

REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE NO. 6

**PUBLIC FORUM INTO LOCAL GOVERNMENT
IN NEW SOUTH WALES**

At Sydney on Monday 10 August 2015

The Committee met at 6.00 p.m.

PRESENT

The Hon. P. Green (Chair)

The Hon. L. Amato
The Hon. R. Borsak
The Hon. S. Cotsis
The Hon. C. E. Cusack
The Hon. B. C. Franklin
The Hon. P. T. Primrose
Mr D. M. Shoebridge
The Hon. E. K .C. Wong

CHAIR: Welcome to this evening's public forum for the inquiry into local government in New South Wales. Thank you for giving your time to participate in this parliamentary process. This evening's forum follows a public hearing held earlier today at which the Committee heard evidence from a number of local councils and other stakeholders. This forum is a very important part of the Committee's inquiry. More than a thousand people and organisations have provided submissions or responded to the Committee's online questionnaire. This forum provides another opportunity for people to have a say about the Fit for the Future local government reforms in this State.

Before the forum begins, I have some comments to make about procedural matters. What is said today is being transcribed and will become part of the public record. The transcript will be made publicly available and posted on the Committee's website. Speakers will be asked to take an oath or affirmation prior to speaking. You will then have five minutes to address the Committee. A timer will ring after four minutes to let you know that you are near the end of your time. Another timer will ring at five minutes, at which point you must finish your comments. In order to be fair to other speakers, the Committee will be strict in enforcing the five-minute time limit. If speakers are unable to finish their speech and have brought along a written copy of their statement, the remainder of the speech can be incorporated into the transcript of tonight's proceedings.

I remind speakers that the freedom afforded by parliamentary privilege is not intended to provide an opportunity to make adverse reflections on specific individuals or organisations. Speakers are asked to avoid making critical comments about specific individuals or organisations. Instead, speakers should address the general issue of concern. I request that members of the audience refrain from making comments or excessive noise during the proceedings. Interruptions from the audience are not recorded in the transcript and make it difficult for speakers to be heard. I cannot emphasise that enough. This is a respectful forum. There will be different opinions; that is the idea of hearing from everyone who has put their name down. So please refrain from interrupting. I welcome our first speaker for this evening.

CHRIS JOHNSON, Urban Taskforce, affirmed

RAFFAELE CATANZARITI, Fairfield Liverpool District Co-Chair, Sydney Alliance, sworn

HELEN McLUCAS, sworn

JAYASOORIAH, affirmed

ROSEMARY MACKENZIE, sworn

CAROLYN CORRIGAN, Councillor, Mosman Council, Hands off Mosman Coalition, Save Our Councils Coalition, affirmed

GLENDA GARTRELL, affirmed

CHARLOTTE HUDSON, affirmed

TONY ABBOUD, Ryde Business Forum, sworn

IAN HAMMERTON, President, Burwood Community Voice, affirmed

JANE PISTOLESE, Citizen of the Year, Strathfield, sworn, and

PETER WHITE, Councillor, Mosman Council, sworn:

CHRIS JOHNSON, having been affirmed: Chairman, thank you very much for affording me the opportunity to speak to the Committee. I am the Chief Executive Officer of the Urban Taskforce. We represent the development and property industry. I am an architect. I have been involved in the growth of the city over many years. I believe that the structure of councils and city that we have at the moment is not working ideally because of the way that the State Government relates to council levels. The fundamental problem is that the State Government keeps trying to interact with local government at the wrong sorts of levels. Local government in Australia contributes only 2 per cent of GDP. In America it is 8 per cent. In the UK it is 12 per cent. In Japan it is 15 per cent. Our local government is small and it is local. We must not confuse that with the role of the State Government. We have a three-tier governance system in Australia. Our belief is that the State Government should be the responsible organisation for the cities, to get the process to work in a powerful way.

We believe that there can be more efficiency and effectiveness in councils. We believe we need a better system, but we do not need to amalgamate councils to be almost mini states. We believe that some of the services in council need to be provided at a regional level but that many should be provided at the local level. To try to put both into one component to restructure local government seems to misunderstand the various roles. Our belief is that you can keep councils reasonably local but that a lot of the services, particularly to do with large-scale future issues such as public transport, planning, education and health, need a more regional approach. We suggest that joint organisations of councils, as proposed in other parts of the State, could be a good way of getting seven or eight councils to work together; for example, to have a shared service centre for planning and roads. For the bigger regional issues there can therefore be more effective system. That way you get the efficiency of bigger scale where it matters and you keep the smaller scale where it is a local issue.

The submission that has been put in by Ryde, Lane Cove and Hunters Hill councils seems to pick up on this point. In the Hunter area there are 11 councils working together through a shared service centre, combining engineering, legal services and a host of things. That means they get the efficiencies of size and the local issues still involve communities. If local councils want to amalgamate, that is fine from our point of view. We do not believe, however, that the future of the city should be held up by a long debate on whether there is an opportunity for people to come together. We think the State should say which groupings are needed for shared operations in the areas where efficiency does matter. Local councils can still operate with local communities, as they are at the moment. The fundamental issue is the difference between thinking about the future and planning for large-scale regional issues and thinking about existing communities and looking after their current issues. If we muddle those two up it becomes very complex.

