision-makers within the Liberal party and their activities as Councillors on Ku-ring-gai Council is impossible to believe.

It is quite alarming that individuals with such political connections and allegiances should be allowed to run as Independents when standing for election. This practice needs to be stopped.

When studying the voting patterns on Ku-ring-gai Council, it is quite clear, and indeed it is commonly reported in the media, that the “Liberal faction” on Ku-ring-gai Council tends to vote as a “block”. Indeed, during the Roseville by-election that saw the election of Cr Anderson, the Mayor and self-proclaimed leader of the Liberal faction on Council expressed his delight at having a 6 – 4 or 7 –3 majority control of the Council. (see Appendix A – Part 2 – Article: “Political Power Plays”)

It is our contention that the real reason the Liberal party sought control of Ku-ring-gai Council is because they knew of the potential to leverage development donations when considering rezoning and development applications given the enormous amount of development that was to come, and is now occurring, in Ku-ring-gai.

At Local Government level, those with political ambition derive their motivation to support development from a desire to progress their career and position within their party, rather than for personal financial gain. By supporting development they attract donations to their party thus improving their chances to be selected to run for State or Federal seats. It could be argued that some in Ku-ring-gai have already displayed such ambitions. Further, one needs only to look at the donations attracted by State and Federal members of Parliament in the areas around Ku-ring-gai to see that those who attract high levels of donations rise through the party ranks.

Again it must be stressed that no claim of individual impropriety or wrong-doing is being made against any individual. Rather we submit that the Liberal party would appear to have significant leverage within Ku-ring-gai, leverage the party deliberately sought to acquire, in an area undergoing massive development, and that at a political party level this leverage is used to attract donations. Having said that, we do believe that there are a few people serving on Ku-ring-gai Council, at both Councillor and staff level, who if investigated in detail may well have a case to answer.

We are not prepared to level accusations at any individual in this submission as Community groups and individuals in Ku-ring-gai who have raised questions concerning the conduct of some Councillors have often been the subject of threats of law suits. However, we are happy to provide additional evidence to the Inquiry and to discuss the actions of individuals under the protection of Parliamentary Privilege that the Inquiry can

afford. We also believe that such individuals are probably in the minority of those serving Council.

5 RECENT COUNCIL PLANNING IN KU-RING-GAI

Within the context of the above mentioned over-development handed to Ku-ring-gai by the State Labor Government, the Liberal controlled Council then proceeded to undertake massive over-planning for the redevelopment of the six retail centres and other areas.

5.1 Residential Planning

The Metropolitan Strategy required the North Sub-Region, which incorporates Hornsby and Ku-ring-gai municipalities, to provide 21,000 new dwellings by the year 2031. In meetings with the Department of Planning it was indicated to the Mayor and senior staff of Ku-ring-gai Council that Ku-ring-gai taking considerably less than half the North Sub-Region target yields would be acceptable and this was noted in a staff report to Councillors. (see Appendix G – Part 1)

If one looks at the historical breakdown of dwellings and population between Hornsby and Ku-ring-gai municipalities it can readily be seen that Hornsby covers around 85% of the North Sub-Region land area against Ku-ring-gai's 15%. Further, based on ABS census data, Hornsby's population and dwellings are approximately 60% of those within the North Sub-Region area against Ku-ring-gai's 40%. This is directly supported by figures in the Metropolitan Strategy. Therefore, based on the historical and current breakdown between Hornsby and Ku-ring-gai, it would be reasonable to assume Ku-ring-gai would take 40% of the Metropolitan Strategy target for the North Sub-Region. This equates to between 8,000 and 8,400 new dwellings. As discussed above, the Department of Planning seemed to indicate this as acceptable.

