

**Submission  
No 16**

## **INQUIRY INTO LOCAL GOVERNMENT IN NEW SOUTH WALES**

**Organisation:** Save Hunters Hill Municipality Coalition (SHHMC)  
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**Date received:** 23/06/2015

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# SAVE HUNTERS HILL MUNICIPALITY COALITION

A coalition of community groups and residents determined to save the historic Municipality of Hunters Hill  
Web: [www.savehuntershill.org](http://www.savehuntershill.org) · Facebook: [www.facebook.com/savehuntershill](http://www.facebook.com/savehuntershill)

## SUBMISSION FROM SAVE HUNTERS HILL MUNICIPALITY COALITION (SHHMC)

DATED 22 JUNE 2015

TO THE INQUIRY INTO LOCAL GOVERNMENT IN NSW

THE WAY FOR THE FUTURE

LOCALLY ELECTED COUNCILS AND JOINT REGIONAL ORGANISATIONS

To the Director,  
NSW Legislative Council's General Purpose Standing Committee No. 6  
Inquiry into Local Government in New South Wales

### 1. INTRODUCTION

a) This submission is made by Save Hunters Hill Municipality Coalition (SHHMC) to the NSW Legislative Council's Inquiry into Local Government in New South Wales. It addresses specifically clauses (a), (d), (k), (l), (n) and (p) of the Terms of Reference, and incidentally clauses (b) and (g).

b) SHHMC is a community organisation within Hunters Hill determined to maintain its historic Municipality (1861) and keep the local in local government. Local residents highly value the area's significant heritage and its sense of belonging, and are determined to keep their local community and democracy. SHHMC supports our council cooperating with neighbouring councils on efficiencies and regional matters in a Joint Regional Organisation.

c) SHHMC was established in 2003 to prevent the then attempt to amalgamate the council. It was reactivated in December 2012 to combat a renewed threat to its independence by the State Government. See Attachment A – SHHMC Position Statement December 2012 and Attachment B – The Battle to Save Hunters Hill is on again! 26 February 2015.  
See also website [www.savehuntershill.org](http://www.savehuntershill.org) and Facebook page [www.facebook.com/savehuntershill](http://www.facebook.com/savehuntershill)

### 2. LOCAL COMMUNITIES

a) Local communities want local government to remain local. They are strongly against forced council amalgamations and believe that if councils want to voluntarily merge then a majority of

residents in each council area must give their approval by way of referendum. SHHMC also strongly holds these views.



*A section of the community groups and councillors that attended with colourful banners and T-shirts the Save Our Councils launch*

b) 'Save Our Councils' (SOC), a coalition of community groups, residents, councillors and mayors from across the political spectrum and across the State, was launched on 11 June 2015 in the Domain behind the NSW Parliament. Its aims are as set out in paragraph 2 (a) above. See Attachment C – Save Our Councils Launch Report 14 June 2015 and Attachment D – [video](#) of the Launch. See also [www.facebook.com/saveourcouncils](http://www.facebook.com/saveourcouncils). SHHMC is affiliated with 'Save Our Councils'.

c) An independent local council, one that is cooperating in a Joint Regional Organisation with surrounding councils, is well positioned to consider not only local issues and economies of scale but also play a constructive role in regional issues.

d) It is noted that the Independent Pricing & Regulatory Tribunal (IPART), which is considering councils responses to the Governments 'Fit for the Future' proposal, will consider an 'alternative improvement plan' which includes a 'Joint Organisation' or similar without the need to prove that councils have scale and capacity in their own right. See Attachment E – SHHMC Submission to IPART 20 May 2015 on its Consultation Paper re population and number of councils.

### 3. LOCAL GOVERNMENT

a) It is often said that local communities know their own areas best. They are motivated and inspired by a sense of community, belonging and place. In Sydney many councils have existed for considerable periods of time, as is the case with Hunters Hill (1861). Communities highly value their local governance, the built areas with special character, bushland and open space. They also know the places appropriate for development or improvement. Many community, cultural and sporting groups rely on a commitment to place. All these factors enhance community well-being, health, and encourage service and volunteering. This has become embodied in Hunters Hill's elected Council.

b) It is the local in local government that has helped make Sydney one of the world's most liveable cities.

c) Both the 'Local Government NSW' association and the 'Australian Local Government Association' have a policy of no forced amalgamations.

d) What the NSW Government is doing in its 'Fit for the Future' proposal, by seeking councils to meet the scale of a Mega Council, and by offering incentives for mergers, is trying to force amalgamations by the back door. Whether it is the back door or the front door this is a direct attack on local democracy and is totally unacceptable to local communities.



*Community addressing the Launch with cross-party political support*

#### 4. REGIONAL ISSUES

Looking to the future for Sydney it is clear that in addition to caring for and guarding the legitimate interests of local communities, local councils need to cooperate with surrounding councils on joint efficiencies and services, and be able to deal with regional issues and the State Government. At the initiative of local government, councils have now for over 20 years been doing that through Regional Organisations of Councils called ROCs. This has been a voluntary and collaborative process, and is capable of further improvement.

#### 5. JOINT REGIONAL ORGANISATIONS

##### a) BACKGROUND

A number of councils including Hunters Hill have been working on an improved model for joint regional cooperation, with the assistance of leading experts. It is a model that would be suitable for a grouping of a number of northern Sydney Councils - Hunters Hill, Lane Cove, Mosman, North Sydney, Ryde and Willoughby, if those councils and their communities so resolved. It is a model that could easily be applied to agreed groupings of councils across all of Metropolitan Sydney.