We believe a shared service centre approach, a joint organisation of councils, a JRA, as Hunters Hill, Ryde and Lane Cove have suggested, is a good model that needs to be looked at, that can give the efficiencies of where you need to bring groups together but also keep local services as communities generally want them at the moment. So that is our approach. We do not believe the evidence to date shows that big councils are necessarily better, that Auckland council does not have a State government, that we need to look at the Australian situation and the primacy of States particularly in the management of our cities.

RAFFAELE CATANZARITI, having been sworn: I am here tonight as a Liverpool resident and an employee of Holroyd City Council. I am co-chair of the Fairfield Liverpool district of the Sydney Alliance. I am also secretary of the Sydney branch of the United Services Union. I am a member of the Save Our Councils Coalition and I was a member of the Hands Off Holroyd campaign that is currently running. I thank the Committee for the opportunity to speak tonight. In my role at Holroyd City Council I deal with residents and community groups on a daily basis. Therefore, I have a deep understanding of the expectations of the residents and the community.

Of extreme concern are the consequences to the New South Wales community should the New South Wales Government's Fit for the Future reform agenda proceed. Fit for the Future contains errors, unreliable data and omissions. These all need to be addressed as a matter of urgency before proceeding further. The question that remains is: Is Fit for the Future really about reform, or is the entire process simply about political gain, developers and big business? Will the needs of the community and residents be met? It is clear from empirical evidence and concerns expressed by TCorp that four of the six ratios retained by the Office of Local Government were distorted by unreliable data which was used to measure the financial sustainability of the local government sector in New South Wales.

It beggars belief that the Office of Local Government knowingly used this unreliable and flawed data. I ask: How can an objective assessment of a council's financial sustainability occur when the data itself is flawed? Supporters of council amalgamations typically claim that bigger is better or, more recently, bigger yields better strategic capacity. This is simply not true. Empirical evidence suggests that economies of scale exist up to a population of 163,689 in New South Wales. However, diseconomies occur afterwards. Further to this, when the New South Wales population of councils are stratified, then all evidence of economies of scale disappears.

The New South Wales Government made a commitment to establish an expert panel to review the Fit for the Future submissions. Instead, what we have is the appointment of IPART. With all due respect, IPART will not have a comprehensive understanding of the local government sector. Furthermore, simply appointing an external tribunal member with experience in local government to IPART does not make it an expert panel. Furthermore, after councils spent considerable effort in consulting with their residents and communities in a limited time frame, regarding their Fit for the Future submissions, IPART then introduced substantial changes to the assessment criteria with a mere two months left to the 30 June deadline.

Was this adequate time for councils to consult with their residents and communities, taking into consideration the new assessment criteria? The answer is no. From my perspective, looking at the available academic literature, negative impacts of amalgamations on communities far exceed the benefits. Negative impacts include a loss of local identity, an increase in rates, fees and charges, reduced economic activity and a loss of service, to name a few. The list goes on and on. Of extreme concern to me at the detrimental impacts of council amalgamations to regional and rural communities. There is academic literature that supports this. The fact of the matter is that in New South Wales councils are on average 20 per cent cheaper regarding rates on a per capita basis than the other States, and 22 per cent cheaper than Victoria.

The Independent Local Government Review Panel identified this in an earlier report. So the claims that amalgamations will lead to cheaper rates are simply not true. The uncertainty caused by the prospects of council amalgamations is also impacting on staff. I have seen first-hand an increase in staff turnover which I believe is directly linked to the uncertainty that currently exists in the local government sector. There are many unanticipated costs or costs which are glossed over by supporters of amalgamations. Such costs include the need to expand offices, depot costs, relocation costs, staff turnover and replacement, development of new policies, procedures and salary systems, and in rural and regional areas costs associated with lower economic activity and falling employment.

There is simply no justification for amalgamation of councils in order to deliver strategic capacity. This can be achieved via joint organisations or the ROCS. The question remains: Why wasn't the opportunity for joint organisations provided to the metro councils? Supporters of amalgamations claim that community boards provide the opportunity for residents to have input. However, it has been found that the effectiveness of these community boards has largely been overstated. What we need in the local government sector is real action on the issues surround rate pegging, cost shifting, Federal Assistance Grants and section 94 funding, investment in apprenticeships and traineeships, and most of all it is time for constitutional recognition. The only way an amalgamation of a council with another council should proceed is via a valid referendum. This would mean a change to the current Local Government Act. It should be the decision of the residents and communities.

HELEN McLUCAS, having been sworn: Thank you for the opportunity to speak tonight. I am a mother, a wife and an engaged citizen. I also disclose that I am a councillor on Strathfield Council. The views I offer tonight are my own, not those of council. I have a daughter who today is not actively engaged in the community. She has an intellectual disability. It is on her behalf and others who are vulnerable that I speak tonight. These are the missing voices in this amalgamation debate.

A mum spoke to me. Her five-year-old daughter was going to school the following year. The daughter has a physical disability and had just received an electric wheelchair; she was mobile. Mum said her daughter liked to motor the short distance from home to her mum's shop but had to travel via the road as there were no accessible footpaths. Council installed new accessible footpath ramps within two weeks, and also a new disabled parking spot outside her school to help with pick up and drop off.