However, the Liberal majority on Council voted to accept 10,000 (or basically half) the new dwellings for the Metropolitan Strategy North Sub-Region into Ku-ring-gai. This is 20% more development than was required based on the historical break-down of population and dwellings for the Sub-Region, and based on the Council's own reports into the Department of Planning's stated position. **In other words, the "Liberal Faction" on Council deliberately voted to take more development than required by the State Government.** (See Appendix G – Part 2)

Further, the Council claims that the dwelling yield for the subject retail centres is some 4,500 dwellings. This is additional to the 10,000 dwelling yield of LEP-194. Such dwelling increases are far in excess of the targets set out in the Metropolitan Strategy. (see Appendices G and H). In fact, Council reports estimate that based on growth of dwellings achieved from 2004, the LEP-194 and retail centres dwelling yield could be 16,000 (see Appendix E).

5.2 Retail / Commercial Planning

The plans put forward by the Council have been the subject of almost unanimous community rejection, including much of the business community. The Council engaged consultants to undertake a number of reviews of heritage, traffic, retail / commercial objectives and town planning / building design. In a number of cases the consultant's used

were simply not qualified to provide these reports, in particular on heritage. On other occasions, in particular regarding retail / commercial development, Council used more than one consultant and chose to adopt the report advocating larger scale development, despite warnings from other consultants indicating this level of development was excessive and unsustainable.

In its final planning Council exceeded by a considerable margin even the maximum level of retail / commercial development recommended in even the most excessive report. **The Council has planned from around a doubling to a tripling of retail / commercial capacity in the subject retail centres. This seems extraordinary when the dwelling and population increase target under the Metropolitan Strategy is between 15% and 20%. (see Appendix H)**

Under the Metropolitan Strategy, retail centres in Ku-ring-gai are categorised as follows:

Town Centre:
Gordon

Small Village:
Pymble
Lindfield
Roseville

Village:
St Ives
Turramurra

As an example of the over-planning done by Council, Gordon currently has 17,000 sqm of retail space, Council has planned to increase this to 50,000 sqm – triple the current level. Further, although Gordon is classed as only a Town Centre, Council has planned to have a total of 100,000 sqm of combined retail / commercial space in the future. By contrast, the new shopping mall complex just launched in Rouse Hill is categorised as a Major Centre, yet it is only 65,000 sqm in size. That is, Council has planned Gordon to be 1.5 times the size of the new Rouse Hill Major Centre. (see Appendix H).

A detailed analysis of the over-planning in each retail centre can be found in Appendix H

5.3 Attempts to Reclassify and Develop Public and Community Title Land

Integral in the massive over-development planned for the retail centres, Council has attempted to reclassify all publicly owned Community title land within those centres, despite Council acknowledged shortfalls of open space and problems with acquiring new public lands in these retail centres.

Despite almost unanimous rejection of the reclassification at the Public Hearings and in submissions by the community, Council proceeded in attempting to reclassify this land. The situation became so bad that the community had to appeal to the Department of Local Government to intervene. The Department of Local Government reviewed the actions of Council and found them to be inappropriate and unlawful. Despite this the Council sought legal advice in an attempt to continue with the Reclassification. It required the community obtaining its own legal advice and the Department of Local Government rejecting Council's actions for a second time, for the Council to stop its inappropriate and unlawful actions. However, notwithstanding all of the above and the overwhelming objections from the community, Council has resolved to re-attempt the reclassification of this land. (see Appendix J – Part 1)

The Council has repeatedly claimed that it has no intention of selling or redeveloping the Community land it is seeking to reclassify, despite exhibiting draft LEP / DCPs that clearly show building envelopes on this land. Further, the Department of Planning has rejected the plans put forward by Ku-ring-gai Council on the basis that the reclassification of this land is integral to achieving the development targets claimed by Council, as has always been obvious to the community, but the reclassification process has failed. (see Appendix J – Part 2)

There is strong suspicion that some form of deal has been done between Council and developers regarding significant portions of this Community title land, in particular in St Ives around the St Ives village shopping centre, and land in Turramurra. It is common knowledge that at least one “Liberal faction” Councillor has a “strong working relationship” with the owners of the St Ives village shopping centre. The owners of the Shopping centre are also directors of companies that own several other significant development sites in St Ives, and the same Councillor has strongly lobbied for favourable development outcomes on those sites.

