

Lake Macquarie City Council

Our fit future



Submission attachments

June 2015



7 **Attachments**

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Attachment A – Lake Macquarie City Council’s Strategic Capacity

Scale

Lake Macquarie City is a very large regional city with a population of 202,676, making it the fifth most populous city in NSW. Lake Macquarie City Council (LMCC) has an asset base worth about \$2.3 billion, an annual budget of some \$287 million, and, with 996 full-time equivalent (FTE) staff, was one of the largest employers in the Hunter region. The population of the City is expected to grow to about 260,000 by 2030, putting it in the top 3% of NSW and top 7% of Australian LGAs.

Capacity

More robust revenue base and increased discretionary spending

In 2013, TCorp assessed LMCC's financial sustainability rating as sound. LMCC has made strong progress to improve its financial position over the last five years. This progress has accelerated since Council's successful application to IPART for an increase to its general rate over the seven-year period 2012-13 to 2018-19.

LMCC's own source revenue has increased from 49.96% in 2010-11 to 64.54% in 2012-13, and now exceeds the TCorp benchmark of 60%. Similarly, LMCC has a very strong operating performance ratio of 0.29 (benchmark > -4.0), unrestricted current ratio of 2.93 (benchmark >1.5) and debt service ratio of 5.8 (benchmark > 2.0).

These indicators all attest to LMCC's strong financial position, which, combined with its capable workforce, effective management team and engaged community, create a local government that is fit for the future now, and will become more so through its planned improvement program.

Scope to undertake new functions and major projects

LMCC has a proven record of performance in relation to identification of emerging issues for the City and development of significant programs to address them.

Examples include:

- The Lake Macquarie Improvement Project, which has delivered measurable, long-lasting improvements in the ecological function of Lake Macquarie, through investment of around \$26 million over 16 years and strong collaboration between LMCC, Wyong Shire Council and the NSW Government.
- The Lake Macquarie Waste Strategy, adopted in February 2011, which includes three bins for residents to sort their waste. The preferred solution, which commenced in April 2013, has resulted in over 22,000 tonnes of waste being diverted from landfill in its first year. The community engagement elements of this project won an RH Dougherty award in 2011 for excellence in communicating.
- Lake Macquarie's Asset Management Strategy, developed to support its Resourcing Strategy, which established a framework to guide the planning, construction, maintenance, and operation of the infrastructure essential for LMCC to provide services to the community. This work has been favourably reviewed by the Office of Local Government.
- The Lake Macquarie Transport Interchange, which is a major regional infrastructure project. This project, identified as the number one infrastructure priority for the region, will invest substantial local, state and federal funds to unlock significant growth for the Lower Hunter (\$32 million for section 1 of stage 1 alone).

- The \$11.3 million Lake Macquarie Regional Football Facility constructed in 2014 for Northern NSW Football providing a major football event centre for the Hunter that will bring in teams from around the region to compete on ten five-a-side synthetic football courts and two international-size synthetic football fields.
- The International Children's Games, the largest multi-sport youth event in the world, which in 2014 was hosted in the southern hemisphere for the first time by LMCC. The games involved over 4,000 athletes and their supporters from 80 countries, and were delivered with the assistance of over 600 community volunteers.

Ability to employ a wider range of skilled staff

LMCC is one of the largest employers in the Hunter, with over 1,079 staff (996 FTE) operating across 18 departments.

Due to the size of the organisation, and the diversity of services it provides, LMCC is able to offer employment across all of the occupation categories identified by the ABS (managers, professionals, technicians and trades workers, community and personnel service workers, clerical and administrative workers, sales workers, machinery operators and drivers, labourers).

LMCC has a history of employing specialists for fixed periods to support particular transient organisational requirements. Examples of these positions include the current Corporate Finance Strategist, employed specifically to assist LMCC with long-term financial planning, and former External Relations Specialist, employed to lobby for Council's interests to state and federal government.

Lake Macquarie City is a highly desirable location to live, and is able to attract high calibre applicants from the Hunter, Sydney, and beyond. LMCC believes in its people and recognises the importance of its employees to the organisation. This commitment reflects the value LMCC places on employee development, retention and wellbeing.

LMCC has established itself as an employer of choice within the region, through its commitment to its people and its recognised position as a local government leader. This commitment is reflected in staff perceptions, reported through rigorous employee engagement surveys over the last six years. These surveys show consistently high levels of staff motivation and commitment to Council's goals, as well as steady increases in employee engagement over the same period (staff engagement is up from 72% in 2010 to 83% in 2015). This level of staff engagement is significantly higher than typically found in 2,700 other Australian organisations participating in the survey (Voice Project 2015).

Knowledge, creativity and innovation

LMCC has a strong record of harnessing the expertise of its staff to develop creative and innovative improvements to its operations. Many of these initiatives have resulted in material benefit to LMCC, in terms of service improvement and/or cost saving, have involved strong engagement with the community of Lake Macquarie, and have been recognised as best practice.

For example, during 2009 to 2011, LMCC undertook a comprehensive Service Review, which identified more than \$4.2 million in ongoing savings, achieved through cost reductions, efficiency gains and increased income. This project involved small teams of LMCC staff examining current practices and identifying opportunities for improvement. In particular, significant yearly savings were achieved through

changes to purchasing practices (\$2.4 million), savings in landfill airspace consumption (\$780,000) and efficiencies in small plant hire (\$400,000).

Another example of LMCC's innovative approach is the introduction of an online application and certificate issuing system in 2011. This system resulted in quicker turnaround times, a reduction in administrative resources and a more transparent system for the community. The system is now being used as a model for the NSW Department of Planning's e-codes project to be rolled out to all NSW councils.

LMCC involves its community in meaningful discussion about many of its innovations. For example, in seeking to secure the long-term financial future of the organisation, LMCC actively sought the views of ratepayers and residents about the level of service they favoured and the amount they were willing to pay for those services. In 2012, this approach led to a successful application for a seven-year rate rise, and an RH Dougherty Award for community reporting.

LMCC has also developed a range of innovative approaches to involving its community in the delivery of services. Examples include:

- its award-winning Sustainable Neighbourhoods Program, which empowers residents to plan and implement sustainability projects in their own areas,
- Lake Macquarie Landcare, which supports over 260 Landcare groups to improve the condition of public natural areas,
- its Operating Committee model, which empowers local community groups to manage Council's recreational facilities; and
- creation of *A Possum Skin Cloak by the Lake*, a significant cultural revival project developed in partnership with local Aboriginal people that built pride within the local community, extended cultural knowledge, and strengthened the relationships between residents and local government.

These initiatives were instrumental in LMCC's 2012 AR Bluett award, 2014 Local Sustainability Award and 2015 NSW Asset Management Planning Award.

Advanced skills in strategic planning and policy development

In the early 2000s, LMCC developed its first long-term strategic land use plan, Lifestyle 2020. This plan, developed with extensive input from the Lake Macquarie community, articulated core values of sustainability, equity, efficiency, and liveability. This plan has been recently superseded by Lifestyle 2030, which reaffirms those core values and informs both the Community Strategic Plan and the citywide Local Environmental Plan.

LMCC developed its first 10 year Community Strategic Plan in 2008, two years ahead of the then Department of Local Government's timeframe for implementation of its first round roll-out of the Integrated Planning and Reporting Framework (IP&RF). LMCC subsequently developed the other components of the IP&RF (Resourcing Strategy, Delivery Program and Operational Plan) in 2010.

LMCC's IP&RF documents and Lifestyle 2030 are complemented by a suite of plans including Council's Long Term Financial Plan, Asset Management Plans, Environmental Sustainability Action Plan, and many social infrastructure plans developed to guide essential works and services.

LMCC's Environmental Sustainability Action Plan 2014-2023 identifies Council's vision and strategic direction for the City in relation to energy; waste; water; transport;

resource consumption; natural environment; land; climate change adaptation; natural disasters and environmental health.

LMCC has won particular recognition for its approach to climate change adaptation, and in 2011 was named one of six national climate change champions. This award acknowledged Council's proactive approach to planning for sea level rise, which included adoption of a sea level rise policy in 2008, a year ahead of the NSW Government.

LMCC's attention to asset management planning includes provision for changes to the future climate, and has led to an increase in its asset renewal ratio from 77.8% to 92.7% (over the period 2010/11 to 2012/13).

Effective regional collaboration

LMCC has been a major contributor to the activities of Hunter Councils Inc, which is an affiliation of the 11 councils of the Hunter region. Hunter Councils provides a forum for communication between general managers and mayors, collaboration amongst LMCC staff and many shared services and projects. Record storage, legal advice, training and procurement are just a few of the services that provide benefit to member councils. The success of Hunter Councils Inc has informed development of the Joint Organisations proposed in the Fit for the Future (FFTF) package, and the Hunter region has been selected to pilot the Joint Organisations model.

LMCC is the largest member of Hunter Councils Inc, and has made significant contributions to regional collaboration, including most recently:

- Implementing the Lake Macquarie Transport Interchange, which the Mayors of the Hunter councils have unanimously identified as the most important infrastructure project in the region, and reflects the region's confidence in LMCC leadership capability;
- Operation of Hunter Resource Recovery, a partnership between four Hunter councils to deliver cost-effective recycling services;
- Hosting the first Hunter-Central Coast regional illegal dumping squad, which involves 10 member councils; and
- Leading a major regional sustainability project, funded by the federal Department of the Environment, focusing on improving biodiversity planning and management in the lower Hunter for input to the Lower Hunter Regional Sustainability Planning and Strategic Assessment.

Credibility for more effective advocacy

LMCC's reputation as a mature and responsible local government enhance its credibility within the region and with higher levels of government. LMCC has the resources and depth of expertise to enable it to make meaningful submissions on a range of topics. For example, LMCC has:

- made three submissions to the current Independent Local Government Review and the Government's subsequent FFTF package;
- made numerous submissions to the NSW Government in relation to planning, cultural heritage, biodiversity, waste, transport, air quality, coastal management, climate change and energy policy;

- made numerous submissions to the Australian Government in relation to greenhouse gas emissions, air quality, energy, biodiversity and waste policy;
- LMCC made significant representations on key funding programs, such as Resources for Regions, the Hunter Infrastructure and Investment Fund, and as part of LGNSW advocacy for State Government library funding; and
- LMCC has strong relationships with Local Government NSW, and Mayor Harrison is currently a member of the LGNSW Board. LMCC officers have represented the local government sector on a range of NSW Government advisory panels including planning, building, waste and sustainability.

Capable partner for State and Federal agencies

LMCC has a strong record of collaboration with the NSW and Australian governments. Specific recent projects include the Lake Macquarie Transport Interchange, Lake Macquarie Regional Football Facility, International Children's Games, and Lake Macquarie Improvement Project.

LMCC's project management, design and construction expertise is utilised by the Roads and Maritime Service to deliver some \$8.2 million per annum in works on state roads within the City.

LMCC successfully partners with state and federal government agencies to deliver projects funded through a wide range of grant programs, and works constructively with emergency service and response agencies.

LMCC has provided staff expertise to other local councils and government agencies in the areas of civil/building works, planning, building, facilitation of workshops, financial advice, sustainability advice, printing, valuations, survey and policy development.

Resources to cope with complex and unexpected change

LMCC has the strategic planning framework, financial maturity and depth of capability in its staff to deal with uncertainty. Council's approach to securing its financial future through a successful application to IPART for a seven-year rate rise is an example of this responsive capability.

LMCC also has a strong relationship with its community, which enables it, through meaningful dialogue, to develop solutions with community support. LMCC invests in community engagement to allow local people to understand often complex issues and provide informed input to the decision-making process.

LMCC has developed a range of key performance indicators (KPIs) (finance, operational, governance, community) that allow it to track progress, respond to challenges, and remain resilient. LMCC performs well in achieving these KPIs, with 80% met in 2012-13 compared to the NSW average of 61%. In 2013-14, LMCC achieved 87% of its 165 KPIs (LMCC 2014).

High quality political and managerial leadership

The performance of LMCC in comparative data is an indication of the strength of political and managerial leadership within the organisation, as is the level of community satisfaction with LMCC services.

An overview of LMCC's performance in relation to both Group 5 councils and developing coastal councils is provided in Attachment B of the main submission. Some examples of LMCC's performance, based on data provided to OLG, are:

- Number of development applications determined (54% more than the Group 5 mean and 41% more than the developing coastal councils mean);
- Time to determine development applications (77% of the Group 5 mean and 86% of the developing coastal councils mean);
- Outstanding rates, charges and fees (LMCC has 3% while the Group 5 mean is 6% and the developing coastal council mean is 5%); and
- Operating expenses per capita (LMCC's is 64% of the Group 5 mean and 77% of the developing coastal council mean).

LMCC supports its senior staff through annual performance appraisals (100% in 2012-13, compared to 81% across NSW) to identify skill gaps and plan accordingly and access to development training (100% in 2012-13, compared to 61% across NSW) (PWC 2014).

LMCC prides itself on providing value for money. Compared to other councils (in Group 5) LMCC employs only four people for every 1,000 residents (Figure A1 and Attachment B of main submission). Its average employee cost per capita (\$364) is also the lowest compared to other similar councils. These results are achieved, in part, through rigorous monitoring of organisational performance, which is undertaken monthly, quarterly and annually, and LMCC's highly engaged and innovative workforce. LMCC's staff survey indicates performance in change and innovation 6% higher than the all industry average of 2,700 organisations and 19% higher than the local government cohort of 22 councils (Voice Project 2015).

Average Employee Expense per Capita

Explanation: This indicator shows the amount of annual employee expenditure for every member of the population. This is a measure of comparative economic efficiency in delivering services to the community.

Measurement: Total Employee Expense / Total Population

Result: Lake Macquarie expenditure per capita on employee expense is lower than other similar councils.

Group 5 Councils

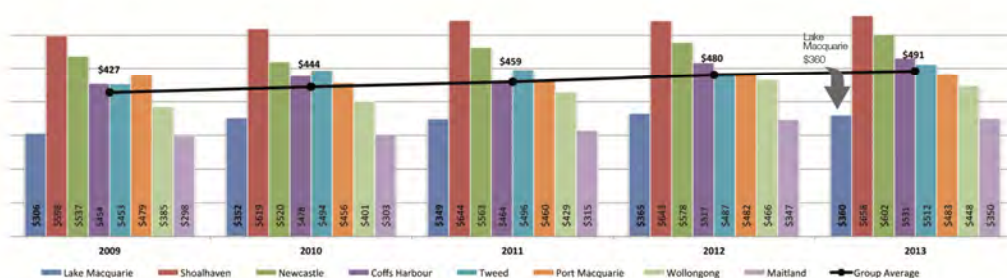


Figure A1 – Comparative data for Group 5 councils on average employee costs per capita

LMCC is not only lean, but it provides high quality facilities and services. Since 2009, Council's community satisfaction levels have increased by 95%, with community satisfaction currently at 90% (see Figure 2 in main submission) (Micromex 2015).

References

LMCC (2014) June Review of the Operational Plan and Budget 2013-2014,
14BUD026, 25 August 2014

PwC (2014) NSW Local Government Operational and Management Effectiveness
Report

Micromex (2015) Lake Macquarie City Council Fit for the Future Survey

Voice Project Pty Ltd (2015) LMCC Voice Staff Survey, Macquarie University

Attachment B – Comparative Data 2009- 2013

A scenic view of Lake Macquarie with a large tree in the foreground and a person swimming in the water.

Comparative Data 2012-2013 **NSW Local Government**

*Analysis of Lake Macquarie City
Council Data and Historical Trends*



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Introduction

The NSW Government is working in partnership with local government on a number of initiatives to strengthen NSW councils.

This work will enhance councils' accountability, help local communities understand how well their council is performing in comparison with other councils, and encourage continuous improvement amongst councils.

Why measure and report on local council comparative performance?

Councils provide a wide range of services and manage many assets that people in local communities rely upon.

Communities need to be able to get a clear, concise and meaningful picture of their council's performance across key areas to understand how effectively their council is working to look after public assets and deliver local services.

This report provides information on in one place about local councils across NSW to help local communities the local government sector and government regulators understand how well local government in NSW is performing as a whole, and how well individual councils are performing over time and in comparison to similar councils.

In particular, it provides the basis for communities to ask questions of their councils about important performance areas such as community leadership, financial sustainability, asset maintenance and service delivery.

What is driving changes to this report?

Changes to this report are being driven by local government reform currently occurring to help make local councils more effective and sustainable in the long term.

This work was triggered through a collaborative NSW-Local Government project, Destination 2036, through which councils and the NSW Government agreed on a number of key actions, including the development of a new Local Government Performance Measurement Framework.

Since that time, the Independent Local Government Review Panel and Local Government Acts Taskforce have consulted widely with councils and the community and have provided reports with recommendations for reform to the NSW Government. These reports are publicly available on the Office of Local Government (the Office) website at www.olg.nsw.gov.au.

These reports, as well as an earlier NSW Auditor General's report of 2012, have highlighted the need for a core set of financial and non-financial indicators to build a better picture of overall council performance to improve public accountability.

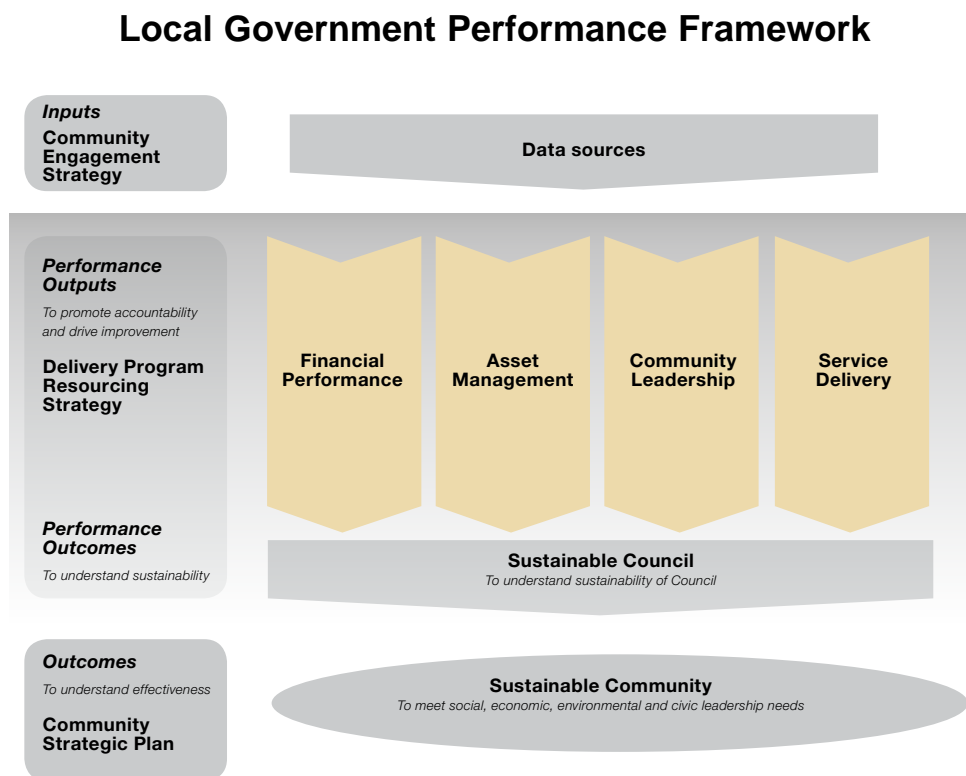
What progress has been made to develop new performance measurement indicators?

The Office is continuing to work with local government to develop key performance indicators under a new Local Government Performance Measurement Framework.

The indicators will help communities to measure important aspects of a council's performance including financial sustainability, community leadership, asset management and service delivery.

The following diagram illustrates this model, as developed in consultation with an External Reference Group of councils and other experts, including its links to Integrated Planning and Reporting Framework.

Figure 1 - Local Government Performance Management Framework



Consultation feedback on a discussion paper, *Strengthening Councils and Communities: Building a New Framework for Measuring Performance in Local Government*, released between November 2013 and January 2014, has indicated strong support from the sector to develop a performance measurement system around these four key areas.

In particular, councils indicated support for a system that aligns with Integrated Planning and Reporting, provides trend data and meaningful comparison with like councils to help drive improvement, is flexible enough to take local differences and needs into account, and that minimises overall reporting burden. At the same time, four working groups of council and other experts have been developing measures under the key areas

of the framework. A fifth working group is examining whether and how the NSW Government could coordinate a State-wide community satisfaction survey to feed into the Framework. Consultation feedback is continuing to inform this work. A Strategic Steering Group, made up of senior local government and other

representatives, is also providing input on the measures, including whether they provide a balanced picture of council performance that is meaningful and useful to local communities. It is anticipated that a Working Paper, including draft measures, will be released for further consultation during 2014. The end result will be a core, consistent set of key performance indicators to show a balanced picture of the financial and governance health of councils and how well they deliver functions and services across NSW. The focus of this work is on using readily obtainable data. Future phases of work may need to occur to refine the Framework, fill data gaps and consider issues such as comparison groupings and benchmarking.

How is the performance information presented?

The current set of performance information has been presented in three parts:

Part 1: State of Local Government in NSW – presents an overview of the performance of the local government sector as a whole. It focuses on sector-wide issues, trends and

achievements across key performance aspects such as financial sustainability, governance, assets and service delivery. Part 1 also includes an update of Local Infrastructure Renewal Scheme (LIRS) and provides a feature on the changing face of libraries. The LIRS is injecting necessary funds within local economies to assist councils address their infrastructure backlog.

Part 2: Your Council's Performance – presents stand-alone, individual snapshots of all 152 general purpose councils in NSW. It summarises demographic and socio-economic information about each local government area and draws out key data on council demographics, financial sustainability, infrastructure, expenditure, rating, community leadership and core council services. *Your Council's Performance* reports on a consistent set of results. It also provides a comparison between individual councils and the average performance of councils within the relevant "OLG grouping" for each indicator. The key performance indicators reported in the Your Council's Performance reports continue to be enhanced over time as new indicators are identified and relevant data is collected.

Part 3: Data Tables – provides detailed tables in Microsoft Excel format of the data used in this report, for further comparison and analysis. These data tables can be downloaded from the Office's website at www.olg.nsw.gov.au.

How have councils been classified and grouped for comparative purposes?

The Australian Classification on of Local Governments (ACLG) classifies councils into 22 categories according to their socioeconomic characteristics and their capacity to deliver a range of services to the community. In this publication, we have put NSW councils into 11 groups instead of 22. (These are referred to as the "OLG Groupings"). This is because several of the ACLG categories contain either no NSW councils or only one or two councils. This makes it difficult to compare the performance of different councils in a meaningful way. It should be noted however, that the groupings are based on broad demographic variables. As a result, there are often large differences between councils in the same group. This information should not be relied upon by councils to argue for individual policy changes. The Office and the local government sector recognise that the current OLG groupings of councils may need to be revised as part of the performance measurement work being undertaken and the outcomes of the current local government reform process. Data for this publication on has been sourced from councils' financial statements and grants returns as well as a number of agencies including the Australian Bureau of Statistics (ABS), NSW Treasury Corporation (TCorp), Department of Planning, State Libraries, NSW Office of Water and the NSW Office of Environment and Heritage.

From time to time, this data may be amended and updated, eg ABS population projections. These population projections are used in calculations the population on change and the per capita results in a range of indicators. While these figures may be subsequently amended by the ABS in future years, the results in our publication are not subsequently amended and therefore may report a different result. The accuracy of this publication is largely dependent upon the accuracy and completeness of data returns lodged by councils. It should be noted that all 152 general purpose councils had lodged their 2012/13 financial returns at the time of compiling the data for the comparative publication. The Office does not audit the data but we do conduct extensive testing for validity and reasonableness.

Appendix 2 - Australian Classification of Local Government and DLG group numbers

Step 1	Step 2	Step 3	Category	Alpha	DLG group No.
URBAN (U)					
	Capital City (CC)	Not applicable	1	UCC	1
Pop. > 20,000	Metropolitan Developed (D) Part of an urban centre > 1,000,000 and pop. density > 600/sq km.	Small (S) up to 30,000	2	UDS	2
		Medium (M) 30,001-70,000	3	UDM	
or Pop. density > 30 persons per sq km	Regional Town/City (R) Part of an urban centre with population <1,000,000 and predominantly urban in nature.	Large (L) 70,001-120,000	4	UDL	3
		Very large (VL) > 120,000	5	UDV	
or >90% of LGA population is urban	Fringe (F) A developing LGA on the margin of a developed or regional urban centre.	Small up to 30,000	6	URS	4
		Medium 30,001-70,000	7	URM	
		Large 70,001-120,000	8	URL	5
Very large >120,001	9	URV			
			10	UFS	6
			11	UFM	
			12	UFL	7
			13	UFV	
RURAL (R)					
	Significant Growth (SG) Average annual Population growth > 3%, population > 5,000 and not remote.	Not applicable	14	RSG	N/A
	Agricultural (A)	Small Up to 2,000	15	RAS	8
		Medium 2,001-5,000	16	RAM	9
		Large 5,001,-10,000	17	RAL	10
		Very large 10,001 to 20,000	18	RAV	11
	Remote (T) Situated in a remote locality.	Extra small Up to 400	19	RTX	N/A
		Small 401-1,000	20	RTS	N/A
		Medium 1,001-3,000	21	RTM	9
		Large 3,001 to 20,000	22	RTL	10

Note: For "Rural Agricultural Very Large" (RAV), "Rural Remote Large" (RTL), and "Rural Significant Growth" (RSG), 20,000 is the upper limit because beyond this number all local governments are deemed "Urban".

City of Lake Macquarie Classification

9 (URV) urban, regional, and very large with a population greater than 120,000

The DLG classifies Lake Macquarie as 9 (URV) which means it is urban, regional, and very large. Lake Macquarie is in DLG Group 5 which combines both the 9 classification and the 8 classification (urban, regional and large). Group 5 consists of Lake Macquarie, Newcastle, Shoalhaven, Tweed, Wollongong, Maitland, Port Macquarie-Hastings and Coffs Harbour. Please note that Maitland and Port Macquarie-Hastings became part of Group 5 in 2010-2011.

Key Performance Indicators Definitions

Indicator	Explanation
Average Rate Per Assessment (Residential & Business)	Rates are an important source of council's revenue. The objective of this indicator is to highlight the level of council's rates. Factors that affect this indicator include rate pegging legislation and the mix of residential/business properties.
Outstanding Rates, Charges, & Fees	The percentage of rates, charges, and fees unpaid at the end of a financial year is a measure of how well a council is managing debt recovery.
Sources of Total Revenue	This indicator assesses the degree of dependence on alternative sources of revenue. Factors such as the level of investment activity of the council, the rate of new development within the council area, and the level of State/Federal funding have a large bearing on the council's level of alternative funding.
Total Operating Revenue (per capita)	Total revenue per capita is an alternative method of analysing revenues received by council. Many revenue streams are dependent upon the numbers of people living within the council boundaries, although factors such as rate-pegging, development activity, as well as the extent of user pays services also influence revenues. As such, this is only a basic indicator of a council's ability to service the needs of its community.
Dissection of Total Operating Expenses	The objective of this indicator is to assess the expenditure pattern of council. Expenditure requirements of councils include employee costs; materials and contracts; interest charges; depreciation; and other operating expenses. Many factors influence council's expenditure patterns such as the socio-economic characteristics of the area, the rate of new development, and the increase/decrease in population within the area.
Total Operating Expenditure (per capita)	This indicator measures council's operating expenditure on a per capita basis.
Unrestricted Current Ratio	The unrestricted current ratio assesses the council's liquidity and its ability to satisfy obligations as they fall due in the short-term, such as payment for goods and services supplied. A ratio of between 1.5:1 and 2:1 is considered satisfactory and indicates that the council has enough <i>liquid</i> assets to satisfy its short-term requirements. The higher the ratio, the greater the ability of a council to meet its short-term liabilities. The current ratio is included in the audited financial statements of council.

Debt Service Ratio	The objective of this indicator is to assess the degree to which operating revenues are committed to the repayment of debt. Interest rate changes and loan terms affect this ratio. The use of loan funds for infrastructure improvements and other capital purposes is a prudent financial strategy allowing for contributions to the cost of the asset throughout its life by the community. Therefore, it is important to compare the ratio over a number of years in conjunction with other indicators such as the unrestricted current ratio. Generally, the ratio would be higher in growth areas. The debt service ratio is included in the audited financial statements of a council.
Number of Full Time Equivalent (FTE) Staff	Includes permanent full-time and permanent part-time staff. Excludes temporary, fixed-term and casual staff.
Library Operating Expenses (per capita)	This indicator measures the gross expenditure for library services per person within the council area. Factors such as the size of the library, the number of people within the area, the hours of opening, and the demographic characteristics of the population affect it. [Public library statistics 2006/07].
Domestic Waste Management Charge Per Residential Property	The objective of this performance indicator is to highlight the relative level of council's domestic waste management service charge for comparative purposes. This indicator is influenced by the cost of the service, whether or not a contractor is used, the size and frequency of the collection, as well as the distance from the disposal facility. [Data supplied by Department of Environment and Climate Change 2006/07].
Circulation (per capita) for Library Service	This measures the number of circulating per library service per person within the council area.
Number of Development Applications Determined	This indicator measures the effectiveness of the development approvals system council should undertake the approval process in a manner that protects the rights of landowners, the community, and the environment. The nature and complexity of applications, the area growth rate, council DA policies, and litigation delays influence this indicator. [Information supplied by Department of Planning].
Mean Time for Development Applications	This performance indicator measures the speed with which DA's are determined. The less time taken to determine each DA, the more efficient the approval process is. The mean time for development applications relates to 'Number of DA's' above, and therefore is influenced by similar factors. This performance indicator does not take into account factors such as the complexity of the DA's. [Information supplied by Department of Planning].

Environmental Management Services (per capita)	The sustainable management of natural resources, the protection of the environment and the maintenance of public health are key council responsibilities. This indicator is a key performance measure in calculating the amount spent on environmental management and health per head of population.
Recreation and Leisure and Cultural Services Expenses (per capita)	Councils are encouraged to develop and implement strategies that will result in more people becoming physically active. This indicator measures the calculated net amount spent on recreation and leisure services per head of population. The size, type, and number of facilities, the adoption of the user pays principle, the nature of section 94 contributions, the population mix, the available open space, and natural resources can affect it.
Community Services Expenses (per capita)	The purpose of this indicator is to measure the amount spent on community services per head of population. Factors such as number of community services staff required, population mix (age and ethnicity) and the socio-economic standing of the population influence the cost of community services within a council area.

Profiles for Group 5 Councils

Council	DLG Group	Aust. Class'n Numeric code	Aust. Class'n Alpha code	Estimated residential population at 30 June 2009	Area (km2)	Population growth (5 year average) at 30 June 2009	ATSI population %	NESB population %
Coffs Harbour	5	8	URL	72,827	1,175.10	1.7	3.56%	4.85%
Lake Macquarie	5	9	URV	200,849	648.30	1.0	2.35%	4.17%
Maitland	5	8	URL	70,296	391.70	2.28	2.62%	3.31%
Newcastle	5	9	URV	156,112	186.90	1.09	2.13%	7.05%
Port Macquarie - Hastings	5	8	URL	76,323	3686.10	1.56	2.58%	3.33%
Shoalhaven	5	8	URL	96,967	4,530.60	1.15	3.75%	4.75%
Tweed	5	8	URL	90,090	1,309.40	2.01	2.94%	4.29%
Wollongong	5	9	URV	203,487	684.10	1.01	1.69%	13.95%

Profiles for other developing coastal Councils

Council	DLG Group	Aust. Class'n Numeric code	Aust. Class'n Alpha code	Estimated residential population at 30 June 2010	Area (km2)	Population Growth (5 year average) at 30 June 2010	ATSI population %	NESB population %
Gosford	7	13	UFV	168,188	940.30	0.8	1.68	5.49
Port Stephens	4	7	URM	67,825	859.00	1.5	2.88	3.99
Sutherland	3	5	UDV	220,835	333.60	0.74	0.61	9.4
Wyong	7	13	UFV	151,527	740.10	1.38	2.72	4.4

Appendix 4 - TCorp Benchmarks

Indicator	Quantitative Measure	Definition	Benchmarks
Operating Performance Ratio	Measures a council's ability to contain operating expenditure within operating revenue	Operating revenue (excluding capital grants and contributions less operating expenses)/ Operating revenue (excluding capital grants and contributions)	> -4.0%
Own Source Operating Revenue Ratio	Measures the level of a council's fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions	Rates, utilities and charges/total operating revenue (inclusive of capital grants and contributions)	> 60%
Unrestricted Current Ratio	This ratio is specific to local government and is designed to assess the adequacy of working capital and the ability to satisfy obligations in the short term for unrestricted activities of council	Current assets less all external restrictions/current liabilities less specific purpose liabilities	>1.5
Infrastructure Backlog Ratio	This ratio shows what proportion the backlog is against total value of a council's infrastructure	Estimated cost to bring assets to a satisfactory condition/total infrastructure assets	< 20%
Asset Maintenance Ratio	Compares actual versus required annual asset maintenance	Asset renewals/depreciation of building and infrastructure assets	>100%
Cash Expense Cover Ratio	This liquidity ratio indicates the number of months a council can continue to paying for its immediate expenses without additional cash inflow	Current year's cash and cash equivalents/ Total expenses less depreciation and interest costs / 12	> 3 mths
Building and Infrastructure Renewals Ratio	Compares the proportion spent on infrastructure asset renewals and the assets deterioration	Asset renewals/Depreciation of building and infrastructure assets	> 100%

Employees



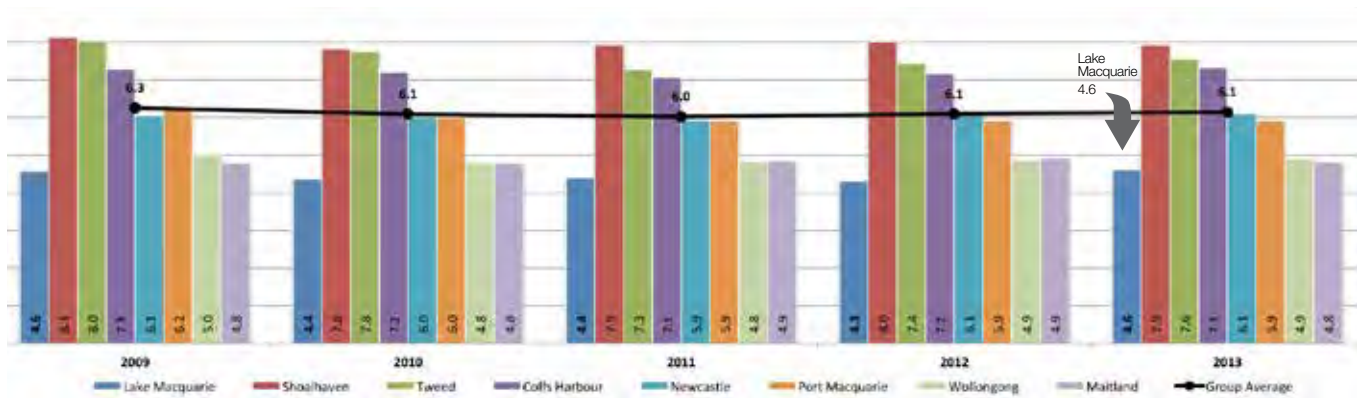
Number of Employees per 1000 Residents

Explanation: This indicator shows the number of Full Time Equivalent (FTE) employees for every 1000 members of the population. This is a measure of comparative economic efficiency in delivering services to the community.

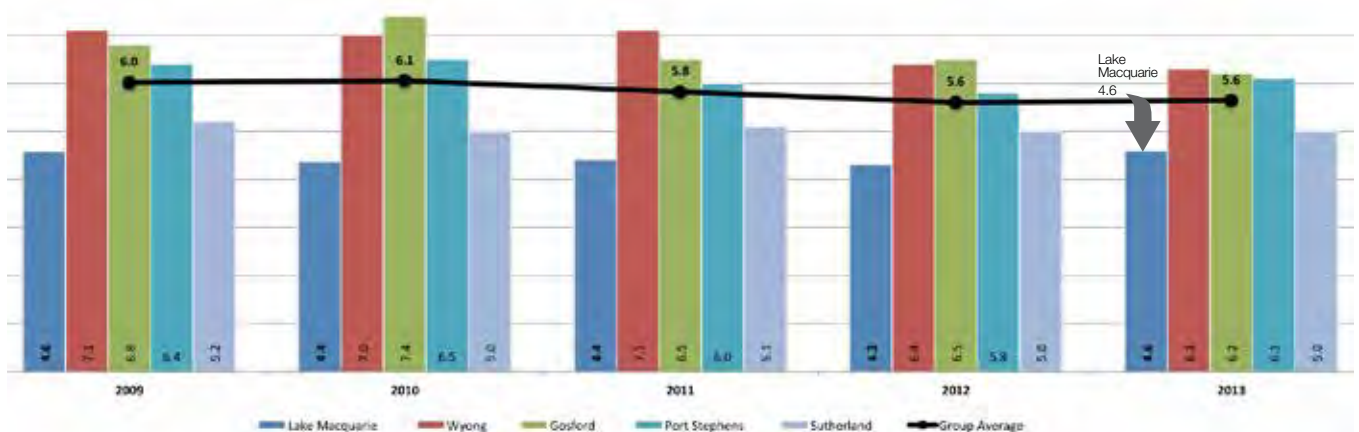
Measurement: FTE Employees / Total Population x 1000

Result: Lake Macquarie delivers services to its community, with a lower number of employees per capita than other similar councils

Group 5 Councils



Developing Coastal Councils



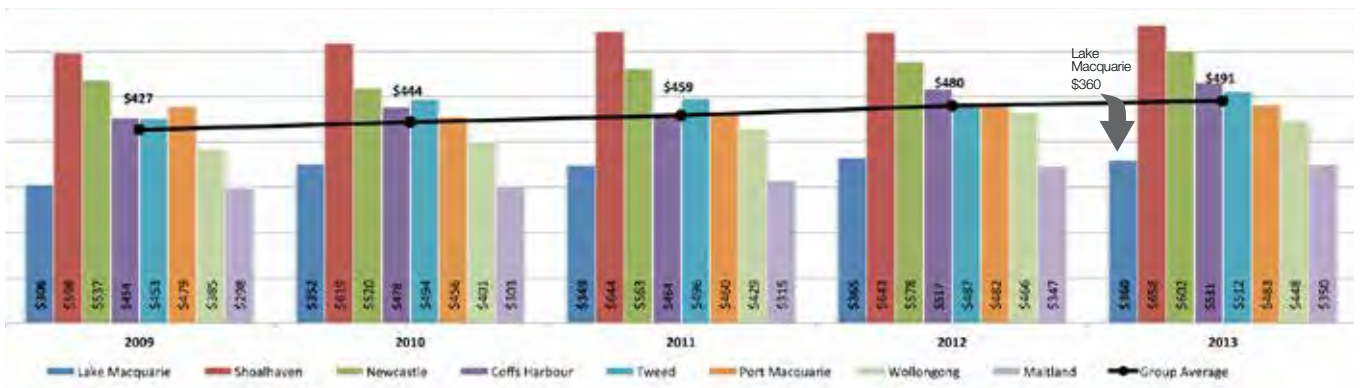
Average Employee Expense per Capita

Explanation: This indicator shows the amount of annual employee expenditure for every member of the population. This is a measure of comparative economic efficiency in delivering services to the community.

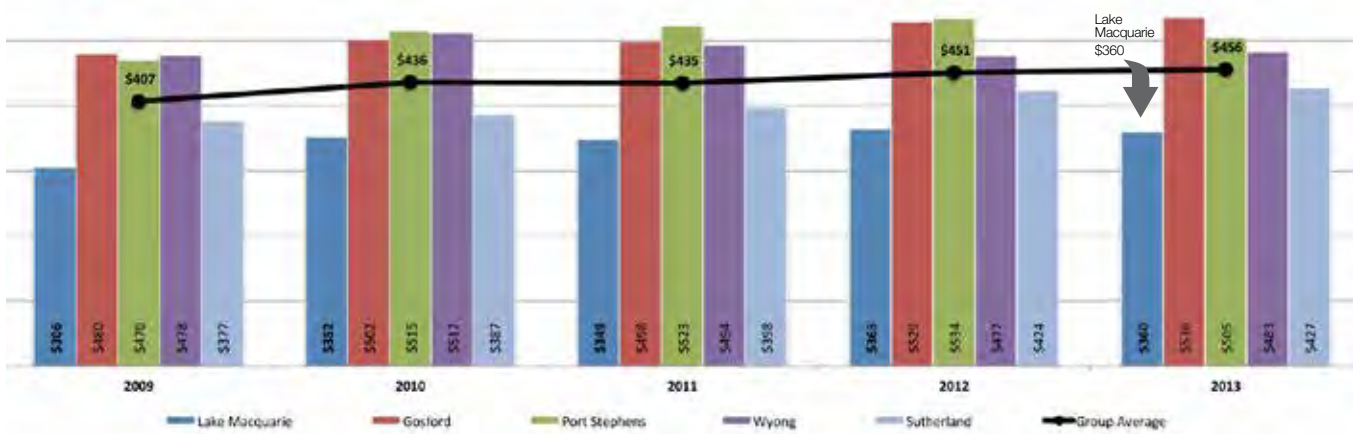
Measurement: Total Employee Expense / Total Population

Result: Lake Macquarie expenditure per capita on employee expense is lower than other similar councils.