An elderly mum with impaired sight spoke to me about a council tree that had cracked her driveway, causing a tripping hazard for her. She lived with her middle aged son who has a disability. Council started the repairs the next day, even though driveways financially are the responsibility of residents. She had enough on her plate. An email we received:

Dear Councillors,

My name is Joe—

not his real name—

and I am disabled and use a wheelchair to get around. I received moved to Greenacre.

Department of housing built town houses, in which three are wheelchair modified. Housing told me straight out, the area is extremely accessible for wheelchairs. The truth is, it is not. The bus stops are inadequate. The footpaths are not accessible. I even struggle getting across the road as there are no crossings—another aspect Housing said was covered.

I get to the bus stops and have access to footpaths to take my daughter to school.

I would love to hear from you to discuss potential help you can offer to me.

Four councillors and council staff responded that day. We worked with Joe to ensure he can take his daughter to school and have better accessibility. A fence was knocked down during a car accident. A neighbour contacted me. I worked with the real estate agent to arrange for a trades person to fix the fence. The occupant has mental health issues. We could not let the tradesperson near her as she was very fearful and a very private person. She was also very distressed that she would not be able to afford the power that was needed to repair the fence—a couple of dollars; her budget was that tight. I offered to pay. She was really relieved when the fence was fixed and her privacy restored.

Chris is an octogenarian and recently had a fall while sweeping up leaves on his footpath. We helped Chris clear away the leaves so his risk of another fall is minimised. Newly arrived refugees and migrants in Strathfield who are non-English speaking attend council's locally run Conversation Club. The group meets weekly and learns conversational English, our culture and colloquialisms. The group is unique because it is cross-cultural and intergenerational. There is no other opportunity that we find in different cultural communities for this cross-cultural communication and working together over the longer term. Importantly, they are learning from each other about their cultural differences and they help each other with parenting, family and other issues. It is an empowered group.

This group would not work in a mega-council because the women are not allowed to travel anywhere that is not deemed safe by the husbands. They can go to their children's schools, they can go to the local library, but that is it. Social isolation is one of the biggest issues facing our society today. Amalgamation will exacerbate this. Council's support empowers people and engages citizens, be they five years old or 100 years old. Local council is the only level of government that is flexible and responsive and we can empower people, be they able or with a disability.

Strathfield's community cohesion is built on trust, equity, social justice, openness, mutual respect, collaboration and inclusion. Our residents have the desire and wisdom to contribute to decision-making, and they do. I want my daughter one day when she is an engaged citizen to be able to access local services and to be able to be supported. Thank you.

JAYASOORIAH, having been affirmed: I am a resident of Randwick city speaking on behalf of myself and I am also the chair of my local precinct, which are both members of SOC. I thank the Committee for providing me with an opportunity to speak on my submission. Randwick City Council claims its survey of 6,000 residents shows that 51 per cent support amalgamation. My analysis of the same data shows that only 30 per cent support amalgamation.

Local Government NSW did a survey of 7,000 Sydney residents and found that 85 per cent supported a stand-alone option and that 61 per cent had their first preference as a stand-alone option. Hence, the support for amalgamation is between 15 and 39 per cent, according to their survey. Randwick council also claims, through a series of transformations, that its survey shows 46 per cent support its merger proposal. My analysis concludes only 3 per cent support the merger proposal. It is reasonable to infer that the truth is somewhere in between: 15 to 51 per cent support amalgamation and 3 to 46 per cent support the proposed merger.

It is my submission to this Committee that these results are simply not good enough. The range is far too broad to give any meaningful indication of community support, let alone make a decision on the future of Randwick city. In my submission I asked for the proposed merger not to be considered without a referendum of the residents in both Randwick and Waverley council areas. I wish to provide further evidence here to suggest that the process adopted by Randwick City Council in response to the FFTF agenda is fundamentally flawed.

On 23 September 2014, council passed a resolution and the salient points of it are that council unambiguously state that it is opposed to amalgamation; its councillors affirm that they are opposed to amalgamation now and after the 2016 local government election; council immediately notify residents, ratepayers, businesses, community groups, sporting clubs, surf life saving clubs and council staff that it does not support amalgamation; council fund a public awareness campaign opposing any amalgamation. This was a motion on notice and it was carried unanimously.

Council further resolved to adhere to a FFTF blueprint timetable and the key elements of the timetable are as follows. On 11 December 2014 it starts stages one and two of community consultation, which it did. On 2 March 2015 it is supposed to analyse the results and report to council, which it analysed and the report has been challenged by my submission No. 169. On 31 March 2015 it is supposed to conduct a councillors briefing session—it did not do that. On 7 April 2015 it is supposed to call for an extraordinary council meeting to jointly resolve with all councils in the grouping on a preferred option—it did not do that. On 8 April 2015 it is supposed to prepare the proposal as resolved—it did not do that. On 28 April 2015 it is supposed to resolve to place the draft proposal on public exhibition in accordance with the FFTF blueprint—it did not do that. May 2015 is when the proposal is supposed to be put up for 28 days—it did not do that. On 23 June 2015 it resolved to move a resolution to endorse the proposal—it did not do that too. On 30 June 2015 it is supposed to submit the proposal—it did that.