We are concerned that a number of Council decisions and actions surrounding the reclassification process may have been driven by deals or donations. For details regarding some specific examples of dubious Council dealings regarding Community Title land see Appendix P

5.4 Additional Planning

As discussed, the Council claims that the dwelling yield for the subject retail centres is some 4,500 dwellings. This is additional to the 10,000 dwelling yield of LEP-194. In fact, Council reports estimate that based on growth of dwellings achieved from 2004, the LEP-194 and retail centres dwelling yield could be 16,000 (see Appendix E). Such dwelling increases are far in excess of the targets set out in the Metropolitan Strategy.

Still not satisfied with the over-planning above, the “Liberal faction” on Council recently tried to rezone a section of land fronting the Pacific Hwy in Turramurra (draft LEP212) despite this land containing the critically endangered ecological community Blue Gum High Forest (BGHF) listed under both the NSW TSC Act and the Commonwealth EPBC Act. This rezoning was only stopped after residents forced the Council to engage an expert consultant to report on the site and the New South Wales DECC intervened. It was apparent that a number of the residents owning properties within the subject land appear to have dealings with some “Liberal faction” Councillors. This re-zoning would have been entirely voluntary from Council and additional to the other planning outlined above. (see Appendix K)

In addition to this, there has been substantial dual occupancy development within Ku-ring-gai under SEPP-53, Ku-ring-gai is the only municipality to which this SEPP still applies. There has also been substantial development in Ku-ring-gai under SEPP-5 and SEPP-Seniors Living.

Further, the State Government has recently taken control, under Part 3A of the EP&A Act, of the former UTS site in Lindfield, which will yield in the region of 450 additional dwellings, and the SAN hospital site in Wahroonga, which will yield in the region of some 1500

dwellings. These are additional to the 14,500 dwellings from the LEP-194 and retail centre planning, SEPP-5 development and SEPP-53 dual occupancy development.

5.5 Denial of Over-Planning

Throughout the planning of the retail centres in Ku-ring-gai, there has been continuous community outcry and considerable public debate. On numerous occasions the Council has steadfastly denied that any over-planning has been done. Indeed the Mayor and several Councillors, all “Liberal faction”, and several senior staff have put out statements and media releases on behalf of Council over an extended period of time denying any over-planning has been done. (see Appendix M – Part 1)

However, it must be noted that when the Minister required Council to show just cause as to why a Planning Panel should not be appointed to Ku-ring-gai, the Mayor wrote to the Minister indicating that Ku-ring-gai Council had to-date approved combined planning in excess of 20,000 dwellings to meet its Metropolitan Strategy targets. (see Appendix M – Part 2, Page 2). **This is over double the planning required to meet the Metropolitan Strategy targets** - an almost inconceivable admission from a Council that has systematically denied any over-planning. It is also extraordinary given that almost all the Councillors ran on a platform of minimising development impact within the municipality and that the “Liberal faction” have aggressively attacked community groups who have claimed over-planning was occurring.

We contend that these are not the actions of a Council acting in the best interests of its local community nor are they the actions of Councillors who are listening to the concerns of their local community. Instead it would appear to be the actions of a Council and a majority of Councillors that have development firmly at the forefront of their thinking.

It is worthy of note that the NSW member for Ku-ring-gai, Barry O'Farrell, who is now the leader of the New South Wales opposition, has barely spoken out about the excessive development occurring in Ku-ring-gai or of the appalling performance of the Liberal dominated Council. Instead, on one of the few occasions he has spoken to the issue in the local media, he chose to attack the community groups who have raised concerns of over-planning, coming to the aid of the “Liberal independent” dominated Council. (see Appendix M – Part 1 and Part 3). Further, at a public meeting conducted at Pymble Uniting Church on 16th November 2007, Mr O'Farrell indicated that the Liberal party would not repeal the Part 3A amendments to the EP&A Act.