Group 5 Councils

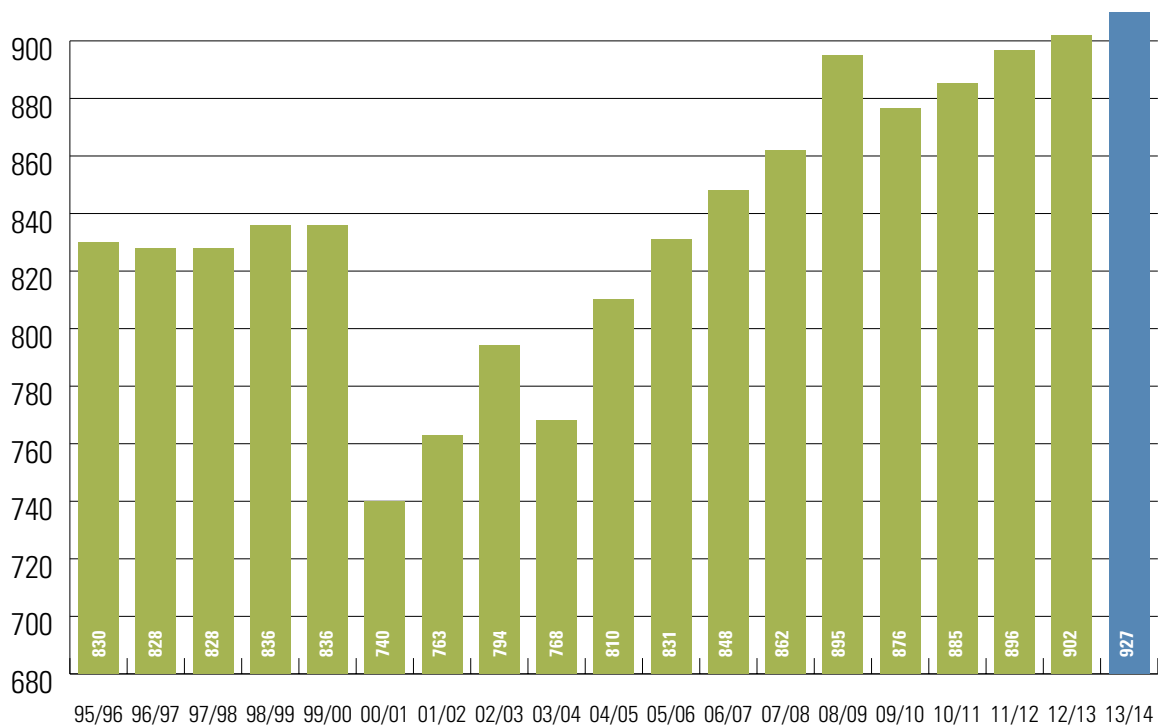


Developing Coastal Councils



Total Number of Employees

Lake Macquarie historical trend



Number of Employees*

* Full Time Equivalent (FTE) Employees.

Asset Management



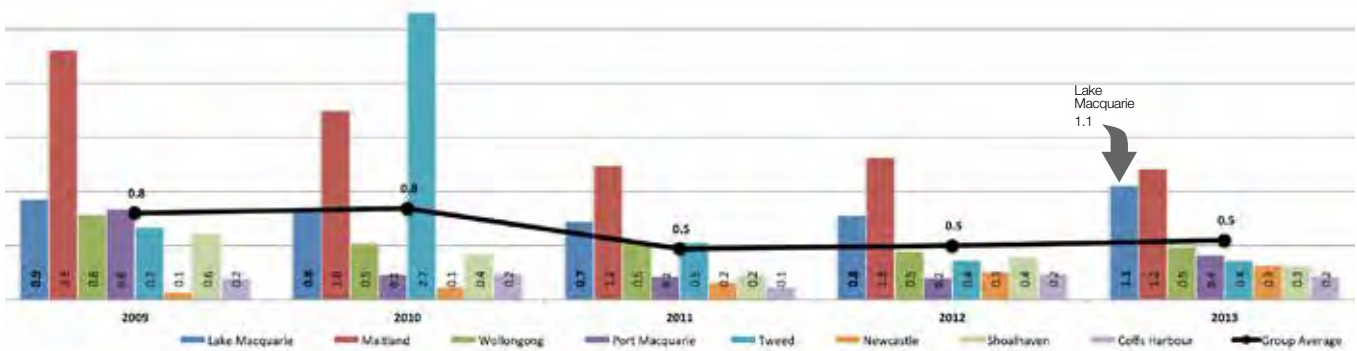
Building and Infrastructure Renewal Ratio

Explanation: Used to compare the proportion spent on infrastructure asset renewals against the asset's deterioration measured by its accounting depreciation. It is an indicator as to the value/condition of assets being maintained.

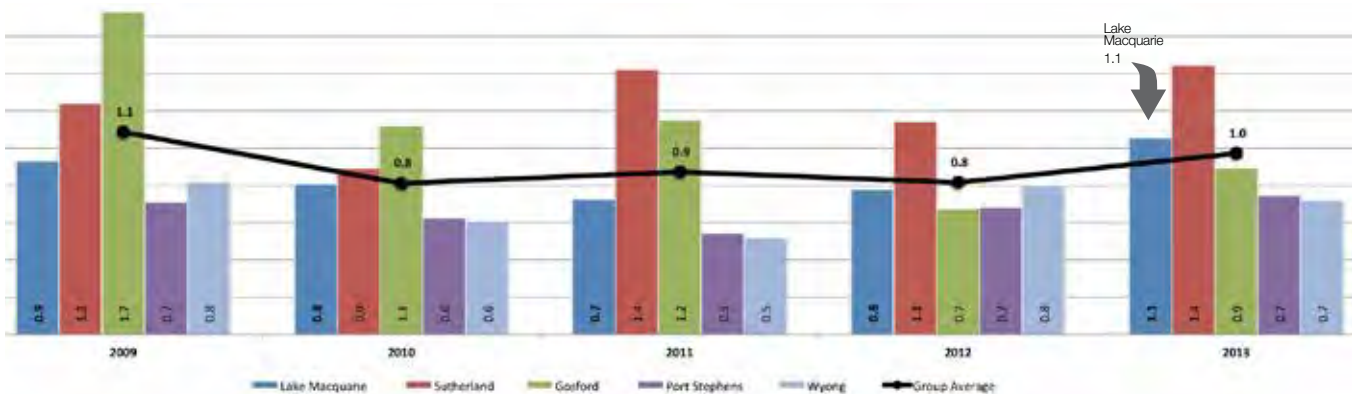
Measurement: Asset Renewals (Buildings & Infrastructure) / Depreciation, Amortisation & Impairment (Buildings & Infrastructure)

Result: Lake Macquarie has a consistently higher, and upward trending, rate of asset renewal than the average of its peer group councils.

Group 5 Councils

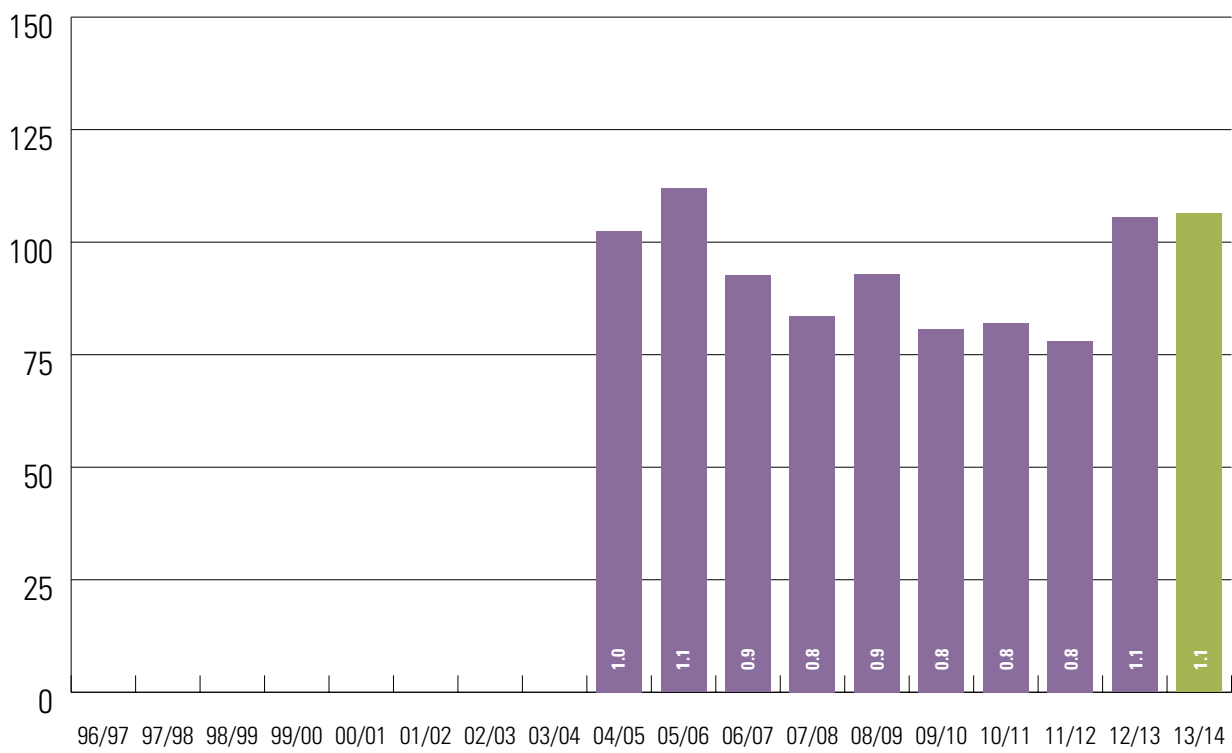


Developing Coastal Councils



Building & Infrastructure Renewal Ratio

Lake Macquarie historical trend



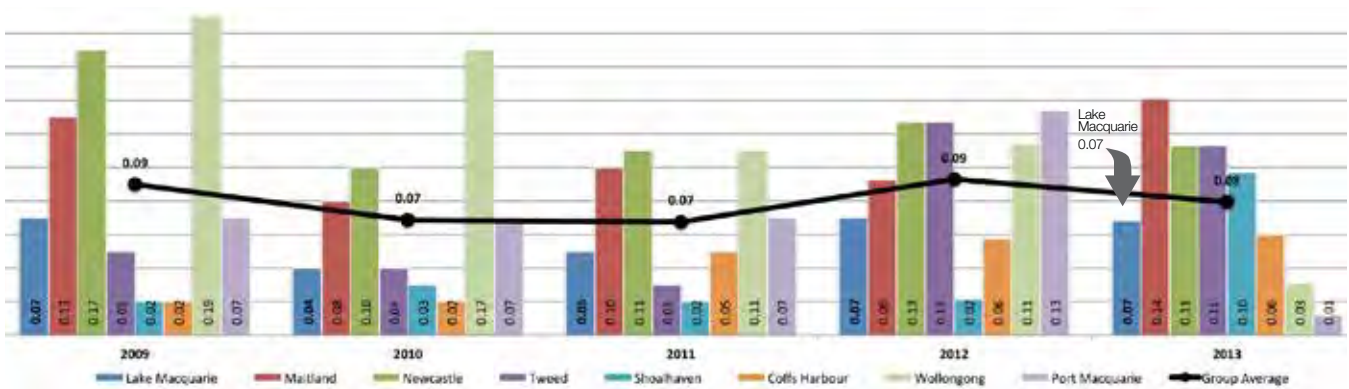
Infrastructure Backlog Ratio

Explanation: Used to measure the cost to bring assets to standard as a percentage of total value of a councils assets.

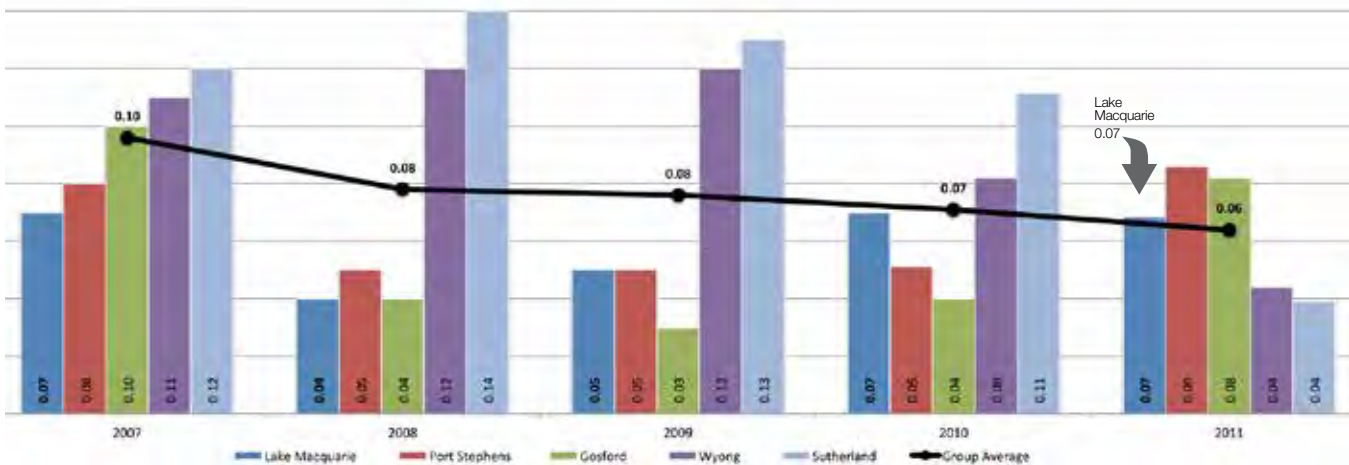
Measurement: Estimated Costs to bring assets to a satisfactory condition / Total Value of Infrastructure, buildings and depreciable land improvement assets

Result: Lake Macquarie has lower cost to bring its assets to a satisfactory condition than the average of its peer group of councils.

Group 5 Councils

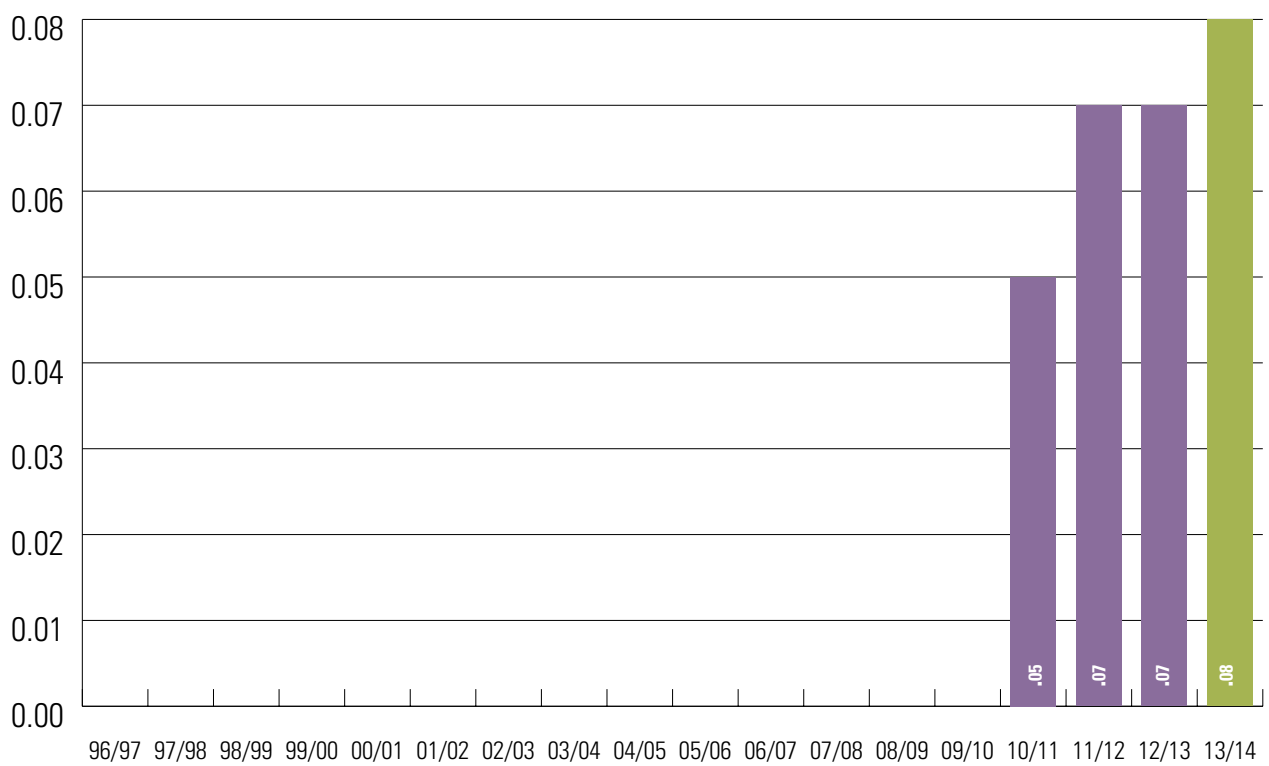


Developing Coastal Councils



Infrastructure Backlog Ratio

Lake Macquarie historical trend





Development Applications

Number of Development Applications (DAs) Determined

Explanation: Used to report the volume of Development Application Activity.

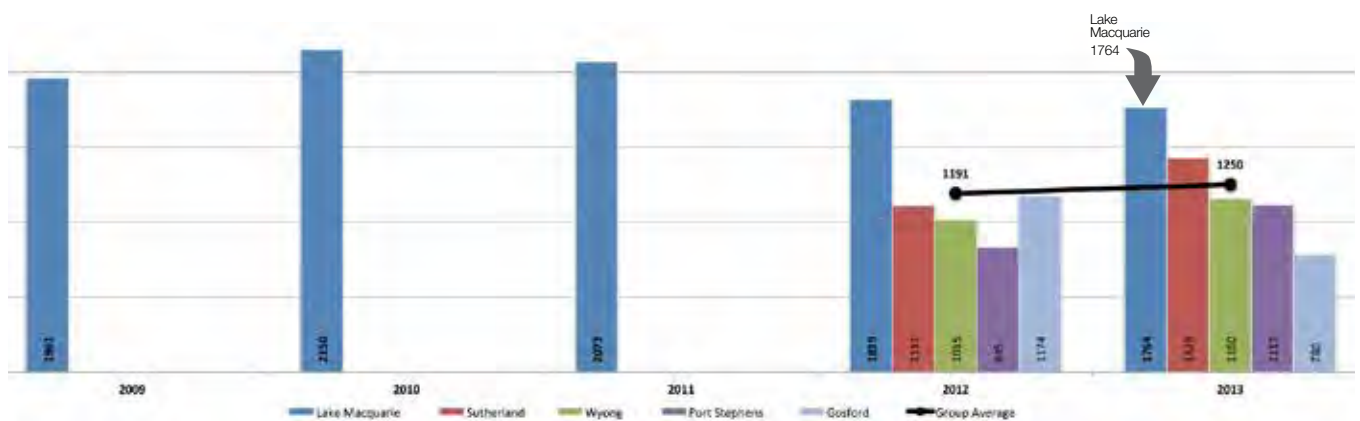
Measurement: Number of Development Applications Determined

Result: Lake Macquarie has a consistently higher number of DA's determined vs its peer group of councils.

Group 5 Councils

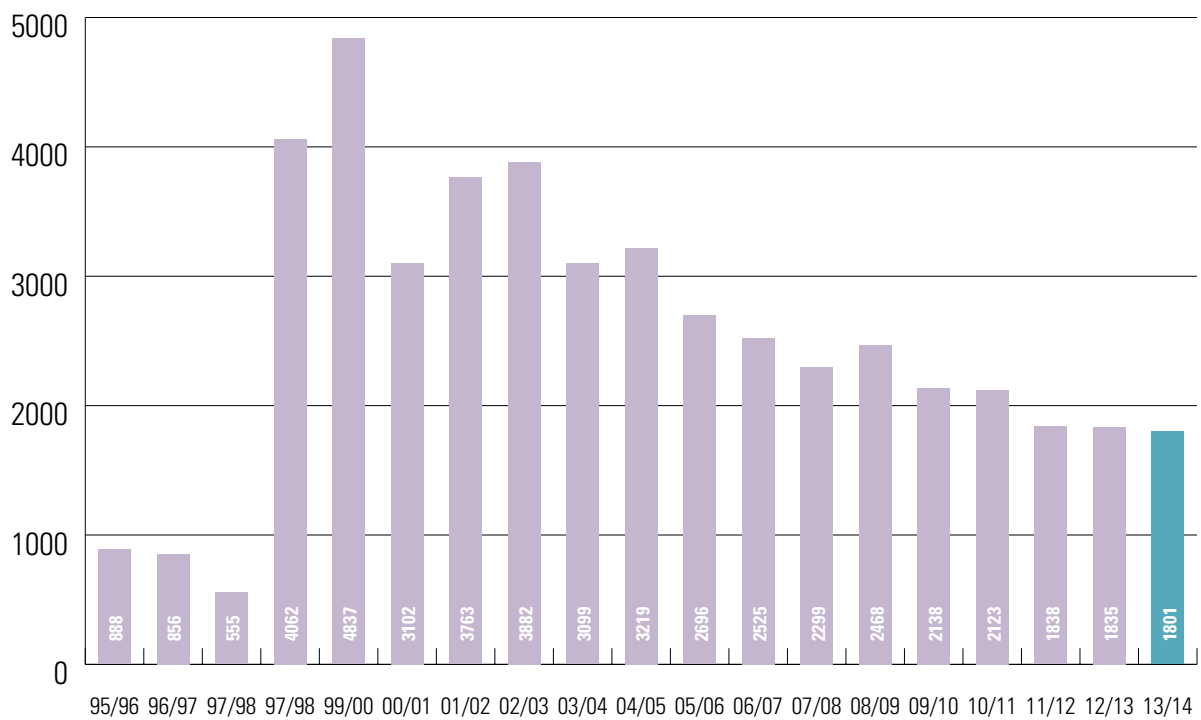


Developing Coastal Councils



Development Applications Determined

Lake Macquarie historical trend



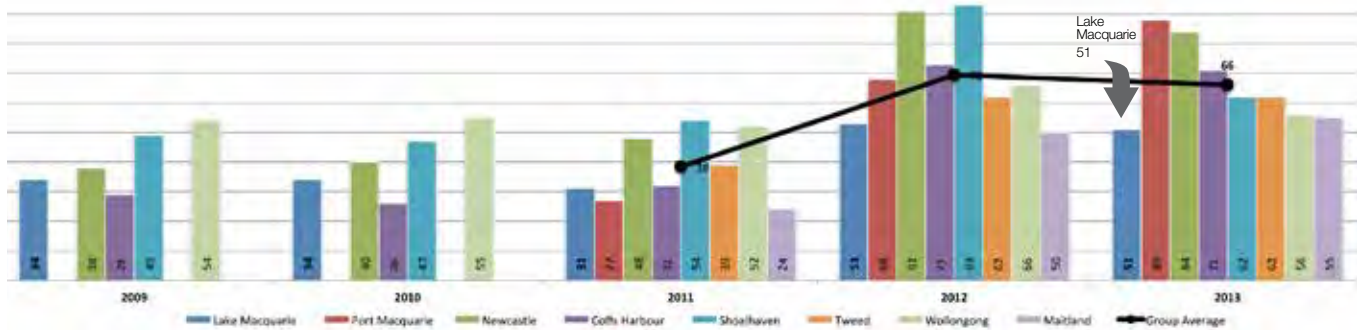
Mean Gross Days Time for Development Applications

Explanation: Used to report the average number of days to process Development Applications.

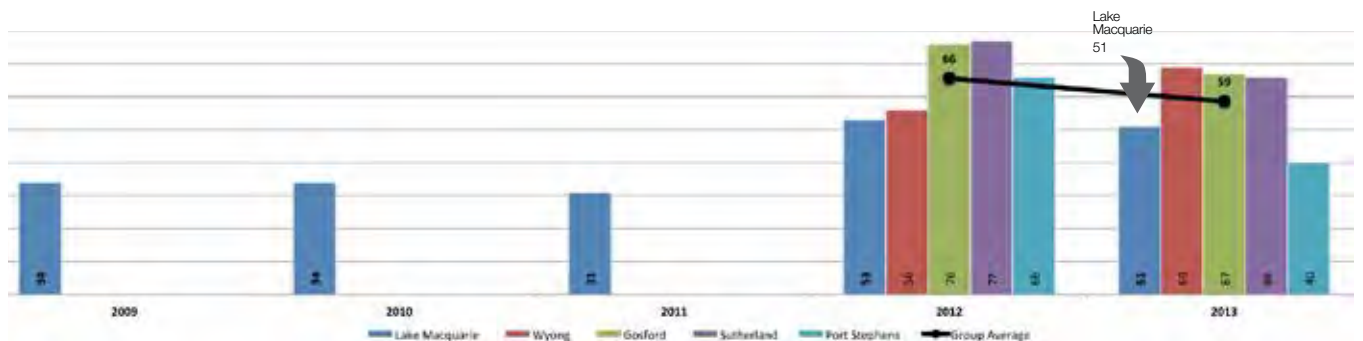
Measurement: Total Number of days taken to determine each DA / Number of Development Applications Determined

Result: Lake Macquarie reported a lower average processing time for Development Applications vs its peer group of councils.

Group 5 Councils

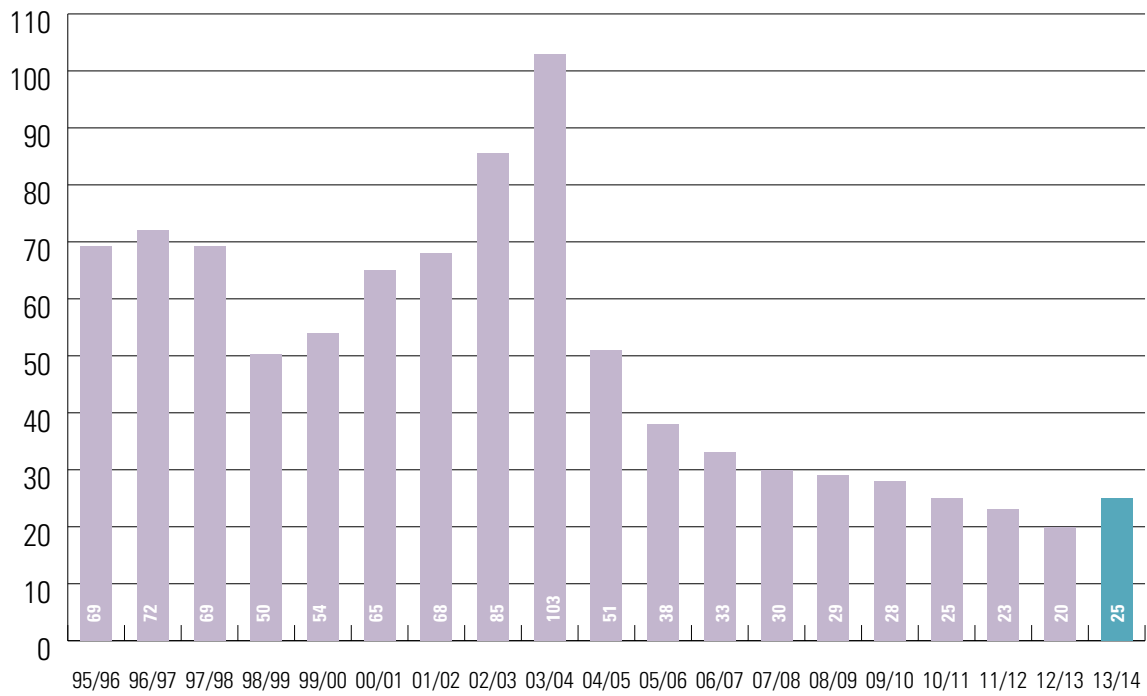


Developing Coastal Councils



Mean Gross Days Time for Development Applications

Lake Macquarie historical trend



An aerial photograph of a coastal town and harbor. The town is built on a hillside, with numerous houses and buildings. The harbor is filled with many sailboats and motorboats. In the background, there are mountains. A blue rectangular overlay is positioned in the upper right quadrant, containing the text "Rates Information" in white.

Rates Information

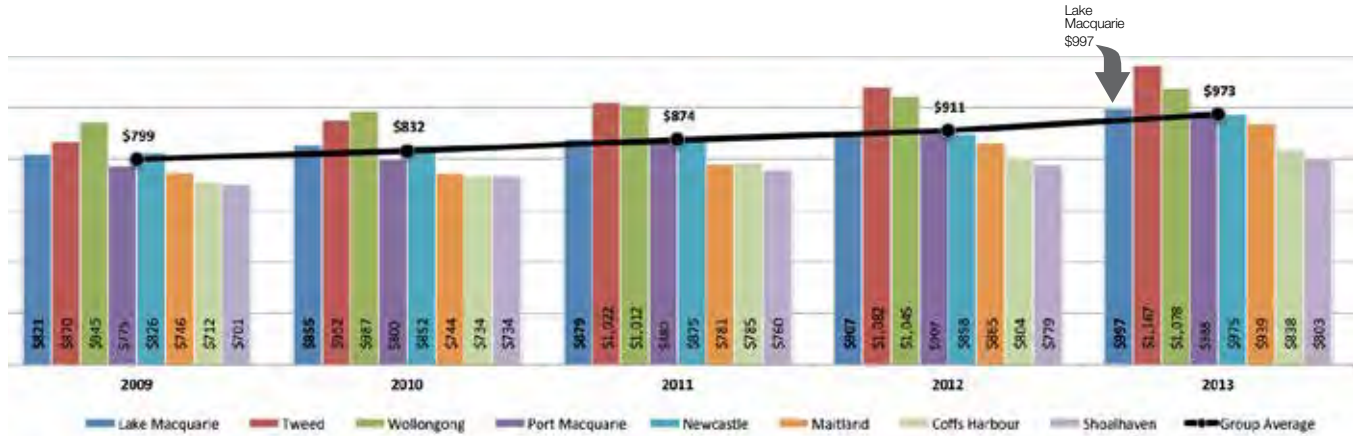
Average Rates per Residential Assessment

Explanation: This indicator shows the average level of rates for residential properties

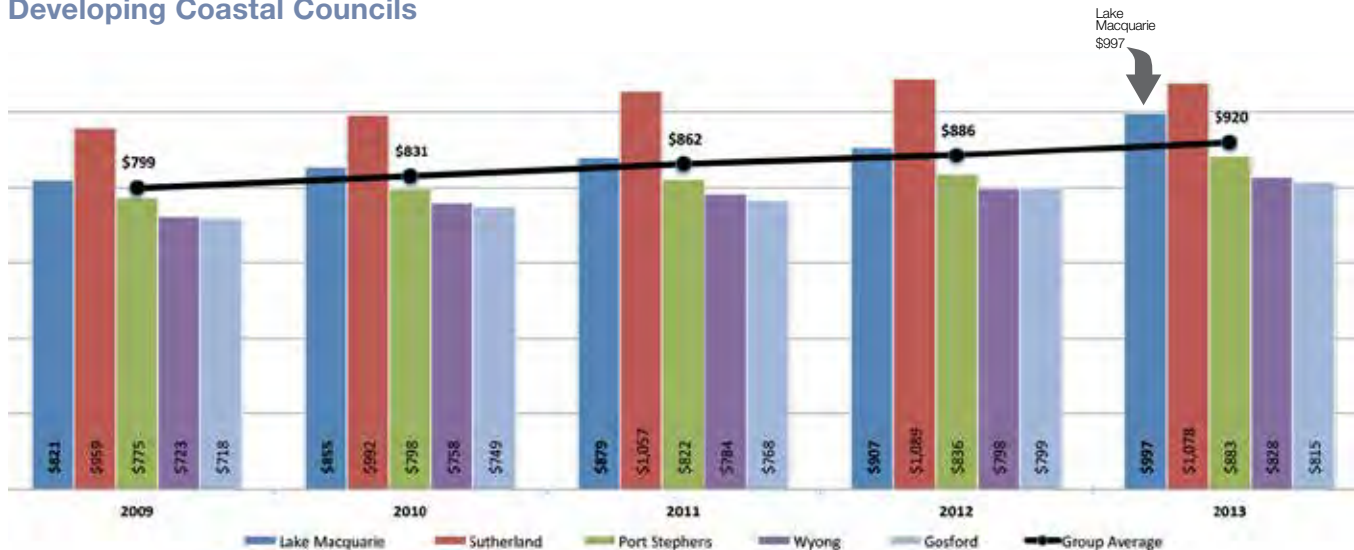
Measurement: Total Residential Rates Revenue / Number of rateable Residential Properties

Result: Lake Macquarie is consistent with the historical average residential rates for its peer group of councils.

Group 5 Councils

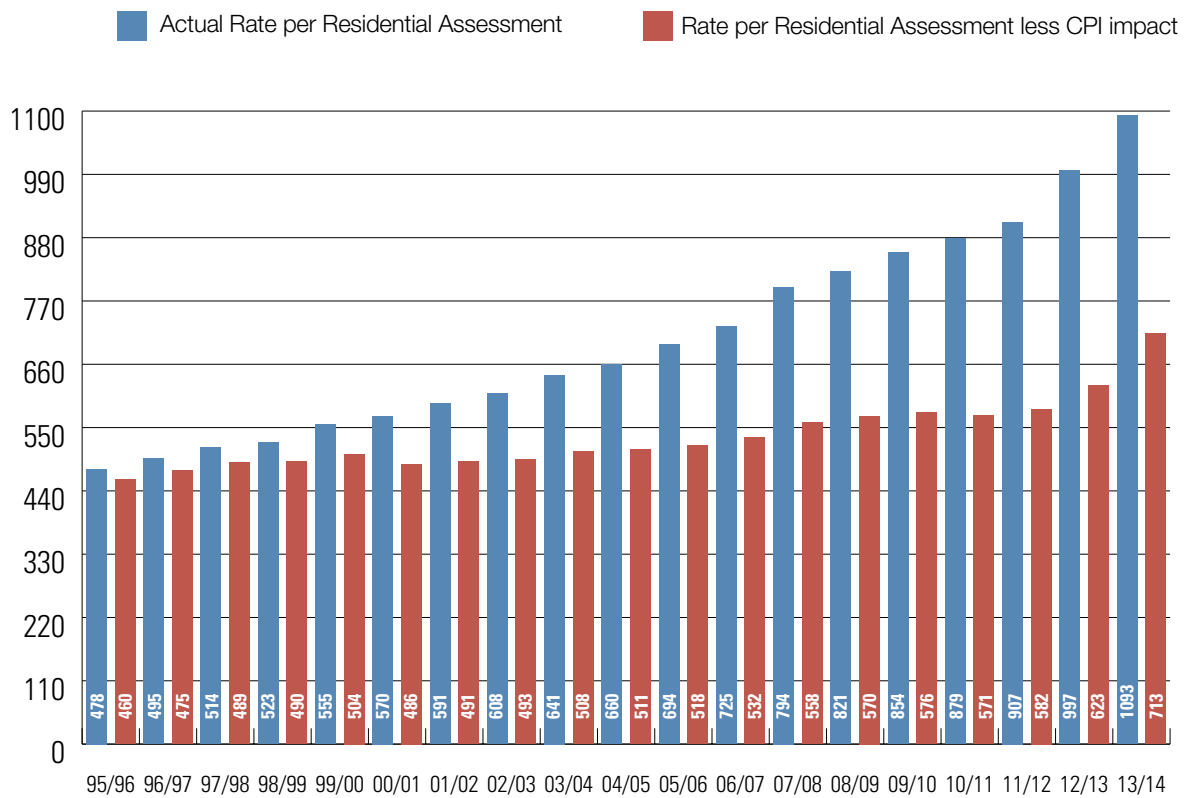


Developing Coastal Councils



Average Rates per Residential Assessment

Lake Macquarie historical trend



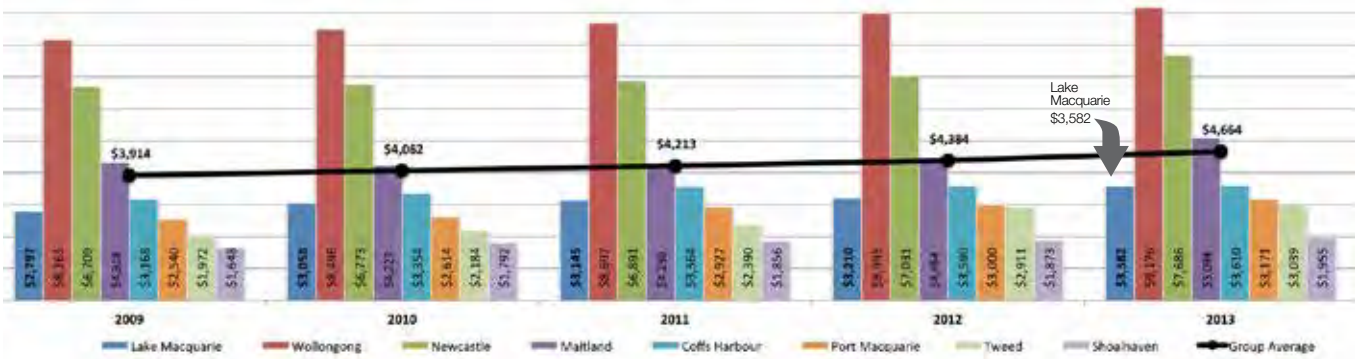
Average Rates per Business Assessment

Explanation: This indicator shows the average level of rates for business properties

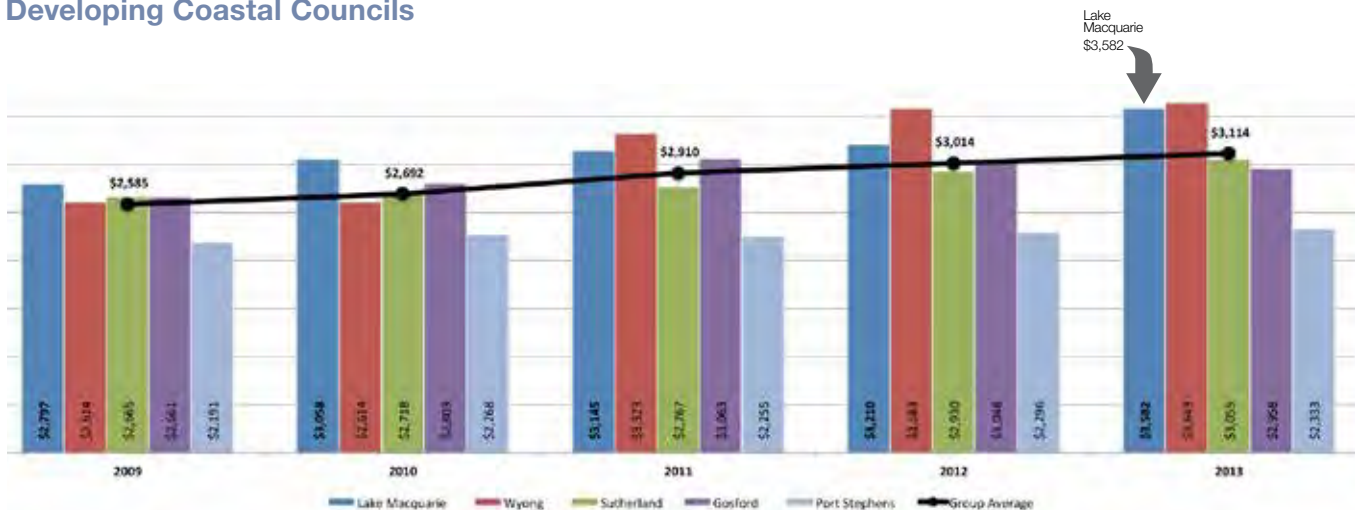
Measurement: Total Business Rates Revenue / Number of rateable Business Properties

Result: Lake Macquarie is consistently lower than the historical average business rates for its peer group of councils.