On 26 May 2015 council resolved on a motion pursuant to which the only deterministic outcome was a merger of Randwick and Waverley councils. This motion was not on notice; it was from the floor. Eight voted in favour, six against and one abstained. Council's submission to IPART pursuant to this motion is at odds with its own resolution in 2014. What triggered council to change its unambiguous position opposed to amalgamation? What happened to the affirmation by each and every councillor that they are opposed now and after the 2016 local government election to amalgamation? Why did council not fund the public awareness campaign opposing amalgamation and instead spend \$250,000 on a campaign in support of amalgamation? Why did council change its direction and when did this happen?

It would be unproductive to speculate as to why but I think it has to be looked into. The starting point could be the meeting of 29 September 2014 where it made the resolutions that I said earlier on and where the mayor at that time was Councillor Scott Nash. The end point could be the meeting of 26 May where they resolved in the opposite direction and it was a different mayor, Councillor Ted Seng. It is my opinion that the change in council's position occurred sometime between 29 September 2014 when the resolution was made to stand alone and 11 December 2014 when it embarked on stage one.

ROSEMARY MACKENZIE, having been sworn: I am from Kensington where I have been a resident for over 20 years. I am also a volunteer secretary of the Kensington and West Kingsford precinct, which is the largest precinct out of 10 in the Randwick council area. I am going to skip very quickly over the first three pages because I do not think I am going to have time. The first three pages are simply extracts of resolutions from the Kensington and West Kingsford precinct supporting a stand-alone council. Going forward to page 2, we called a joint precinct meeting but residents throughout Randwick came on 17 January, and again that was unanimous voting to support a stand-alone council and saying quite deliberately that we are opposed to amalgamations at Randwick with any other council and we cited the resolution of Randwick city of 23 September, which Jaya has referred to, in support of the stand-alone council.

One resident went so far as to say that this proposal was an attack on democracy. It was unanimously decided at that meeting that residents did not consider a plebiscite was even far enough; they wanted a very clear referendum. At the bottom of page 3 I have in bold, "Do you support Randwick council amalgamating with other councils? Yes or no". Really the question ought to be quite simple. It is my submission that the Randwick council's merger with Waverley is forced. I have three very quick points to make on that. Randwick was supposed to hold a plebiscite and this was a result of me addressing councils on several occasions.

But there were two resolutions in particular that I shall refer to: on 25 November, which was the mayoral minute, and on 9 December. On both those days the resolution was passed to hold a plebiscite. On 14 May, which was the day of Alex Greenwich's motion that was debated in the lower House, Mayor Seng spoke to ABC Radio's Linda Mottram. He said on that radio broadcast that there was a roadblock to holding the plebiscite. The reason he gave is that they approached the State Electoral Office to obtain the rolls but the State Electoral Office said they could not release them. That was the roadblock to holding the plebiscite.

We later found out, through ringing the State Electoral Office, that that was only part of the story. The rest of it was the State Electoral Office told them that they could not do the plebiscite themselves but they had contractors with whom they had agreements to run the plebiscite. One of those contractors is Computershare. To anyone who plays the stock market, that is a huge company. We found out that the mayor's excuse for not holding the plebiscite simply does not hold water.

I will briefly refer to page 6, about the middle of the page, and the survey. An audit was run on the survey. Interestingly, at paragraph 9 the auditor says they were unable to check the entries because the number of surveys received had not been entered on the database at the time of receipt. That is very puzzling. How accurate is this whole survey process? Question 6 from the survey, also on page 6, is: Who do you most strongly associate with? Council claims it is an eastern suburbs council which is the answer of most people, but the result simply does not indicate that because one of the options was, "Do you align with your suburb?" There is no council in your suburb, so if you move across to Randwick City it shows quite clearly that 57 per cent want no change.

Moving forward, I have two more points to make. First, on 18 June, which was the date of the Sydney City resolution on mergers, one Randwick councillor spoke on ABC Radio's 7 a.m. news on Radio National. I have the audio from Media Monitors, and he said very clearly, "You must recognise that we have a gun to our head. Any council who puts a submission to stand alone will not be fit for the future." That is a clear indication of duress. My final point, which is on page 9, is that one of the Liberal councillors—

CHAIR: I am afraid that is the end of your time. We will table your document, Ms Mackenzie. I invite Carolyn Corrigan to come forward.

CAROLYN CORRIGAN, having been affirmed: I thank the Committee for the opportunity to address you tonight. I take this opportunity to introduce myself as I wear many hats. I am a first-term councillor on Mosman Council and soon to be a last-term councillor if Fit for the Future is implemented. I am independent of any major political party and sadly I believe that local council independent representation will completely disappear if Fit for the Future is implemented. I am a founding member of Save our Councils Coalition. I am also a senior nurse specialist with 20 years-plus experience in public health nursing and a board member of the Pulmonary Hypertension Society of Australia and New Zealand. Last, but very much not least, I am a mother. The hat I wear is a rich tapestry of life experience, which I believe provides excellent capacity and capability for my involvement in local government.

Local government, like life, can be messy. In local government I operate at a very visceral level, responding to our residents' needs often on a daily basis. I go into people's homes where we sit together and have a cup of tea and chat. I listen and respond where possible and appropriate. I turn up at 7 a.m. on a winter's day to successfully picket a property around the corner from me where other concerned residents are picketing when a developer is trying to do an illegal concrete pour. I meet with a resident whose partner is confined to a wheelchair to discuss how the access and mobility committee, of which I am the chair, can work with her to obtain better access to one of the beautiful beaches we have at Mosman.