6 RECENT LABOR MOVES TO REGAIN CONTROL ?

The State Government has recently imposed a Planning Panel on Ku-ring-gai. Their primary reasoning for doing so is that the plans put forward by Ku-ring-gai Council do not meet the State Government's requirements under the Metropolitan Strategy.

It could be argued that the Planning Panel was simply appointed because planning undertaken by the Council was massively opposed by the community, was excessive and, in respect of the retail centres, could not be properly implemented because of the failure of Council to reclassify Community title lands which was integral to their plans.

However, the reasoning given by the Minister was that the planning undertaken by the Council would not meet the targets set out in the Metropolitan Strategy. This is hard to believe given that the already gazetted LEP-194 alone meets the Metropolitan Strategy target for Ku-ring-gai and that the Council now readily admits to having approved planning and / or development for 20,000 dwellings, fully double the Metropolitan Strategy obligations of 10,000 dwellings for Ku-ring-gai, obligations which in themselves are excessive to the 8,000 to 8,400 dwellings Ku-ring-gai should reasonably have been expected to take.

This leads us to believe there is another motivation.

Firstly, one must look at the composition of the Planning Panel that has been appointed to Ku-ring-gai and the role it has been given. The Panel members are:

Elizabeth Crouch (Chair) – previously Chief Executive, Industry Policy, Housing Industry Association. The HIA is the pre-eminent developer lobby group in N.S.W.

Kerry Bedford – previously Director of State & Regional Planning at Planning NSW and Director of the Policy and Reform branch in the Department of Urban Affairs and Planning.

Bill Tsakalos – previously Director of City Projects, City of Sydney whilst Frank Sartor was Lord Mayor of Sydney.

On the face of it these may simply be individuals who are well known to the Minister and considered to have the expertise to oversee planning within Ku-ring-gai. However, their heritage and environmental credentials are weak or non-existent. This seems strange in the light of the emphasis in the Metropolitan Strategy North Sub-Region Plan on the importance of the environment and heritage in Ku-ring-gai, for example:

“A key challenge for the North Sub-Region is to manage and accommodate urban development whilst protecting the valuable environmental resource and cultural heritage assets.”

“The North Sub-Region is rich in natural heritage and has a high diversity of plants and animals including threatened species and ecological communities.”

“The Sub-Region is known for its remarkable diversity of twentieth century domestic architecture, with many houses designed by some of Australia’s prominent twentieth century architects including John Sulman, Howard Joseland, Hardy Willson, Leslie Wilkinson and Harry Seidler.”

To-date, the current plans put forward by Council and the State Government are in direct conflict with the environmental and heritage issues raised in these statements, and appear to have completely failed to consider these issues.

As discussed in section 3, the Minister has refused to gazette LEPs and UCAs to protect environment and heritage in Ku-ring-gai and which would provide the necessary statutory and policy controls required for proper planning in the area.

Further, the Minister and Department of Planning refused to appoint any community representatives to the Planning Panel, despite numerous representations that this should

be done. **This is a clear indication that local concerns are to be suppressed in favour of development.**

The Planning Panel's powers are as follows:

The Panel is appointed to exercise all functions of the Council:

- (a) as a consent authority under Part 4 of the Act, but only in relation to:
 - (i) the assessment and determination of any development application for development with an estimated cost of more than \$30,000,000, and*
 - (ii) the assessment and determination of any development application that has not been determined within 90 days after the date on which it was lodged, and**

- (b) in relation to the making of environmental planning instruments under Part 3 of the Act, but only in relation to:
 - (i) the control of dual occupancy, and*
 - (ii) the control of development within the Ku-ring-gai town centres.**

In other words, all major development applications in Ku-ring-gai, those which would attract significant interest from developers, will be controlled by the Planning Panel. Further, all major re-zonings in the municipality will be controlled by the Planning Panel, including those that will determine an LEP to replace SEPP-53 and the lucrative retail / commercial and residential re-development of the retail centres in Ku-ring-gai.

