

**Submission
No 165**

INQUIRY INTO LOCAL GOVERNMENT IN NEW SOUTH WALES

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Date received: 4/07/2015

I wish to submit the following key points for consideration by the inquiry committee.

1. The concept of forced amalgamations is highly distasteful in a modern western democracy. Voluntary amalgamations are fine as all parties have an equal part to play in negotiating the merger. In a forced amalgamation it is usually the case that the "big guy" wins and all other parties (and hence their residents and ratepayers) lose out overall. There is no guarantee of improved local services and facilities, and standards may drop to the lowest level in the individual councils.
2. My personal experience of the forced amalgamations in Queensland has shown this process can have very negative consequences. I had purchased a property for my elderly mother to live in and amalgamation followed a few years later. This meant huge rate rises (17-20%), poor services, difficulty in accessing a local councillor to discuss issues, and I was informed that the public were not allowed to attend council meetings. At present my Queensland property rates cost approx 33% more than my Sydney property rates.
3. I do not believe that "bigger is better", especially where local government is concerned. To provide the best level of services and facilities to local communities it is essential to consult meaningfully with members of the local community, and this is extremely difficult in larger councils. In fact I was once told by an employee of Brisbane City Council that proper community consultation regarding local needs was basically impossible. Local councils should exist for the benefit of the local community - they are not businesses but service organisations, which provide for the needs of the community by responsible management of resources.
4. I have many concerns over the review process and the resulting Fit for the Future program. I attended a local consultation by the so-called expert panel and was dismayed at the level of unwillingness displayed by panel members to listen to the concerns being expressed by residents and business owners. It seemed that the panel had already formed its ideas and recommendations, and the consultation was a tick-the-box exercise.

There has been a marked lack of public information regarding the pros and cons of the amalgamation issue. It has been almost impossible to get any information from local Liberal MP's, and a brief perusal of the Office of Local Government site found only the "benefits of better councils" - where is the balanced argument on this matter?

The process of preparing Fit for the Future reports and considering the IPART methodology has been very rushed, and would have been a huge burden on smaller, less well-resourced councils - very unfair and inconsiderate. Why has this been so rushed? Something as significant as this matter should have been properly planned, time-tabled and documented before it started, rather than what seems to have been a planning-on-the-run approach. Not a good look for Australia's largest state government.

The appointment of IPART to assess the Fit for the Future reports is also of concern - what was the basis for this appointment? How much does IPART really know about the history and purpose of local councils? They are involved in considering requests for special rate variations, however it should be remembered that finance is only one of the pillars of sustainability.

Recommendations

1. Provide easily accessible public information on the pros and cons of local council amalgamations, and ensure that both sides of the argument are presented fully.
2. Extend the timeframe for the Fit for the Future program, and consideration of the proposed IPART methodology, to ensure that all interested parties have full opportunity for involvement.
3. Reconsider whether IPART is the appropriate body to carry out assessment of the Fit for the Future reports.
4. Amalgamations should be voluntary, and not forced.