Residents need to receive on-the-ground, responsive service and support in order to feel connected and safe. Residents do not appreciate being ignored. Real-life community is actually not rocket science, but to really work it needs to stay local. Community resilience emerges from four primary adaptive capacities: economic development, social capital, communication and information, and community competence. Together these capacities provide a framework for communities to be disaster-ready. The State Government's Fit for the Future reform will be a disaster for local communities because of its overriding unbalanced and unfair focus on economic and property development at the expense of other equally important social and community functions.

On 30 June this year, after much cajoling, chopping and changing, carolling and bullying the State Government received only four—two regional and two metropolitan—submissions from local and regional councils to merge. This is in stark contrast to approximately 2,000 submissions received by the Independent Local Government Review Panel and the more than 1,000 submissions to IPART, many of which came from residents, councils and community groups. I think it would be very instructive to have revealed what those submissions actually said and to expose the nature and the results of those submissions. Really unsettling to many people in this room is the totally undemocratic process that will occur after 24 August, the final day of this inquiry. The public will hear nothing—not one thing—from the State Government until October, when our future fate will be determined without any further consultation or discussion. That is a process that will place a long-lasting pox on this great House of democracy.

In closing, I would like to say I strongly support all the other speakers who have expressed to the panel deep concerns about the motivation and the determination of Fit for the Future to destroy local grassroots democracy on issues deeply important to their local communities. Thank you.

GLEND A GARTRELL, having been affirmed: I understand this inquiry will be looking into the process councils have followed to develop their submissions to Fit for the Future. I am a longstanding resident of the Willoughby municipality and I have been very active in that community. I wish to draw the Committee's attention to an unidentified but potentially serious problem with the way community feedback was sought for this process. Council has proposed a very significant rate rise which they advertised as an infrastructure levy. Over the decades I have been a ratepayer this has not happened previously.

My husband and I received our first notification of the proposed infrastructure levy not long before the due dates of two public meetings about the issue. We attended both meetings, approximately 24 at one and 17 at the other. Willoughby has a population of over 70,000. There are several aspects of this proposal which concern me because they go to the soundness or even competence of the decision-makers. Firstly, any claim to have engaged with the community has to be discounted because engagement implies a two-way interaction. Consulting a sample of ratepayers over two years, combined with a very late notification to the whole community of a public meeting, does not constitute effective communication let alone engagement.

I have looked for evidence of feedback from those who were consulted but cannot identify it in the information provided in either the brochure mailed to everyone or the screen presentation at the public meetings. Choosing a least bad rate rise option does not qualify. Nor was there evidence of council's income alongside a breakdown of expenditure of the \$100 million. Without this, the tables of generalised material are not very informative. Average rates do not give a reliable figure which may apply to different categories of property, freestanding houses, units, commercial or industrial land.

Willoughby ratepayers have benefited from the significant CBD business sector, which has continued to grow, so it came as a surprise when ratepayers were first approached for a substantial rise in rates at the beginning of 2014. Having rejected this because of inadequate explanatory material, that is, how council's unsustainability came about, ratepayers are again being approached but with the same lack of explanatory material. Despite years of assurances that rates would never have to rise to help pay for council's foray into the development industry, that is, some entertainment buildings, we now see that income from section 94 contributions is being diverted to pay down a \$50 million-plus debt on this complex. How much is being diverted and how long this practice will continue we do not know.

Other sources of income apart from rates which have been identified would come at the expense of aesthetics. Advertising bollards on bus shelters in the CBD streets would further degrade the appearance of the centre, making it more like Parramatta Road than the cleaner lines which have prevailed on the North Shore. Nowhere has there been information about working with neighbours to form a larger agency, as recommended by the independent panel established by the Minister for Local Government. The benefits have been demonstrated of larger organisations in Victoria, in South Australia, Brisbane City Council and some smaller amalgamated councils in New South Wales. The panel added that the successes in New South Wales "reflect the commitment of key people in the councils rather than the models of decision-making". Further opportunities for a regional agency were identified in a report by ClubsNSW and the McKell Institute launched on 15 October 2014. Thank you very much.

Mr DAVID SHOEBRIDGE: You have one more minute.

Ms GARTRELL: I have said my piece. Thank you.

CHARLOTTE HUDSON, having been affirmed: Good evening. I am a resident and ratepayer of the City of Ryde Council opposed to council amalgamations for three key reasons. They do not necessarily bring about efficiencies; we run the risk of a loss of local identity and flexibility to move with future changes with local identity that could come in the future; and amalgamations have simply been proven not to work. In relation to efficiencies, the purpose of council amalgamations is to bring about efficiencies. Is amalgamation the easy option that has been looked at? Have there not been more creative ideas looked at with the technological revolution and the solutions that are being offered up there? Outsourcing has become quite popular. Have these options been thoroughly investigated?

I previously worked for Sensis, which is now TomTom, and we offered to provide mapping and data collection services to all New South Wales councils. We were out there collecting data for our mapping needs but we could have quite easily collected information for the councils such as road surface conditions, picnic area conditions, signage conditions and locations of local government assets. Unfortunately we did not manage to attain that but I guess there is still room for the local infrastructure renewal scheme possibly. That is just one example of options that could be out there.