Group 5 Councils

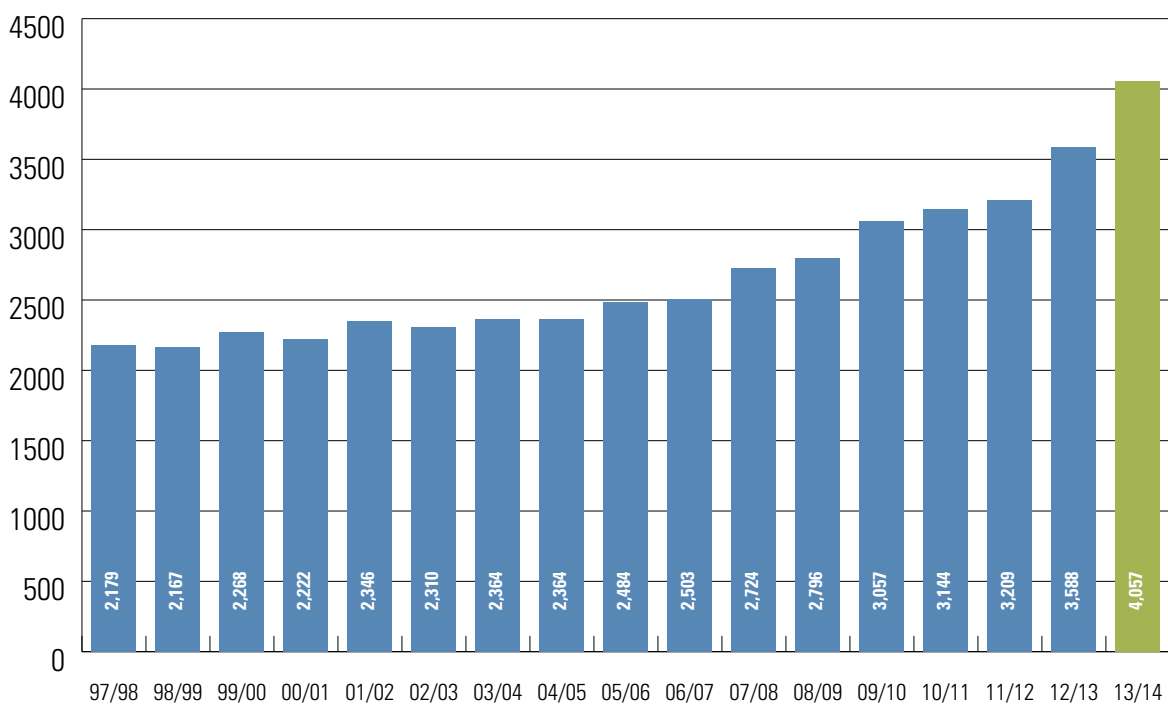


Developing Coastal Councils



Average Rates per Business Assessment

Lake Macquarie historical trend



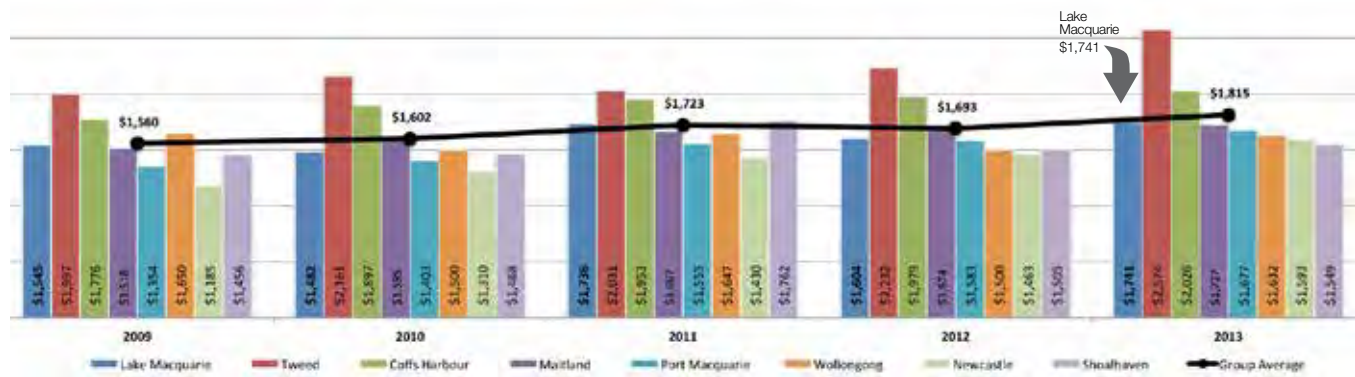
Average Rates per Farmland Assessment

Explanation: This indicator shows the average level of rates for farmland properties

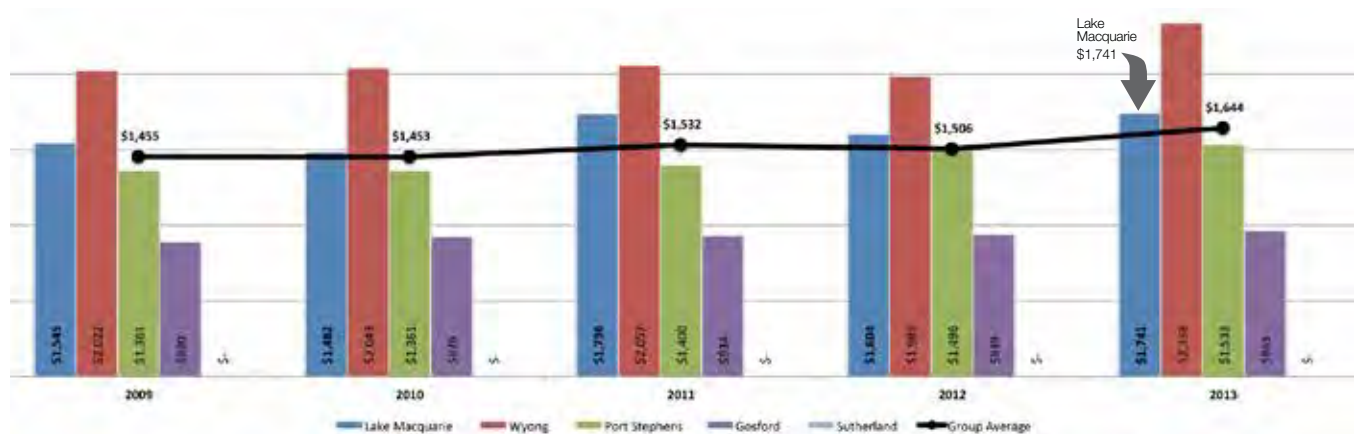
Measurement: Total Farmland Rates Revenue / Number of rateable Farmland Properties

Result: Lake Macquarie is consistent with the historical average Farmland rates for its peer group of councils.

Group 5 Councils



Developing Coastal Councils



An aerial photograph of a coastal town and harbor. The town is built on a hillside, with numerous houses and buildings. The harbor is filled with many sailboats and motorboats. In the background, there are mountains under a clear blue sky. A dark blue banner with white text is overlaid on the right side of the image.

Financial Information

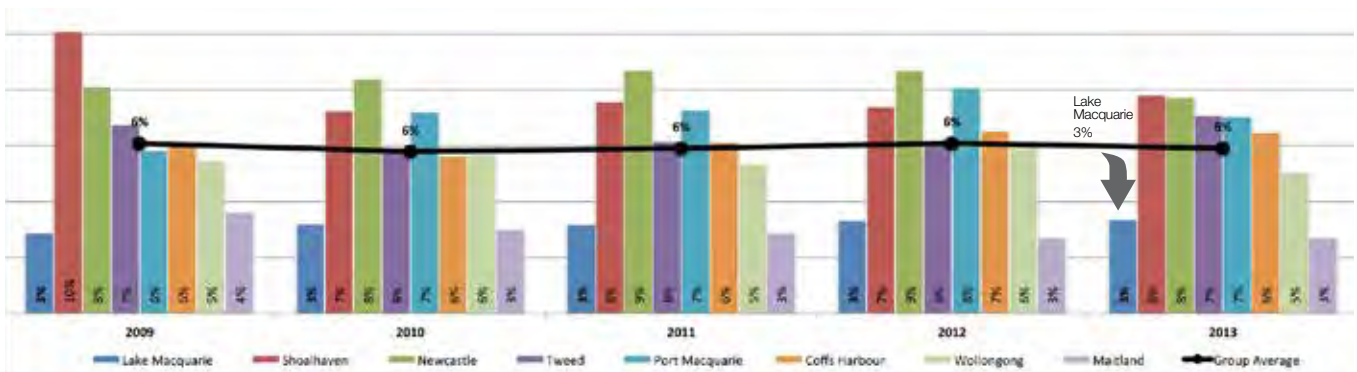
Outstanding Rates, Charges, and Fees

Explanation: This indicator shows the effectiveness of councils revenue collection

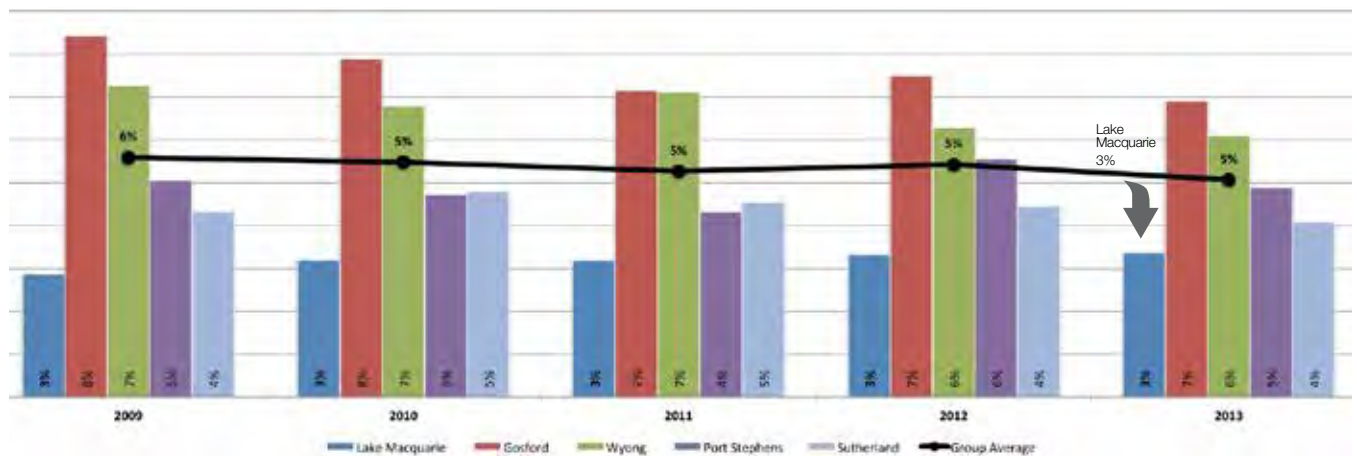
Measurement: Outstanding Rates, Fees & Charges / Total Rates, Fees & Charges

Result: Lake Macquarie is consistently lower rate of outstanding collections its peer group of councils.

Group 5 Councils

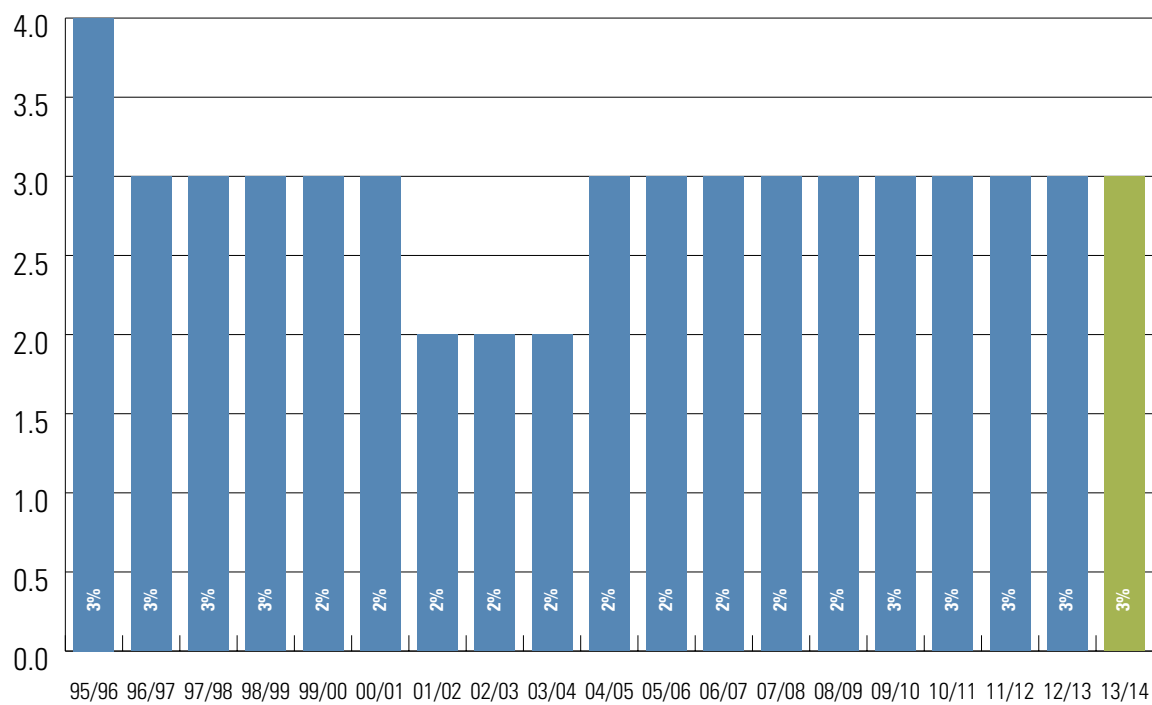


Developing Coastal Councils



Outstanding Rates, Charges, and Fees

Lake Macquarie historical trend



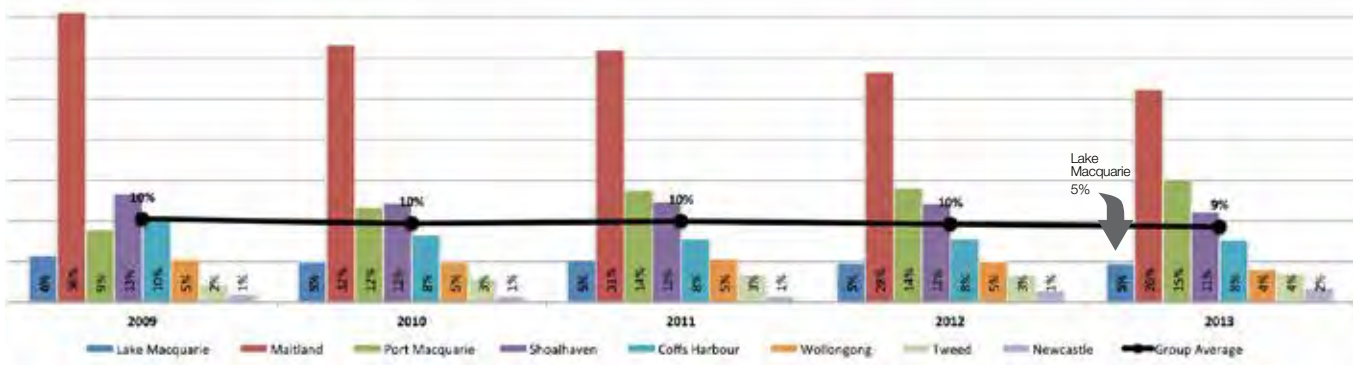
Debt Service Ratio

Explanation: This indicator shows the level of council revenue which is committed to the repayment of debt.

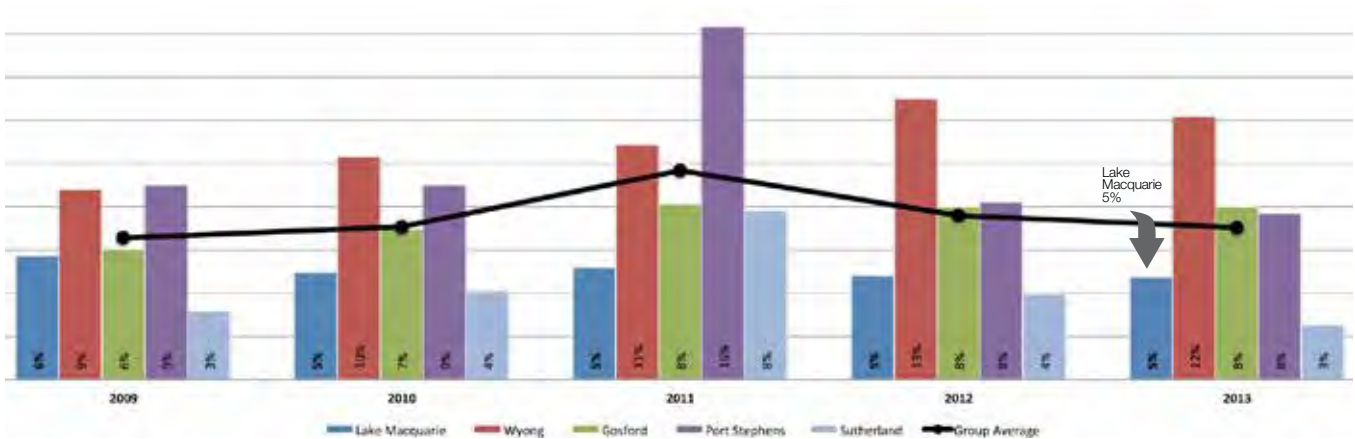
Measurement: Principal plus Interest Payments / Total Revenue less Specific Purpose Grants & Contributions

Result: Lake Macquarie has a lower percentage of revenue which is committed to servicing debt than its peer group of councils.

Group 5 Councils

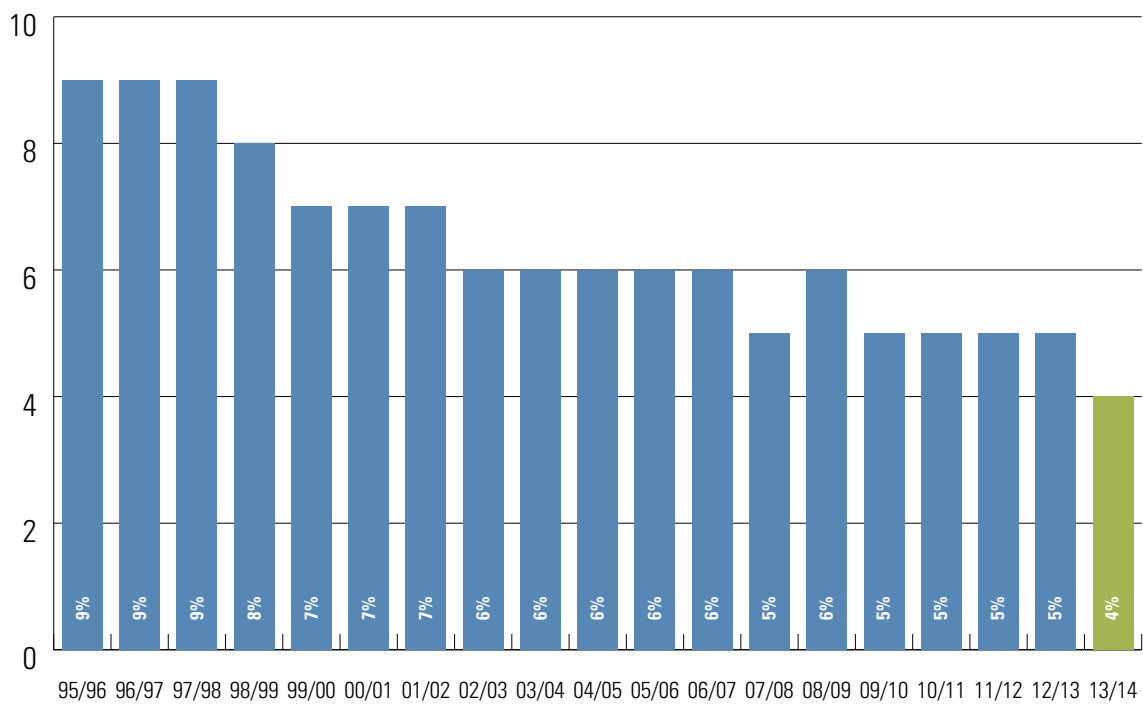


Developing Coastal Councils



Debt Service Ratio

Lake Macquarie historical trend



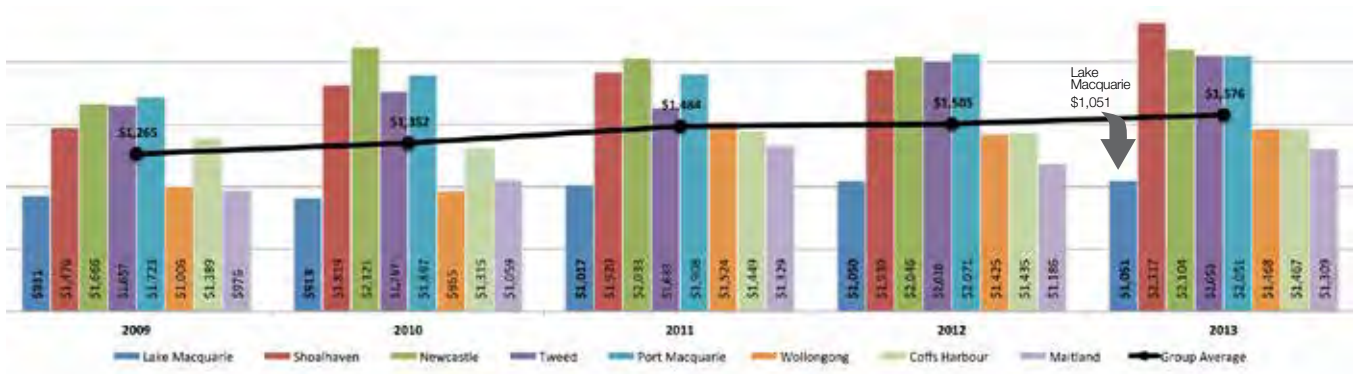
Total Revenue per Capita

Explanation: This indicator shows the amount of revenue per capita received by council. It is a measure of the economic burden placed on the community in the delivery of council services.

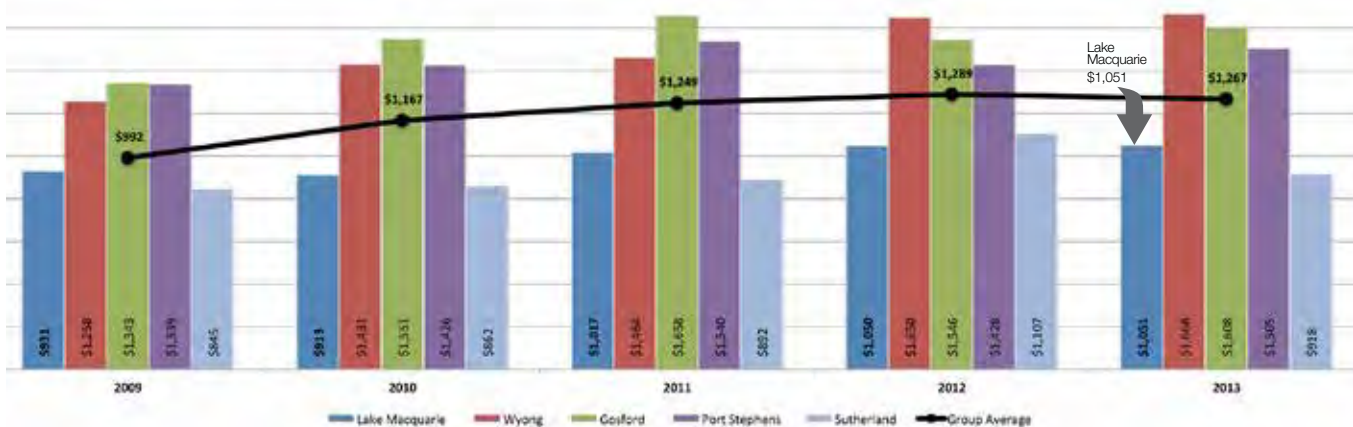
Measurement: Total Revenue / Total Population

Result: Lake Macquarie delivers its services with a lower rate of revenue per capita than its peer group of councils.

Group 5 Councils

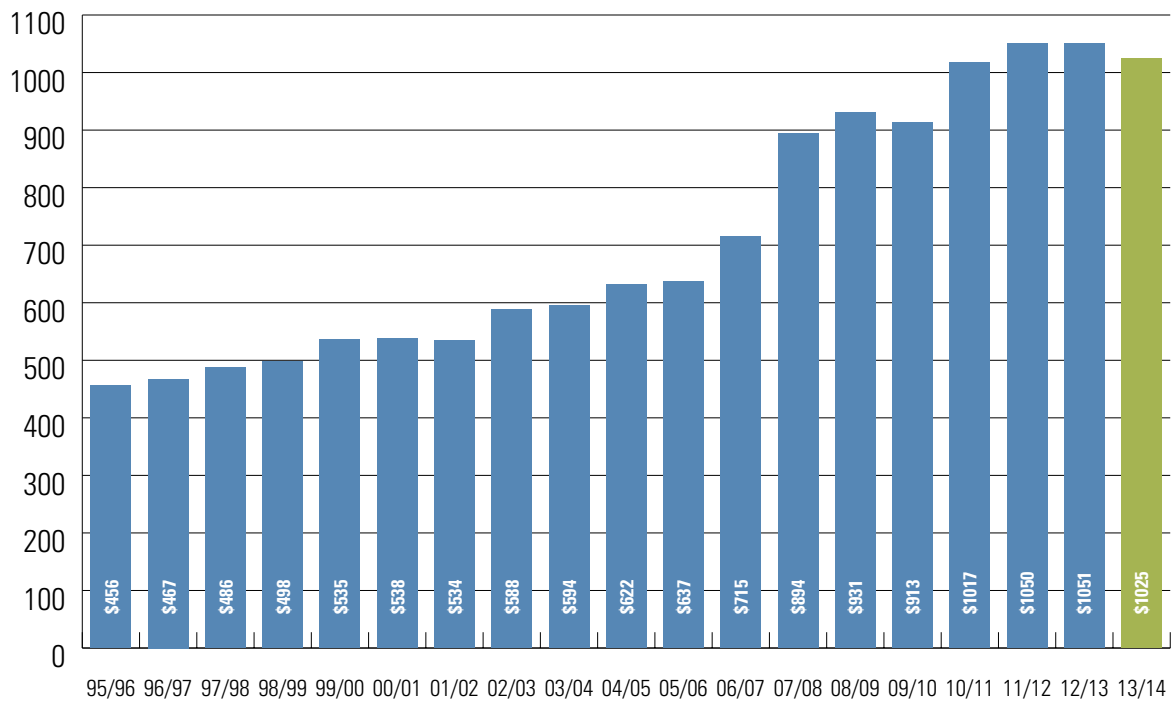


Developing Coastal Councils



Total Revenue per Capita

Lake Macquarie historical trend



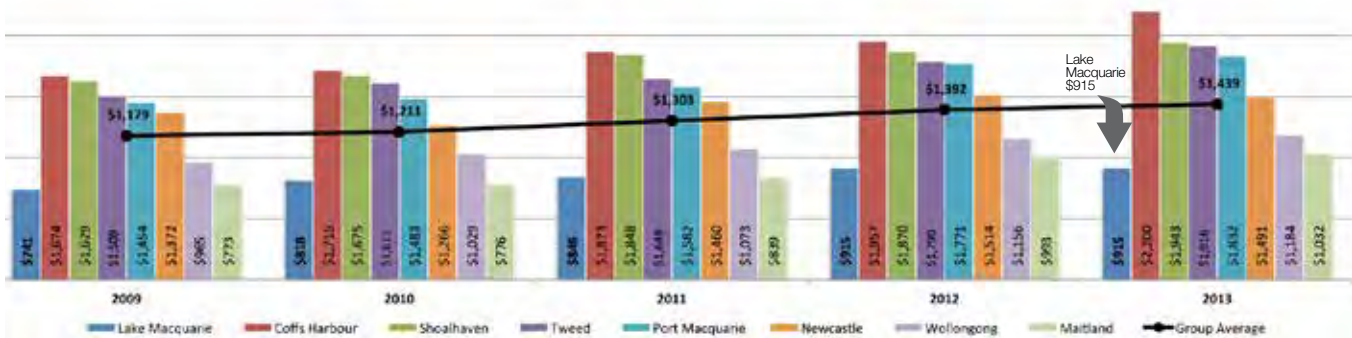
Operating Expense per Capita

Explanation: This indicator shows the amount of operating expense incurred by council in delivering its services per head of population. It is a primary measure of efficiency in the use of economic resources for the benefit of the community.

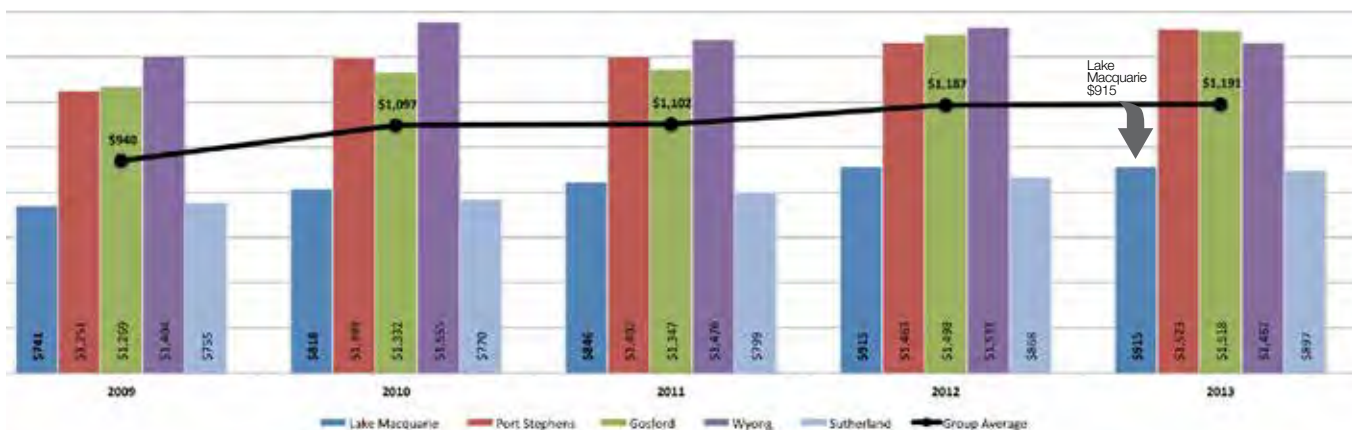
Measurement: Total Operating Expense / Total Population

Result: Lake Macquarie delivers its services with a lower cost per capita than its peer group of councils and demonstrates long term economic efficiency.

Group 5 Councils

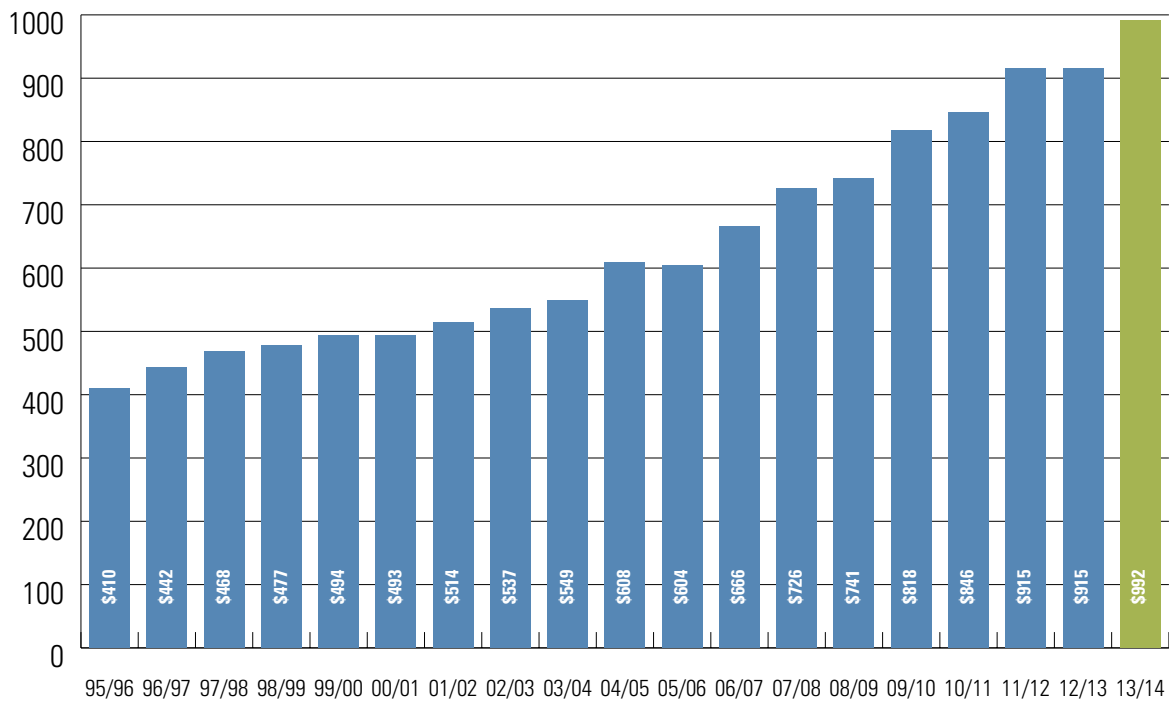


Developing Coastal Councils



Operating Expense per Capita

Lake Macquarie historical trend



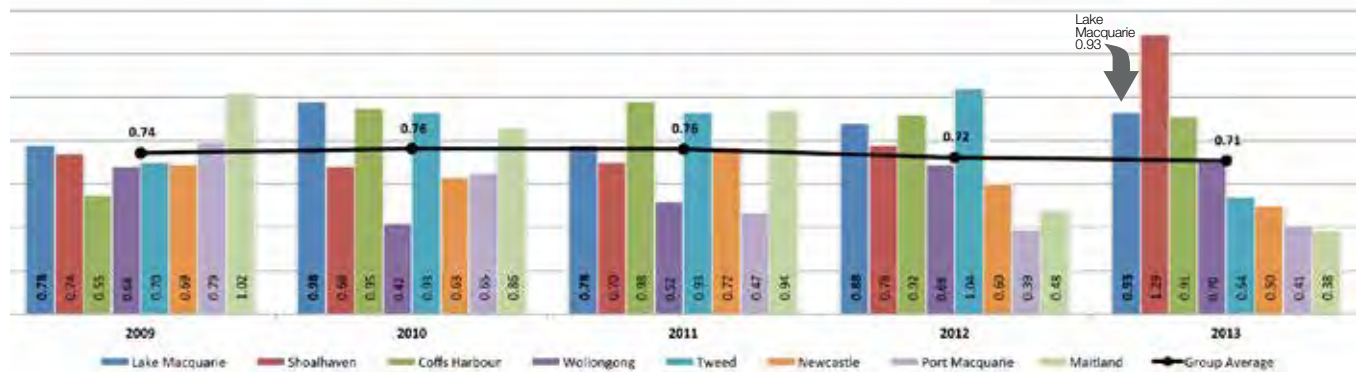
Asset Maintenance

Explanation: This indicator shows the ratio of actual maintenance to the required level of maintenance.

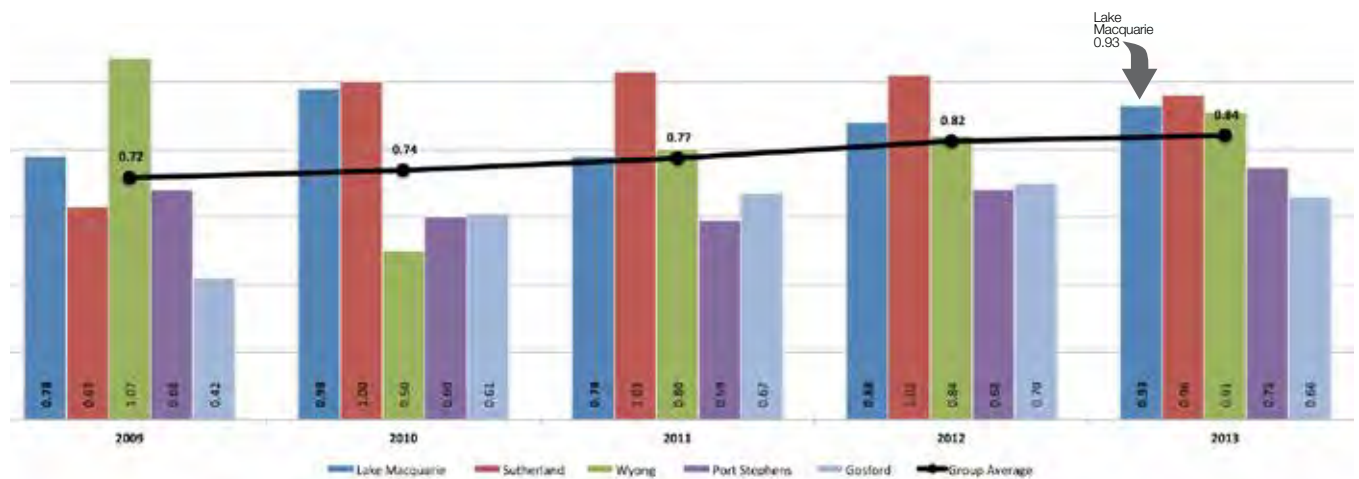
Measurement: Actual Asset Maintenance / Required Asset Maintenance

Result: Lake Macquarie has a consistently higher Asset Maintenance Ratio compared with the average of its peer group of councils.

Group 5 Councils



Developing Coastal Councils



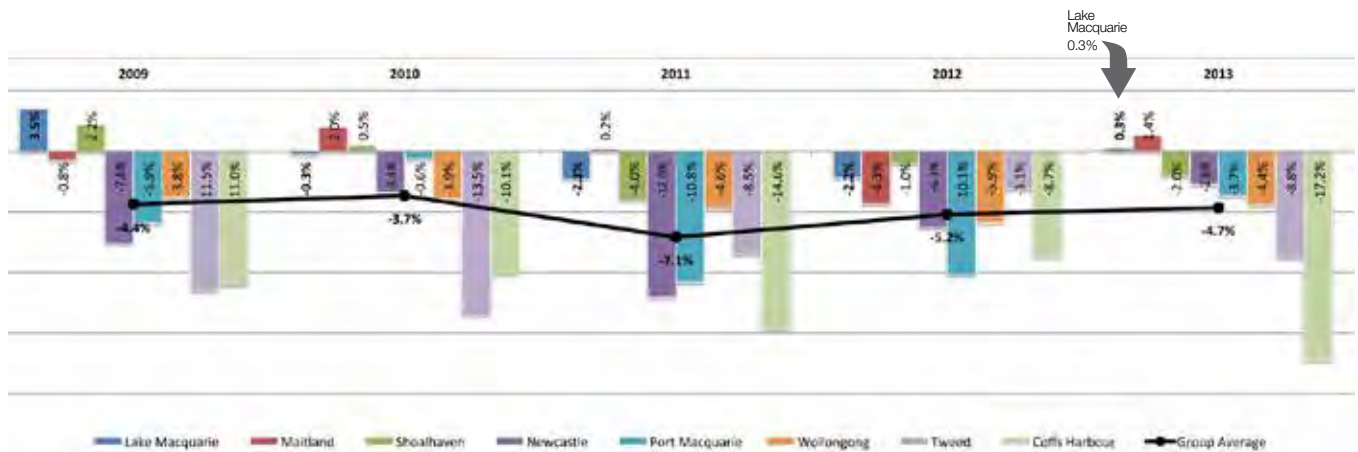
Operating Performance Ratio

Explanation: This indicator measures a council's ability to contain operating expenditure within its operating revenue.

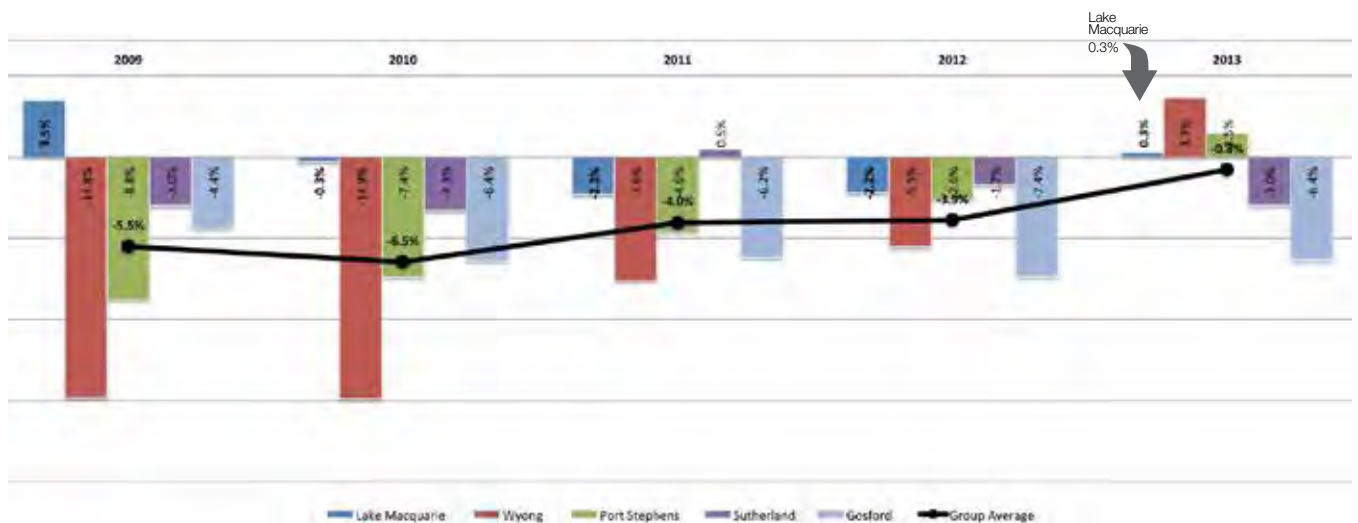
Measurement: $\text{Total Operating Revenue exc. Capital Grants} - \text{Operating Expenses} / \text{Total Operating Revenue exc. Capital Grants}$

Result: Lake Macquarie was one of only two councils in its peer group of councils in 2013 to demonstrate a positive operating performance ratio.

Group 5 Councils



Developing Coastal Councils



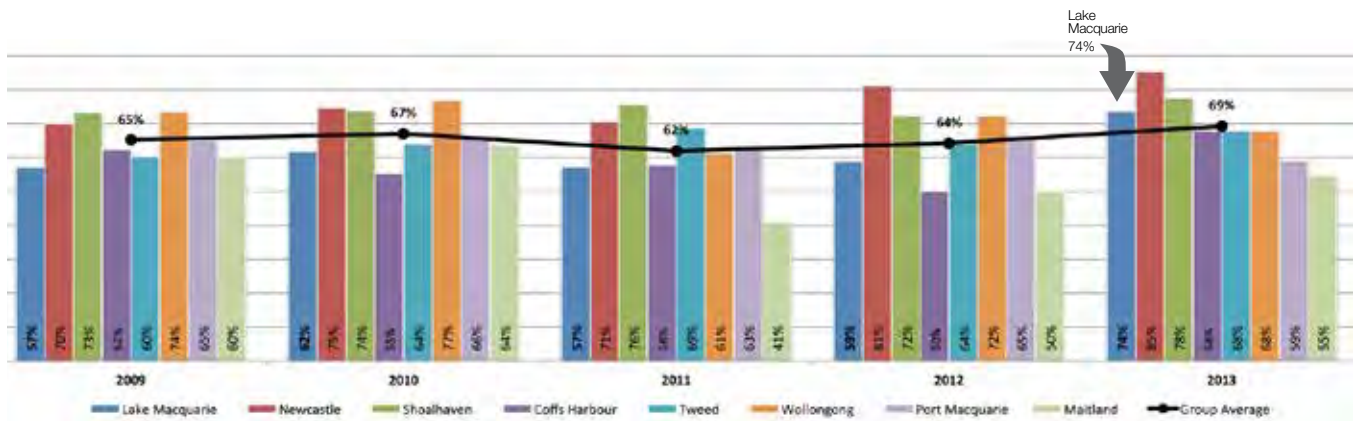
Own Source Revenue Ratio

Explanation: This indicator measures the level to which council generates its own income rather than relying on external funding sources such as operating grants and contributions.