##### b) MEMBERSHIP AND STRUCTURE

Existing councils would become equal members of the Joint Regional Organisation. The Mayor and one other councillor elected by the Council would represent that Council on the Board. Each

representative has one vote and is bound by the decision of its own Council. Decision-making by the Board is to be unanimous, that is by consensus. Membership fees are equal, but payments for services and the like are based on population or as otherwise agreed. Meetings would be attended by a relevant NSW Government nominee. An Advisory Committee of General Managers of Councils assists.

#### c) REGIONAL AND SUBREGIONAL FUNCTIONS

The functions of the Regional Organisation would include establishing a shared services centre to deliver services that provide benefits through economies of scale; regional and subregional land use and infrastructure planning; providing regional leadership and advocacy to government; and working with State and Federal Government on regional and subregional issues and strategies.

### 6. EXPERT EVIDENCE

a) A number of experts looked at the merger option proposed in the Sansom Report as favoured by the Government; a Mega Council of over 300,000 people consisting of six existing councils –Hunters Hill, Lane Cove, Mosman, North Sydney, Ryde (part of) and Willoughby. They also considered other and improved options. Professor Brian Dollery provided an empirical analysis of collaboration and shared services; Professor Percy Allan & Associates considered the structure of a regional organisation; SGC Economics provided a business case for a Joint Organisation; and Morrison Low carried out a review of the Sansom recommendation.

b) Professor Percy Allan & Associates in his report ‘A Shared Services Centre..for North Shore Councils’ 7 May 2015 (see [here](#)) states at p4: “There is no compelling evidence that centralising all local council activities in a single mega-council produces cost efficiencies. That’s because with scale some activities obtain economies while others develop diseconomies. Hence the most efficient path for local government is to share those activities that benefit from size while keeping in-house those activities done best on a small scale.”

c) Professor Brian Dollery in the conclusion to the report ‘Compulsion versus a Collaborative Regional Approach’ May 2015 (see [here](#)) at p264 states: “there is no empirical justification for the proposed merger of the Hunters Hill, Lane Cove, Mosman, North Sydney, Ryde and Willoughby local councils” and at p265 “that no common ‘community of interest’ exists.” At p267 the report states “The weight of empirical evidence on municipal mergers in the scholarly literature and the Australian national and state public inquiries into local government falls overwhelmingly against forced amalgamation. This body of evidence holds that shared services and other forms of council collaboration provide a superior method of securing the advantages of greater scale.”

### 7. CONSULTATION

The result of the random telephone survey was that over 80% of the community in Hunters Hill supported the model of keeping its own local Council and in addition cooperating with surrounding councils in a joint regional organisation. At the Community Forum held in May 2015, over 80% of those present were supportive of retaining the Council and exploring the possibility of a Joint regional organisation with a number of other councils within the northern Sydney region.



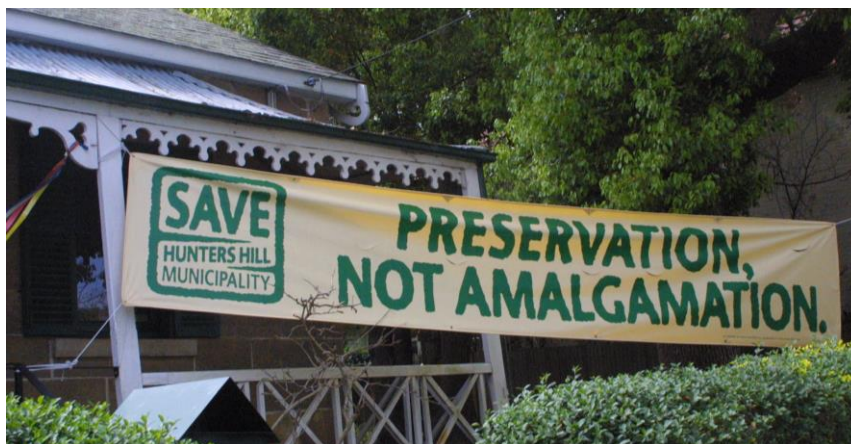
## 8. CONCLUSION

a) The view of the local community of Hunters Hill and its elected Council and the findings of the experts is at one; there should be no merger on any basis; councils should retain their independence whilst also being a member of a joint regional organisation. Each Council would thereby maintain its local identity, local representation and continue delivering those services best delivered at the local level. At the same time regional and subregional issues and joint services can be effectively considered at the regional level.

b) This is not only the best result for local communities and local government, but clearly for the State Government. It is the most effective way for Government to deal with councils and communities, does not involve huge expenditure and dislocation to communities, and is the best way forward for regional and subregional planning.

c) A Co-convenor of SHHMC is available to attend the Inquiry as a witness and speak at any community forum if requested.

d) This submission is a public document.



*Banner 'Preservation Not Amalgamation' at historic Vienna Cottage (1871) in Hunters Hill*

## 9. ATTACHMENTS

A SHHMC Position Statement December 2012

B Battle to Save Hunters Hill is on again! 26 February 2015

C Save Our Councils Launch Report 14 June 2015

D Video of Save Our Councils Launch

E SHHMC Submission to IPART 20 May 2015

Yours sincerely,

Phil Jenkyn, OAM

Ross Williams, Emeritus Mayor

Co-convenors,

Save Hunters Hill Municipality Coalition (SHHMC)

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22 June 2015