Bigger is not necessarily better. It has been shown that smaller councils are more financially flexible and have a greater debt serving ability. They also did a comparison between Brisbane City Council and the City of Sydney Council, Brisbane City Council being much larger than the City of Sydney Council. It was shown that the City of Sydney Council was far more efficient than Brisbane City Council. In regards to local identity and the flexibility to change with the local identity, one of the proposals is merging Botany with Woollahra. Those two councils could not have anything more—

Mr DAVID SHOEBRIDGE: I am convinced.

Ms HUDSON: The only commonality between them is geography. When councils are looking at key service types, they are looking at population mix, socio-economic factors and council's cost per allocating practices and policies. This is influenced by the current residents and ratepayers. New South Wales is a very large metropolitan area and it is very diverse culturally and by "culturally" I mean not just ethnically but socio-economically and psychographically. This is only going to increase with the two million extra people we are expecting in the next 20 years and with this increase we can expect to see a changing nature of our councils.

If we looked at Bankstown council 20 years ago we would have seen a lot different council to what we see now. We need to be flexible to change with those requirements. The mega councils are simply not going to be able to cope; it is going to be harder to satisfy the needs of those when councils do change. Amalgamations have proven not to work. Western Australia were looking into it. They have put that indefinitely on hold. Queensland undertook it approximately eight years ago and they are now de-amalgamating. This has cost millions of dollars to amalgamate, de-amalgamate and now Western Australian councils are looking for cost compensation for putting their proposals together.

In closing, I ask that the New South Wales Government keep their pre-election promise of no forced amalgamations, that we learn from our fellow States that amalgamations do not work and they are costly to set up and to wind down. Let us keep the relevancy and flexibility of local councils by keeping the "local" in local government and keep Paul Toole the Minister for Local Government not the Minister for Government. Thank you.

TONY ABBOUD, having been sworn: Ryde is the heart of the inner circle of Sydney. It is a unique blend of five town centres, three major educational facilities, two hospitals, potentially the fourth biggest commercial hub in Australia and a national park. Ryde is a mix of synergies and diversity that blend together to create a safe, vibrant and balanced community. This special community cannot be broken up into separate pieces. The Ryde community does not accept that there are only two options: stay as we are or merge. We do not understand how the Government can supply the massive cost of mergers—\$120 million for the merger of two-thirds of Ryde with the lower North Shore councils—over three years. That is not to mention job losses and the almost certainty of rate increases. The Ryde community cannot accept that in the twenty-first century the only solution to reform is wholesale mergers with three or four communities with which very little in common. We look to our governments, State and local, to work together to find innovative solutions. We expect our governments to hear us—the community.

The majority of the Ryde community rejected the split and amalgamation of Ryde. The City of Ryde, in conjunction with Hunters Hill and Lane Cove councils, have created a viable third option. The proposed joint regional authority will allow the City of Ryde to continue with its vision and help take the management of our city to a whole new level. It is an option which retains the integrity of each council and which allows Ryde to continue with the vision that has been formed over many years and is currently being implemented. It is an option that allows the formation of an association of councils where there are geographic and demographic synergies. It is an option that allows for economies of scale and strategic regional collaboration in planning and provision of services to the communities of all three councils. Most importantly, it allows the maintenance of the integrity of each council and community. It allows the City of Ryde to continue evolving its vision of Macquarie Park as one of the premier commercial, educational, retail and technology hubs in Australia.

The NSW Government's unwillingness to consider joint organisations like our joint regional authority in Sydney, even when the City of Ryde and its partners have a sound business case for it, does not show a willingness to work in partnership with communities to find the best solution for people and for our State. To keep Sydney competitive, all options should be on the table. As a community, we are not prepared to give Macquarie Park away. This city created Macquarie Park. We do not want another council to take advantage of and credit for what we have created.

The City of Ryde now has a great team in our staff and strong leadership, headed by our general manager, Gail Connelly and our elected councillors. The staff at the City of Ryde are one of the most committed, competent and loyal groups of people working in any council. I have had interactions with many councils in my 35 years in business in Ryde, and none are better than the team we have at Ryde. We do not want to lose this team and go to a call centre approach to managing our city. Likewise, in our councillors we have a very good cross section of representation. This means that all sections of the community can have a voice in the management and future of our city. If we allow the State Government to divide us, our 12 councillors would be reduced to two. We cannot let this happen. In June, our general manager presented to the business community an update on council's activities and highlighted things like \$2.5 million of efficiency gains being achieved annually, a \$509 million increase in asset renewal, a \$1 million reduction in debt balance, a \$506 million increase in revenue, and new projects totalling \$8.963 million in 2015-16. This is a well-managed council; that is a fact.

From a development perspective we received an overview of the scope and sheer number of development applications that are currently being assessed by the City of Ryde. More than 700 development applications are being assessed annually. In 2013-14, the City of Ryde determined \$437 million worth of developments. These are local development applications that need to be assessed locally by people who understand the dynamics of this city. Our development applications are assessed based on their viability today and also their impact on our community in the long term. An outsider can never do this as effectively as our council can. Why would you destroy something that is working? Why would you destroy something where there is focus, where there is a plan, and where there is a great team implementing this plan? The final point I would like to mention is the connection that the City of Ryde has with the business community and the community at large.