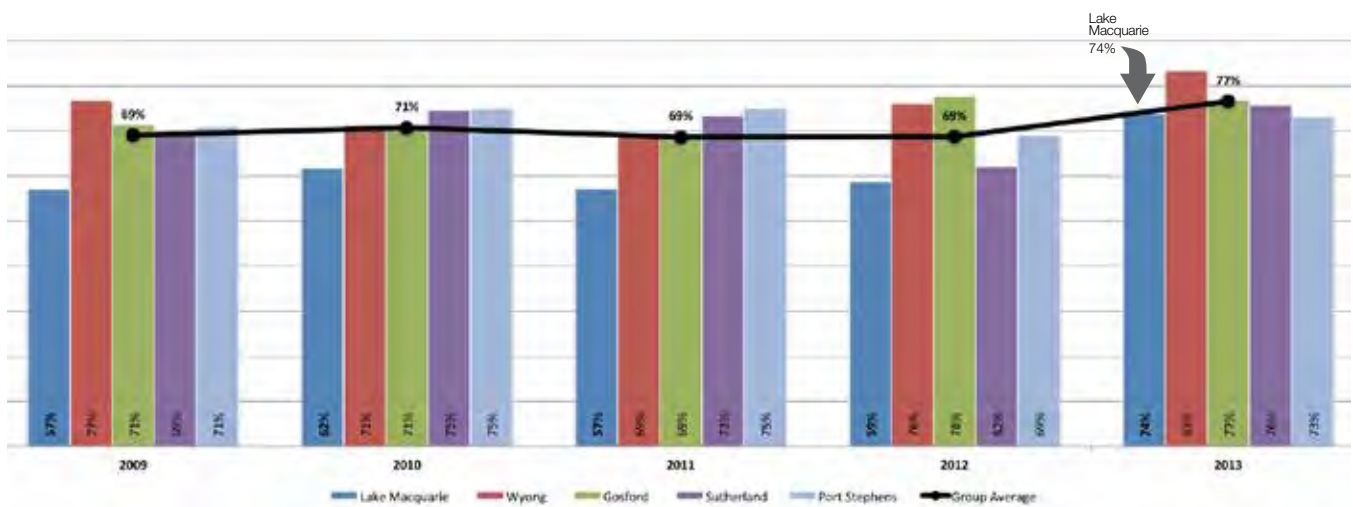
Measurement: Total Operating Revenue less all grants and contributions / Total Operating Revenue

Result: Lake Macquarie has increased its level of own source revenue over the last five years and is now higher than the average of its peer group councils.

Group 5 Councils



Developing Coastal Councils



The background image shows a long wooden pier extending into the ocean under a clear sky. In the foreground, three people are wading in the shallow water. One person in the center is carrying a large black bag and a red buoy. Another person is on the left, and a third is on the right. A red buoy is also floating in the water in the middle ground.

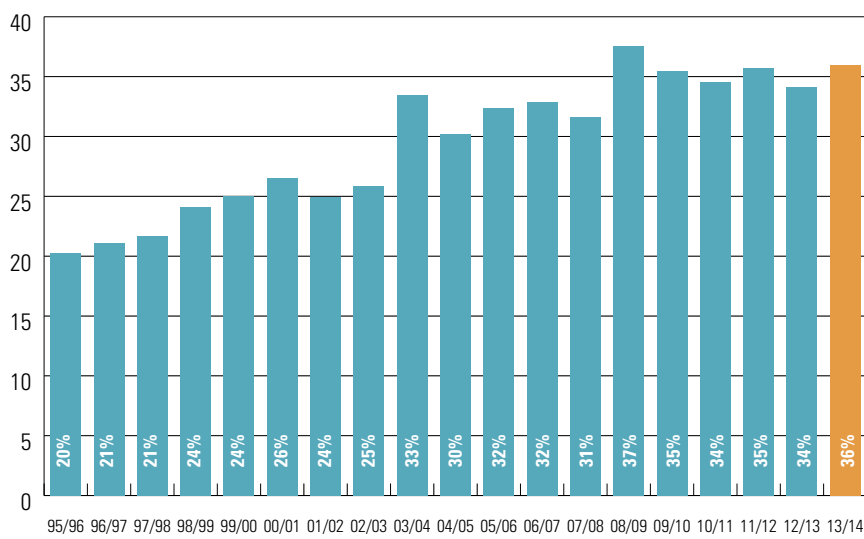
Lake Macquarie City Council Historical Data Graphs

The following tables provide trend information
from 1995/1996 to 2013/2014

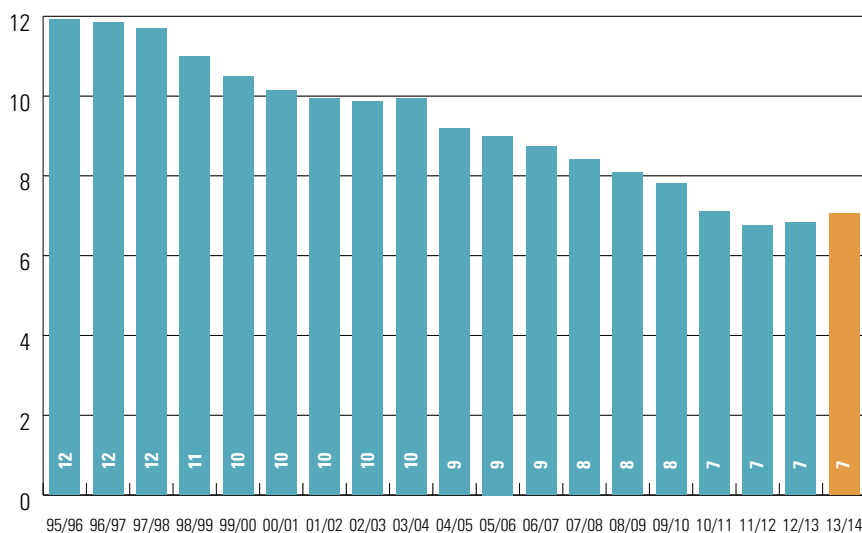
Library

Historical Data Trends

Trend Data Library Operating Expenses (per capita)

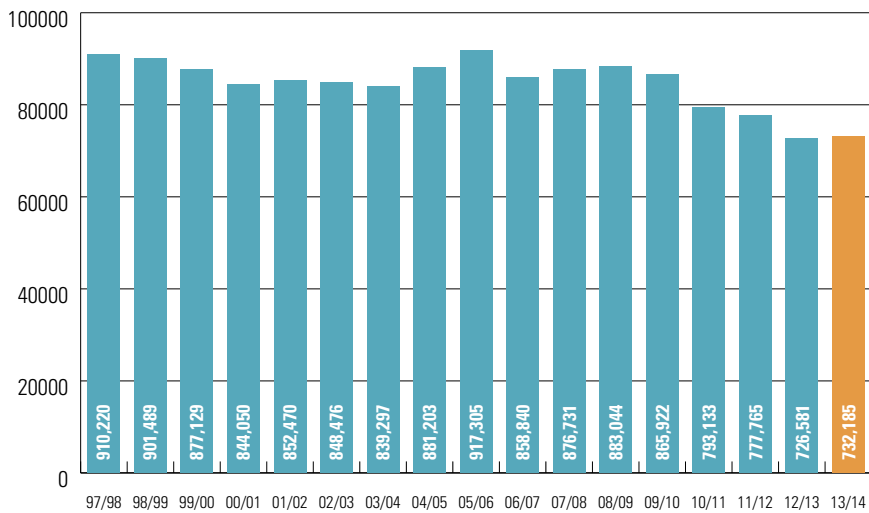


Trend Data Circulation for a Library Service (per capita)



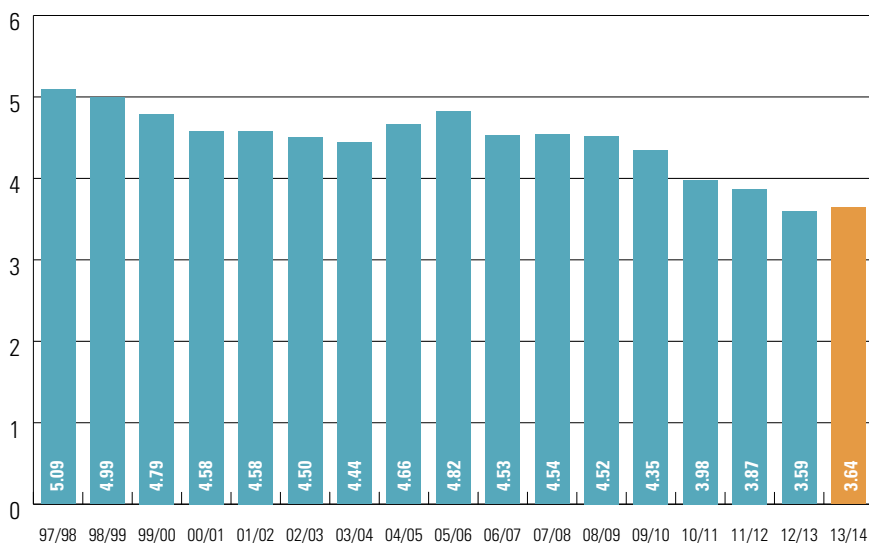
Includes loans and e-loans.

Trend Data Visits to Library



Visits via door entry.

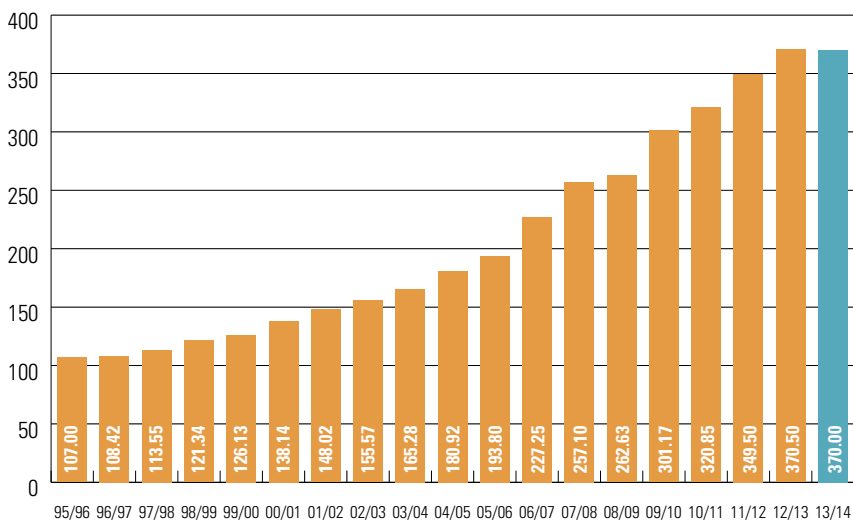
Trend Data Visits to Library (per capita)



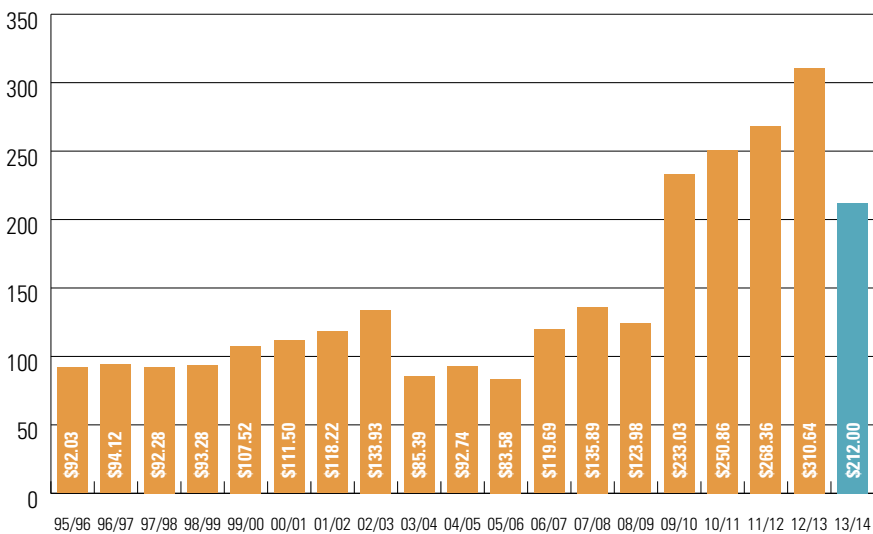
Waste and Recycling

Historical Data Trends

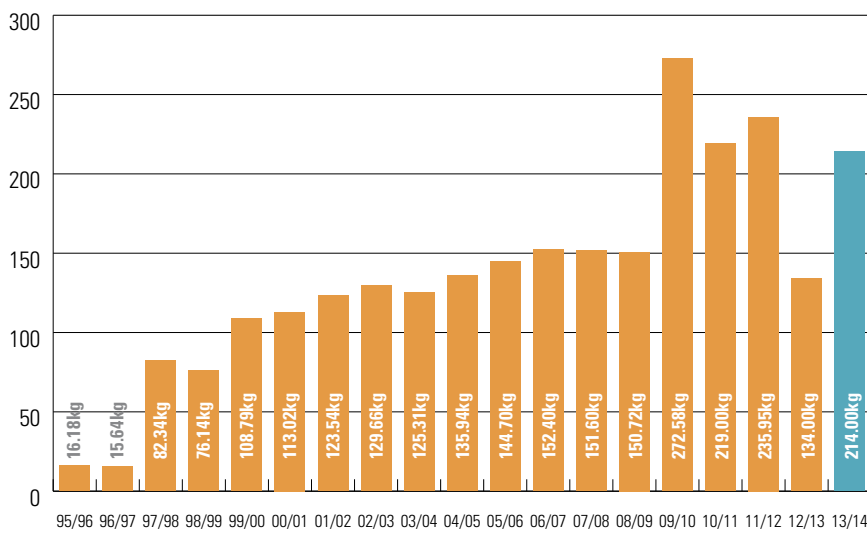
Trend Data Average Domestic Waste Charge per Residential Property



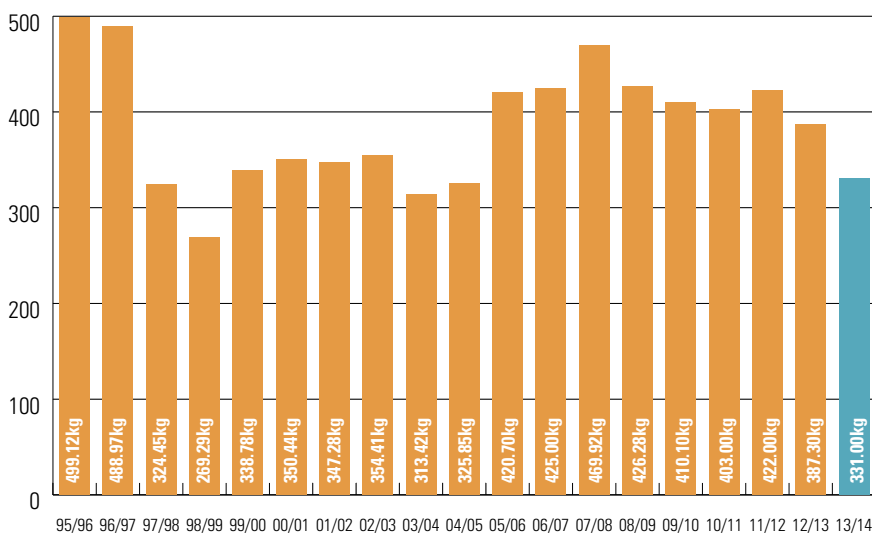
Trend Data Costs per Service for Domestic Waste Collection



Trend History Recyclables – Kilograms (per capita)



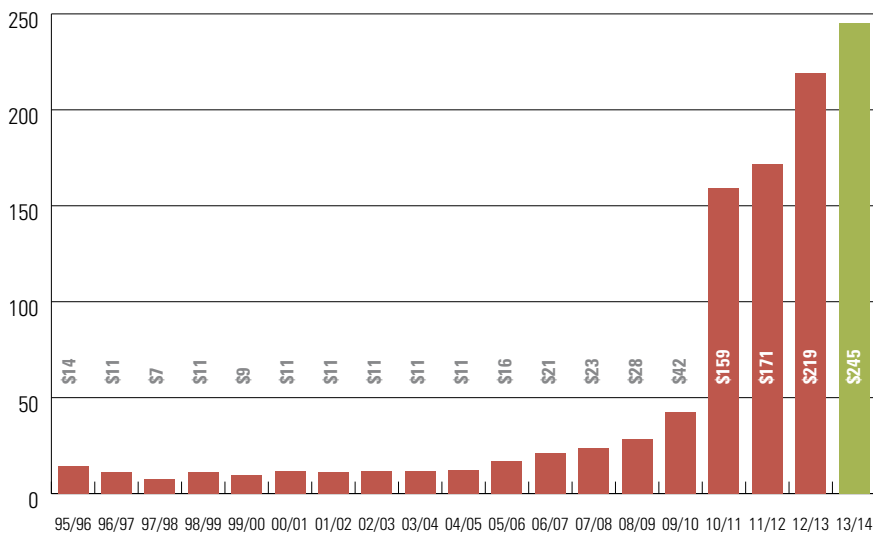
Trend Data Domestic Waste – Kilograms (per capita)



Environmental Management

Historical Data Trends

Trend Data Environmental Management Expenses (per capita)

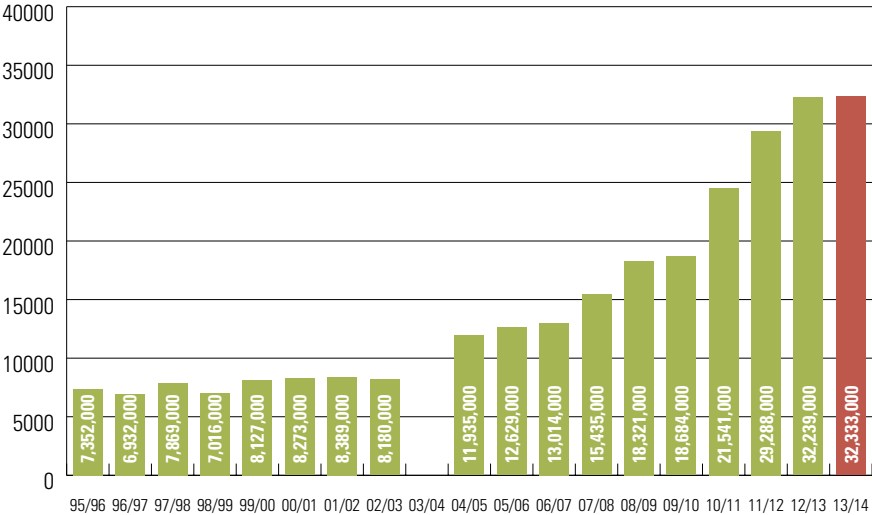


Since 2010/11, this category has removed health expenses and been expanded to include Domestic Waste Management, Street Cleaning, Drainage and Stormwater Management expenses.

Recreation and Leisure

Historical Data Trends

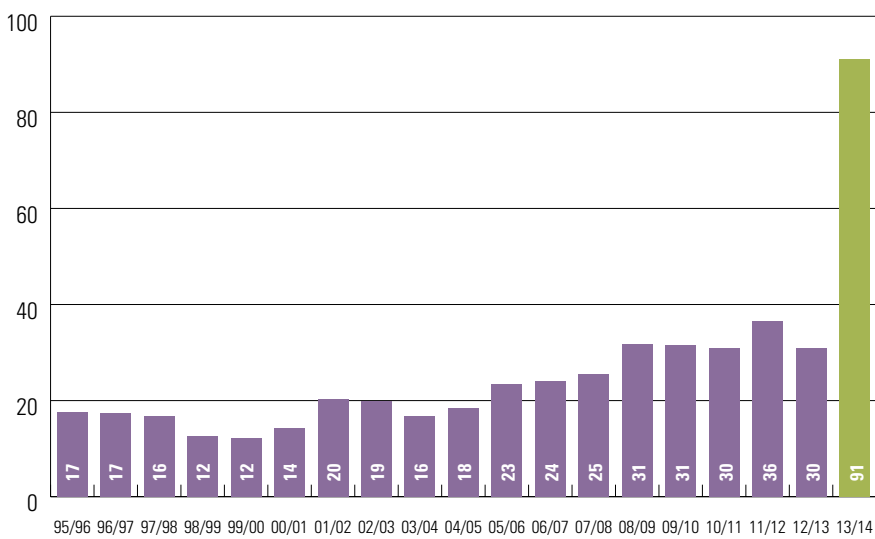
Trend Data Net Recreation, Leisure and Cultural Services Expenses (per capita)



Community Services

Historical Data Trends

Trend Data Community Services Expenses (per capita)

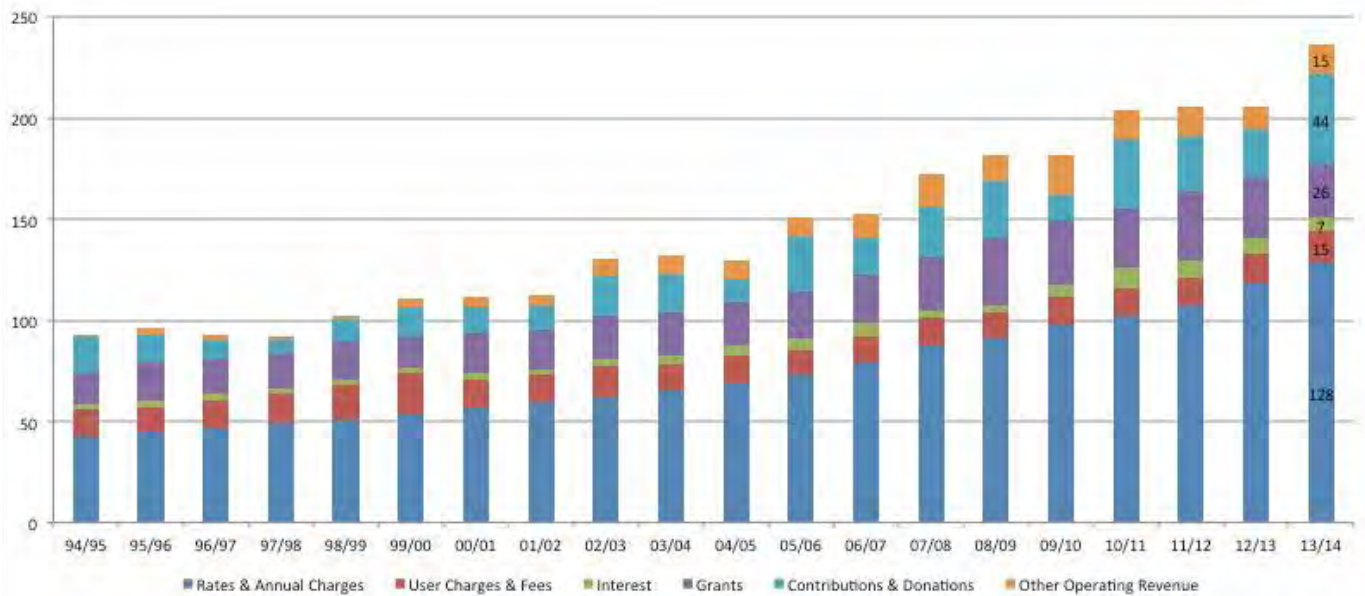


Note that the ratio has increased significantly in 13/14 - this is due to the fact that the ratio also takes into account Housing and Community amenities expenses from 13/14 onwards.

Sources of Revenue and Expenses

Historical Data Trends

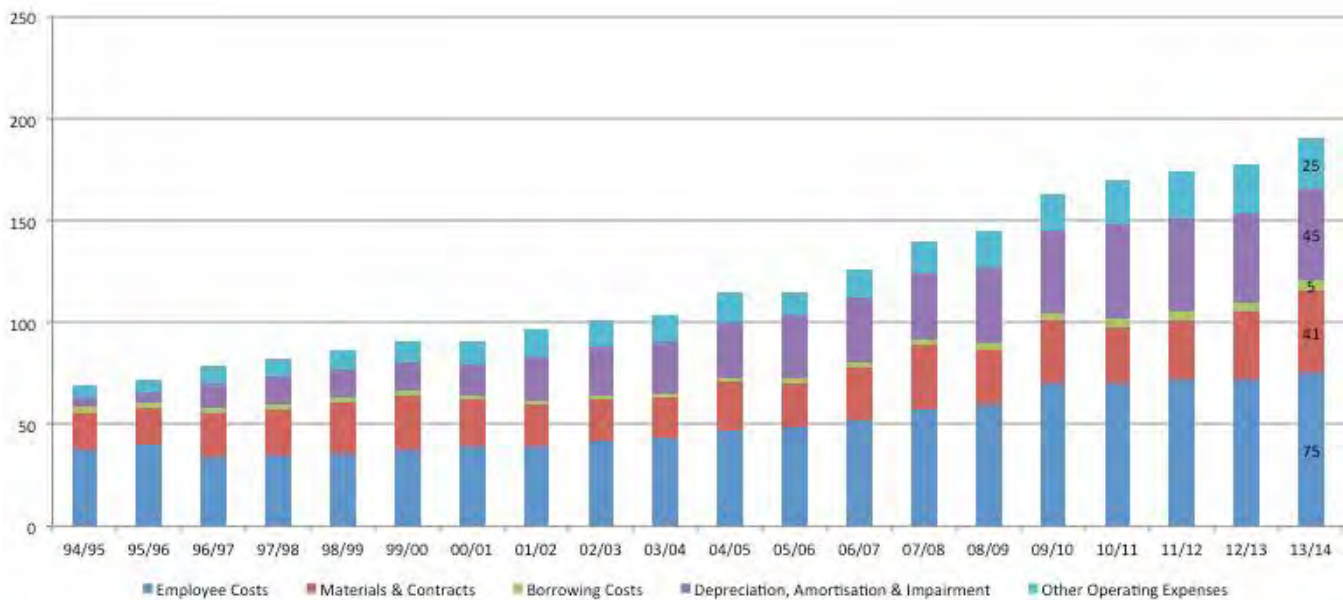
Trend Data Sources of Total Revenue



Sources of Revenue and Expenses

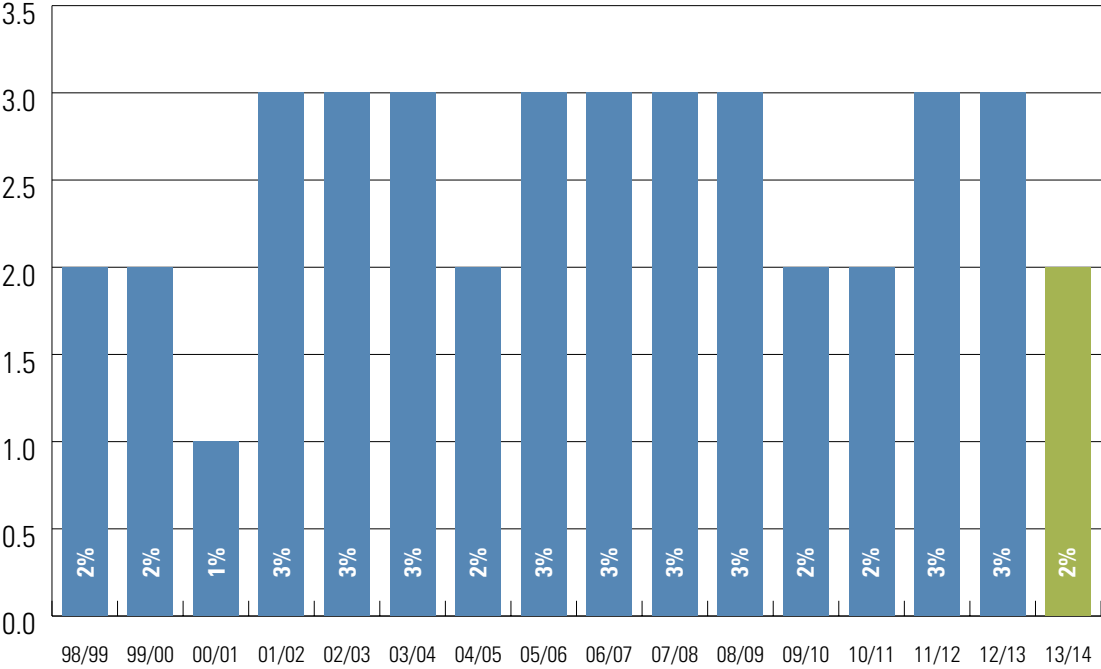
Historical Data Trends

Trend Data Sources of Total Expenses



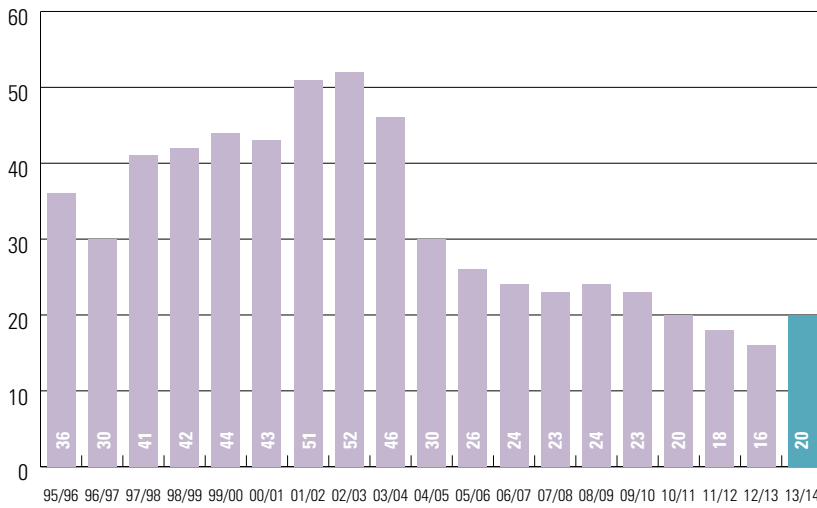
Trend Data Unrestricted Current Ratio

Lake Macquarie historical trend



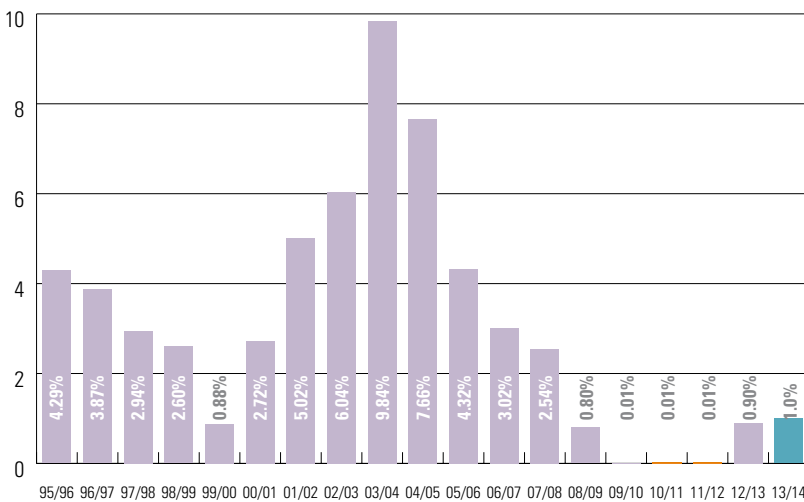
Median Time for Development Applications

Lake Macquarie historical trend



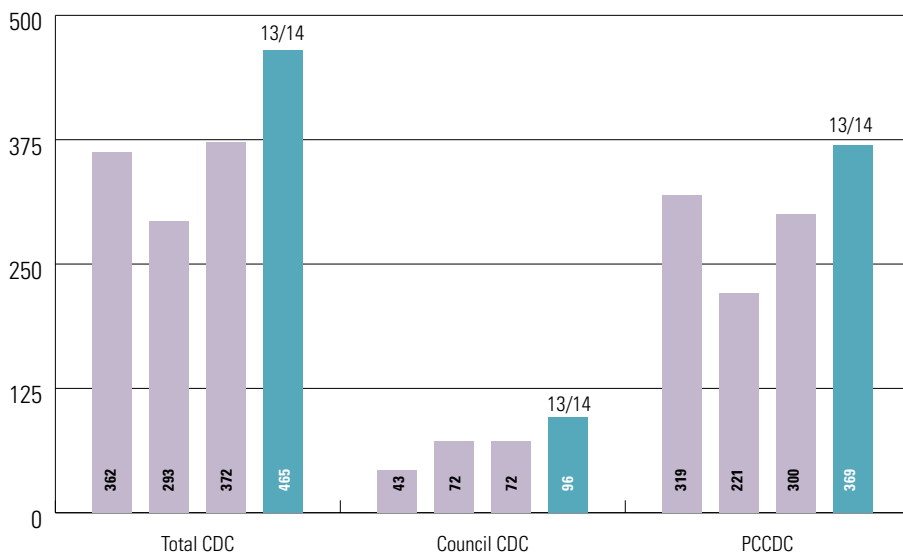
Legal Expenses to Total Planning and Development Costs

Lake Macquarie historical trend



Volume of CDC Applications Private Certifiers and Council

Lake Macquarie historical trend



Note:

CDC - Council Complying Development Certificate

PC CDC - Privately Certified Complying Development Certificate

Comparative Data 2012-2013 **NSW Local Government**

Lake Macquarie City Council

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Designed by Raelene Narraway, Graphic Designer
Printed December 2014 on recycled paper
by Lakemac Print (02) 4921 0510



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Attachment C – Confidential Attachment

Attachment D – OLG Self-assessment tool results - 3 year average to 2013-14

Fit for the Future Criteria Results

Lake Macquarie City Council



BENCHMARK

Operating Performance Ratio (greater or equal to break-even average over 3 years)
Own Source Revenue Ratio (greater than 60% average over 3 years)
Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)

Infrastructure Backlog Ratio (less than 2%)
Asset Maintenance Ratio (greater than 100% average over 3 years)
Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)

A decrease in Real Operating Expenditure per capita over time

RESULT	MEETS FFTF BENCHMARK	
0.014	YES	✓
71.39%	YES	✓
96.21%	NO	✗
7.54%	NO	✗
92.25%	NO	✗
4.47%	YES	✓
Decreasing	YES	✓

OVERALL RESULT



The Council does not meet all seven of the Fit for the Future Criteria

Attachment E – Fit for the Future Projected Ratios - Current Long Term Financial Plan

Fit for the Future - Projected Ratios		Source: Approved LTFP													
		Actual Performance			Projected Performance										
Ratio	Component	11/12 Actual	12/13 Actual	13/14 Actual	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	
- Operating Performance	Total Income	205,671	205,851	236,716	238,256	235,739	244,238	245,879	255,251	263,060	270,380	278,133	286,326	293,928	
	Income - Capital Grants and Contributions	30,340	26,089	44,824	43,230	30,505	30,933	23,682	23,338	23,548	23,764	23,985	24,213	24,447	
	Income - Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Net Share of Joint Ventures	46	34	52	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Investment Properties	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Reversal of IPPE Revaluation Decrements	0	0	0	0	0	0	0	0	0	0	0	0	0	
	- Sub-total	175,285	179,728	191,840	195,026	205,234	213,305	222,197	231,913	239,512	246,616	254,148	262,113	269,481	
	Total Expenses	174,652	179,234	194,422	197,275	206,612	215,656	221,268	228,698	236,045	245,421	251,865	259,243	266,972	
	Expenses - Net Loss from Disposal of Assets	185	1,183	3,501	0	0	0	0	0	0	0	0	0	0	
	Expenses - Net Share of Joint Ventures	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Expenses - Revaluation Decrements	1,632	248	2,205	0	0	0	0	0	0	0	0	0	0	
	- Sub-total	172,835	177,803	188,716	197,275	206,612	215,656	221,268	228,698	236,045	245,421	251,865	259,243	266,972	
	Ratio	0.014	0.011	0.016	-0.012	-0.007	-0.011	0.004	0.014	0.014	0.005	0.009	0.011	0.009	
	Three year average			1.37%			-0.98%			1.08%		0.94%			
- Own Source Revenue	Total Income	205,671	205,851	236,716	238,256	235,739	244,238	245,879	255,251	263,060	270,380	278,133	286,326	293,928	
	Income - Operating Grants and Contributions	30,588	27,942	25,670	26,295	26,420	26,433	27,144	27,663	28,383	29,039	29,763	30,497	31,179	
	Income - Capital Grants and Contributions	30,340	26,089	44,824	43,230	30,505	30,933	23,682	23,338	23,548	23,764	23,985	24,213	24,447	
	Income - Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Net Share of Joint Ventures	46	34	52	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Fair Value Adjustments - Investment Properties	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Income - Reversal of IPPE Revaluation Decrements	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Ratio	70.4%	73.7%	70.2%	70.8%	75.9%	76.5%	79.3%	80.0%	80.3%	80.5%	80.7%	80.9%	81.1%	
	Three year average			71.44%			74.39%			79.87%		80.47%			
- Building and Infrastructure Assets Renewals	Building and Infrastructure Renewals	25,081	32,952	32,712	33,568	38,283	37,923	36,951	36,295	38,408	39,576	40,224	42,939	42,911	
	Depreciation, Amortisation and Impairment	32,347	31,225	30,751	31,003	33,179	34,114	35,104	35,915	36,728	38,681	39,477	40,328	41,215	
	Ratio	77.5%	105.5%	106.4%	108.3%	115.4%	111.2%	105.3%	101.1%	104.6%	102.3%	101.9%	106.5%	104.1%	
	Three year average			96.48%			111.61%			103.63%		102.93%			
- Infrastructure Backlog	Estimated Costs to Bring Assets to a Satisfactory Condition	93,648	92,706	107,489	77,029	78,077	82,889	81,590	78,147	79,376	70,676	65,349	57,029	72,437	
	Total Replacement cost of Infrastructure, Buildings, Other Structures and Depreciable Land Improvements	2,294,747	2,357,727	2,412,748	2,875,224	2,916,957	2,954,969	2,983,369	3,012,378	3,040,789	3,067,817	3,094,945	3,122,438	3,149,965	
replacement cost method	Ratio	4.08%	3.93%	4.46%	2.68%	2.68%	2.81%	2.73%	2.59%	2.61%	2.30%	2.11%	1.83%	2.30%	
	Three year average			4.16%			2.72%			2.65%		2.34%			
- Infrastructure Backlog	Estimated Costs to Bring Assets to a Satisfactory Condition	93,648	92,706	107,489	83,047	81,748	78,305	79,534	70,834	65,507	57,187	72,595	70,150	68,986	
	Total WDV of Infrastructure, Buildings, Other Structures and Depreciable Land Improvements	1,368,615	1,405,444	1,137,800	1,644,974	1,687,513	1,726,119	1,751,932	1,776,978	1,802,167	1,826,328	1,851,272	1,877,647	1,903,690	
Written down value method	Ratio	6.84%	6.60%	9.45%	5.05%	4.84%	4.54%	4.54%	3.99%	3.63%	3.13%	3.92%	3.74%	3.62%	
	Three year average			7.63%			4.81%			4.05%		3.56%			

Attachment F – Current Projected Financial Statements

PROJECTED FINANCIAL STATEMENTS - Statement of Financial Performance

	Actual				Current Financial Projections						
	2013 / 2014	2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023	2023 / 2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rates	98,856,977	102,688,662	108,816,573	114,921,424	120,756,677	126,870,401	130,995,072	135,244,186	139,621,484	144,130,819	148,776,161
Annual Charges	29,556,983	30,687,307	31,877,264	33,088,346	34,315,322	35,571,230	36,826,254	38,026,569	39,159,530	40,298,438	41,483,837
User Charges & Fees	19,921,782	19,569,785	21,430,993	22,381,703	23,035,700	23,835,407	24,890,409	25,477,209	26,372,486	27,600,565	28,289,074
Interest on Investments	6,189,314	7,349,565	8,379,936	8,274,946	8,823,277	9,503,967	9,979,172	10,404,426	10,803,575	11,138,249	11,267,570
Grants & Contributions - Operating	25,951,614	26,295,725	26,420,105	26,432,937	27,143,508	27,664,130	28,383,135	29,039,473	29,762,729	30,497,034	31,179,419
Grants & Contributions - Capital	26,371,548	43,229,417	30,505,685	30,933,463	23,682,630	23,337,559	23,547,815	23,763,748	23,985,502	24,213,242	24,447,122
Other Revenue	8,957,358	8,435,115	8,308,679	8,205,485	8,121,660	8,467,903	8,438,201	8,424,847	8,427,990	8,447,431	8,484,369
Total Revenue	215,805,576	238,255,576	235,739,235	244,238,304	245,878,774	255,250,597	263,060,058	270,380,458	278,133,296	286,325,778	293,927,552
Operating Expenses	(136,712,335)	(146,320,610)	(150,075,326)	(156,012,947)	(159,614,554)	(165,724,426)	(171,543,185)	(178,642,115)	(183,358,106)	(189,693,435)	(196,109,731)
Borrowing costs	(5,041,705)	(5,601,819)	(7,857,065)	(9,118,430)	(9,842,220)	(10,490,347)	(10,990,339)	(11,598,580)	(12,125,397)	(12,594,687)	(13,031,449)
Depreciation	(51,742,722)	(45,352,348)	(48,679,390)	(50,524,156)	(51,811,153)	(52,483,105)	(53,511,586)	(55,180,726)	(56,381,234)	(56,954,514)	(57,830,606)
Net Operational Expenditure	(193,496,762)	(197,274,777)	(206,611,781)	(215,655,533)	(221,267,927)	(228,697,878)	(236,045,110)	(245,421,421)	(251,864,737)	(259,242,636)	(266,971,786)
Operating Result	22,308,814	40,980,799	29,127,454	28,582,771	24,610,847	26,552,719	27,014,948	24,959,037	26,268,559	27,083,142	26,955,766
Operating Result before Capital		(2,248,618)	(1,378,231)	(2,350,692)	928,217	3,215,160	3,467,133	1,195,289	2,283,057	2,869,900	2,508,644
Capital Additions - New	(42,076,755)	(71,019,556)	(57,044,166)	(53,293,434)	(40,301,534)	(41,451,917)	(41,255,091)	(40,298,633)	(40,949,554)	(41,592,008)	(42,096,653)
Capital Additions - Replacement	(43,767,025)	(44,526,739)	(50,137,022)	(49,953,466)	(47,727,547)	(46,256,339)	(47,507,360)	(48,789,784)	(50,589,603)	(52,517,448)	(52,385,763)
Transfer to Restricted Cash	(97,532,050)	(92,418,846)	(81,156,504)	(79,322,661)	(74,218,986)	(76,068,933)	(78,140,234)	(80,178,671)	(82,231,782)	(84,306,247)	(86,398,305)
Loan Repayments	(4,406,277)	(3,981,528)	(4,051,462)	(3,823,034)	(4,360,994)	(4,905,311)	(5,393,211)	(5,885,707)	(6,475,248)	(7,057,538)	(7,670,318)
Total Capital	(187,782,107)	(211,946,669)	(192,389,154)	(186,392,595)	(166,609,061)	(168,682,500)	(172,295,896)	(175,152,795)	(180,246,187)	(185,473,241)	(188,551,039)
Funds Required	(165,473,293)	(170,965,870)	(163,261,700)	(157,809,824)	(141,998,214)	(142,129,781)	(145,280,948)	(150,193,758)	(153,977,628)	(158,390,099)	(161,595,273)
Funded By:											
Loans Utilised	14,277,530	30,919,586	16,750,167	11,559,936	11,545,270	10,286,156	9,883,783	11,925,661	11,824,128	12,504,054	12,190,302
Book Value of Assets Sold	26,476,900	4,957,500	2,949,600	2,292,000	2,451,500	2,459,000	2,297,000	2,229,100	2,261,500	2,396,500	2,327,000
Restricted Cash – Asset Replacement	53,319,318	49,963,190	53,946,070	55,240,407	50,427,520	49,567,273	51,334,627	53,064,771	56,038,901	57,577,783	58,780,295
Restricted Cash – Other	70,962,414	84,017,097	88,109,144	86,764,231	75,580,567	77,782,920	79,688,945	80,854,384	81,688,810	83,701,874	86,041,096
Provision for Future Rehabilitation	437,131	437,794	437,794	437,794	437,794	437,794	437,794	437,794	437,794	437,794	437,794
Budget Surplus / (Deficit)	-	(670,703)	(1,068,925)	(1,515,456)	(1,555,563)	(1,596,638)	(1,638,799)	(1,682,048)	(1,726,495)	(1,772,094)	(1,818,786)

Attachment G – Community Survey Report May 2015

Lake Macquarie City Council

Fit for the Future

Prepared by: Micromex Research

Date: May 2015



Background



Methodology & Sample

Data collection

Micromex Research, together with Lake Macquarie City Council, developed the questionnaire.

