

28 June 2013

Local Government Review Panel  
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Dear Review Panel

### **Future Directions for NSW Local Government**

I write to provide comment on the Panel's "Future Directions for NSW Local Government" paper.

While I share community concern that some reform of local government is needed, specific proposals for amalgamation of councils threaten to undermine local government. The paper proposes a greatly expanded "Super Sydney Council" that would amalgamate Botany Bay, Randwick, Sydney, Waverley, Woollahra, Leichhardt and Marrickville Councils and represent nearly 800,000 people by 2036.

This proposal would have significant impact on my electorate and is not supported by any of the councils concerned.

Local government is the level of government closest to the people it represents, with residents having direct access to their local decision-makers. Local councils are able to provide locally targeted services in response to local needs, such as managing the impacts of homelessness, responding to noise complaints and providing disability services. Local government is the home of grassroots democracy and dramatically affects people's lives.

Mega councils will make it incredibly hard for grassroots local representation and locally targeted services. Residents and ratepayers would have less access to decision-makers and fewer opportunities to contribute to policies.

Amalgamations will cause disruptions to operations and a wholesale reshaping of local government areas could create years of uncertainty and inaction. The discussion paper fails to provide evidence that amalgamations will improve financial viability and quality of service. It relies heavily on the assumption that economies of scale will create efficiencies. But economies of scale have limits and in governance can create drawbacks such as inappropriately standardised services and policies, lack of local knowledge within an organisation and reduced access to decision-makers.



With potential disruptions and loss of grassroots democracy, the case for amalgamations must prove widespread economic and service benefits before we venture down that path.

Auckland is trumpeted as an example but it is a city with massive debt after it spent \$100 million to amalgamate and the debt is forecast to rise further over the next decade. It now has 170 elected politicians in an attempt to address loss of representation.

The last amalgamation of the former South Sydney Council with the City of Sydney and sections of Leichhardt took several years and significant cost to services and projects to achieve.

Brisbane City Council is also provided as an example in the paper, but it has significantly greater powers to provide services and manage the city area than the NSW Government allows. The NSW Government should provide Councils with the authority to get on with their job and remove red tape preventing Council projects. This is vital to support a 'global city' centred on the CBD.

Unlike councils in rural and regional New South Wales, only seven councils in or around the Sydney metropolitan area were identified by the panel as being at financial risk. Yet the panel has suggested widespread amalgamations across Sydney.

The panel justifies creating a Super Sydney Council in order to share the inner city's wealth further across metropolitan Sydney. The inner city drives Sydney's global city status and is a major contributor to the State and national economies. The City of Sydney is one of the most financially stable governments in the country and its strong economic situation was recognised by the panel. It has excellent services and award-winning community facilities. Its engagement with both community and business is highly regarded.

The City of Sydney has the scale, resources and capacity to govern effectively, provide a strong voice for the community and provide the services and programs needed for a modern city. The City of Sydney has excellent governance, strong financial base and clear plans for meeting community and CBD needs through its Sustainable Sydney 2030 plan. The popularly elected Lord Mayor is directly accountable to electors, both residents and business operators.

We cannot afford to put Sydney's global city status at risk through uncertainty and through unnecessary disruptions when the City of Sydney is performing so well.

The panel should look at alternatives to amalgamations if it is serious about improving functions and efficiencies in councils, such as sharing resources and responsibility of providing services.

Inner city Councils, with leadership from the City of Sydney, already share resources, skills, research and provide joint projects. The NSW Government should provide incentives to support collaboration and cooperation. While there are already a number of regional Council groups, I support the proposal for Legislated Regional Mayors Committees to develop and implement regional strategies.

There is community concern about areas that have been excised from the City of Sydney by the NSW Government, such as Barangaroo Delivery Authority, Sydney Metropolitan Development Authority and Sydney Harbour Foreshore Authority lands. Councils cannot plan and deliver services where responsibility is unclear, and the NSW Government should return this authority to the responsible Council. This is vital to reduce bureaucracy and duplication, and prevent current 'buck passing'.

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I am concerned that this review has not engaged adequately with the wider community, and proposals do not appear to have a solid grounding in what is realistic and useful to improve local government. The proposed Super Sydney Council would undermine existing longstanding structures and community of interest that have been built over many years.

These proposals fail to provide local government with the role, capacity and authority necessary to increase strategic capacity, efficiency and effectiveness. I cannot support the current proposals.

Yours sincerely

A handwritten signature in black ink, appearing to be 'AG', written in a cursive style.

Alex Greenwich  
**Member for Sydney**