IAN HAMMERTON, having been affirmed: I represent Burwood Community Voice. We are a group of have residents who represent the interests of people living and working in the Burwood council area, including Croydon, Croydon Park, Enfield, Strathfield and Burwood. We have made a submission to the Committee, and hopefully members have read it. Burwood Community Voice is also a member of SOC. I will concentrate on one issue. Amalgamations of local councils will reduce significantly the involvement of local councils in decision-making on local services and planning in their area. Burwood Community Voice sees this as the biggest negative impact on the community of councils merging. This loss of community involvement in decision-making will be caused by the significant decrease in political representation at the local level and the greater difficulty for local community groups and independent candidates to be elected to council.

At present, Burwood council has seven councillors; that is, 5,200 residents per councillor. In any proposed merger, the suburbs of Burwood, Croydon, Croydon Park, Enfield and part of Strathfield would have one to two councillors representing them; that is, 18,000 to 24,000 to residents per councillor. This council representation is not much more than the State local member representation. The merging of councils will make it more difficult for small community groups and independent candidates to be elected to council. The major political parties are more suited to campaigning in large council areas than local community groups because of their structure, greater election campaign funds and expertise. Locally based community groups are born out of the residents' desire to have a greater input into decision made for their area. Local community groups are totally focused on their local area and have no aspirations to State or Federal politics, unlike many of the major political party councillors.

I give the example of Burwood Community Voice. In 1997, residents were concerned about the effect that proposed developments would have on homes, trade, commerce and traffic arrangements in Burwood. These residents were concerned that planning controls were not being followed and that the community was unaware of the impact this might have on their amenities and livelihood. As a result, a group called the Friends of Burwood was formed to highlight these issues to the Burwood community and to lobby and challenge Burwood council's decisions. Soon after formation of the group it was realised that we had to be at the table, that the friends of Burwood would be better served by having representation on Burwood Council. In 1999 the name was changed to Burwood Community Voice, which became a political party for the sole purpose of local government elections. The Burwood community gave their support through the ballot box and since 2000 it has had representation on Burwood Council. We have continued to receive about 20 per cent of the vote in the four elections we have contested.

In any merger of Burwood Council with only one or two councillors representing the Burwood local government area it would be much more difficult for our members to be elected. Therefore, at least 20 per cent of the community would lose their authentic voice on council and involvement in decision-making for their local area. The Committee has already heard from the University of Technology, Sydney Centre for Local Government that Australians think that local government is the best level of government to make decisions about local areas and Australian communities want to be involved with government services and providing and planning in their local area. Local community groups on council are the most effective way to provide this community involvement.

In the case of Burwood local government authority, the majority of residents support the standalone option. The proposed merger of Burwood Council with Auburn City Council and the City of Canada Bay has received at lowest level of support from our community, with only 3 per cent preferring this option. More than ever, a large proportion of the community feels disenfranchised from the decision-making that occurs in government. Merging of local council will only make this worse. Good decisions are made when the community, experts, and Government are involved together and the community voice is heard.

JANE PISTOLESE, having been sworn: I live in Strathfield. Local government is the coalface of the Australian democratic system of government. However, I am concerned that this will be forcibly taken from the residents of Strathfield. Overriding the democratic rights of communities will breed a lack of confidence in our local government system and the front door will be shut. In time, this will lead to apathetic, disengaged and disillusioned communities.

I regard my right to access and canvass local councillors as precious and I regard the previous work by residents to shape the direction of my local area as critical, as they are people taking ownership and establishing civic pride in their council area. I have been spent the past three years researching and organising local residents to oppose an inappropriate 3A development in a residential precinct, with the support of Strathfield Council. The end result has been the imposition of a strict set of conditions of consent with Strathfield Council monitoring compliance of these conditions.

This is an important issue for the people of Strathfield but will it be important to a super council of over 350,000 residents? Would this issue matter and would the views of concerned communities be heard, if representation of Strathfield is reduced to one councillor? Why would other councillors want to spend money to enforce these conditions? What will my one representative have to compromise to be able to obtain any financial support in enforcing the court's strict conditions? In addition, I am perplexed that Strathfield may be forced to amalgamate when our council is debt free.

Why are the residents of Strathfield potentially forced to be accountable for Burwood's debt of \$6.7 million, Ashfield's debt of \$9.4 million, Leichhardt's debt of \$11.4 million, Marrickville's debt of \$15.2 million or Auburn's debt of \$15 million? Why should the residents of Strathfield be forced to be liable for an infrastructure backlog of \$160 million from Burwood? This is just unreasonable for the residents of Strathfield as our infrastructure backlog is \$3.5 million. For the record, Ashfield's infrastructure debt is \$24.7 million, Canada Bay is \$18.8 million, Leichhardt is \$11.4 million and Marrickville is \$15.2 million. Other nearby councils such as Auburn have a \$33 million backlog and Bankstown has a \$61 million backlog.

All financial modelling shows that Strathfield residents and businesses will be hit hard with very large rate increases if the council is amalgamated but rate increases will not be spent on improving Strathfield infrastructure and services. Why would anyone in Strathfield think this is an improvement? How can a garden suburb, which is the oasis of the west be protected when the same planning laws as Marrickville will be applied to Strathfield? How will places of local heritage significance be protected when they do not exist in a super council?