Data collection period

- Initial telephone recruitment: 13th – 18th April 2015
- Council mail-out of information packs: 1st May 2015
- Telephone recontact interviewing (CATI): 6th – 9th May 2015

Sample

N=402 interviews were conducted. A sample size of 402 provides a maximum sampling error of plus or minus 4.9% at 95% confidence. This means that if the survey was replicated with a new universe of n=402 residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 4.9%.

For the survey under discussion the greatest margin of error is 4.9%. This means, for example that the answer “yes” (53%) to the awareness of potential amalgamation question could vary from 48% to 58% and the answer “no” (45%) could vary from 40% to 50%.

As the raw data has been weighted to reflect the real community profile of Lake Macquarie City Council, the outcomes reported here reflect an ‘effective sample size’; that is, the weighted data provides outcomes with the same level of confidence as unweighted data of a different sample size. In some cases this effective sample size may be smaller than the true number of surveys conducted.



Methodology & Sample

Interviewing

Interviewing was conducted in two phases. During the recruitment phase, residents were screened for eligibility and their details were taken in order to post the amalgamation information pack. The recontact phase comprised the remainder of the survey questions, with residents responding to the information pack they had received. Interviewing was conducted in accordance with the AMSRS Code of Professional Conduct. Where applicable, the issues in each question were systematically rearranged for each respondent.

Data analysis

The data within this report was analysed using Q Professional.

Percentages

All percentages are calculated to the nearest whole number and therefore the total may not exactly equal 100%.

Word Frequency Tagging

Verbatim responses for open questions were collated and entered into analytical software. This analysis 'counts' the number of times a particular word or phrase appears and, based on the frequency of that word or phrase, a font size is generated. The larger the font, the more frequently the word or sentiment is mentioned.



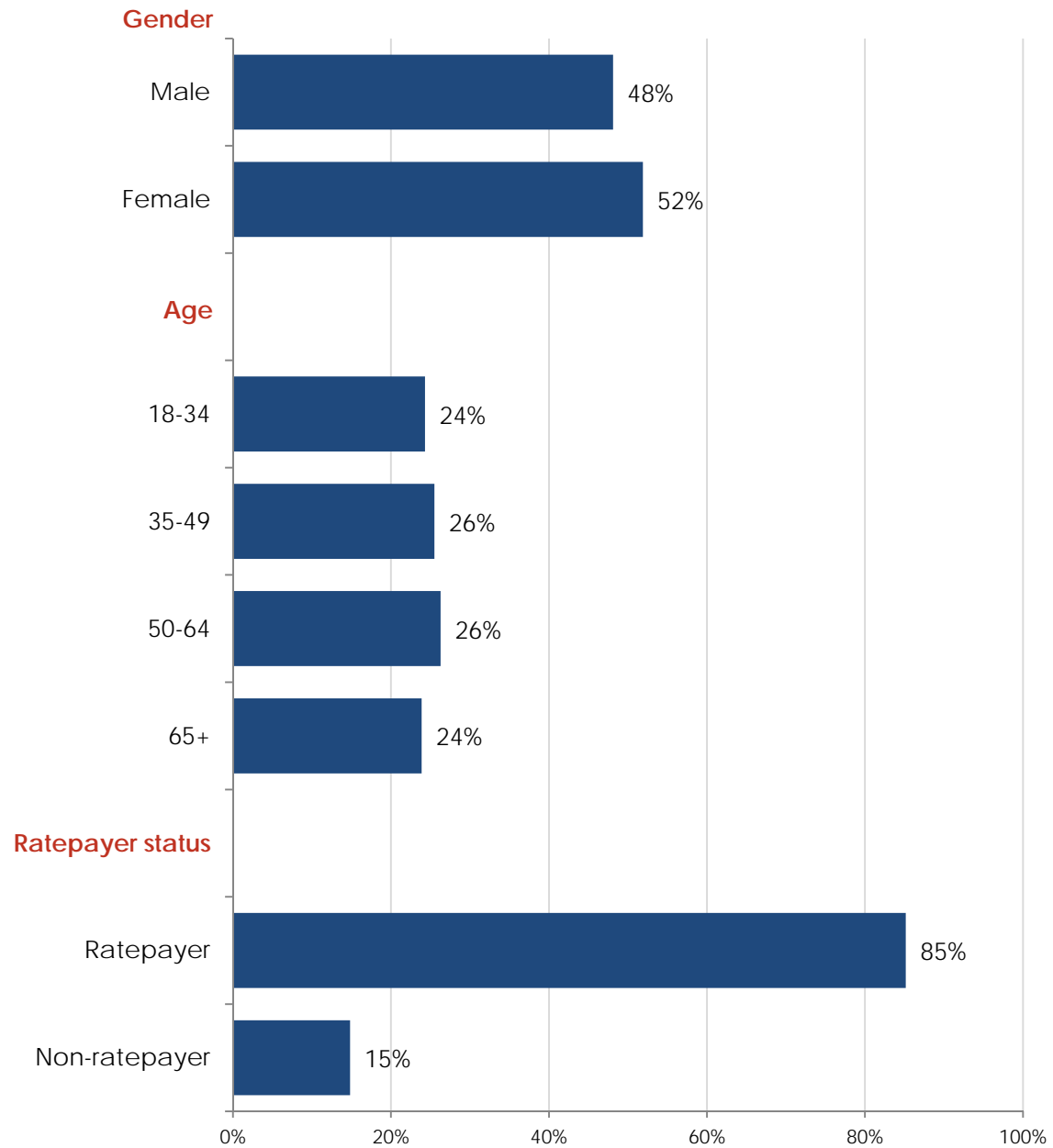
Sample Profile





The sample was weighted by age and gender to reflect the 2011 ABS community profile of Lake Macquarie City Council

Sample Profile



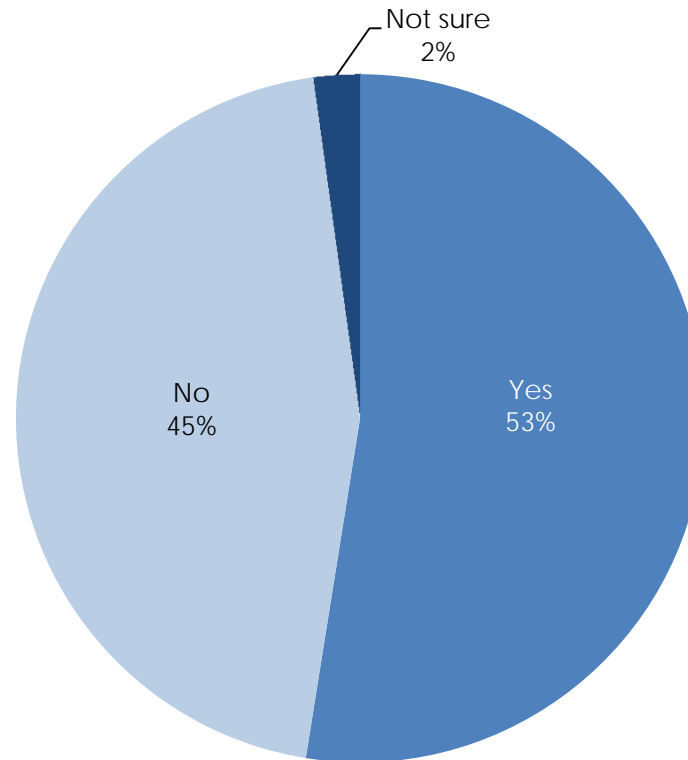
Base: N=402

Detailed Findings



Awareness of Potential Amalgamation

Q1a. (Recruitment survey) Prior to this call were you aware of the potential amalgamation of Lake Macquarie City Council with other councils?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Yes	53%	61%	45%	38%	47%	57%	67%▲	52%	55%
No	45%	37%	53%	62%	50%	40%	29%	45%	45%
Not sure	2%	2%	2%	0%	2%	2%	4%	3%	0%

Base: N=402

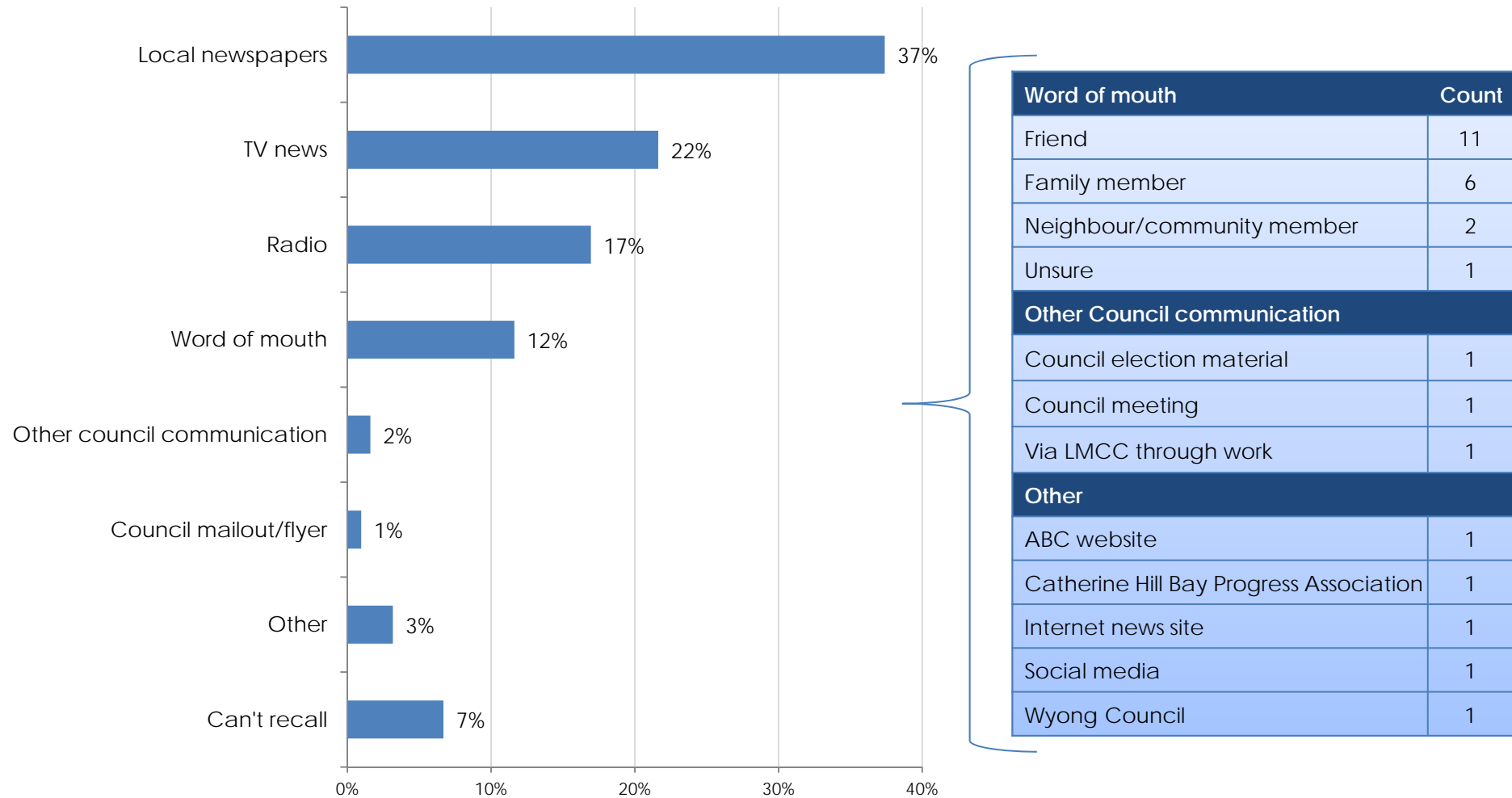
▲▼ = A significantly higher/lower level of awareness (by group)



Awareness of the potential amalgamation was even across the community, with 53% indicating that they were aware.
Residents aged 65 and over were significantly more likely to be aware of the proposal

Means of Becoming Aware of Proposal

Q1b. (Recruitment survey) Where did you first hear about the proposal to potentially amalgamate Lake Macquarie City Council with other Councils?



Base: N=211

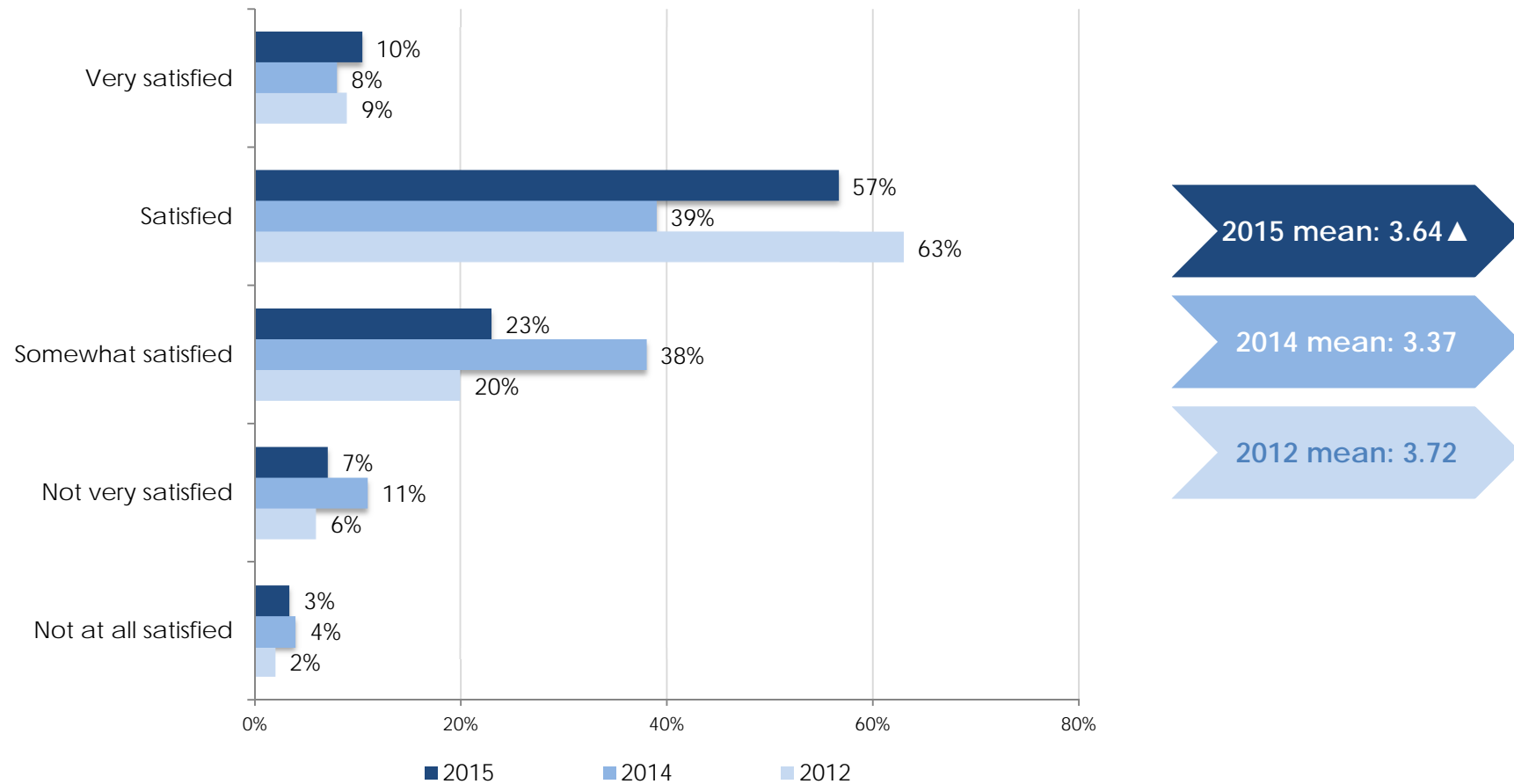


The most common means of becoming aware of the proposal was through 'local newspapers', with more than one in three residents hearing via this medium. The next most frequently cited means of becoming aware were 'TV news' (22%) and 'radio' (17%), unusually high levels of penetration for each of these media

Overall Satisfaction with Council Performance

Year-on-Year Comparison

Q2. (Recruitment survey) In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?



Base: 2015 N=402, 2014 N=1027, 2012 N=1000

Scale: 1 = not at all satisfied, 5 = very satisfied
 ▲ ▼ = A significantly higher/lower level of satisfaction (by year)

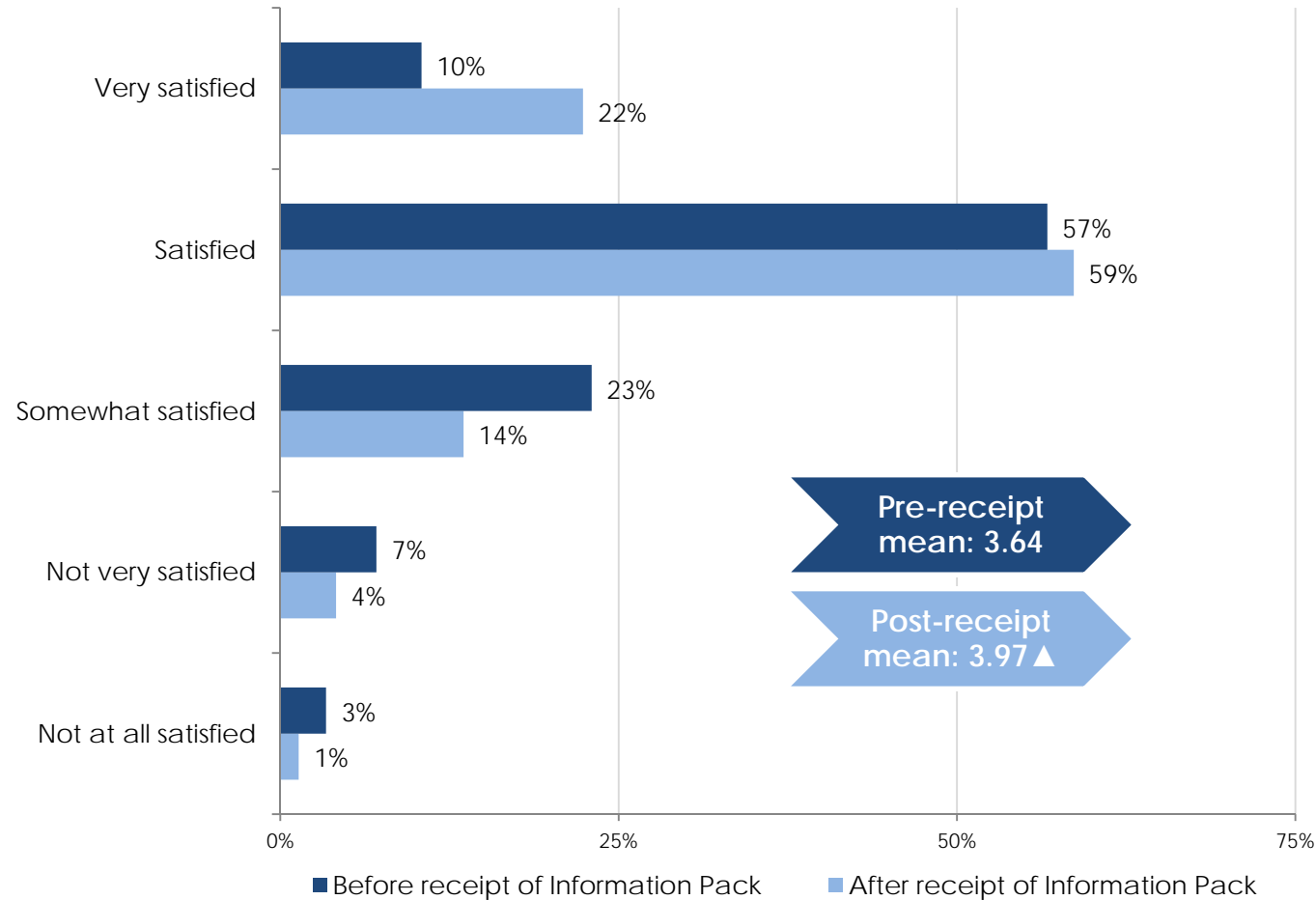


Prior to receiving the information pack, satisfaction with Council was moderately high, with 90% of residents indicating they were at least 'somewhat satisfied'. There was a significant overall increase observed in satisfaction since 2014, to return to similar levels as 2012

Overall Satisfaction with Council Performance

Before and After Receipt of Council's Fit for the Future Information Pack

Q2. (Recruitment & recall surveys) In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?



Prior to receiving Council's Information Pack, residents aged 65 and over were significantly more satisfied with Council's overall performance than were other age groups

Residents aged 65+ were also significantly more likely to be 'very satisfied' with Council (22%) at this stage, while none of those aged 18-34 registered this level of satisfaction

Scale: 1 = not at all satisfied, 5 = very satisfied

▲ ▼ = significantly higher/lower level of satisfaction (by survey)

Base: N=402



Residents displayed a significant increase in satisfaction between the initial contact and receiving the information pack, rising from 67% giving a 'satisfied/very satisfied' rating to 81%. The mean rating recorded at this point represents a higher degree of satisfaction with LMCC performance than at any other point since comparable research began in 2012

Perceived Priorities for the Lake Macquarie Area

Q3. In your opinion, what are the main priorities for the Lake Macquarie area over the next 10 years?



	%*
Effective maintenance of infrastructure, services, and facilities	33%
Providing sufficient road and transport infrastructure - <i>footpaths, public transport, traffic management</i>	29%
Preserving local natural environment - <i>beaches, lakes, parks</i>	22%
Focusing on community development/engagement	9%
Managing development to cater for the local population	6%
Providing a good standard of waste services	4%

Base: N=402

*Note: respondents were able to cite more than one priority – as such, the percentages above total more than 100%

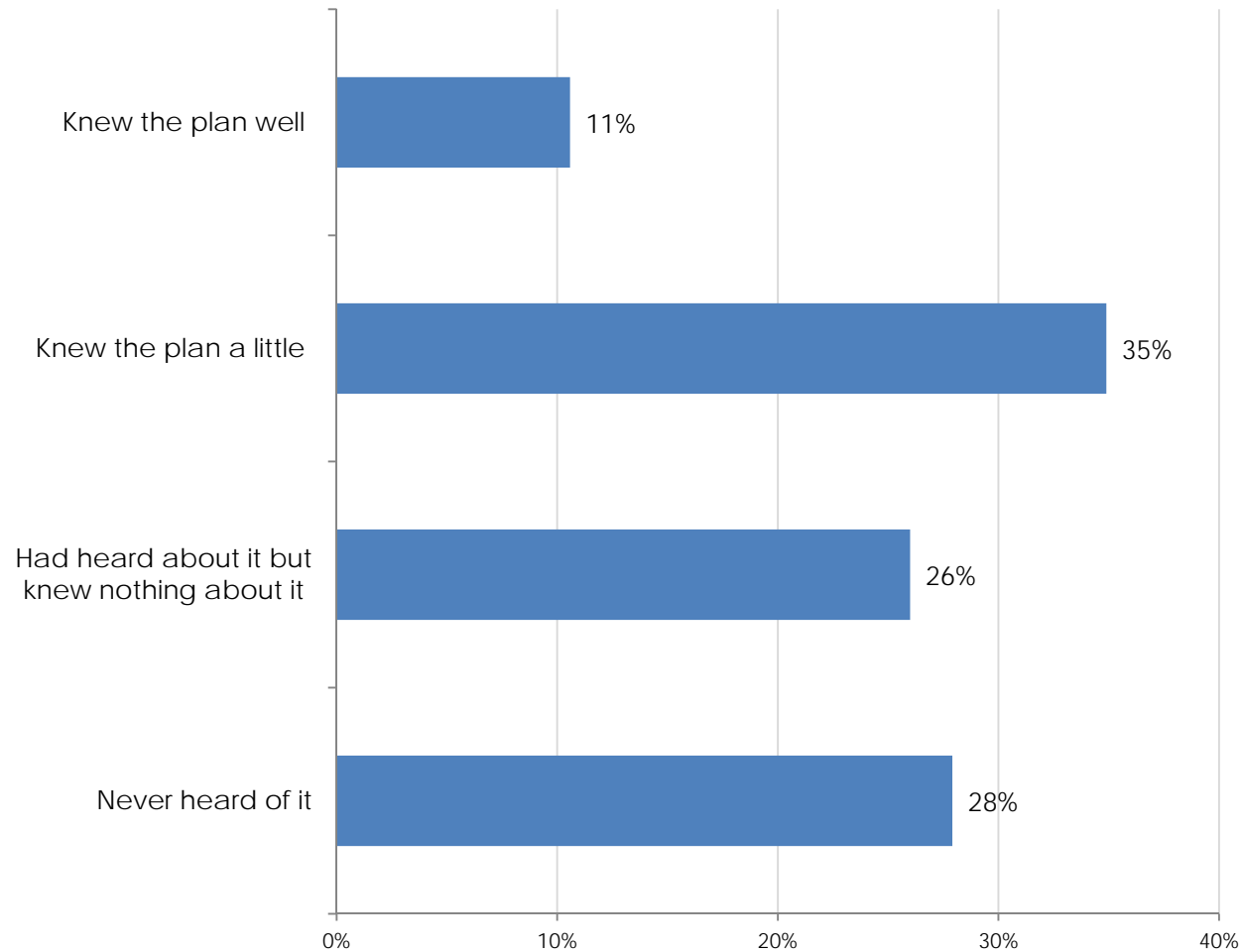


Approximately one in three residents felt that the area's main priority going forward should be the continued maintenance and provision of infrastructure, services, and facilities.

Other common concerns included the local road and transport network, and the preservation of the Lake Macquarie natural environment

Awareness of 'Fit for the Future' Amalgamation Plans

Q4. The Independent Panel has recommended the merging of certain councils in NSW to form larger councils. How aware were you of this plan?



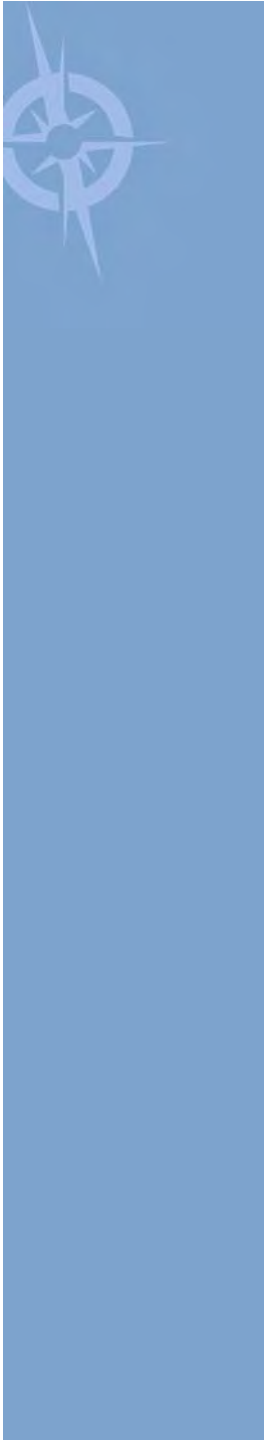
Residents aged 18-34 were significantly less likely to indicate that they 'knew the plan well', with no respondents from that age group selecting the option. Correspondingly, these residents were significantly more likely to claim that they 'never heard of it' (58%)

Conversely, residents aged 65 and over were significantly more likely to 'know the plan well', with 20% indicating this level of knowledge. They were also less likely to have 'never heard of it', with only 11% selecting this response

Base: N=402



72% of residents had some awareness of the 'Fit for the Future' amalgamation proposals – however, only around one in ten claimed they 'knew the plan well'



Concept Statement

Fit for the Future is the name given to the review of Local Government being carried out by the NSW Government as it seeks to make local government sustainable, efficient, and effective for future generations.

The argument for amalgamation is that bigger councils could have greater capacity to deal with regional issues, while the argument against amalgamation is that bigger councils will be less efficient and less responsive to the community's needs and local issues.

Under Fit for the Future, councils need to demonstrate how they will become sustainable, provide effective and efficient services, have the scale and capacity needed to meet the needs of communities, and partner with the NSW Government.

We are seeking our community's views on options arising from the recommendations of the Independent Panel including:

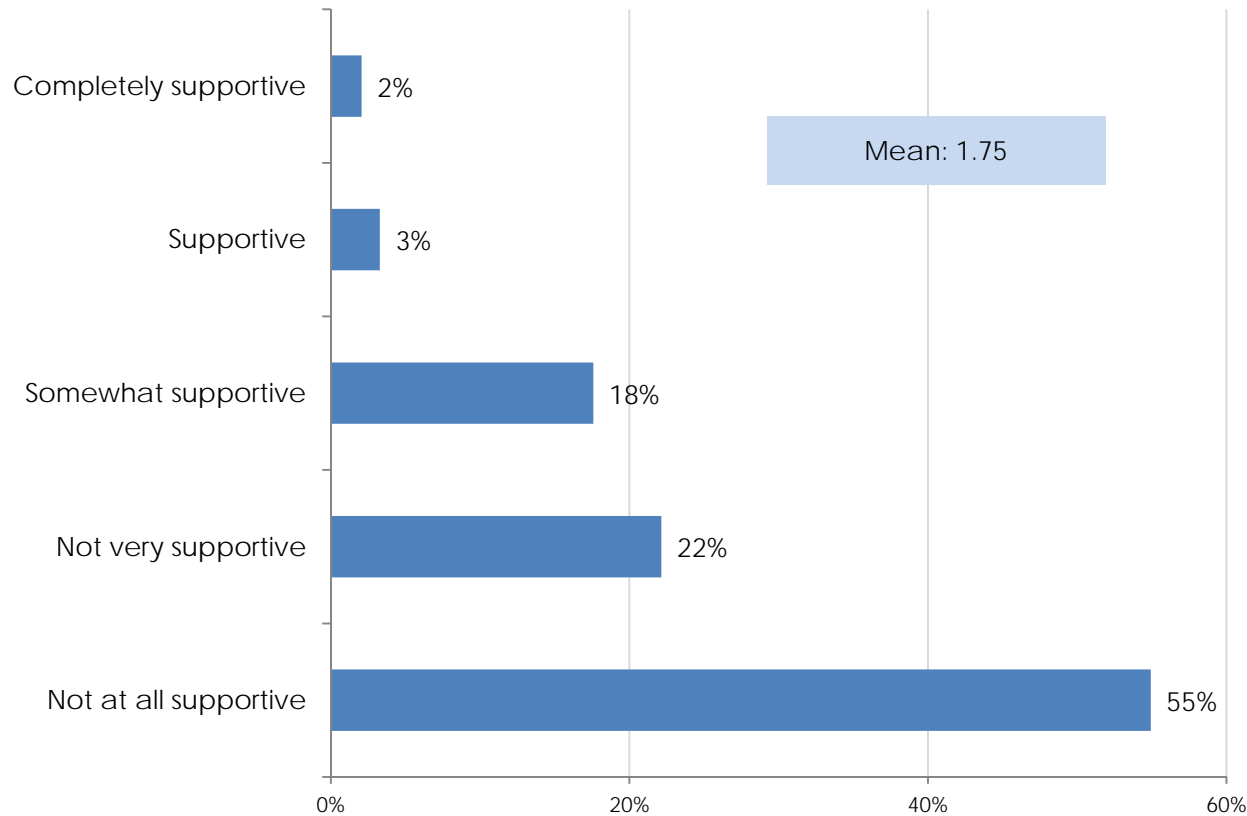
1. A merger with Newcastle City Council, creating a larger single council
2. No merger, but completing a NSW Government-issued Council Improvement Proposal designed to improve council's performance so they can stand alone and be fit for the future

If Lake Macquarie City Council were to merge with Newcastle City Council, research shows that the Lake Macquarie community would be required to direct funding away from local programs and services to pay for amalgamation costs and operating expenses, in excess of \$100 million.

If Lake Macquarie City Council were to stand alone, it would be required to find approximately \$4 million in additional revenue each year to meet the Government's criteria. Council is investigating ways to raise the additional funds. In standing alone, the additional \$4 million of revenue could come in the form of changes to the way services are delivered, including the possible reduction in some services and modest increases in rates for businesses and residents. All councils across NSW will be faced with this same dilemma, as would any merged councils in future as they would face the same budget and revenue challenges as stand-alone councils.

Level of Support for a Merger with Newcastle City Council

Q5. How supportive are you of Lake Macquarie City Council merging with Newcastle City Council, creating a larger single council?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	1.75	1.87	1.65	2.17	1.67	1.68	1.51 ▼	1.76	1.70

Base: N=402

Scale: 1 = not at all supportive, 5 = very supportive
 ▲ ▼ = significantly higher/lower level of support (by group)

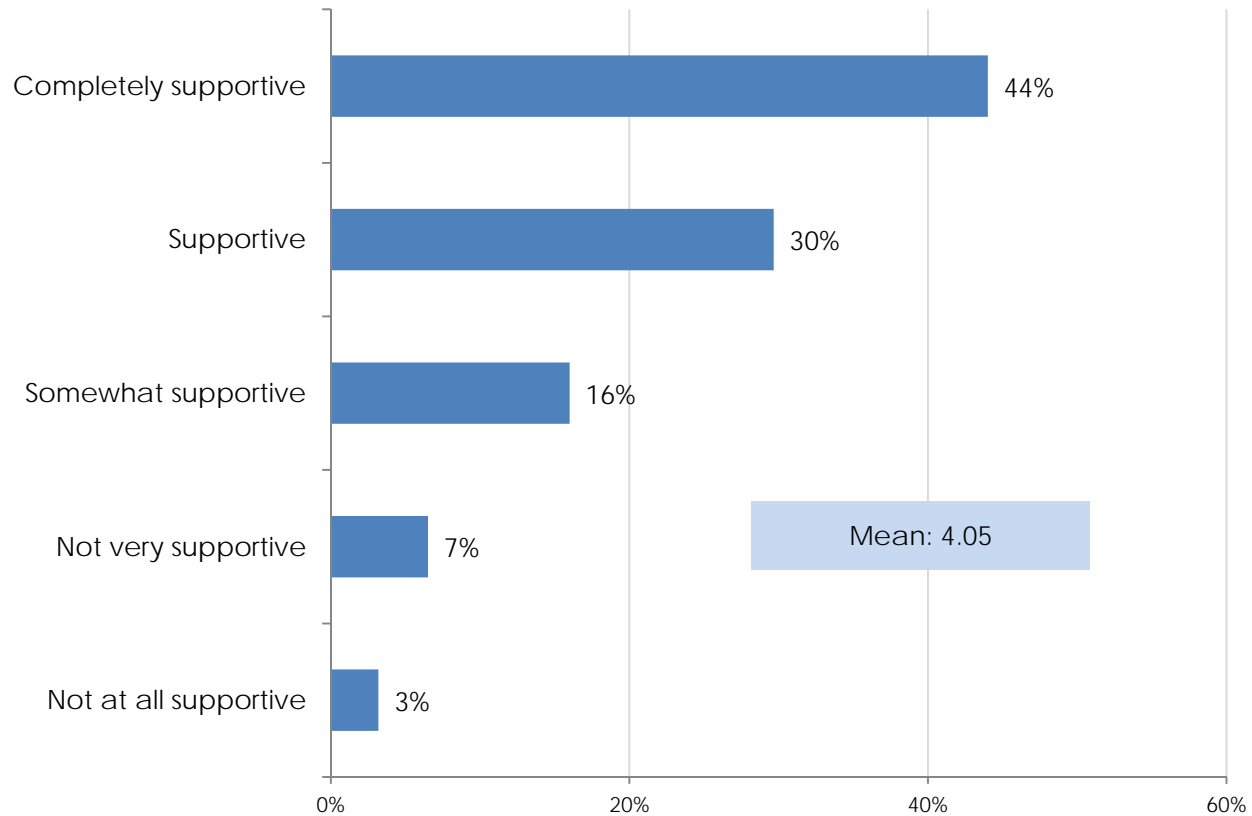


Support for a merger was minimal, with over half of all residents indicating that they were 'not at all supportive' of the proposal.

Those aged 65 and over, in particular, displayed a significantly lower level of support than did other age groups

Level of Support for Lake Macquarie Standing Alone

Q6. How supportive are you of Lake Macquarie City Council seeking to stand alone and not merging or making a boundary change with any neighbouring council?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean rating	4.05	4.00	4.09	3.70	4.10	4.08	4.31	4.05	4.06

Base: N=402

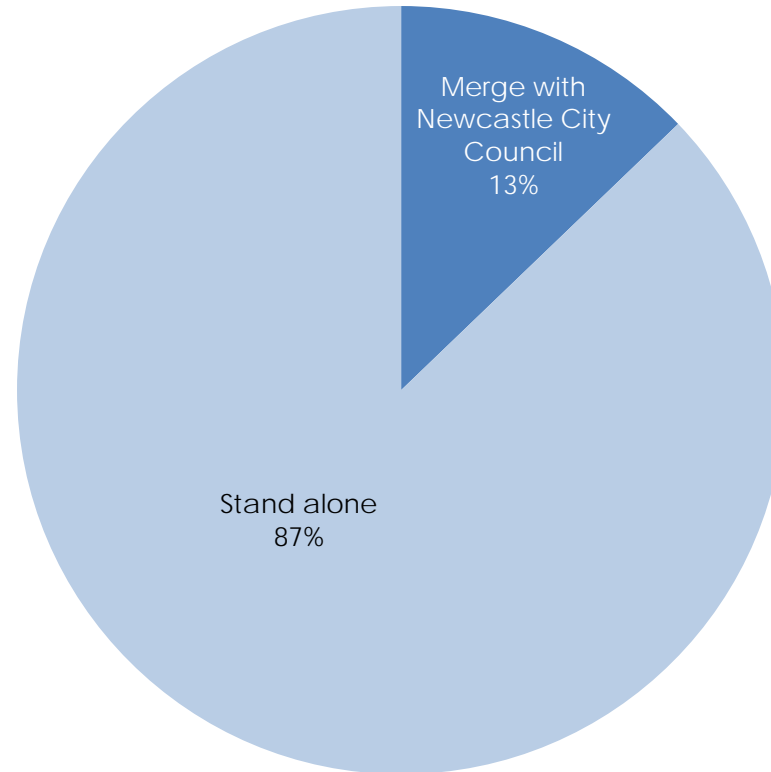
Scale: 1 = not at all supportive, 5 = very supportive



There was broad backing across the community of LMCC standing alone, with 90% of residents indicating some degree of support for this outcome, and 44% indicating that they were 'completely supportive'

Preferred Amalgamation Option

Q7a. Now that you have been informed, which option would be your preference?