Again, it could be argued that the Planning Panel was imposed because the plans presented by Ku-ring-gai Council to the Government for gazettal were so bad that the Government was not prepared to approve them and no longer trusted the Council to do the plans properly. However, the reasoning given by the Minister was that the planning undertaken by the Council would not meet the targets set out in the Metropolitan Strategy even though Council's planning doubles the Metropolitan Strategy requirements.

Therefore, this leads us to conclude that there could well be alternative agendas that drove the appointment of a Planning Panel to Ku-ring-gai, as follows:

- By appointing a Planning Panel to Ku-ring-gai, the Labor party effectively cuts-off a revenue stream to the Liberal Party. By placing control of major Development Application approvals and the major re-zoning decisions out of the hands of the Liberal dominated Council, the incentive for developers to make donations to the Liberal party in the area is removed - as occurred in Warringah (see Appendix C)

- Even though ostensibly the Planning Panel is independent and non-political, given the make-up of the Planning Panel and the obviously close ties its members have to the Government, Minister and Department of Planning, and the Housing Industry Association (which supports development and whose members donate large sums to the State Government and Labor Party), perhaps some of the flow of donations is now directed to the Labor party.

7 DEMOCRATIC PROCESS CORRUPTED BY DONATIONS

It is a fundamental truth: Government is only as good as the opposition.

Democracy can only flourish in an environment where healthy debate of Government policy occurs and oppositions are readily inclined to put forward competing policy. In a healthy democracy, political parties should be attempting to maximise votes by adopting policy that taps into the mood of the electorate, thus winning more votes and acquiring Government. In this way the populace directs Government - this is the very foundation of democracy.

However, donations corrupt the democratic process by encouraging political parties to adopt similar policy and strategy because they are seeking to acquire donations or funding from the same sources. Thus oppositions are less inclined to adopt alternate policy to the Government in response to discontent in the electorate. Instead they seek only to differentiate similar policy through marketing, marketing itself funded through the very donations corrupting the system – a self fulfilling downwards spiral.

In this way the choices presented to the public become limited and biased towards the interests of the groups making donations. The public's ability to direct and influence Government policy becomes compromised and the true public interest falls by the wayside. **It is simply common sense that when both major political parties are seeking donations from the same sources, the policies they adopt will be similar and the choices presented to the public become limited. Democracy breaks down.**

We believe that Ku-ring-gai is the exemplar of all that is wrong with the planning system in New South Wales, of how the chasing of developer donations leads political parties to lose sight of the interests of their electorate and the community as a whole, and of how both sides of politics and both major political parties are prepared to sacrifice good planning and the preservation of the community's values, heritage and environment in order to adopt policies that favour the business groups that have sufficient funds to donate money to political parties.

Further, we are also witnessing the breakdown of Local Government, not just through State Government removal of powers, but also through the rapidly increasing encroachment of party politics. Local Government, because of its control of planning / zoning and development approval, is now used as a source of funding for State and Federal branches of political parties. We believe this is clearly evidenced in Ku-ring-gai which has become a "battle ground" between Labor and Liberal for control of the massive development occurring in the Municipality.

Local Government is fundamental to the interests of individual citizens, it is best placed to administer local planning and development decisions and to govern in the best interests of its local community. However, unless political party participation in Local Government is banned, or severely limited and very tightly controlled, the best interests of the local communities they are supposed to serve will be completely usurped by the manoeuvrings of political parties chasing donations to fund State and Federal ambitions.

8 CONCLUSION

It is true that improper or corrupt conduct of individuals will always exist and is hard to prevent completely. However, its effects are generally minor when compared to the impact of donations to political parties, which result in the manipulation of political party policy, and as a result Government policy. The systemic corruption that donations to political parties cause affects the entire populace and is therefore much worse.