Service delivery levels vary between different councils. For example, in one council roads are the priority and the council allocates resources to meet community priorities and adjust their budget accordingly. In a super council, how are priorities determined? How do residents get their needs heard and met? We are under siege and the State Government should be protecting us, not diluting our hard-earned development control policies which protect the existing garden suburban character and the scale and rhythm of the existing traditional built form. Local community input into the development assessment process will also be diluted and suffer with a super council, even if the planning system is not impacted by the threat of the planning white paper resurfacing in the future.

By its very nature of being a super council, it will be less concerned with localized issues. For example, if a proposal only affects 5 per cent of a local government area and not 50 per cent, as it may currently do, you have to ask yourself: Is council going to act? Will it care? In conclusion, communities should have the right to have their say and a referendum should be held. Let the residents of Strathfield make an informed decision by considering the advantages and disadvantages of amalgamation and voting in a referendum. How do Strathfield residents reconcile the loss in their area's representation in a super council? Why does the State Government consider it reform to dilute democracy and reduce community access to elected representatives?

Amalgamation will mean that Strathfield residents will be responsible for enormous debts; they will assume massive infrastructure backlogs from other councils, while Strathfield's assets decline because resources are directed to fixing other councils' backlogs which will be of higher priority. To top it off, their rates will increase because they have higher land values and will pay for the massive cost of amalgamations. This is manifestly unfair for Strathfield. Remember, Strathfield has no debt.

CHAIR: Thank you. These submissions will be tabled so if you did not finish your speech it will be on the record.

Ms PISTOLESE: I have three paragraphs.

PETER WHITE, having been sworn: I am an independent councillor at Mosman and I am here representing myself. I have a passionate interest in public administration and good government and the views I express are my own. I do not know whether anybody has heard the announcement made in the past few minutes. The Prime Minister has just announced one of the most radical reforms for the Federation in the history of this country. Apparently his plan is to put Queensland, New South Wales, Victoria and Tasmania together to form the Great Eastern State, and South Australia, Western Australia and the Northern Territory will form Western Australia. The quid pro quo is that the GST is only going to go up to 12.5 per cent, not 15 per cent. It is not going to go to the public; and it is not going to an election but the Prime Minister is confident he can get it through.

That brings me to the point of democracy. Do you think I am kidding? Of course I am kidding. But that is what we are being asked to do in this situation—to sit back and let another tier of government control our lives. You are all here because of democracy—we are here because of democracy. I would say, "Let democracy work; don't kill it." That is why I so welcome the opportunity for your Committee and your undertakings. It has been so depressing to watch this issue unfold over two or three years. It has taken the three-word slogan and added 30 per cent so we have a four-word slogan—Fit for the Future. We have seen the independent local government report full of platitudes, and no evidence. I could not criticise the scholarship of those early papers from the independent Local Government Review Panel because there was none.

Why are we going to amalgamate? Because we have to make New South Wales number one. I have got news for everybody—New South Wales is number one. We are the strongest economy. Did having small councils hold us back? No, we have achieved it because of that. The analogy I would use is sometimes you have these chief executive officers come in and they are paid a lot of money, they make all these changes but then they get paid their \$10 million, walk off and five years later we find out what a mess it is.

I urge the Baird Government not to do this. It has time and it has a majority. Mike Baird is the most popular Premier. He has goodwill, he has support, he has intelligence and he has a backbone to take hard decisions. But you have got two terms. What issue has come across most at today's hearing? Joint organisations of some form are the way to go—do not kill the local community and do not force change onto people who do not want it. If you want to do that at least let people vote on it.

I will talk from my own backyard and SHOROC—the Shore Regional Organisation of Councils—comprising Mosman, Manly, Warringah and Pittwater. The reason Professor Sansom said we have to merge was for strategic reasons, to have strategic planning. I will give the Committee an update. Because of SHOROC we are about to have a \$600 million new hospital. We are about to have another \$400 million worth of roadwork associated with it. We are advancing planning for a bus rapid transit—another quarter of a billion dollars. There will be another \$100 million for regional health upgrades.

SHOROC has just won the Planning Institute of Australia President's Award for the best strategic planning in the country. That has all been done with four councils working together. At the same time we have a particular individual in Warringah trying to build a fiefdom and preach to the good folk of the northern beaches by saying, "We ought to merge because you will get a parking sticker, not just for six beaches but for 12 beaches." Blow me down! Hopefully this country and our community are much more sophisticated.

I would say that we should not mix the bush with the city. We subsidise public transport for people in the city and we need to subsidise the bush, because the bush has hugely different problems from the city. Let us look at and explore joint organisations. SHOROC is an example of how it can work. From what I have heard today, I keep on hearing that different forms of joint organisations can work, do work and have a potential to work. I urge the Committee to look at that seriously. Secondly, I say we have to help the bush. Thirdly, I say there is no magic pudding; you just do not add people and solve everybody's problems. It seems to me that that is what Fit for the Future is all about—to add people.

CHAIR: Thank you. It is important to hear from the people. For everybody's information next week the Committee will travel to Cobar, Wagga Wagga and Armidale.

(Public forum concluded at 7.00 p.m.)