	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Merge with Newcastle City Council	13%	17%	9%	23%	6%	15%	6%	12%	15%
Stand alone	87%	83%	91%	77%	94%	85%	94%	88%	85%

Base: N=402



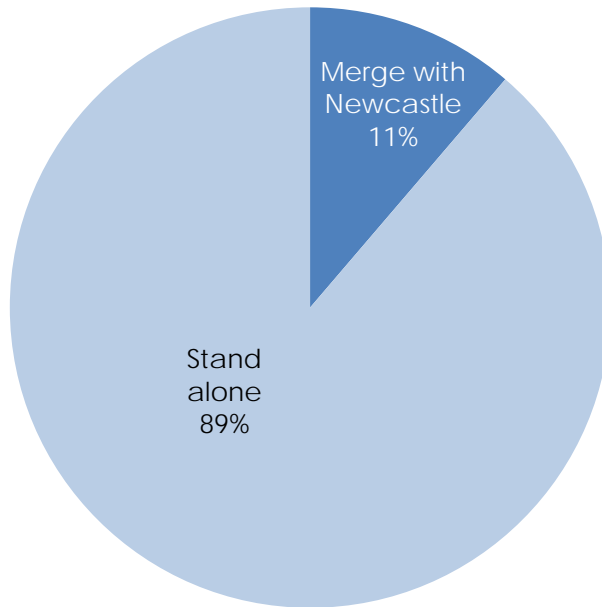
The strong community preference for standing alone, a sentiment returned by 87% of all residents, was driven by marginally higher levels of support from females (91%) and those aged 35-49 or 65+ (both 94%)

Preferred Amalgamation Option by Overall Satisfaction

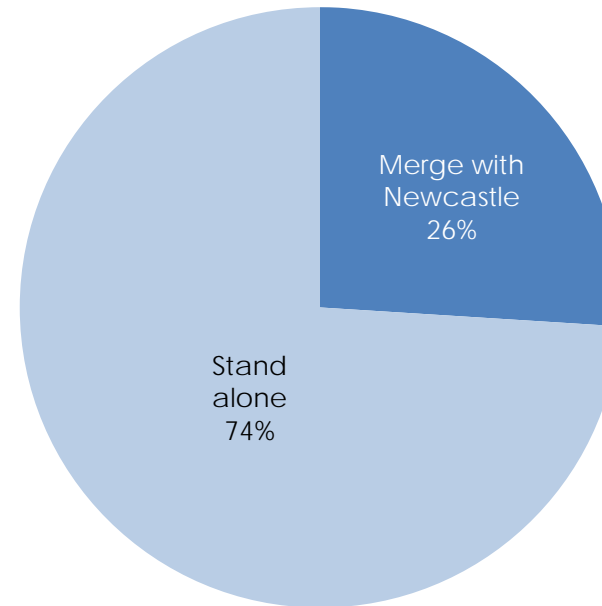
Satisfaction with Council Reported Prior to Receipt of the Information Pack

Q2. (Recruitment survey) In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?
 Q7a. Now that you have been informed, which option would you be your preference?

Very satisfied/Satisfied/Somewhat satisfied



Not very/Not at all satisfied



	Overall	Merge with Newcastle City Council	Stand alone
Mean ratings	3.64	3.18 ▼	3.70 ▲

Base: N=402

Scale: 1 = not at all satisfied, 5 = very satisfied
 ▲ ▼ = significantly higher/lower level of support than the overall



Residents who reported higher satisfaction with Council's performance prior to their receipt of Council's amalgamation information pack were significantly more likely to go on to support standing alone than those who were dissatisfied (89% support vs. 74%)

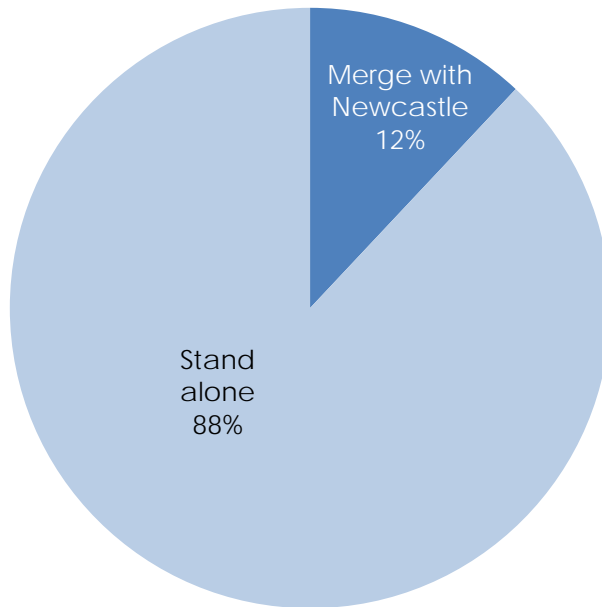
Preferred Amalgamation Option by Overall Satisfaction

Satisfaction with Council Reported After Receipt of the Information Pack

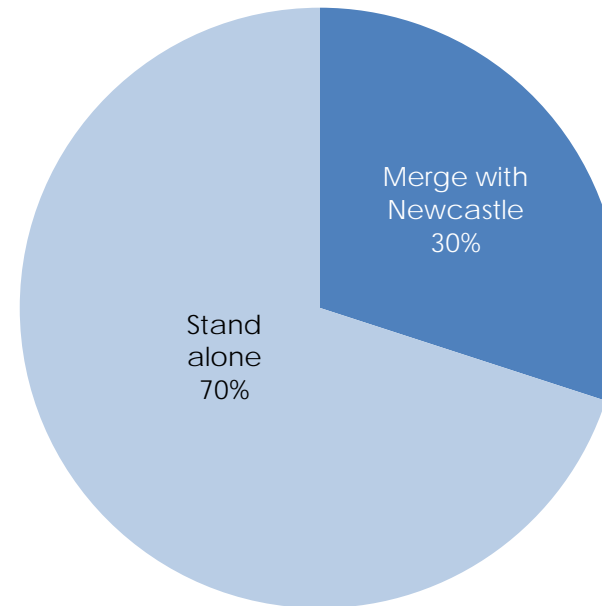
Q2. (Recontact survey) In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

Q7a. Now that you have been informed, which option would you be your preference?

Very satisfied/Satisfied/Somewhat satisfied



Not very/Not at all satisfied



	Overall	Merge with Newcastle City Council	Stand alone
Mean ratings	3.97	3.65 ▼	4.01 ▲

Base: N=402

Scale: 1 = not at all satisfied, 5 = very satisfied
 ▲ ▼ = significantly higher/lower level of support than the overall



After receiving and reading Council’s information pack, residents expressing satisfaction with Council were again significantly more likely to prefer standing alone than those who were ‘not very’ or ‘not at all’ satisfied – dissatisfied residents at this stage reported the strongest preference for a merger of any group at any point during the research, with 30% in favour



Reasons for Preferred Option

Lake Macquarie City Council to Stand Alone

Q7a. Now that you have been informed, which option would be your preference?

Q7b. Why do you say that?

The most common reasons given for preferring that LMCC stand alone were the undesirability of association with Newcastle City Council, concern that a merger would stifle local concerns, and satisfaction with the performance of the existing Council

	Count
Low opinion of Newcastle City Council - <i>corrupt, financially unstable, poorly managed</i>	137
Local issues would receive less attention in a merged council	108
Council's current good performance makes an amalgamation unattractive	104
Current councils are an appropriate size/merged council would be too large to deliver services effectively	89
Funding/decision-making would be unfairly directed from the Lake Macquarie area towards Newcastle in a merger	74
Financial consequences of amalgamation are unappealing - <i>cost of merger, probable rate rises</i>	58
Two council areas are incompatible - <i>differing demographics, environments, likelihood of disagreements</i>	19
Lack of any clear benefits of amalgamation/desire to avoid change	12
Job losses are likely in the event of a merger	5
LMCC does not currently operate well enough to manage the transition to a larger council area	5
Insufficient information is available to make an informed decision, so the status quo is preferable	4
Standing alone will allow Council to develop the local area economically	4
Opposed to the State Government's amalgamation plans on principle	3
Proposed rate increase if standing alone is affordable	1



Reasons for Preferred Option

Lake Macquarie City Council to Merge with Newcastle City Council

Q7a. Now that you have been informed, which option would be your preference?

Q7b. Why do you say that?

Among the minority that preferred amalgamation, the perceived financial sustainability of larger councils, and their ability to provide services more efficiently, were the predominant reasons given for selecting this option

	Count
Financial sustainability/efficiency of a merged council	14
Greater efficiency of a merged council	13
Likelihood of improved service provision - <i>fairness, reduction of bureaucracy, wider focus</i>	11
Amalgamation would encourage a more cohesive regional identity	7
Probable rates increase if Council were to stand alone would be unacceptable/unaffordable	6
Beneficial to be associated with a larger city	4
Dissatisfaction with Council's performance makes amalgamation attractive	4
Desire to avoid Council standing alone	2
Probable service reduction if Council were to stand alone would be unacceptable	2
Belief that council numbers need to be reduced	1

Conclusion



Conclusion

Residents: Merger Awareness, Values, and Satisfaction with Council

Residents' awareness of the 'Fit for the Future' plan and proposed council amalgamations varied:

- 53% indicated that they had heard of Lake Macquarie City Council's proposed merger, with a higher level of awareness claimed by those aged 65 and over. A pattern of increased awareness with increasing age would appear to be borne out by the most common means of becoming aware, which were local newspapers (37%), TV news (22%), and radio (17%), media more frequently used by older residents
- 73% of residents, however, claimed to have knowledge of the 'Fit for the Future' review to some degree, suggesting that a significant portion of LMCC residents had not been made aware of Council's suggested merger with Newcastle despite knowledge of the proposals in general

33% of respondents cited the maintenance of existing infrastructure and facilities as a priority for the area in the next 10 years, along with 29% who placed an emphasis on transport provision such as road maintenance and traffic management, and 22% for whom local environmental issues, particularly lakes and parks, were a priority. Council can expect the perceived achievement of these measures to be major motivators in determining residents' satisfaction with any merger outcome.

General satisfaction with Council's performance was moderately high on first contact with residents prior to their receipt of the information pack regarding amalgamation options; at this point, 67% of respondents were 'satisfied' to 'very satisfied'. After receipt of the pack, there was a significant increase in residents' satisfaction levels, with 81% now 'satisfied' or better, and 22% 'very satisfied' alone.

This increase in positivity towards Council's activities and services suggests that the very act of consultation can engender higher satisfaction from residents – in this case, proof that Council has worked to discuss with residents the potential merger options has driven those residents to higher satisfaction with Council overall.



Conclusion

Amalgamation: Residents' Reactions, Preference, and Justification

Lake Macquarie City Council residents comprehensively reject the proposed amalgamation with Newcastle City Council, with 74% 'supportive' or 'completely supportive' of Council standing alone, compared with just 5% displaying the same levels of support for a merger. Residents aged 65 and over were significantly less likely than were others to support the proposed amalgamation, with 88% of that age group indicating that they were 'not very supportive' or 'not at all supportive' of the merger. Correspondingly, across the community, backing for LMCC standing alone was relatively consistent, with a majority of residents from every demographic indicating support.

As expected from these stated levels of support, Council standing alone was the preferred outcome of the vast majority of residents (87%). This strong preference was largely consistent across the community, ranging from 77% (among those aged 18-34) to 94% (those aged 35-49 and 65+).

The primary reasons given for preferring that LMCC stand alone included:

- A poor perception of Newcastle City Council, which many residents considered to be financially underperforming or excessively affected by political considerations
- A positive perception of Lake Macquarie City Council, often cited as effective, functional, and/or connected to the local community
- Concern that local or regional issues would not be effectively addressed by a larger council including Newcastle, and/or that the current council boundaries allow for the best targeted service provision

These justifications may be considered in light of the outcomes when residents' levels of satisfaction with Council were assessed against their preferred amalgamation option. Both before and after the mailout of Council's information pack, residents registering some degree of satisfaction were significantly more likely to go on to support standing alone than were those who were dissatisfied. That this result was recorded even before residents were supplied with information outlining the consequences of amalgamation suggests that opposition to merging is often grounded in perceptual reasons such as community connectedness and local representation, rather than necessarily the pragmatic cost or service provision implications of the process.



Appendix



Respondent Breakdown by Subcell

	Overall	Male	Female	18-34*	35-49*	50-64*	65+*	Ratepayer	Non-ratepayer
Base	402	193	209	98	103	106	96	342	60

***Note:** rounding applied to weighted figures has led to an ostensible total of 403 for these subcells. Despite this discrepancy, these figures represent the most accurate weighted totals.





Suburb of Residence

Q1. (Recontact survey) Which suburb do you live in?

Suburb	%
Charlestown	8%
Belmont	6%
Cardiff	5%
Eleebana	5%
Cameron Park	4%
Gateshead	4%
Barnsley	3%
Belmont North	3%
Caves Beach	3%
Edgeworth	3%
Toronto	3%
Belmont South	2%
Bonnells Bay	2%
Dora Creek	2%
Glendale	2%
Jewells	2%
Kahibah	2%
Kotara South	2%
Speers Point	2%
Swansea	2%
Valentine	2%
Woodrising	2%

Suburb	%
Argenton	1%
Blacksmiths	1%
Bolton Point	1%
Brightwaters	1%
Cardiff South	1%
Catherine Hill Bay	1%
Coal Point	1%
Cooranbong	1%
Dudley	1%
Fennell Bay	1%
Garden Suburb	1%
Hillsborough	1%
Holmesville	1%
Kilaben Bay	1%
Lakelands	1%
Morisset	1%
New Lambton Heights	1%
Rankin Park	1%
Rathmines	1%
Redhead	1%
Tingira Heights	1%
Wangi	1%
Wangi Wangi	1%
Whitebridge	1%
Wyee	1%
Wyee Point	1%

Suburb	%
Adamstown Heights	<1%
Arcadia Vale	<1%
Awaba	<1%
Balcolyn	<1%
Balmoral	<1%
Blackalls Park	<1%
Boolaroo	<1%
Booragul	<1%
Buttaba	<1%
Cardiff Heights	<1%
Croudace Bay	<1%
Fassifern	<1%
Fishing Point	<1%
Highfields	<1%
Killingworth	<1%
Macquarie Hills	<1%
Mandalong	<1%
Marks Point	<1%
Marmong Point	<1%
Mirrabooka	<1%
Morisset Park	<1%
Nords Wharf	<1%
Sunshine	<1%
Swansea Heads	<1%
Wangi Point	<1%
Warners Bay	<1%
Windale	<1%
Yarrowonga Park	<1%

Base: N=402

Note: suburbs indicated above as returning "<1%" of respondents are those whose total residents surveyed comprised between 0% and 0.5% of the whole sample



Overall Satisfaction with Council Performance

Before and After Receipt of Council's Fit for the Future Information Pack

Q2. (Recruitment & recall surveys) In general, how satisfied are you with the performance of Council, and their services, not just on one or two issues but across all responsibility areas?

<i>Prior to receipt of Information Pack</i>	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean ratings	3.64	3.74	3.54	3.62	3.59	3.51	3.85▲	3.69	3.36
Very satisfied	10%	12%	9%	0%▼	10%	10%	22%▲	11%	5%
Satisfied	57%	63%	51%	72%	57%	49%	50%	58%	46%
Somewhat satisfied	22%	17%	27%	18%	23%	28%	20%	21%	31%
Not very satisfied	7%	4%	10%	10%	4%	9%	6%	6%	14%
Not at all satisfied	3%	4%	3%	0%	7%	5%	2%	3%	4%

<i>After receipt of Information Pack</i>	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean ratings	3.97	3.97	3.96	4.00	3.88	3.87	4.13	3.97	3.96
Very satisfied	22%	21%	24%	18%	17%	20%	35%▲	23%	18%
Satisfied	59%	62%	56%	67%	65%	53%	49%	57%	67%
Somewhat satisfied	14%	13%	14%	12%	11%	20%	11%	15%	7%
Not very satisfied	4%	3%	5%	3%	3%	6%	5%	3%	8%
Not at all satisfied	1%	2%	1%	0%	4%▲	1%	1%	2%	0%

▲▼ = significantly higher/lower level of satisfaction/percentage (by group)



Support for Proposed Amalgamation Options

Merge with Newcastle City Council vs. Stand Alone

- Q5. How supportive are you of Lake Macquarie City Council merging with Newcastle City Council, creating a larger single council?
 Q6. How supportive are you of Lake Macquarie City Council seeking to stand alone and not merging or making a boundary change with any neighbouring council?

<i>Merge with Newcastle City Council</i>	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean ratings	1.75	1.87	1.65	2.17	1.67	1.68	1.51 ▼	1.76	1.70
Completely supportive	2%	4% ▲	0% ▼	0%	3%	3%	2%	2%	0%
Supportive	3%	3%	3%	3%	1%	5%	4%	4%	0%
Somewhat supportive	18%	21%	15%	38% ▲	16%	11%	5% ▼	16%	26%
Not very supportive	22%	20%	24%	30%	20%	19%	20%	23%	18%
Not at all supportive	55%	52%	58%	28% ▼	60%	62%	68% ▲	55%	56%

<i>Stand alone</i>	Overall	Male	Female	18-34	35-49	50-64	65+	Ratepayer	Non-ratepayer
Mean ratings	4.05	4.00	4.09	3.70	4.10	4.08	4.31	4.05	4.06
Completely supportive	44%	47%	41%	28%	46%	47%	54%	44%	45%
Supportive	30%	22%	37%	25%	32%	29%	33%	29%	31%
Somewhat supportive	17%	18%	15%	35%	12%	13%	6% ▼	18%	9%
Not very supportive	7%	9%	4%	12%	4%	7%	3%	5%	15%
Not at all supportive	3%	4%	3%	0%	5%	4%	4%	4%	0%

▲ ▼ = significantly higher/lower level of satisfaction/percentage (by group)



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research

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Attachment H – Our Fit Future Information Brochure – May 2015

Our City - snapshot



202,000
total population



12,000
thriving businesses



4
patrolled beaches



6
swim centres



#1
regional city in NSW by population



80%
broadband coverage by end 2015




100km
dedicated and shared cycleways




11
libraries

Have your say


 Find out more online


Visit www.haveyoursaylakemac.com.au/our-fit-future or scan the QR code below, to participate in online discussions, read Council's previous submissions and tell us your feedback.


 Sign up to our electronic newsletter

Your City Online keeps you in the loop with the latest Council news, events, public notices and much more. Sign up at www.lakemac.com.au/your-city-online.

 Join the online conversation

 www.twitter.com/lakemac

 www.facebook.com/lakemaccity

 We can answer your questions

Call our Customer Service Centre on **4921 0333**.
Email us at council@lakemac.nsw.gov.au.



Lake Macquarie City Our fit future



Information for residents - June 2015

Response to the State Government's reform of local government in NSW and what it means for you

Welcome to our fit future

You, your family or friends will no doubt have heard something about the State Government's plans to make changes to the boundaries of local councils across NSW, in an effort to achieve various goals they have identified. This is called Fit for the Future, and is now under way.

Local government reform in NSW is important, and of even more importance is what is best for the people of Lake Macquarie City. In this matter, those goals are the same. What we need to be doing is making sure that we build stronger and more sustainable councils through appropriate processes and structural changes. Lake Macquarie City Council opposes recommendations to amalgamate and, by the end of June, it will make a submission to the Government's Fit for the Future program stating that. We are committed to undergoing the "Council Improvement Program" that is available in Fit for the Future, which will ensure Council is in an even stronger position to stand alone.

The simple fact is that amalgamating Lake Macquarie and Newcastle city councils is not necessary and would be costly and detrimental to our community. The cities of Lake Macquarie and Newcastle are very different. Each has different requirements and systems of government, which determine the core services and long-term plans delivered by each council.

Lake Macquarie City Council is performing strongly and is well placed to provide good-quality daily services that all our residents expect and rely on. But there is always room for improvement. We already meet the requirements for a sustainable and efficient council with effective strategic capacity to lead the City, such as our role in Hunter Councils, land use planning and catchment management of Lake Macquarie. We already enhance the lifestyle and liveability of our communities through high-quality governance using the Integrated Planning and Reporting process, and first-rate service delivery including libraries,

swim centres, waste and illegal dumping management, and shared pathways. Undergoing the Council Improvement Program will only enhance us further.

The State Government wants NSW councils to have sufficient revenue streams to meet the growing needs of their communities without over-utilising debt, being overly reliant on other governments, or compromising levels of service to their communities. Lake Macquarie City Council is ready to embrace that challenge and believes it can do so.

Of course, being fit for the future should not mean that Lake Macquarie should lose its unique identity. Lake Macquarie is a significant city in its own right. The people who live in the 100 villages that dot our coast, lake and bush are blessed with a great natural environment, a strong sense of community and a positive vision for our future. That should not and will not change if, as desired, Fit for the Future outlines a clear path to a more sustainable City and Council in Lake Macquarie. An artificial amalgamation between two areas with disparate lifestyles, business practices, traffic congestion, building density, open spaces and environmental demands will likely put that at risk.

Fundamentally, our residents identify themselves with our impressive Lake and associate their neighbourhood, lifestyle and sense of identity as being intrinsically linked to it. Our residents know they are from Lake Macquarie City and are proud of it; they either chose to move here or have always lived here.

All of this is the challenge ahead for Council, the City and its communities. To find out more information, join the discussion, or have an active voice in the conversation as Lake Macquarie seeks to become fit for the future, visit www.haveyoursaylakemac.com.au/our-fit-future.

Jodie Harrison

Mayor of Lake Macquarie



What is Fit for the Future?

The State Government is assessing the financial health and general sustainability of all 152 councils in NSW, and is keeping open the option of amending local government boundaries and amalgamating councils. The program, which is called Fit for the Future, will be the final step of the State Government's reform of local government in NSW. For more information on Fit for the Future, visit www.fitforthefuture.nsw.gov.au.

Next steps



June 2015

Lake Macquarie City Council submits its Fit for the Future response as intending to stand alone with a clear path towards even greater sustainability, to the State Government by 30 June.

October 2015

IPART makes recommendations on councils' futures to the Government, after considering all the councils' Fit for the Future submissions.

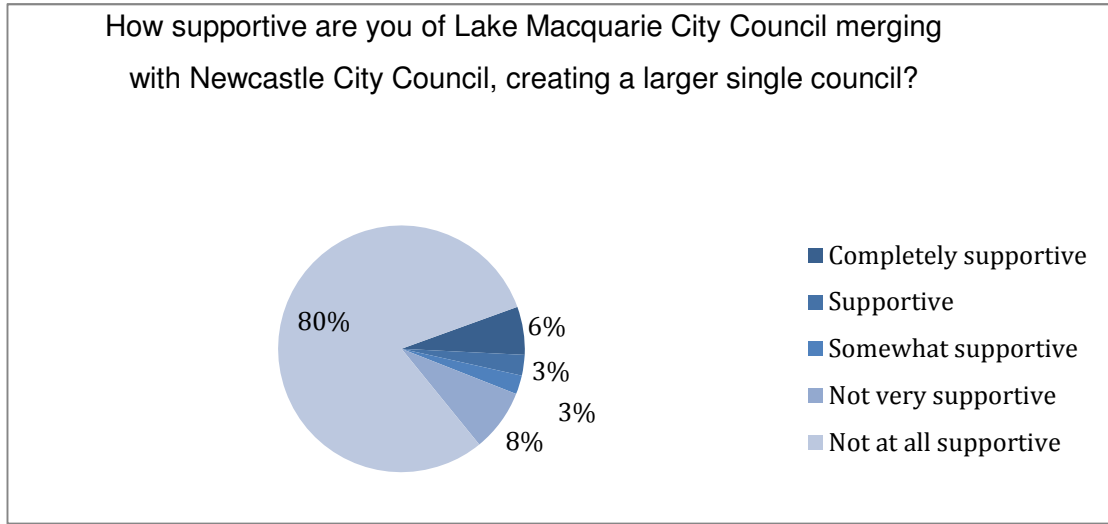
September 2016

Local Government elections are scheduled.

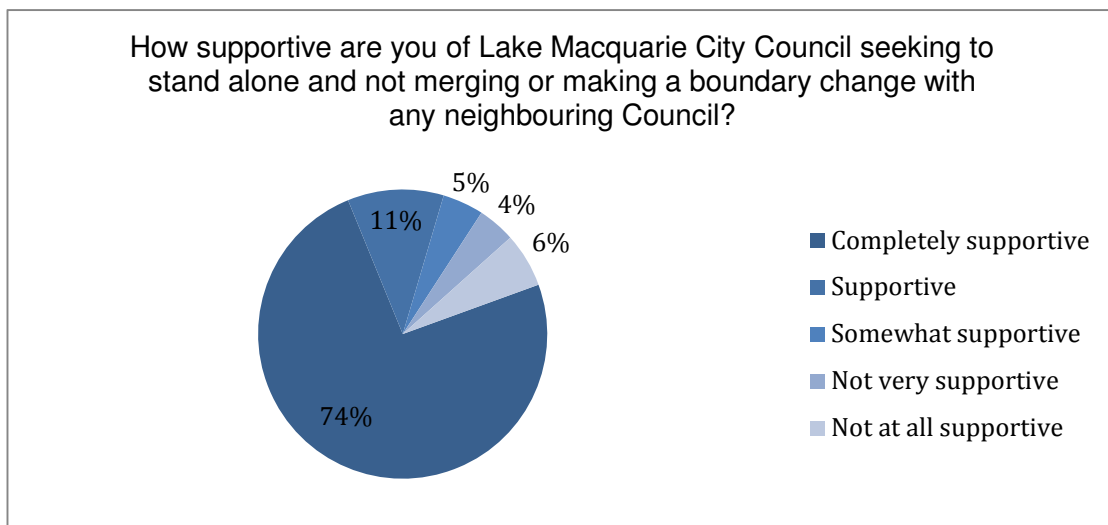
Attachment I – Our Fit Future Have Your Say Survey Results

Raw data from Our Fit Future Have Your Say survey
(25 May- 23 June 2015)

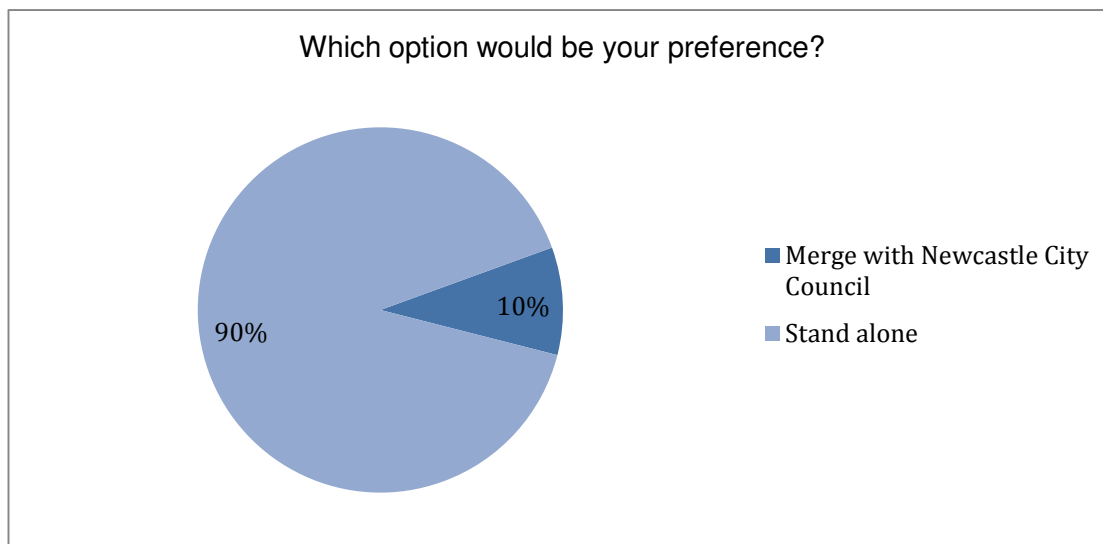
1) How supportive are you of Lake Macquarie City Council merging with Newcastle City Council, creating a larger single council?	Counts
Completely supportive	51
Supportive	22
Somewhat supportive	20
Not very supportive	66
Not at all supportive	649



2) How supportive are you of Lake Macquarie City Council seeking to stand alone and not merging or making a boundary change with any neighbouring Council?	Counts
Completely supportive	601
Supportive	87
Somewhat supportive	37
Not very supportive	34
Not at all supportive	49



3) Which option would be your preference?	Counts
Merge with Newcastle City Council	77
Stand alone	731



4) Why do you say that?

Lake Macquarie city and Newcastle city are very different environments with different business, industry, residential, social and lifestyle needs, options and choices. These are reflected in the resident communities of both cities. It would be extremely challenging, if not impossible to manage the vastly different needs and expectations of the two cities and communities if they were combined as a single local government entity.

Having observed the operations and performance of Newcastle and Lake Macquarie councils for many years I very strongly believe it would be against the best interests of Lake Macquarie city and its residents to amalgamate with Newcastle city.

I very strongly agree with and support Lake Macquarie City continuing as a stand alone council area.

Since I can remember, most people & myself are disgusted with Newcastle council. The continual Laman St debacle & uprooting of the Fig trees is a typical example. They have way too many staff compared to other councils. Newcastle city is a joke & they are mainly to blame by continually knocking back, deferring etc inner city building projects. At least Woolworths LTD have finally been allowed in town. Shops moved out to the suburbs due to council stupidity. I do not want to merge.

Lake Mac council has been well managed over the years and the area reflects a mixture of residential and small business with diverse centres around the lake (Toronto, Warners Bay, Belmont etc)
 We do not wish to have to take on the Newcastle council debt
 The Newcastle mixture of a now defunct CBD together with large industry built around the Hunter Port is not a good fit with Lake Mac.
 Lake mac has been proactive in adding to the recreational infrastructure of the LGA with good examples such as Speers Point play ground and extensions to the Ellabarna to Speers Point walkway and proposed extension of the Fernley track etc.

I have recently moved into the lake area And our current council in comparison to Newcastle is like comparing chalk to cheese. the standards of service are excellent The council is run efficiently, Has a sound financially base. very good environmental focus. I believe so strongly in support of no amalgamation that I have changed my history of voting for the liberal's. I would be prepared to assist in anyway that I could to prevent this from happening.

Newcastle and Lake Macquarie have very different needs and demographic. Culturally we are very different and I believe it would be very difficult for one council to cater for the needs of both community's.

I think Newcastle & LMCC have very different lifestyles & needs, therefore our priorities are likely to be swamped by those of Newcastle & thus ignored in one way or another.

I am very happy with Lake Macquarie City Council & all the services they carry out during the year in

<p>the suburbs of Lake Macquarie. There is always workman/women out in the areas carrying out their tasks in a proper manner & if you need to notify the Council of problems there is always a helpful person on the other end of the phone who can direct you to the right department. Lake Macquarie is Our Council, they look after us like a big country town (even though it's made up of a lot of big country towns) & I feel merging with Newcastle City Council will end that secure feeling. It will get so big that services & people will suffer.</p>
<p>I am completely satisfied with Lake Macquarie City Council's progress; I do not see the same happening in Newcastle City Council.</p>
<p>Lake Macquarie City Council has proven itself to be Fit for Future, an efficient and effective leader in the local government industry.</p>
<p>There is no reason to force a Council that is performing well in all of the performance areas to merge with a Council that is not.</p>
<p>Lake Macquarie is a beautiful LGA and we are very proud to be residents of it. It is already 4th largest Council in NSW and 10th in all of Australia, it is big enough and does not need to be merged with Newcastle which will only be detrimental to the residents and staff of LMCC.</p>
<p>Lake Macquarie City Council is currently operating at optimum levels. I am happy with the current rates and quality of service the council provides. Lake Macquarie LGA is already a large area and combining it with Newcastle would increase the area of land to service the community. This surely would have an impact on rates and quality of service. Please leave Lake Macquarie as an independent council.</p>
<p>Lake Mac Council performs well, Newcastle Council not so well. Joining the two councils together to make a "supercouncil" wouldn't make sense financially and would see a dilution of service to Lake Mac residents</p>
<p>Newcastle Council poor management so far will have an influence on our performance (if merged) and so make lake Macquarie ratepayers worse off with a possibility of never being able to divorce ourselves from Newcastle City Council. Long term prognosis: Poor, Bad move, Not attractive at all!</p>
<p>Newcastle City Council is good at looking after the more populated inner-city areas, however, I believe a merge of NCC and LMCC would lead to those more 'outer' suburbs that LMCC looks after becoming more and more neglected.</p>
<p>Newcastle council has financial issues and a backwards view on development and infrastructure. We'd be taking on their problems to Lake Mac's detriment.</p>
<p>I feel that larger Councils will not be able to support the individual and have the money spent in our region where needed. I believe it would take longer to process DA's and other council requirements.</p>
<p>Why should we the LMCC residents support a council, who can not manage their finances. Why should we as rate payers have to have our rates go to another council. I say no way should the two councils merge.</p>
<p>Lake mac council is amazing and all I can see are negatives on trying to spread that level of maintenance and improvement over such a bigger area.</p>
<p>Newcastle Council appears most inefficient whereas I believe Lake Macquarie Council works well. It would be detrimental for us to merge with them.</p>
<p>The council we have runs well and money spent is allocated fairly</p>
<p>I feel that all services would into the Newcastle city's area & not spent in Lake Macquarie</p>
<p>I think that lake mac council is outperforming Newcastle & a merge would only bring down the whole area. Also current boundaries for Newcastle with higher density, lots of commercial including the harbour & largely older heritage buildings, has very different needs compared with suburban & lower density of lake mac. Two different strategies & mgt structures. To combine is geographically way too big!</p>
<p>It would become far too big. We seem to have far better services than Newcastle and want it to remain that way. The lake has different needs to that of Newcastle.</p>
<p>I don't see how merging the two areas will benefit the people of Lake Mac at all. Won't we just then be responsible for all of Newcastle's problems?</p>
<p>We have entirely different needs to newcastle</p>
<p>Better council in all</p>
<p>I believe that Lake Macquarie City Council has the capability and the facilities to maintain itself</p>
<p>Lake Macquarie council manages it's resources and assets well considering its vast size and moderate population numbers. The council always liases with residents on improvements and important decisions. Newcastle council is cash strapped, lacks decision making abilities and cohesive. Merging with Newcastle council would see the Lake region suffer the same way inner Newcastle is - on neglect. Such a terrible idea!!</p>
<p>I much prefer the way that LMCC looks after its ratepayers and the services that are offered,</p>

compared to NCC.
L.m.c.c performs very well for its residents, it already has a large area of happy residents to govern & if they amalgamated with Newcastle.c.c residents in lake Mac would loose out. There is no way I would ever support an amalgamation!
The time for change in local government is now.
Because the area will become to large for one council to keep the best intrests of the entire area as they should be.
Less inherit "baggage" to help clear up. I.E. Rail corridor, foreshore etc....
Why should a successful council that cares about it's ratepayers be drag down by one that seems to enjoy wasting money?
Newcastle is a major city which has been full of corruption, miss management and waste for years they keep cutting services and raising rates and more parking meters to try and stay afloat. Lake Mac has similar population size but is a collection of unique "towns" / communities.
Lake Macquarie covers a vast area, and merging with Newcastle would be a major disaster just waiting to happen. Quite frankly Newcastle can't run itself to save itself and I don't want the Lake to go that way and our rate prices to go through the roof like Newcastle with very little in return.
Lake Macquarie City is large enough to warrant its own local government area. We have different needs as a council than that of Newcastle council. I am also concerned that many of the problems of Newcastle council will be met by cutting staff from Lake Macquarie.
As a resident on the south western side of the lake, we have witnessed over many years, with increasing dismay, the little infrastructure spending that comes our way. When we requested a shared pathway/cycleway for our region some years ago, to connect Morisset, Cooranbong, and Dora Creek with the Peninsula, allowing both our elderly and youngsters to maintain fitness, vibrancy and social connections, as well as providing invaluable work experience for Morisset High School students during its construction (the principle had offered to build it with his students), we were told Council did not have the funds. To now see council planning to spend \$3.4m on a short cycleway section on the north eastern side of the lake confirms to many south westerners that we are a forgotten region. Therefore, whether we amalgamate with Newcastle or go it alone is almost irrelevant. There may be some advantage to us for not amalgamating. Alternatively, if we amalgamate, during that process, our region may be transferred to Wyong, which I believe would look at us more favourably
We are big enough to stand alone. We have a large enough population.
LMCC is so much more efficient and effective than NCC. Having been a rates payer in both council areas I could never support the merging of these two Council areas. LMCC manage their assets and finances extremely well, and provide excellent services to Lake Mac residents. A merger would be extremely bad news.
we are serviced well by this council.I don't want this to diminish as staff are spread too thin.Less staff with more to do ...crazy!!!
Lake Macquarie has different issues and priorities to NCC. Our Lake and surrounding suburbs need to be in the control of one government. Currently, and for quite a number of years, we have been in a better financial state than Newcastle, our Councillors are more in tune with its citizens, and our services have always been better than Newcastle's. We are a city in status and that should not be taken from us, by dividing us up for the interests of other councils.
Because Lake Macquarie is large enough in area and population to stand alone and is better off financially than Newcastle Council and the management staff do a superior job.
Lines on a map are not real. The lake region is a natural entity and it has it's own boundary. It is not the outcome of some politically inspired ideology. It is essential that we maintain our unique identity , just as Newcastle should keep it's identity. Whilst it can be argued that there may be some cost benefit in utilising common assets (both human and technological), that has nothing to do with our identity. I feel that we need to maintain our village type lifestyle where we know our neighbours, and support each other.
Council has performed well and should be allowed to get on with preparing for our future ... a future unique to our region.
I have lived within both council regions, and trully believe Lake Mac council is far better. I would prefer a smaller council, that concentrates on a smaller area than a larger one that looks after a huge area.
Newcastle council has less money, provides less to their residents. Take the bulk waste collection of Lake Macquarie which is a great idea for the household to clear unwanted items, in Newcastle the home owner not tenant gets to use two free collection tickets. What a joke. STAND ALONE LAKE MACQUARIE!!!
One geographical area, I think services could be better delivered if amalgamated. Duplicate staff / processes etc. However consideration does need to take into account unique areas within both especially around the Lake but there are more similarities than differences eg roads, infrastructure, transport, open spaces

<p>(parks, fields, pools, beaches) and core services & facilities (libraries, family day care, garbage, recycling, road maintenance etc).</p> <p>LMCC performs better, especially for money to service ratio however a vast majority of residents from both LGA's use services & facilities from the other. LMCC appear to be better at listening to residents and consultation too.</p>
<p>Lake Macquarie & Newcastle Councils are opposites, Lake Macquarie Council is a balance of work, family & environment while Newcastle is concrete & money. When we moved from Sydney a couple of decades ago we made sure we didn't buy in Newcastle Council area & have been so glad we didn't.</p>
<p>Newcastle council is full of idiots.</p>
<p>We have a better run council with better services that have been deleted from Newcastle council. All I hear are complaints from residents of Newcastle Council run area but hear compliments of Lake Macquarie. Just fix our roads please?</p>
<p>I think it would be best to merge, to create one council. I think this would be good for tourism and business, and less confusing for people unfamiliar with the area. Lake Macquarie can be a lake, but I don't think it should be a "city" (or council).</p>
<p>Lake Mac Council has been telling its residents for years that it is financially sustainable...Leave Lake Mac ALONE!</p>
<p>Lake Mac is a large area and it would only be to our detriment to merge with Newcastle who has no or little ability to manage their own local government area. Their rates are significantly higher than ours for less local facilities.</p>
<p>Job losses is also another major concern with a lot of families possibly affected.</p>
<p>Bigger will be better. Reducing administrative overheads, reduce duplication. We are one really, its just Council boundaries that define us separate citys.</p>
<p>Because Rate payers must be better off if we can get rid of duplicated Services eg. 2 x General Managers receiving Huge wages and allowances to supervise Managers of various department. To many Managers with this Merger this could be reviewed and each department brought back to a sensible ratio of Managers and Assistant Managers to the Numbers of Staff. Duplication and over Staffing in every Department needs to be reviewed and this would be a good time with a Merger to cut back and stop the continued Growth of this Government Department.</p>
<p>Lake Macquarie has proven it can operate efficiently in consultation with its residents. Newcastle Council is a mess and its not fair to our rate payers that we inherit their incompetence and problems.</p>
<p>Scale of efficiencies. A merger could save on services reducing the need to double up on services such as art galleries etc. It seems crazy that so many program are replicated by another council just a few suburbs away. A merger would enable consistent messaging on many environmental issues ensuring less confusion.</p>
<p>Newcastle is about to raise it's rates considerably. I would rather not be a part of that. Lake Macquarie works well for us thankyou</p>
<p>Why change a good thing.</p>
<p>NCC would leech the greatness out of LMCC</p>
<p>Personally it would suit me to be able to have the option to work in Newcastle as I live in the city. My concern with a merger is that I think the issues that NCC have been going through over the past years have not been solved and feel it would further complicate things to involve those issues with the issues of a merger. A merger would be best - though still difficult - if both organisations were functioning well.</p>
<p>If we merged with Newcastle it would be a huge geographical area to govern considering how big the lake is. I think the south western side of the lake will definitely miss out .</p>
<p>I feel the best option would be for LMCC to merge with councils to the south ie Wyong. A merge with Newcastle would create a very large Council with important areas potentially being overlooked.</p>
<p>If it's not broke, don't fix it. LMCC seems to be weathering all the storms, economic & physical. Newcastle has so much 'baggage' that it would not be a case of sharing the load as infecting the clean host.</p> <p>I do not know how an amalgamated council would be run - newly elected councillors etc but as mentioned before there is no need or call for an amalgamation. LMCC is a large geographic area already. How big does the State Govt. want these new council areas to be??</p>
<p>Lake Macquarie City council performs extremely well for its residents covering a very difficult & spread out Topography. Their management skills appear to be far superior to those of Newcastle City Council</p> <p>& have been for a long period of time. One fears that the welfare of our magnificent lake would not be fully understood & given the importance it requires when included with the Newcastle region .</p>
<p>Newcastle Council is dysfunctional, has significant financial constraints that I don't want Lake Macquarie ratepayers to be responsible for.</p>
<p>We are 2 seperate cities with completely different needs. Lake Macquarie Council does a great job with little waste of time or rate payers money unlike Newcastle Council. Leave lake Macquarie alone to do what it does well and that is look after us rate payers.</p>