In the current era it has become apparent that political parties are running themselves as a "business" whose job it is to attempt to win government. They do this not by adopting alternate policy but rather by trying to differentiate similar policy through marketing. This marketing is funded from the very donations that have driven the similar policy decisions. This becomes a closed loop, with the interests of the general public left out.

This was never more evident than at the last New South Wales State election where on the night of the election loss the Liberal party commentators clearly expressed their opinion that they had simply been out spent and out marketed by a Government that had acquired more funding through donations. Policy, or lack thereof, was hardly mentioned - only the need to increase funding.

The result of the systemic corruption that donations to political parties causes is clearly evident in Ku-ring-gai today. Anyone driving along the Pacific Highway in Sydney's North is horrified by the scale and ugliness of what is occurring. Yet to-date only 10% of LEP-194 construction has begun. The planning, gazettal and construction of the retail centres and other planning is still to come. As such, the shocking development that can be seen on the ground today is only around 5% of what is planned.

The results of the planning and development being undertaken in Ku-ring-gai, and the destruction of the quality of life and character of the area it is causing cannot reasonably be considered to be to the benefit of the local community. Nor can the destruction of the state and nationally significant heritage and environment be considered to be of benefit to the wider populace as a whole. Who therefore is really benefiting from what is being done?

We submit that the benefits are going only to political parties who gain donations from the decisions they take and the development companies who make the donations.

See Appendix O for examples of resident discontent over Council Planning

For further detailed information regarding planning in Turramurra see
www.turrafriends.com

Friends of Turramurra and other Community Groups in Ku-ring-gai have extensive and detailed documentation if further evidence is required.

APPENDICIES

Appendix A

- Part 1 – Cr Jennifer Anderson
- Part 2 – Cr Nick Ebbeck
- Part 3 – Cr Tony Hall
- Part 4 – Cr Michael Lane
- Part 5 – Cr Adrienne Ryan
- Part 6 – Cr Maureen Shelley
- Part 7 – Liberal Stacking of Mayoral Election

Appendix B

- Triguboff Newspaper Articles

Appendix C

- Warringah Council Administrator Comments

Appendix D

- Part 1 – \$1.7 Billion of Development in Ku-ring-gai
- Part 2 - Metropolitan Strategy Centres Maps

Appendix E

- Part 1 – LEP-194 and Retail Centre Dwelling Yields
- Part 2 – Ministerial S.55 Directive

Appendix F

- Quotes on Ku-ring-gai Heritage and Environmental Value

Appendix G

- Part 1 – DoP regarding Ku-ring-gai Metropolitan Strategy Targets
- Part 2 – Council Decision to take 10,000 Dwellings

Appendix H

- Part 1 – Summary of Over-Planning

- Part 2 – Details on St. Ives Planning
- Part 3 – Details on Turramurra Planning
- Part 4 – Details on Pymble Planning
- Part 5 – Details on Gordon Planning
- Part 6 – Details on Lindfield Planning
- Part 7 – Details on Roseville Planning
- Part 8 – Details on new Rouse Hill Development
- Part 9 – Ku-ring-gai Council Retail Strategy
- Part 10 – SGS Economics & Planning Gordon Retail Study

Appendix J

- Part 1 – Correspondence between KMC and DLG regarding Reclassification
- Part 2 – Council Claims Regarding Not Selling Community Land
- Part 3 – Friends of Turramurra Submission to Turramurra Public Hearing

Appendix K

- Friends of Turramurra submission to KMC regarding Draft LEP-212

Appendix L

- Friends of Turramurra submission to KMC regarding Turramurra Draft LEP / DCP

Appendix M

- Part 1 – Council Denials of Over-Planning
- Part 2 – Mayor’s Letter to Minister Claiming 20,000 Dwelling Planned
- Part 3 – Barry O’Farrell Questioning Community Group Concerns

Appendix O

- Examples of Resident Outcry Over Council Planning in Ku-ring-gai

Appendix P

- Part 1 – Turramurra Community Land and the Aquatic / Leisure Centre Proposal
- Part 2 – Information About Community Land near St Ives Shopping Village