<p>A merger would only benefit the Newcastle council, rose from years of ineptitude, and would offer no benefit whatsoever for lake mac. We have better services, better communication, and we're in vastly better health financially. A merger would end up with skyrocketing rates, deteriorating services, and decaying streets and facilities. DO NOT DO IT. Doesn't matter what incentives those rats in parliament offer it won't be worth it.</p>
<p>I've been a resident of other City Councils when Merging & It Has Never Worked! The better managed & more financial Council gets assets removed & income & services are all compromised & ultimately spent Outside Their Original Governance Borders. They become "forgotten" despite massive rates & services increases.</p> <p>LMCC I take my hat off to you for your amazing management, programmes & care of All Of Us from Children to Seniors. Well Done & May you Govern Unhindered.</p> <p>Seeing is believing! I've Seen & Firmly Believe it's the worst outcome possible for LMCC & It's People! Stay Independent & Stand Alone & Stand Tall Doing So.</p> <p>Ps/ we could also lose what Rural Status We Hold = Not Good At All!</p>
<p>You just need to look at a number of things with regards to Newcastle Council. They have just had to have a huge rate increase in their council rates due to the state of their finances. You cannot park anywhere in Newcastle CBD or surrounds without having to pay huge parking fees. The Newcastle CBD is dead. The council has squandered Newcastle Mall and East Newcastle. It had the potential to be prosperous and a major tourist attraction with several developers willing to spend millions of dollars to develop the area. Also the flat refusal to allow Newcastle to grow into a real city by refusing to allow developments to rise above Christ Church cathedral.</p> <p>Lake Macquarie council is a progressive council with plans for major development in Charlestown. There are no parking meters in any town centres. The council also has plans for a major redevelopment of Glendale.</p> <p>Lake Macquarie council is a forward thinking council looking towards the future, whereas Newcastle Council is looking towards the past and refusing to allow the city to move forward. There is no way as a Lake Macquarie resident I want to be associated with Newcastle and have Newcastle backwards thinking hinder the growth of Lake Macquarie.</p>
<p>No I do not support any amalgamation with Newcastle City Council or any other that may or does border Lake Macquarie City Council , belief is that this would create a "super council " , more unaccountable and the out come of less efficient council and less if no support from the state government , definitely not</p>
<p>Lake Macquarie council are competant and forward thinking in contrast to Newcastle council. It is on the best interests of Lake Macquarie residents that Jodie Harrison and her team are allowed to continue their good work independently of Newcastle council.</p>
<p>Very happy with current council services in Lake Macquarie. All I seem to hear about is the dire financial state of Newcastle city council and would hate for Lake Macquarie to get dragged down in that</p>
<p>Amalgamation does not result in savings and a loss of community identity. Important for the people of Lake Macquarie to have control over the direction of their area.</p>
<p>How much did ncc spend on the fig tree debarcle??? Enough said!! Lmcc is self sufficient, self insured, has a great GM that would be lost to the city if we amalgamate. NO means NO!!!!</p>
<p>newcastle city council is in enough trouble without merging with Lake Macquarie. Many smaller Newcastle suburbs are ignored this would carry over to Lake Macq if merged. Finally the area would be to large and council would focus on the necessary details and issues of the community.</p>
<p>Newcastle council are crap. We don't want Lake Macquarie to be dragged down the toilet by Newcastle merging with Lake Macquarie council.</p>
<p>LMCC is well managed and highly effective. The Council enjoys the confidence of a majority of ratepayers and it should be allowed to continue this performance into the future. What is paramount is what ratepayers want from their Council. What is not important is what Sydney based bureaucrats think is in our interests. NCC will support a merger in order to disguise their own ineptitude and poor performance. This cannot bevalloved in any form.</p>
<p>Newcastle city council seems to have no idea and are too stuck on the past, it takes an absurd amount of time to get anything approved through them. Lately there seems to be improvement but to little to late</p>
<p>Lake Mac is a brilliant council! We have lived in both . Would become diluted - (although lake mac could teach Newy a thing or two)</p>
<p>I have lived in a number of countries and cities around the world and have been very pleasantly surprised by the positive and helpful attitude of the council and at the same time the council is financially stable and strong.</p> <p>Newcastle council on the other hand is disjointed, disorganised and fraught with in fighting. A few examples: fig trees, CBD redevelopment. And financial stability is not a feature of Newcastle Council. A merger can only be an advantage for Newcastle and ca only be a disbenifit for Lake Mac.</p>
<p>Lake Macquarie is so different to Newcastle. It is already a huge council. Any bigger and the needs of</p>

the residents will be harder to be met.
quite simply, Newcastle is a liability. Why bring Lake Mac down?
Newcastle City Council for the last twenty or so years has earned a reputation of being completely incompetent and not able to manage itself. NCC has time and again stifled progress for both of our cities. There can be no positive outcomes for residents of LMCC to merge with NCC.
Newcastles track record is not as good as lake mac
Lake Mac Council and Newcastle Council are very different regions and should be allowed to govern them as separate. We are happy with the operation of Lake Mac Council, and horrified at the mess Newcastle has made of theirs.
The council has proved how better run the community and services are by being a stand alone council. Also the needs of the residents of the lake are very different to those of Newcastle
I am absolutely opposed to Lake Macquarie City Council merging with Newcastle and likewise opposed to the Independent Local Government Review Panel's suggestion that the Morisset-Wyee area be incorporated into Wyong. It is vital that LMCC NEVER be dissolved or merged with any other local government area(s). Going forward it is equally important that the LMCC southern boundary be revised so as the seven Wyong localities of Mannering Park, Kingfisher Shores, Chain Valley Bay, Crangan Bay, Summerland Point, Gwandalan and Point Wolstoncroft, which share the Lake Macquarie shoreline, be incorporated into the Lake Macquarie LGA without further delay. This southern section of the Lake Macquarie shoreline forms the missing link of the lake catchment area and, as with the rest of the lake's shore, should and MUST fall within the jurisdiction of Lake Macquarie City Council.
Lake Macquarie council has an excellent reputation and supports its community in many ways. An amalgamation would see the loss of our independent identity from Newcastle, Newcastle council has a poor reputation and is in it for themselves, not the people.
All the money would go to Newcastle and Newcastle doesn't know what is like to look after a large lake like ours.
We are 2 cities of large populations. I think an amalgamation would result in a population that is too large to be managed well by a single council. The lake also makes Lake Macquarie city unique to manage and results in different challenges to those faced by Newcastle. I'd worry that suburbs on the west and south side of the lake would miss out on even more services than they currently do because they are so far by road from Newcastle.
Newcastle Council seems to be too dis functional. Do not appear to be too good with their finances. Would be mighty annoyed if I was in their local area. To have a nearly 50 % rate increase and then days later be voting on giving themselves a pay rise is not a good.
A merger should be a best fit. I do not see that The City of Newcastle and Lake Mac CC are necessarily best fit. Experience from council mergers in Victoria has shown me that those councils with similar goals and maturity were good fit. I don't see this between these particular councils. Has Lake Mac CC considered Wyong Shire Council - although they seem likely to merge with Gosford City Council - food for thought.
Newcastle can't look after itself
Ncc r hopeless lmcc can do great things
Already residents of West Lake Macquarie do not get a lot of support in their area from Council. If they merged with Newcastle Council we would receive even less support than we do now.
Lake macquarie council has done an excellent job and we don't need to merge with a council that have very public problems and disputes. I also feel that funding may not be evenly distributed especially to the lower end of the lake.
NCC historically has been poorly managed & has too much infighting between political groups and between councillors and administration - LMCC is basically free of that crap.
The two Council areas are very different and the residents of each have different priorities and needs.
Lake Mac would become the poor cousin to the needs of the Newcastle City CBD. New astle is an inefficient council now.....the area would just be to big to manage!
Having too many councils creates too much politics. By reducing the numbers of councils it will create more consistency throughout and will allow more funds to be dispersed as opposed to waiting years for development. Plus it will make funding for the Lake Mac area more accessible as opposed to competing with Newcastle. The different wards/councillor can be dispersed more effectively by having them represent local electorate similar to how State Parliament functions for the MPs. This will allow councillors and mayor to make better representation and accountability for how they run the Hunter Valley area.
LMCC is not broke so why fix it. From my understanding as a Lake Mac resident have been for 20 years and the thought of merging with Newcastle would change the identity of Lake Macquarie. What would the name of a new council be? I can't see any resident of either councils being happy, unless it financially benefits them.

Newcastle council have no idea , everything they do is to discourage people to go go into town. Now they are taking about more parking meters.
1) Merging will mean a loss of local political representation, and will impact on the ability of citizens to express their views and direct limited budget resources to where it is needed most.
2) We already merge services with other Council's where economies of scale can be achieved. Efficiency improvement can be achieved without a merger.
3) Merging NCC and LMCC will not actually reduce service and infrastructure demands in these areas, or magically increase the available funding to address these matters. Same issues same funding pot.
4) LMCC is an effective Council, and NCC is not. Why mix bad apples with the good?
It is common knowledge that NCC are notoriously hopeless. So having any of their powers that be running things at LMCC is quite a scary thought.
Probably uneven allocation of funds in either direction, competing priorities. Likely move of Council chambers reducing the accessibility to residents of Lake Mac, particularly the southern areas. Merged council would be less familiar with suburbs, and their issues.
There is a massive waste in the duplication of services in the area. Why do we need two Art Galleries? Why are our sporting clubs subjected to such a variance in terms and conditions when playing in the same competition? Why should Newcastle Council subsidise things like the Ocean Baths for the use of Lake Macquarie Residents? Why should Lake Macquarie subsidise the Athletics Centre for the use of Newcastle Residents? The list could go on and on. By pooling our resources and working together, we could achieve efficiencies and better provide for the residents of both LGA's
It would be a progressive move for the good of the greater Newcastle and lower Hunter region. I would even suggest that Maitland and Port Stephens should also be incorporated. This would produce economies of scale for councils operations and delivery of day to day services to rate payers. It would have little or no impact on operational personnel but more at the management and executive level where some reductions could occur.
Amalgamation of large councils is unlikely to improve their financial situation. It will certainly reduce the council's cohesiveness and interaction with the public - and, as seen with past merges, a great cause of public dissatisfaction. I think that for councils the size of LMCC and NCC, a merger would be made redundant by other changes, such as: 1) Optimised efficiency of services, perhaps gained from: - Boundary changes, or changes based on geographical considerations - Sharing resources with neighbouring councils 2) Stable income and expenditure, perhaps gained from: - Realistic and binding responsibilities protected from political interference by the State government. - Removal of State government departments that overlap or reproduce existing council responsibilities 3) Increased engagement with local community, perhaps gained from: - Increased remuneration for councillors (thus enlarging the pool of potential candidates) - A binding and public procedural framework for the decision-making processes of both councillors and council employees
I want my rates to be invested in Lake Macquarie Infrastructure and making our city better for our communities. I do not want my rates to prop up infrastructure that will be Newcastle City Centric. I want growth around the lake in Belmont, Warners Bay, Toronto and Swansea. Areas that I actually visit and utilise. I am infrequently in Newcastle City CBD and don't have any real connection with that area.
I have no confidence in the Newcastle Council. We are extremely happy with job that Lake Macquarie council is doing.
the bigger we get the more chance of problems coming up
Merging will be too unwieldy. Their rates are going up & up, I know we do need work in our area, footpaths road upgrades, but very much doubt would get it with merging with Newcastle. Just leave well enough alone.
As a citizen of Lake Macquarie and a business owner within Lake Macquarie, I hold serious concerns about the cost of funding such an exercise. The merge makes no sense whatsoever as far as Im concerned. Lake Macquarie can stand alone, proud of its history and its service in the community. As a business owner, i deal day in day out with citizens of Lake Macquarie, locals that are both proud and happy with the way the local government is run. We should under no circumstances take on the problems of existing debt within the Newcastle city council, let alone take on more to merge with a problematic and overall incompetent council. This merge will be a disaster.

LMCC are neglectful enough of the Westlakes era as it is. If LMCC and NCC were amalgamated the Westlakes area would be completely forgotten.
Newcastle Council has priorities completely different to Lake Macquarie. For example upkeep of older buildings like the City Hall, the ocean baths, the beach foreshore etc. I could see Lake Macquarie ratepayers money being spent on Newcastle projects.
I think that this proposal is far too simplistic. I see no particular logic in merging an intensely urban council with one that has a significant rural component. I think it would be more useful and far sighted to ignore existing boundaries and look at all the councils in the lower Hunter and adjacent regions and draw new boundaries based on logic rather than history. Sadly, experience tells us that this approach is unlikely.
Newcastle CC has many problems that we (LMCC) do not need to acquire. On the western side of LM, we are well behind in infrastructure and medical needs now ~ we would be further down the pecking order if we merged with NCC. Our southern boundary does NOT need to be altered to boost any central coast council, be that Wyong or a combined Wyong, / Gosford Council
LMCC is a well performing council as it is . NCC is not.
Why change things that are working well with no guarantee that bigger will be better?
I already live in one of LMCC's forgotten pocket suburbs and Newcastle has it's own difficult, expensive to rectify issues and ongoing financial problems. I would rather see LMCC stand alone and focus on improving facilities in forgotten pocket suburbs like Edgeworth, plenty is spent in surrounding Glendale (commercial centre) and Cameron Park (newly developed suburb) but little in the traditional suburbs being consumed in between.
LMCC has proven over recent times to be an effective and efficient organisation, merging with NCC could prove to be detrimental to LMCC current financial situation. I THINK WE HAVE THE BEST COUNCIL.
Lake Macquarie is a unique area that cares about the local people. To become part of a larger electorate would lose that local feel. The issues of the smaller areas would be lost to the more "important " issues. Also, from what I understand Lake Macquarie is in a more financially stable position at the moment. I don't want my rates propping up an electorate that needs more money.
Having lived within both council areas within this past year, and owning a business in Newcastle CBD I can clearly see that Lake Macquarie council is much more resident/human friendly. It's much too late to elaborate for this tired brain but living in lake Mac council at the moment having bulk waste, clean parks, and feeling listened to by the council makes a big difference
Newcastle council always runs out of money. With lake Macquarie we are smart with our money and this merge would only benefit newcastle and not us.
Also newcastle has just put up the land rates by a crazy amount. I don't want that to happen to us.
Lake Macquarie has built for itself a stand alone image and a track record of good government and managing of our area. To amalgamate would take away that focus of our own area and not concentrate on keeping the hard work that has been done looking after our infrastructure. Our council has worked hard over the years to set our area up and for us to amalgamate would be a drain on our resources to another council area that is large enough to be able to manage itself if done properly.
We r part of Lake Maquarie not Newcastle!
Different areas have different needs and issues. More remote areas would be overlooked in favour of the latest city centre money sink. Wouldn't want Lake Mac to be managed the way Newcastle has been.
Council both Newcastle and lake mac waste too much money They should go back to the basics and forget about saving the world "eg" climate change and all the other green/labour stupid policies that only waste money The current mayor of lake mac should hang her head in shame holding two jobs while there is so much unemployment in her local council area
I don't believe that Newcastle is as financial as Lake Macquarie and they will take all our money and services in Lake Macquarie will deteriorate.
Newcastle City Council have quite clearly proven they are not succeeding as a great council with so many buildings falling apart and nothing been done unlike Lake Macquarie City Council who have proven they are doing things for the community and surrounds and maintaining the Lake Macquarie area quite well, by merging them both would be a total disaster
Different people at LMCC and have their own ideas.
I believe Lake Macquarie and Newcastle have different needs. I believe Lake Macquarie is unique with regard to our ecosystems and that Lake Macquarie has done and continues to strive toward ensuring it's residents have a beautiful, healthy, well maintained environment in which to live and raise families. I have found Lake Macquarie Council to be supportive whilst maintaining a professional caution when dealing with residents needs and ideas. I don't believe the same can be said of Newcastle Council. The steady positive growth in so many areas in Lake Macquarie is a credit to our Council.

Lake Macquarie deserves its own council. It will get lost among the issues of Newcastle council, not to mention their poor financial position.
NCC seem to have many problems
It is ridiculous that we can't govern this area with one council, it would be a significant saving in costs. I also believe that Lake Macquarie council has all the right political motherhood statements such as their 2030 vision etc, however the way in which the council and in particular Councillors are handling current planning/projects is frightening. Obviously the community are at odds with the council on current zonings, LEP, and DCP which were adopted/ endorsed by the current councillors, yet as we sit here today we have at least 3 projects worth approx. 30 million that are stalled because the councillors won't approve the DA's which comply with their own planning codes. The Lake Macquarie city Council (Councillors) is a mess and lacks good leadership. All the Council is doing is pushing the price of the end product (Houses) by delaying projects which comply, as applicants endure further holding costs which are ultimately passed on to the consumer.
LMCC do an amazing job, providing well maintained roads, cycleways,public parks & pools, patrolled, beaches. Garbage recycled & green waste services. They also give wonderful support to community projects. LMCC appear to be performing strongly. With an increasing population I can not see any benefits to LMCC by merging with NCC. I would go as far to say I honestly think it could be a huge strain on LMCC and compromise not only there efficiency but there finances .
An individual council for each area would be able to focus more on the specific area, rather than creating one bigger council that has loads of areas to focus on.
I have observed Newcastle City Council's decision making over 70 years and it has become more erratic, impractical and often disastrous as time has gone by. While I'm sometimes critical of Lake Macquarie City Council, it is more practical and progressive than its Newcastle neighbour.
My current experience with Lake Macquarie is that there is a late disconnect between the councillors and the documents and policies which they endorse.
It is all well and good to endorse the 2030 strategy, LEP and DCP, but the councillors then do not stand behind them. A current example I give is a small lot housing subdivision at croudace bay, currently before council. It has been recommended for approval by council staff because it complies with the legislation which councillors adopted. Contrary to this it has now been through 2 council meetings and a site inspection without decision.
Some comments by councillors at a recent meeting highlight a lack of understanding. One councillor, when commenting on the new warners bay DCP stated words to the effect of "this is just a DCP, we can assess da's later on." This attitude to planning sets council up for a fall later on. A developer, resident or any other party should be able to submit, in good faith, applications which are compliant with councils planning instruments, with the knowledge that that is the standard which council and councillors have agreed for development.
This has not occurred at croudace bay. Councillors are now suggesting that the application be amended to a non complying (in terms of DCP) design before they will grant approval. If councillors do not want certain types of development, certain types of roads or certain goals in the 2030 vision, they should not approve them. It is completely unfair on the residents, rate payers and staff that we are now in this situation.
As a young person who has just finished studying at university, I find it extremely disappointing that councillors value vote grabbing, political games over sound planning decisions which reinforce the policies their council has adopted.
It's one City - we should get together and really drive services, development, promotion and community.
Newcastle has little regard for the opinions and views of its residents. Why we would want that?
We do not need the debt and issues of Newcastle City Council.
Why should our council prop a completely ineffective Council like Newcastle. The council members themselves are a joke and are blatantly ripping off the residents and have zero clue about what's happening out there. NCC are definitely trying to hold back the development of the City overall and we don't need that negativity!!
A better and brighter future to be enjoyed and shared by all with love and care we can do this as a team and community let's look after Australia for generation s to come after all it's ours
LMCC doesn't need to amalgamate with any council; we do well on our own. LMCC has many programs in place that NCC has abandoned.
Because council makes stupid rules arround house building and never fixes the road.
Because Newcastle is not well managed and we don't need their problems becoming ours
i have lived in both city council areas and can honestly say the LMC has shown more care and

<p>support towards its community then NCC ever has. I worry that NCC amalgamation will only benefit NCC, and that LMC population will suffer for it. It's quiet obvious that Newcastle is struggling while Lake Macquarie flourishes.</p>
<p>I don't think a council that is merged would be able to offer the same local services, I also believe Lake Macquarie would take a back seat to Newcastle even though we would be paying our equal share.</p>
<p>The whole idea is ludicrous. I want my local council to be LOCAL. Merging areas to create super sized councils removes the ability of local council to remain so in touch with its residents.</p>
<p>Our council is responsive, financial and working well as a council. I am glad that I am within the boundary of LMCC and it was one of the considerations when buying a house in the area. They also have waste management that suits the residents (large bins, larger recycling bins, curb-side pick-up). We have an awesome pool (Charlestown) with fantastic staff, who truly know the people who use the facilities. I am totally against merging.</p>
<p>The team at lake Macquarie council have repeatedly shown great skill and aptitude at running a council successfully. The city of Lake Macquarie has a plan and develops that plan for the community and not the self interests of sole developers. Lake Macquarie council has a level of maturity which Newcastle city council lacks which is evident in the amount of poor press Newcastle Council constantly attracts. Finally Newcastle City council is a liability financially and through its historic mismanagement and constant disregard for its residents.</p>
<p>LMCC is a profitable organization and NCC is not.</p>
<p>One look at the towns on the boarders like wyee or Barnsley hardly anything is done now imagine if the area was bigger??</p>
<p>Newcastle city council sucks</p>
<p>The track record of Newcastle City Council stands for itself. NCC is plagued with indecision and seems to continue to run up bills funding inner city redevelopment projects which it then has to fund with things like exhorbitant parking fees. Why would anyone in Lake Macquarie want to be saddled with their legacy when we appear to have a well run and efficient council which serves its ratepayers.</p>
<p>I made a conscious decision when I was looking to buy a house for my family to be in the Lake Macquarie area, as I had heard so many wonderful things and more efficient. Having had several problems with the Newcastle City Council, I was more than happy to move. The council have done a great job so far standing alone, please don't throw that away by merging back to Newcastle as I am sure the services provided will suffer and there will be a lot of unhappy residents.</p>
<p>Newcastle Council is one of the most disfunctional councils in the state. They are not progressive like Lake Macquarie and will run the area into the ground. They will only think of the Newcastle CBD and the rest of the area will be forgotten. You just have to look at the great forward thinking of Lake Macquarie Council in the recent storms with the kerbside green waste pick-up in comparison the Newcastle Councils option of taking your waste to the dump. Please don't let Newcastle dump on us, and keep us on our own.</p>
<p>Lake Macquarie council is more successful than Newcastle Council in everything it does. We also have different needs, economically and in terms of infastructure. We don't want Lake residents to be compromised by the wants and needs of Newcastle. Newcastle also has much more costly maintainence due to its old buildings and beaches. Lake Mac residents would end up paying for this through their retes and that is hardley fair.</p>
<p>I moved from NCC to LMCC and haven't looked back. The recent storms have shown how far better LMCC is. They offered FREE kerbside collection of all fallen tree debris, etc. NCC only offered free dumping of the stuff for two WEEKENDS. Please don't even consider merging, you have a very high standard and Don't let NCC bring you down</p>
<p>As long as they don't receive less funding or less human resources this could work well. More pooled resources, to better be able to come up with solutions to common issues that will impact on both areas.</p>
<p>Lake Macquarie Council is a very well run council in terms of its finances and its service to the community. It is also very supportive of community organisations and their activities. I also think the Lake Macquarie area should have the right to manage itself and look after its own interests and not be a part of a much larger council which will result in much less control over our own area and its needs</p>
<p>Lake Macquarie City Council is brilliant. Much better than Newcastle City Council which appears self-interested disorganised, corrupt, only focussed on the inner city, and broke. Amalgamate with Newcastle City Council? No way! What a travesty that would be. A very, very bad idea. Lake Macquarie City Council has high standards, good ideas, is organised and inclusive of all areas of the LGA. One of my fears is Newcastle Council people will take over and not direct any attention to anywhere outside the inner city and inner city development. Just have a look at the the cutting of the railway line and its involvement and all the things that go along with that! There are many, many things that they fail at where Lake Macquarie Council is successful. Even the services provided - LMCC has twice yearly bulk waste pick-ups which is environmentally friendly - people pick up things from the side of the road and re-use them, resulting in less waste at the tip. NCC has secretive little pick-ups if you call them so everything goes into landfill. So many issues and so many reasons not to</p>

amalgamate with NCC. Please keep Lake Macquarie City Council in Lake Macquarie.
Aging asset at Newcastle. Mismanagement on a base of poorly implemented capital works program and rates spiralling out of control to band aid Council deficit makes Newcastle City council a liability.
Residents of Lake Macquarie identify with Lake Macquarie. Merging with Newcastle will reduce our services and will raise rates. Lake Macquarie is an effective, fiscally responsible and well run Council and I do not support a merger with Newcastle or changing the boundary at Morisset. If anything the other suburbs on the Lake that come under Wyong should be included in Lake Macquarie, not Wyong.
To have one Council serving such a large area, the residents will ultimately suffer, especially those living in the extremities of the LGA. Council staff will spend more time on the road, which is in inefficient use of resources. The scale and huge task of an amalgamation of the Councils will surely undo any potential benefit? In my opinion, it is an idea that has been given little thought in relation to the real effect on the residents and Council staff.
Newcastle council is to regressive, has little prospects moving forward to change such a regressive culture and any imagination would only seve to retract from Lake Macquarie and provide litter benefits to what I consider to be a much more progressive and community focussed council
Lake Macquarie council have been good to deal with for a number of years. I do not see why amalgamation will improve in any way.
Prefer not to. But if there HAS to be a merge then prefer Newcastle over Wyong/Gosford.
Lake Macquarie would be forgotten like the outer suburbs of Newcastle
Australia is too small for three levels of government I strongly believe that the constitution needs to change and the focus firstly needs to be the removal of state tier of government. As part of this, rationalization of council boundaries could occur, as the efficiencies gained removing the middle tier will ensure there is sufficient funds for local regions. Let's have a referendum on the matter.
More locally, Newcastle council does not appear to have its ducks in a row and the 46% + increase in rates over the next 5 years is proof alone.
Already 4th largest council in NSW and growing. Don't need councils of 400,000 plus people unless of course we were to do away with State Govt and have 2 tiers of government.
Also, dont see how merging would be advantageous to me as a LMC rate payer.
I'd rather be considered to be a part of the Greater Newcastle district than tacked onto the northern end of the Central Coast.
Increased land rate costs Local support and knowledge Accessibility to council offices at speers point Established systems of payment and disruption of merge continues
Our council area is big enough keep us separate.
1) Lake Macquarie and Newcastle have very different characters; I identify with Lake Mac - a city defined by the lake and the lifestyle implied by this - and I do not wish to feel part of the dense mass of suburbs that I identify as Newcastle. 2) A mega council would loose focus on issues in individual suburbs (parks, paths, maintenance etc. etc.) which should be the core business of a council. Big is not always better!
The community of Lake Macquarie have unique issues regarding boating, lakeside living, and a certain patriotism associated with the area. Lake Macquarie council is a progressive council that listens and understands the issues affecting the community of Lake Macquarie & I don't believe Newcastle Council will be dedicated to our community the way Lake Macquarie council looks after the people of this area.
If it ain't broke, don't fix it. Lake Macquarie appears to be a successful LGA with a good sense of community, identity and connection. If we merged we would run the risk of being an afterthought to Newcastle's priorities and concerns.
Do not want to be part of wyong if they cut us off from lake mac. The southern end of the lake is already in wyong area, how much more will they take? If we merge we may as well be known as newcastle and wyong can extend tuggerah lakes!
NO MERGE!
Administrative costs diminished. Efficiency of resources Lake Macquarie is such a weird city in that it rings the Lake The no development lobby has far more influence than their numbers would suggest. . However that is the same in Newcastle. Or was. The development of Nobbys is a point in question. Ever been to Europe where history is developed for people to enjoy. Marrying ultra modern development with

historical sites. It works a treat. The loud minority of conservative citizens who want to remain in the past should be ignored. Not millions spent on reports placating them
I hope this survey will be sent to all Lake Macquarie residents as a lot of elderly friends do not have computers or the internet. THEY NEED A VOICE ALSO.
A few years ago we were broke and had to raise rates astronomically. Now supposedly because staff don't want to merge we are swimming in cash. Merge as soon as possible and get rid of the waste.
I do not consider myself a novocastrian, and I like it that way. I don't believe we need to merge with a larger city. Lake Mac is fantastic the way it is. We don't need Newcastle problems or be lumped in with their revenue raising. As a smaller community, we would never see any benefit of improvements to our area if we merged - we would be too little to matter.
There are unique environmental and social priorities and demands in each region, and as it stands Lake Mac already covers a large and diverse population and an amalgamation could potentially mean that standards and priorities would change
I live in Rathmines and the Lake Macquarie City Council do a great job. Why join up with Newcastle when we can function 'on our own'?? If we become one big Council, you still need to have people delegated to look after areas. I reckon Lake Macquarie towns would be left out more under the new big Council. We need to keep Morisset and surrounding areas in the Lake Macquarie Council too. They don't need to change to Wyong's Council. Morisset and surrounding areas are on the lake. They are not part of the Central Coast area. So hope that we can keep the Councils as they are. As they say, if it aint broke, don't fix it!!
Newcastle has liabilities we don't want.
Newcastle Council has its own issues with revitalising the city and asset maintenance. A merger would see Lake Macquarie residents inherit their issues and find no benefits in return.
Newcastle council would always put the needs of their area first ahead of Lake Macquarie and charge higher rates here to subsidise their incompetence.
Better waste management in Lake Mac, corruption in maintenance due to a huge area, a probable rate rise if it happened and I'm proud that we are our own city why break something when it's not broken
While all local councils are responsible for many basic community services, some also serve an area with specific iconic interest. This is particularly true of Lake Macquarie. In this case there are many specific businesses and community issues not shared with Newcastle. For this reason the current local targeted administration of Lake Macquarie City Council needs to be retained. It is financially strong and viable. Expansion to include areas of different interests, Newcastle, can only dilute its current success. Hands off!
I'm often at a loss to know where Newcastle ends and Lake Macquarie begins. How is Charlestown different to Adamstown Heights or Cardiff different to New Lambton Heights. Surely they are part of the one city with similar problems, concerns and outlooks I would like a clear presentation of the arguments for and against and not just a council publication paid for by rates that puts just one side of the argument. That suggests that someone is more interested in protecting their own future rather than the future of the whole community. Surely there are cost benefits to amalgamation e.g. services like garbage collection and libraries come to mind, not to mention more bargaining power in seeking finance etc through being a larger organization. Let's hear the full story
2 different areas, 2 different priorities.
LMCC are doing a good job. We seem to be financially stable. We make good decisions. I have no faith in Newcastle City Council and their decision making
Newcastle have no idea waste too much money
Newcastle would want to merge coz they are broke, and LMCC isn't
Being able to get in touch with local resources and more cost effective. Locals getting in touch with local needs.
I think Lake Macquarie is a better managed council and can teach Newcastle a few things if they merged.
I would prefer the southern part of Lake Macquarie to become part of Wyong Council. Currently southern Lake Mac is ignored by council and not serviced by state government such as health services. Speers Point and around to Warners Bay get facilities such as a fully paved bike/footpath while we don't even have suitable nature strips, I do a lot of running on the road because of lack of footpaths. State health services are woefully inadequate with John Hunter Hospital very inaccessible and Wyong Hospital out of area and services such as mental health located at Charlestown which is over 40k away. The local roadworks have also been inadequate with no repair of Stockton Road at the Freemans Drive end in over 10 years. This is the major route used by people between Cooranbong and Morisset.
We live at the bottom end of the council boundaries and get the bottom end of this council's preferences. How much further at the bottom end would we be if we were in Newcastle's boundaries
I don't feel that a merge would be good for Lake Macquarie. Leave it as it is
Identity of the lake will be lost to Newcastle (Civic) centred council. Lake Macquarie Council works

<p>well, provides better services and value and will be in a good position to find ways to deliver for residents even if there is going to be a shortfall in revenue. Do not trust Newcastle council. Lake Macquarie is already huge and it can be difficult to allocate and deliver services in some ways due to geographic challenges associated with a lake going through middle of area. Moving with Newcastle will make southern ends of lake even more remote and on the fringes of the government area. Lake Macquarie have appeared to have priorities that benefit the whole Community when Newcastle do not. Lake Macquarie Council foster community programs that feel local and have helped forge a separate identity to "Newcastle". Calling a certain area "Lake Macquarie City Council" with no association to the word Newcastle or Hunter, helps small businesses market themselves to the right geographic area and assists in attracting tourism.</p>
<p>I seriously believe the biggest problem we have within our region, is that our council areas are to large to start with. There should be more regions/more councils, look at the size of some of the Sydney districts and you will find they are much smaller and have individual councils for about every 3 to 4 suburbs...</p> <p>I see to much money getting spent in areas and not others that need it, smaller zoning would make sure rates from that area only get spent in that area...!!!</p>
<p>The administration for one council could administer the works for two council areas with little increase of staff. Lake Macquarie council adds the same cost of the actual work as administrative cost, this doubles the so called cost of works. It is about time there was some massive cuts to the slush funds for the administration with efficiency goals to be met. The works to be more competitive with the efficiency of contractors not just cost but quality.</p>
<p>It is time that councils become more efficient not just in works but especially in administration. I also do not believe a mayor can do their job properly if their time is split between council and parliament. SACK THE MAYOR.</p>
<p>Lake mac council is a strong and successful council. Newcastle focuses on very different issues to lake mac due to differing areas.</p>
<p>Our sense of community is enhanced through a closer relationship with council. There is also an established sense of community identity in Lake Macquarie which is very important to me as a resident of Lake Macquarie.</p>
<p>Lake Macquarie Council is by far a better council than Newcastle. It has been managed better and I personally think the services provided by LMC are very good. Newcastle City Council is renowned for not being well managed. I think a merge with any other local council would be a mistake.</p>
<p>I decided to live in the Lake Macquarie council area partially because of the council boundaries. I am not happy with either Wyong or Newcastle council areas and feel that merging with either of these will benefit them, not us. The Wyong and Newcastle councils need to show better management practices before they are worthy of any merger consideration.</p>
<p>I think that Lake Macquarie citizens would be the poor relations. And it is not as if Newcastle has managed its finances particularly well. On the other hand, I feel that there should be some reform with three tiers of government being one too many. I believe a rationalisation between local and state government responsibilities with some kind of regional grouping and the abolishing of the current state and local government structure would be the way to go - state governments to me are a colossal waste of money. More power to the regions, and for national issues like defence and foreign affairs, leave them to the Feds. But that ain't going to happen.</p>
<p>Lower cost and better local services.</p>
<p>We are going fine without being dragged down by any other councils.</p>
<p>LakeMac City Council appears to be doing a very good job</p>
<p>Local Councils are intended to look after the local community. The larger the council the more remote it is from it's constituents, both geographically, and in terms of understanding and serving it's needs. All businesses, whether public or private, should be customer-focused. Decisions should be made which are in the customers' interest. Instead, too often we see decisions being based on reducing costs, usually at the expense of the quality or convenience of the service or product being provided.</p>
<p>Lake Macquarie and it's community is different from Newcastle. Lake Macquarie City Council has shown it's self to be a responsible organisation that delivers the right services to the community. I fear that if a merger happened, the identity of the lakemac community would be lost and the ability to deliver quality timely services to the residents of lake mac would be compromised.</p>
<p>1 Its worked for how many years. Though I think its getting worse the longer we go on. There is a case for a division. West Lake & East Lake councils or north south. 2 We don't need a more bloated administration 3 Lake Macquarie Council can't distribute funds fairly at the moment.</p>
<p>Newcastle Council can't even manage their own area let alone an even bigger one! I like lake macs focus on residents and not business</p>
<p>We already pay enough rates and an increase is not warranted!!</p>
<p>I have misgivings concerning Newcastle City Council , with all due respects to the good burghers of that City.</p>

<p>I have lived in the environs of LMCC for about half my life and have of course, observed the positive progress of the community in that time and I strongly feel I can trust the Council to carry on using a steady hand on the tiller.</p>
<p>I am not against amalgamation, but DEFINITELY NOT with Newcastle Council. Newcastle LGA is full of strife and argument - we need to keep well away from their problems. We also need to avoid their debt and future building maintenance problems, which will be a real issue in the long term. If we must amalgamate, lets look to a better run council on another border.</p>
<p>Are you kidding me? Have you seen the way that Newcastle council has performed over the past 40 years? Steer well clear of that black hole PLEASE.</p>
<p>Lake Macquarie City is well managed with great services, facilities and infrastructure. The cost to LM ratepayers would be greater if merged and risk a decline in the above.</p>
<p>Lake Macquarie Council area is a uniquely diverse area with different needs to those of inner city areas. Our council has been doing a great job managing our unique area.</p>
<p>Large entities do not have the same charters as a moderate entity has. Larger entities are more likely to be influenced by charters proposed by the more affluent areas than from areas that are in greater need. We have seen this with areas under the control of Newcastle Council. Lake Macquarie council is more diversified in its projects.</p>
<p>Too many ongoing problems at NCC</p>
<p>I am concerned that with the merger LMCC would be a second priority and not given the same consideration as Newcastle City. The two cities are entirely different in that there are more industrial activities in Newcastle and as such the Council need to support and prioritize this landuse to ensure their viability. On the other hand, LMCC lacks the vision in preserving the mostly residential and community oriented life style by ignoring that the city needs to cater for all residents most specially young people, families and retirees. We need more development in local and international tourism including small businesses to maintain growth and provide employment for locals to be able to compete with other cities in NSW. We need to show our city is progressive to attract more people with skills and are in jobs or able to find one or able to set up business here. We are close to towns with the highest paid jobs (i.e. miners) and yet we do not really cater for them except for Charlestown Square where they do some of their shopping. Why not make Lake Macquarie a place for these rich miners to play, relax, have fun or send their children to exclusive schools and boarding houses, why can't we have TAFE schools that cater for jobs in the mines and hospitality industry?</p>
<p>A larger area may help ease rates that have increased massively over the years... combining resouces means better management of projects. Ranger services will be available for all rate payers in the areas meaning combined efforts.</p>
<p>The population density of Lake Macquarie is much less than that of Newcastle and the revenue raised from rates must be able to be used to maintain the health of the Lake and bushland, as well as provide services to residents spread over a wide area. Our council handles its finances in a way that serves the area well. Newcastle has many long-standing issues which are unique to it. Many of these are matters that must be solved in consultation with its residents and paid for using the rates of this much more densely populated area. It needs to get its act together rather than bleed Lake Macquarie of resources.</p>
<p>I think that Newcastle and Lake Macquarie council areas are very different in their makeup and deserve to be able to represent their residents in their unique ways. Newcastle is mostly one large compacted city, where Lake Macquarie is a collection of smaller centres around the lake. I would fear that Newcastle would get a disproportionate share of funding, leaving our area to languish. This may not be the case but I think that it could be.</p>
<p>Newcastle Council is in a mess and is always in the news for the wrong reasons. They seem to play politics around self-interest rather than get on with their main job. I also wouldn't want to inherit responsibility for all of their neglected buildings and the associated costs. I think Lake Macquarie is a much more vibrant and progressive place to live and we need to be able to do it differently, as we do now.</p>
<p>I think this option has the potential to be a positive improvement on the current situation. However, my support would be contingent on a number of issues being worked through and satisfactorily resolved. It would be crucial that such a merger NOT be seen as a takeover. I think this would necessitate a relocation of the Council HQ. Initially, this would have to apply to the meeting venue and residence of the key staff e.g., councillor's offices, General Manager. The implicit symbolism of a merged council meeting at the current Newcastle Town Hall would be entirely counter-productive. I think a merged council has the potential to depoliticise the operations of the existing Newcastle Council as well as broaden the horizons of all existing councillors with a lower Hunter Valley mindset gradually becoming more pronounced.</p>
<p>These areas are one city anyway , it needs to be formalised</p>
<p>If its not broken don`t change it.</p>

<p>The Lake Macquarie Council area differs from Newcastle in many ways (environment, population spread, transport and roads for instance) and is large enough in population to sustain its own council. Much smaller council areas in Sydney that seem to be similar suburban districts are complaining about potential amalgamations. On the other hand, we do benefit from some of the services that Newcastle provides - employment, Art Gallery, beaches, libraries, city parking etc, and Newcastle residents are welcome to share ours (though some think it's an awful long way to the Lake!) so we need to cooperate with our nearest neighbours in areas where economy of scale can help everyone.</p>
<p>I think it would be more efficient and save money to have one council.</p>
<p>Newcastle council is incompetently run & we do not need to have our future held back by their factional fighting. We are going ahead beautifully as we are.</p>
<p>Newcastle City Council is in debt up to their ears. They have continually raised their rates. Why should we be dragged into debt by amalgamating with them.</p>
<p>Although I don't agree with everything Council does, it is 100% better than Newcastle Council and we don't need their problems.</p>
<p>considering all the trouble Newcastle Council gets into and the money troubles do not think it is an option. Lake Macquarie has been good to it's residents and merging Councils would be a backward move to the detriment of Lake Macquarie</p>
<p>Council needs to become more efficient with its capital and maintenance practices</p>
<p>The reputation of Lake Macquarie Council is positive in the way they approach lifestyle, green/environmentally friendly options, maintain infrastructure and news items regarding in-fighting etc are few or non-existent that I've noticed. This is in contrast to Newcastle City Council for which the above reputation does not seem to apply.</p> <p>I feel I am generally unbiased, given I've spent the majority of my life under Port Stephens Council, who also seem to care about environmental issues but lack the dedication to infrastructure and forward vision that Lake Macquarie Council seems to have. I also spend a lot of time in each of Port Stephens, Newcastle and Lake Macquarie council areas due to the location of our friends and family to be able to make a comparison.</p> <p>The reason I've taken part in the survey is as a citizen of Lake Macquarie. Having said the above, I don't think enough information has been provided as to what the values and views of each council is and how they will be reconciled in order to make a decision to support amalgamation. In addition, I'm not familiar with the financial position of either council to make comment on that.</p>
<p>Becomes too big and we lose our identity. More competition with resources and Lake Macquarie is proudly not Newcastle</p>
<p>There is no evidence to suggest that amalgamation save money or improve service provision. There is stacks of evidence to show amalgamations increase costs to rate payers without providing improved services.</p>
<p>Happy as we are. Do not want to inherit Newcastle Council's mess & debts. If we combine I feel the people in the Lake area won't get much of a say in decisions & more money will be spent in the Newcastle area at the expense of the Lake.</p> <p>I live at Caves Beach & I'm a little worried boundaries may be changed so we become part of Wyong Council.</p> <p>I want to stay as LMMC & stand alone</p>
<p>Lake Macquarie Council is one of a few well performing councils and Newcastle council is in dire straits. LMC would only be financing the poor decisions made by Newcastle Council at the expense of the LMC ratepayers. Our rates would certainly go up to support Newcastle's failings. We should stand alone.</p>
<p>I believe Lake residents would become the poor relations in any with merger the City of Newcastle. Lake Macquarie is a vibrant, youthful and growing area whilst Newcastle is decaying and run down. Increased funds available to a merged entity would be spent in trying to revive Newcastle to the detriment of the Lake. I watched these mergers occur in Melbourne under Kennett and they were not always beneficial to the communities so formed.</p>
<p>LMCC has an enviable record of financial management, service delivery and cohesion among and between councillors and staff. I cannot see any advantage in a merger; Lake Macquarie has a population of close to 200,000, spread over a vast geographical area and it is apparent that resources, funds and services are spread equitably across this LGA. A merger with NCC would be likely to result in a Newcastle-centric focus as there is an obvious need for enormous amounts of money to spent on the Newcastle city area alone and it already evident that outlying areas within the NCC LGA are being neglected or dealt with inequitably. To put it bluntly, NCC is a basket case - the council itself has been dysfunctional for many years and shows no signs of improving, there is continuing tension between councillors and council officers from the general manager down - and any merger would be to the clear detriment of Lake Macquarie and our residents.</p>
<p>Management issues with Newcastle council are ongoing...no stability ...no confidence in their ability to manage a much larger area...sorry do not agree with merging..</p>
<p>I feel lake mac has proved it self as a stand alone city, the lake mac area needs its funding spent on its self, I worry if we merge our area my be under funded and neglected.</p>

<p>Not happy with Lake Mac council. We, in the southern part would like to merge with Wyong Council.</p>
<p>Lake Mac Council makes it obvious they are having financial problems.</p>
<p>The more locally decisions are made the better. I would like to see certain decisions to be made even more locally. More transparency would be better and I cannot see how merging with Newcastle council would facilitate it.</p>
<p>It's hard enough to get anything done at Wye Point now without having faraway Newcastle involved</p>
<p>Newcastle lack of services in large debt and less essential services</p>
<p>Because Lake Macquarie CC has, in the past and to the present, been managed efficiently and with foresight, it is a City Council that is to be envied. It has been conducted with sights and budgets set on the future and its needs. Therefore it is a thriving bustling city but with a laid back lifestyle. It is not a debt ridden body, managed by questionably qualified personnel, which is reflected in its appearance from any angle, and doesn't need to be manacled by its neighbour.</p>
<p>Because we are happy with the status quo and not encouraged by the seeming incompetence of the current Newcastle City Council.</p>
<p>Rate payers need better roads, guttering and footpaths. LMCC council should get back to the basics. Three RRRs: Roads, Rates and Rubbish. If council wish to show how well they are managing they should report proudly how they are reducing overtime (which is true sign of bad planning by management) down to zero. Also management should report council how they reducing accumulated annual leave, TOIL etc to minimal levels. This would show that council management are planning and managing and proud to show the community of their achievements in management people resources too.</p>
<p>I feel that there are many services which could be combined, eg, road works, garbage collection, building approvals. I feel that there would be savings made both in staffing and plant. I see Lake Macquarie as a region and it is rather pretentious to call it a city. However, I feel that the southern and far western suburbs in Lake Macquarie would be better served in being amalgamated with Wyong.</p>
<p>Lake Macquarie council has made significant improvements and has been outstanding in its vision. Eg driving and supporting sustainabilitycommunity groups, speers point playground, Eco and sustainability focus, communication, promotion of lake Mac for tourism, recycling program, cycle ways , park runs, hosting sporting games. Good governance</p>
<p>The two council areas are vastly differing and ideally should remain separate as they are. But in my opinion Lake Macquarie Council is not catering for the individual needs of it's ratepayers with due respect, and I can only wonder if condition would improve, particularly for senior citizens, under the jurisdiction of a combined council. While Newcastle Council has less 'green area' to tend too, Lake Macquarie Council refuses to take their responsibility of maintaining the nature strips outside homes owned by elderly citizens who cannot otherwise maintain them - this is cruel and unjust and shows a lack of respect. Perhaps if combined with Newcastle Council a new approach to catering for an ageing populace could be found.</p>
<p>Amalagamation will not benefit Lake Macquarie Council or its residents A large amalgamated Council will be less responsive to its residents - less Councillors per capita - less access for the community. Lake Macquarie Council is very progressive, viable and a good employer. Amaglamation would result in LMCC having to deal with Newcastle's issues.</p>
<p>Small suburbs like mine at Garden Suburb would be placed further down the priority list for development and services if the one large area is created. Within LMCC, we are the forgotten suburb. No kerb/guttering, defined concrete footpaths, and above all, no town sewerage system now or plans muted. We equate to forgotten Beresfield in NCC, but at least they have the sewer on!! I have never seen a councillor of LMCC in our area in 26 years, except at a recent community protest meeting about the large size of a proposed pre-school in Prospect Road. It passed through LMCC, with the blessing of all councillors, against the community concerns of people in the area. The major centres in LMCC get the large grants and special attention now eg Charlestown, Warners Bay, Belmont, Glendale Toronto. With any amalgamation the City of Newcastle inner, trendy, suburbs will take a bigger share of the financial pie. I would prefer to see LMCC area develop as a separate identity, using its funds within its own present boundaries. NCC has a disgraceful record of fund management, ineffective meeting protocols and wasteful spending on projects to satisfy the trendy, yuppy element of the inner city. LMCC area could become the poor, neglected cousin with any combining, I fear, with my suburb sinking further into oblivion.</p>
<p>Newcastle City Council does NOT have a very good reputation for management/budget issues, are indecisive (e.g. rail line) and I do not agree with their stance on kerbside recycling.</p>
<p>Economies of scale leading to higher efficiencies and greater value for rate money.</p>
<p>I think the danger of merging is that we are forgotten about and made a lower priority than the city. Lake Macquarie has so many benefits and characteristics that are unique to the lake and it would be shame to see that blended with NCC who would have a different set of priorities. We need to set priorities and actions within the lake council and not as part of a wider group. The western side of</p>

<p>Lake Macq is forgotten enough ! ...an amalgamation would see the steady decline of any focus on the Lake and its future development.</p>
<p>LMCC is a relatively stable council with a good management backbone relatively free of stress and controversy. "We" hardly need to be amalgamated with a council regularly plagued with extremes and major controversy. LMCC stands well on its own feet even if we have a few dissenters.</p>
<p>I have seen how poorly Newcastle council treats visitors and residents. I wrote to Newcastle council approx 18 months ago about extortionate parking fees and am still waiting for a reply - totally inefficient and ignorant in my opinion. On the other hand Lake Mac Council are proactive, forward thinking, polite and considerate to residents, of which I am one. Stand alone Lake Mac Council!!!</p>
<p>I feel that LMCC is functioning well but with a merger we would be overshadowed by Newcastle</p>
<p>Only if costs/expenses were curtailed along with any duplication of equipment, technology etc. Maybe part of LMCC on the west side can go to Wyong SC. Afterall, it is only a line on the map that dissects LMCC & NCC.</p>
<p>Newcastle council are in debt and Lake Macquarie are better manages</p>
<p>We need someone to take over Newcastle City and run it better.</p>
<p>As a resident of Lake Macquarie I feel we will be the ones "left out" in all major developments and decision making. I also think it's pretty obvious that Lake Macquarie currently runs their council area far better than Newcastle City Council does.</p>
<p>Lake Macquarie is performing well and is Fit for the Future as is. Newcastle on the other hand is debt ridden and has a huge back log of uncompleted projects and maintenance. It would make much more sense for Newcastle and Port Stephens to merge if merges have to take place.</p>
<p>Lake Macquarie City Council seems to just keep working for everyone. We have serious doubts about the overall viability of Newcastle Council.</p>
<p>LMCC is an efficient well managed council that is in a better financial position than newcastle council and does not need to prop up another council.All amalgamation will do is employ general managers and directors on bigger salaries</p>
<p>Newcastle has quite a different culture, landscape, range of issues etc. Besides, I cannot see that it would be of any advantage to Lake Macquarie whatsoever to align themselves with a council in chaos & steeped in debt. I do not have any desire whatsoever to inherit their political disagreements or their deficit. This would no doubt increase my rates & result in Lake Macquarie being another city filled with parking meters.</p>
<p>Lake Macquarie's population needs, local environment and infrastructure are different to that of Newcastle. Also, Lake Macquarie will loose its identity and be consumed into what Newcastle want to progress forward. Plus, the geographical area would be too large if the councils were to merge into one.</p>
<p>NCC have big problems which they can't solve, we do not need to support them. Let them sort it out themselves- something they will never do with a Labour Council. Feel sorry for all my friends in Newcastle.</p>
<p>Newcastle Council has a long history of non-productive bickering, failure to listen to ratepayers and general strife. The city is a boarded up mess. Why would we want to join up with them? Lake Mac is growing, thriving and a great place to be - leave it alone.</p>
<p>LMCC is doing well to provide best service to customers, it has a potential to grow but only as stand alone council.</p>
<p>I am concerned about corruption in NCC. Lake Macquarie Council provides better services than NCC.</p>
<p>I am unsure which option is the best. The 2 council areas are quite different wrt demography, environment and business. There is a risk that the real issues of Lake Macquarie would be overlooked if a merger was to occur. However, I think it is in the interest of both councils to work together to achieve a better outcome overall for the Hunter region. Size and volume do count - and a combined effort would give us a louder voice as a region at both state and federal levels. Public transport (albeit a state responsibility) in the region is very disjoint and connectivity and timetables are far from ideal. There must also be opportunities in the area of tendering for goods and services (where combining the 2 councils may bring economic benefits).</p>
<p>The south lakes are should merge with a combined central coast council and the elimination of duplication and better asset utilisation should deliver better results for ratepayers. Also the northern suburbs are clearly part of Newcastle. In south lakes all our shopping and tertiary services are sourced from Tuggerah and Gosford especially medical.</p>
<p>I want my rates to be distributed close to home and for my local council to make decisions that impact my area.</p>
<p>We have beautiful parks and facilities. Newcastle council just seems to bicker and fight and not get anything done. I don't want my taxes to be spent in an area that's 40mins from where I live which is where the money will go!</p>

<p>We can achieve more for lake Mac as lake Mac not Newcastle, both areas would lose. The state and federal governments only ever think about Sydney and everybody else gets the scraps. Lake Mac and Newcastle standing alone would stand a better chance of better funding,tell Sydney to bugger off</p>
<p>Newcastle council is unworkable, staff are least productive & overpaid. Lake Mac is progressive a little too green but proactive for residents. Don't mix bad apples with good ones.</p>
<p>The cities of Lake Macquarie and Newcastle have very different priorities. LMCC has more funds and less scandal and waste of money</p>
<p>Best for all outer skirt suburbs. If you were to merge with Newcastle most the money, funds & grants would be spent in Newcastle shires & not evenly</p>
<p>Lake mac is well run and I agree with the approaches they normally take. Their policies are more suited to the environment of the lake and bush, whereas Newcastle is a more intensively developed city that requires a different focus. Plus Newcastle council is a basket case.</p>
<p>I am happy with the services provided by LMCC and the rates I am required to pay so I see no reason to change</p>
<p>Newcastle is a large area and Lake Macquarie is a large area and I believe they should be kept separate. I believe Lake Macquarie residents will miss out and most of the funds will be spent in Newcastle. As it is Coal Point, where I live, has hardly any funds spent on it - no curb and gutter etc and it will totally miss out if council's are combined.</p>
<p>Can't the councils just work together on bigger issues like good road access and better transport systems? I just see the citizens of Lake Mac potentially missing our especially in smaller suburbs with development being focused on Newcastle City. I live and work in Lake Mac. I do feel connected to Newcastle (and will often say out of laziness to out of towners that I live in Newcastle), I probably drive in to Newcastle once per week. I suppose it is about what is best for my local community. I think Lake Mac do a pretty good job, consult with community and that it is in our interest not to merge and inherit problems from Newcastle with issues like older infrastructure and financial deficits</p>
<p>With no area being given to wyong</p>
<p>I live in lake macquarie and the services are excellent. I have friends in newcastle and services and costs are poor.</p>
<p>Lake Macquarie City Council is a much better managed council. We don't want to inherit Newcastle City Councils debt or problems.</p>
<p>A better deal for ratepayers.</p>
<p>Newcastle Council does not seem to operate as successfully as Lake Macquarie Council and I would hate to see that sort of incompetence spread to our area. Problems with trees in Laman St, cutting the heavy rail and generally revitalising the city appeared to be one blunder after another. Our Council may have problems to contend with but seem to get on with the job without the huge rate increases that Newcastle are planning. I must compliment both Councils though for the work done to clear the area after the recent storms, particularly the areas surrounding memorials for Anzac services.</p>
<p>One unified council would have unified aims and goals and strategies. Better use of resources and a bigger force to contend with when it comes to tendering for events and such like. It seems to be an obvious way forward.</p>
<p>Even though we are adjoining Newcastle area we are completely at odds with Newcastles priorities</p>
<p>Already find we do not get enough access to resources so being in an even larger council will be detrimental</p>
<p>There is absolutely no need for LMCC to merge with a Council that is drowning in debt and performing below minimal standards. This aside we should not be forced to spend the millions it will cost to merge, we should not be forced to work with another Council and staff should not be forced to loose jobs because of what Government wants and that will not benefit residents and the Lake Macquarie Council</p>
<p>Because I stay in tune with the news - Newcastle Council leaves much to be desired. Decisions not made, problems with the councilors, resignations - nothing but conflict within the council. It's a beautiful area - it should be progressing! Lake Macquarie is doing well financially, the Lake area is always improving and the Council appear to more open to progress. The councilors appear to work well together. NO ABSOLUTELY NOT - KEEP THE COUNCILS SEPERATE!</p>
<p>I do not believe that Lake Macquarie rate payers should bail Newcastle out of their financial problems</p>
<p>Where to start? Newcastle council is a basket case, with excessive rate hikes. incompetent councilors who are more political than independant & work on each case on its merit. It will also take the "local" of our our council. Morrisset alone would be over 40km from the town hall. This fit for the future is nothing more than the state government getting into bed with greedy & rapacious developers. If one reads their blurb, one might as well do away all together with local govt, & every decision can then be</p>

made in Sydney, done thru the internet & email
<p>You have to be Joking! Why should we merge with a council that can't manage their finances? Where Lake Macquarie is moving ahead Newcastle is disfunctional. Look at how it takes them years to solve a problem remember the rock at Newcastle beach? Or how about the fig tree debacle? We don't want any of their debts or their constant rate rises Nor do we need the old bickering pensioners from the hill. Do we have any say in this matter will it go to a residential vote? Well as a resident I hope so!</p>
<p>Concerned Lake Macquarie council will necessarily be forced to take on current debt issues and back log of asset maintenance issues due to many years of poor performance of Newcastle council. Also Lake Macquarie is generally seen by those who don't live here that it is less important than Newcastle. We would face the same issues as the general Newcastle area does now at a State level, that being completely overlooked and ignored.</p>
<p>Newcastle has defective councils, runs huge debt, spends all the mney in "Newcastle", where no one ever goes. It is full of old infrastructure. It and the residents of Newcastle think they are important. It has way more than its share of welfare recipients and all the problems that brings with it.</p>
<p>I do not want to have our city go down the Newcastle path of inept management and indecision making. The LMC has shown its self to be an excellent manager of our city and is continuing to provide the rate payers with a high level of support and assistance in all areas, this is not to say that it can not be improved, however it is looking forward to the betterment of the city, and implementing long term planning to achieve the goal that it sets with community consultation. Newcastle Council has only shown to be inept in its management of the city, and is not willing , or able to make decisions that will benefit the city, and is held to ransom by minority and self interest groups, that have no regard for the future, only the short term.</p>
<p>Joining the two councils will allow the merger of the administrative,planning,technical and councillors from both councils into one more efficient unit.</p> <p>Better utilisation of low utilised expensive equipment and the sale or not acquiring new equipment.</p> <p>Lower total cost of the administration allows more of our rate payer money being spent on community services and amenities .</p>
<p>We have one of the Best run councils in Australia Why change it Newcastle Council Does not Run to budget and has many faults that we Do not want in .our city The Greater City of Lake Macquarie it should be a stand alone city as it is more important than Newcastle. Which has many problems Being an older city .Greater City of Lake Macquarie Cares for its Residence Not walks over its Residents as Newcastle council does</p>
<p>LMCC is in a better financial state & managed better than NCC. As one large area, I think it will be too big to share the finances around the whole area & manage the priorities. It will also affect people's jobs, which there is enough people loosing jobs in the area without more people loosing their jobs.</p>
<p>I believe our council Lake Macquarie is doing quite well on its own, our council is run very well, I can't say I feel the same about Newcastle council, we would be picking up their slack I say "STAND ALONE"</p>
<p>LMCC is insular, arrogant and wasteful. It needs a good shake up and a merger would be an ideal way to remove some of the lethargy and self serving behaviours</p>
<p>I believe the financial state of Newcastle City Council is not good and decisions that have been made by Newcastle Council could be questioned as to how good they actually are for Newcastle ie train line cut, paid parking, closing of swim centres to name a few things does make it seem that Council cares little about it's residents. Lake Macquarie Council does appear to have its residents in mind when decisions are made ie up grade of Speers Point Park and Cardiff Library.</p>
<p>Newcastle council are pathetic. They can't make decisions, they have sqanded rate payers money requiring ridiculous rate increases and they have shown themselves to be corrupt, untrustworthy and not representative of their constituates. Unlike Lake Macquarie who are doing a good job of trying to balance the books and listening to the people they represent. Not everything is perfect, but it's a hell of a lot better than Newcastle. If we join with them they will just bring us down with them.</p>
<p>Lake Macquarie council has outperformed and on a whole made better decisions than Newcastle council. Why should we be forced to put up with there inefficiencies and debt which has continued over the past 50 years within Newcastle, I have been aware within the Newcastle area of decisions made repeatedly without the better interests of the public and even their blatant refusal to listen to the public regarding certain decisions (eg. parking meters). Corruption could be inferred or at the very least self interests being served with some councilors (eg. the previous mayor of Newcastle reportedly handing out envelopes). Lake Mac. is a large enough area with a large population to continue</p>

<p>managing it's own development and growth without interference from outside governance. It has become obvious that not all state planning decisions are made with local knowledge and understanding of what the local population would want for their area (another example is the Newcastle Railway removal where stats show the majority opinion is not sufficiently valued.)</p>
<p>I think that Lake Mac council provides a better service regarding waste pick up and if merged with Newcastle we could lose that.</p>
<p>The nature and priorities of the two areas are different. Newcastle City Council faces a lot of problems with aging infrastructure and poor financial practices. Why should residents of Lake Macquarie inherit these problems? Lake Macquarie is a large enough LGA to have the base to support itself. However, I am not opposed to amalgamation with some suburbs from other surrounding LGAs to enhance boundaries and consolidate areas with common interests.</p>
<p>I believe Lake Macquarie council is more advanced and focused on the benefits of their constituents, environment and the future.</p>
<p>I know LMCC is the better option for our area than any merger with an inefficient adjoining council such as NCC</p>
<p>The Newcastle City Council vision and ideas are very different from Lake Macquarie Council.</p>
<p>Lake Macquarie council provides excellent resources and services whilst able to manage their funds while Newcastle make poor decisions and need to sell off assets such as parks to pay their debts</p>
<p>We in Lake Macquarie enjoy much better services than the Newcastle council offers. In addition Newcastle has displayed much instability over the years and I personally feel that party politics play too big a part in their affairs, on top of that I think Lake Macquarie is well managed and financially stable.</p>
<p>Council mergers may be appropriate for small inner city and rural councils which struggle for scale of operations and income to support public infrastructure, services and facilities, but it is not appropriate for Lake Macquarie, one of the largest LGAs in regional NSW.</p> <p>Our future will be secured if the Commonwealth and State Government cease their cost shifting attacks on local councils and on the working and middle classes. Over the last 20 years these attacks have resulted in the erosion of funding and the removal of local, community and non-government services and sale / privatisation of public services for the exclusive benefit of capital owners at the expense of working people and their families, e.g. those at the lower end of the economic spectrum who often cannot afford to pay for these services themselves.</p> <p>Local governments should also be provided with support and incentives to balance their planning policies which provide for growth and development, which encourages future investment in our LGA and secures future income, with sustainable environmental policies which ensure we do not sacrifice our natural environment and resources for the built environment. Too often we see these imperatives pitted against the other rather than working toward a balanced policy platform which respects the importance of both. I acknowledge it is a challenge to balance these (often) competing forces but a mega-council would, I fear, be less equipped to achieve this policy aim and would eventually become captive to vested interests.</p> <p>The amalgamation of local councils, e.g. with Newcastle, would create a monstrosity in which the voice of local communities and citizens would be completely drowned out. I do not support this.</p>
<p>Any amalgamation with Newcastle City Council would be a retrograde step. In my opinion, Newcastle City Council has proven itself to be inept & out of touch with the residents for many years. That council has been very poorly run and indications are that it has been involved in corrupt dealings with various developers over many years.</p>
<p>To give our region its own voice, we are not in the city and have our own needs on the lake that need to remain a priority. We would be second class citizens in the Newcastle patch.</p>
<p>Too many issues with Newcastle Council. However, I do believe that are merged council well run would be beneficial.</p>
<p>Newcastle council performance has been dismal over the past years. I would hate to think members of that council gain access to Lake Macquarie council</p>
<p>do not agree with consolidating with Newcastle ... we are happy as we are and have done a lot around the Lake , we appreciate the twice a year Kerbside Pick ups... apparently Newcastle no longer do this and have smaller garbages, just to name a few... OHHHHHHHHH and there is always probs with Management at Newcastle Council (mostly corrupt or Kicked out for one reason or another) thank you</p>
<p>Lake Macquarie is just starting to come into its own with a unique identity. It offers a different lifestyle compared to Newcastle with more natural areas and family + seniors friendly places. It's big enough in area and population I don't think Lake Mac needs the legacy problems of the Newcastle LGA.</p>
<p>It would be such a negative step for Lake Macquarie. We are an independent region, separate from Newcastle despite our proximity and we must retain our unique flavour. We have such a wonderful natural resource with our lake and beaches that any merger would place the focus elsewhere. It would</p>

<p>be unreasonable for Lake Macquarie residents to take on Newcastle council debt. We must give a strong message to stand alone.</p>
<p>Newcastle council has a proven track record of incompetence in every facet of modern local government. Lake Macquarie city council has a sustainable business model. Councillors are engaged with the community and council activities are value driven. Newcastle city council has not shown this culture. The merger of the two councils is likely to result in severe rate hikes for lake macquarie residents and significant economic damage to local businesses through the decreased focus of council on the lake macquarie area.</p>
<p>Lake Macquarie has been managed well. Newcastle City Council hasn't. We have enough on our plate and dont want to take on Newcastle City Council. Sorry Newcastle.</p>
<p>We have our own identity in Lake Macquarie compared to Newcastle and a good reputation for a council.</p>
<p>Newcastle council needs a complete overhaul. They are incompetent and continuously fail to revitalise the city. They cannot be trusted to have the more prosperous Lake Macquarie region in their control.</p>
<p>Newcastle council performance record leaves a lot to be desired</p>
<p>I think merging would just mean more people unable to make decisions, and too many people with too many agendas. There would be too many projects in line to be decided upon. Decisions would be too generalised on such a big area. Newcastle Council hasn't had the best track record of being a successful council, so we don't want to take on their problems.</p>
<p>Why join a mismanaged inept council!!!! Newcastle council is only interested in the city area so why would they be any different in regards to lake mac.</p>
<p>Because, as a very happy resident of Lake Macquarie for over 42 years now, I think our beautiful Lake Macquarie City Council area is unique and absolutely able to, and definitely should, STAND ALONE well into the future.</p>
<p>Thank you very much for the opportunity of expressing my opinion...</p>
<p>Newcastle council does not provide any parking without paying for it, i dont want lake macquarie council doing the same thing.</p>
<p>In my opinion it would be detrimental to merge with Newcastle council when we have a great council who are looking to the future in every respect and not exceeding their spending but are providing the residents with a great outlook for the future. We are doing well standing alone and don't need to join with other councils that may drag us down to a lower level.....GO LAKE MACQUARIE</p>
<p>I am pleased with the support, which the council gives all of its suburbs and communities not just a selective few as which Newcastle seem to do. I f we merge I feel many of the suburbs and communities will miss out greatly Keep up the good work</p>
<p>LMCC is well run and is financially stable. NCC is a totally different story. Why should LMCC who is a leading Local Government entity be forced to take on a liability such as Newcastle? A merger between LMCC and NCC will provide no benefit to the Lake Macquarie community. If the merger is to eventuate and Newcastle Council Management be put into control of Lake Macquarie interests it will be the beginning of the end of our great City.</p>
<p>The area is large and hard enough to manage now. Our rates are high and need to be spent in our area not all over Newcastle. Save Lakmac.</p>
<p>I'm proud of being from Lake Macquarie. I like we are seperate from newcastle. I don't like the way newcastle is run. I don't want to be a novocastrian and as a rate payer I think I'm entitled to stay as I am</p>
<p>Lake Mac council is doing a fantastic job and I would worry that by merging there would be less personalised attention to Lake Mac residents</p>
<p>Lake Macquarie council is a progressive council who look after their residents. Why would we want them to amalgamate with a Council that is controversial & not honest in their dealings?</p>
<p>Because I don't want Lake Macquarie ratepayers to have to save Newcastle Council, it would only be to our detriment. We are doing quite okay without them!!</p>
<p>Newcastle City Council is not financially stable. I would support it if they were, as I believe we would probably progress quicker together.</p>
<p>Newcastle city council has so many problems that I don't want our council to inherit it. I've moved to the LMCC area from Newcastle and I don't want to go back to the crap that Newcastle has to offer!</p>
<p>LMCC is far superior to NCC in both policy and financial management. Further to that, I believe that under a merged city council, Newcastle CBD infrastructure would take precedence over the needs of Lake Macquarie. We're doing fine on our own.</p>
<p>I believe our City and Council are large enough. A merge with Newcastle would be a drain on our resources. Am very happy with how our city is now.</p>
<p>Lake macs diversity is challenging enough to manage as is. Get rid of state government instead.</p>
<p>we have become independant from newcastle and wish to stay that way</p>
<p>Because it has entirely different outlook to Newcastle, it's not broke so why fix it, we have a pretty</p>

good council here.
Completely different needs, lake residents would get forgotten and funding would be directed at "the city "
Lake Mac is a large enough city to stand in its own right. Newcastle Council wastes way too much money-eg the figs fiasco. We are two unique regions so should remain distinct.
There are very different needs in Newcastle than there are at Lake Macquarie. Lake Mac council is wonderful with a strong emphasis on sustainability that a Newcastle City Council will not properly address. Newcastle City Council has a track record of heavily promoting large infrastructure and big business, which isn't suitable at the Lake.
Lake Macquarie covers a large area with different issues and need to Newcastle, I worry that merging with Newcastle would focus less on those things and get lost in the "general" business
Newcastle council is in debt and had very poor management and vision. They do not care about the residents or have the best interests of the community at heart. Since moving to the lake, we have been very impressed with LMCC. The 2 councils are worlds apart. Since moving here we have also discovered the different lifestyle and needs of the community compared to the city of Newcastle. I believe that LMCC ratepayers would end up bailing ncc out of trouble and would probably also end up with the least share of the funds.
Lake mac Council covers such a large area already, it would be stupid to make it even bigger by amalgamating with Newcastle or any other Council area. I love being apart of Lake mac Council. Their response during the super storm has shown how wonderful they are (green waste pick up and such quick response on social media. Very much appreciated)
Newcastle council are really bad at their job, lake mac council do an awesome job. We don't want to be apart of Newcastle councils view of the future.
Lake Macquarie Council runs well and offers a great service to the residents.I can see no benefit to the ratepayers of Lake Macquarie.
Have seen what happened with Sunshine Coast and Noosa City Councils, as well as other mergers. Not convinced it would be in the best interests of the residents. Don't want to take on Newcastle CC debt and mismanagement of money.
I don't see Newcastle council as being an efficient service that will enhance Lake Macquarie, instead it seems that it would bring its own negative issues and questionable decision making
Because we are a large enough area to have our own council and we don't need any outside influence
Lake Macquarie council seems to manage issues better, it is convenient for locals to attend, it is friendly and seems more involved in the community.
If we merged with Newcastle I am concerned that most of Lake Macquarie funds would likely be used for the Newcastle area and Lake Macquarie would be left out.
I have lived in Newcastle and the services and organisation are disappointing.
More focused on what is needed locally, have not been impressed with decisions and behaviour of Newcastle council.
The majority of Newcastle residents live in an urban and suburban environment. Lake Macquarie has a much a larger area consisting of suburbs, and separate towns and villages. The concerns of the residents of the two council areas are quite different
I believe the word "merge" is too broad a term and find it very difficult to voice an opinion, based on these options. Before seeking a solution, would it not be a good idea to identify and make known any problems that may exist?
Q1 - Are both/either LGA prospering under current regime? Q2 - What, if any reasons exist or have been identified as to why either may, may not be the case? Q3 - What benefits are foreseen by a 'merger'?
Clearly there are many issues for consideration prior to committing to a decision.
NCC top heavy. Only want LMCC for the numbers and our rates.
I think LMCC is well managed as in a very solid financial situation. I dont want our council to inherit the debt of another council.
New castle city council can't even run its own council let alone merging
Why spoil a good thing ????
LMCC are progressive & responsible...NCC are idiots who couldn't organise a fuck in a brothel.
LMCC already proforms well on its own. NCC has issues and there is nothing for LMCC to benefit from a merger.
better future of Lake Macquarie region and its identity.
LMCC are financially viable and have a huge area as it is to look after. Merging with the likes of a disfunctional council with a great land area like newcastle would be a receipe for disaster

Don't want Newcastle debt. Loss of focus on well being of the lake.
Newcastle CC is a dysfunctional organisation with too many internal (political) and external (minority interest groups) that continue to hold the city back. Lake Mac would just be absorbed into that cesspit if amalgamation went ahead. It is financially inept which would send Lake Mac the same way should an amalgamation occur. One good and one bad council if amalgamated will just create one bad council.
Both Lake Macquarie and Newcastle are large Council's and the merging will not be beneficial to user groups and rate payers of each LGA area. The NSW Government need to look at more than trying to save dollars.
NCC needs to look within and clean up their back yard which includes shedding staff to become sustainable and lean. LMCC has done this and is deemed sustainable and lean when compared to other LGA's (compare the data), especially NCC - so why should Lake Mac residents have to pay for fixing NCC poor record of administration.
If it's not broken don't fix it
The second question is a bit confusing as it actually contains two questions. I do not support a merger with Newcastle City Council at all yet I am not totally opposed to a 'logical' boundary change with any neighbouring Council which would see an improvement in services, facilities or be of benefit to the lake itself. It is important to maintain a local perspective within a Council area and the structure of Newcastle and Lake Macquarie is fundamentally different in lifestyle and direction. Lake Macquarie still has a village feel with the occasional 'urban centre' whereas Newcastle is a true suburban environment with the opportunity for a vibrant cafe society and port hub. This is outside of the horror, as a Lake Macquarie ratepayer, of taking on the debt and increasing rates to which Newcastle ratepayers are currently subjected to.
Newcastle City Council is CBD and seaside centric - at the neglect of the rest of the ratepayers.
LMCC is far more progressive than the useless NCC.
It will reduce administration overhead and get council back to doing their first priority Roads, Rubbish and Rates better.
It may prove to be a disadvantage to merge with another council and have funds spread all over, - whereas the coastal areas bring tourism and should be looked after more extensively.....ie update Swansea!
I think Lake Macquarie Council does so many wonderful things for their residents and I worry that we would lose that should we amalgamate. We shouldn't be "tacked on" to Newcastle's electorate. I also feel that we are a separate community, the lake being at the heart of that community. We have a different focus to Newcastle - can be seen in the fact that we have voted differently for many years and supported our local State MP who is an independent and previously a part of the Lake Alliance - he understands the community and its needs better than someone would if we were tacked on to the Newcastle electorate. We have our own strong sense of identity and pride - I was born here, moved away and come back and have always considered Lake Macquarie my home.
Lake Macquarie City Council is running our City very well, on the other side Newcastle has big problems, and we do not want them in our City.
However, if Newcastle was to be run by Lake Macquarie City Council I may change my view.
Reduce costs by having one Lord Mayor. Get rid of the one Manager. Why have a manager and a Lord Mayor when either one will do. The council has too many overheads and not enough workers. Get Politics out of Council.
Three reasons: 1. Newcastle and Lake Macquarie are very different regions. 2. I don't believe that Newcastle City Council has done very well by the City of Newcastle itself, why would it do any better with the Lake Macquarie area???? 3. Here in Morisset/Cooranbong we feel like no one really cares, when the council is at Boolaroo - if it was centralised in Newcastle, they'd never care.
We're unique...
Substantial savings can be achieved by standing down senior staff, as two of everything will not be required. Savings also in equipment and facilities. etc.
Newcastle People are weird
Lake Mac has strong and stable leadership. Staff productivity is excellent as a result of a workable size organisation which encourages accountability, and good communication. At this scale an individual has the opportunity to participate in ongoing change and improvement of services. Larger organisations are often less efficient and less responsive to their local community.
lake Macquarie have good financial management and understand the issues involved with our area. Newcastle council have poor management, infrastructure maintenance backlogs and do not understand the Lake Macquarie area. We should stay well away from anything to do with newcastle
Dear LakeMacq, As a council you need to find a balance between income and expencese - Just like

any other business.
because I think it would be to large of an area to have all work that needs to done completed with out increasing rates which are high enough now
LMCC appears to devote itself efficiently to the required tasks and processes. NCC seems clumsy, wasteful and too interested in irrelevant art projects.
Boundary changes should be an objective to consider together with a slimmer, more cost efficient organisation. A genuine review of staff levels in terms of effectiveness should be a large part of such an outcome.
I'm not against a boundary change, I feel there could be merit in it, but I don't believe in an amalgamation with Newcastle City Council. Lake Macquarie is a completely different area with a different focus. As a resident of Toronto I believe Lake Mac council should focus more on the directly bordering suburbs of the lake and improve on the existing infrastructure. It feels as though the more sleepy suburbs of lake Mac already get left behind in street & lifestyle upgrades, and I believe it would only get worse if the councils were to amalgamate. Stop wasting time and money bullying small community developments and please focus on more important matters that affect people. E.g. Dora creek swamp (Baker Street) drain blocked, road safety, Toronto upgrade, community hall upgrades & improve booking system (SO many stuff ups), local park upgrades, more footpaths for parents with prams, bike path connections from Toronto to booragul etc. I love this community but feel there is so much lacking and so little evidence that council actually cares about improving the lifestyle for people around the western side of the lake. Toronto west needs better linkage to the main drag.
we have a lake and they have a river. they are in debt and we are not. we have a good working council and good morale and they do not.
<ol style="list-style-type: none"> 1. Newcastle's issues would dominate 2. LMCC residents would pay for the expensive needs of Newcastle 3. Newcastle City Council is much less efficient with managing ratepayers funds than LMCC. No doubt at least some of the Councillors responsible for Newcastle's financial woes would be on the proposed new Council 4. NCC focuses on the CBD 5. Newcastle and Lake Macquarie are completely different communities. Any amalgamation should be with similar LGA's, eg., Wyong 6. There is no imperative to change 7. Amalgamations in other states have been failures and have not achieved the theoretical objective (usually cost saving), to wit, Townsville and Thuringowa.
LMCC is not Newcastle just as Penrith or Parramatta are not the Sydney CBD. They face different challenges and have very different demographics. I feel the needs and wants of the LMCC residents are best met by a council focussed on them.
Some projects more cost effective or more easily managed on a regional basis. e.g. cycle paths. However, against this is predicated the fact that a larger region can result in a loss of a more local focus in other matters. Any merger would need to see safeguards against concentrations of resources in limited areas.
Newcastle City Council does not demonstrate any ability run conduct itself efficiently and/or effectively. There is far too much party politics in play. They waste money, with poor decision making and infighting. Lake Macquarie City Council would have all of its money and assets plundered and the rate payers would be inflicted with a poorly run council that would be ineffective and full of egos that are only in council to fulfill personal agendas. An absolutely disastrous and retrograde step for the citizens of Lake Macquarie. Lake Macquarie City Council should be the benchmark, not destroyed.
Lake Mac is fine the way it is. The fact that Newcastle Council has cut the train line and made accessing the city harder is stupidity - especially given that parking in the city is a nightmare! They don't listen to the people, have spent \$\$\$ on an a battle over some trees and sold off city assets to pay their debts. Don't want any part of it!
Local government is supposed to be local and the closest to the people. Large Councils may as well be state governments as they lose the ability to connect with constituents and as a result are not able to tailor services and programs to meet the specific needs of their particular populations. I do not believe there is any sound evidence that amalgamations actually produce efficiencies for government and ratepayers despite the myth that this is the case.
Because Newcastle Council is a financial cot-case while LMCC is one of the best performing Councils in the State.
NNC has a history of corruption. NNC has a history if spending more than it makes, it is also built out so its ability to increase its funding has been at the cost of land rate increases and the introduction of parking meters into areas such as Hamilton, Cooks Hill and The Junction. These 3 areas are all very busy hubs and non have parking stations nor plans for any to be built. NNC charges \$4.50 - \$5.00 per hour to park in the CBD, shop owners struggle to get customers in the doors since David Jones closed. NNC would let these businesses fail before lowering or stop charging for parking. This is the actions of a greedy council that shows little compassion towards its residents those who own struggling businesses.

I lived in Maryville for 18 years, I seen the council charges increase by over 4x from when I first bought my property in 1992 yet services remained the same. In the end I got fed up and moved to out to the Lake. Please dont make me regret my decision. I like it here, its my home, but I will move if the shire falls and comes under the control of Newcastle.
The invisible traditional arbitrary & irrelevant boundary lines between 'Lake Macquarie' & 'Newcastle' council areas are holding us back - stop the debate, join us together & together we'll be better
Lake macquarie is such a large and hugely different area to newcastle. These two asset areas need to be managed independently to fairly serve the community.
We are so different, that one big council won't meet the needs of our diverse communities
I have dealings with both councils Lake Macquarie- Due to being a community service provider in this LGA and serving all our clients, I see that Lake Macquarie council has a great community feel, supports local community based services and the people who need these services. I have lived in this LGA for most of my life and find it a very good LGA to live in as they care for their people. Newcastle Council- I have lived in this LGA for past 2 years, I find it a totally different feel, especially in the recent Hunters storms and floods. There was not "kerbside pick ups arranged like Lake Macq", instead we had to ring up and book normal service pick ups and were told it had to be usual rules eg trailer size tree trunks etc cut into smaller pieces etc, where as at Lake Macq council you could put anything and any amount out as they cared about the people of LGA and did no make it more difficult for them. I hope if there is a merge that Newcastle Council adopts some of Lake Macquarie's ways
I don't believe that the resident of Lake Maquarie would gain any benefit from the merger. Nothing I have read to date indicates any financial or environmental gain.
The already significant size of Lake Macquarie City Council would result in a loss of quality of service to residents if forced to amalgamate.
We at the south end of the Lake find it is hard enough to get Council to do things down here. Getting Newcastle council to do anything would be impossible.
To many jobs lost in Lake Macquarie
Lake Macquarie is "unique" with the Lake and the geographical area. It is also a well run Council, with a much better financial situation than Newcastle Council. We do not want the many problems of Newcastle Council tainting and retarding the future of LMCC.
Newcastle Council is less progressive and isn't good at resolving basic issues. NCC also has significant debt which LMCC residents would inherit. The environmental focus on the lake would also be lost if an amalgamation occurred.
At present our support from LMCC is very POOR but would not be improved by joining Newcastle C C. We are constantly over looked and for example (1) requests for improved walkways we are told it is a Bush Track without even checking the number of people who walk regularly on it (2) street planting policies not enforced (3)the recent proposed plan for developments/projects nothing for the Western-side of the lake.May be a new council taking in the Western-side of Lake Macquarie updating facilities, roads and services should be considered.
merger should reduce rates with reduction in management numbers and staff numbers
Newcastle Council has an unfortunate history of disruptive management and poor decision making. By contrast Lake Macquarie enjoys a cohesive approach to development with some sensible decision making. Having said that, LMCC would reap benefits from a review of senior management responsibilities with a perhaps leaner and more accountable management team!
Both my husband and myself grew up in the Newcastle City Council area and have watched its decline and seen it badly mismanaged and we do not want to be under Newcastle City Council again.The cost of parking in Newcastle turns a lot of people off going into there. In the 21 years that we have been living in Lake Macquarie we have seen it prosper and the plans for its future will only make it more so. We think that if the two councils combined then it could be to the detriment to Lake Macquarie as resources may all go to Newcastle and Lake Macquarie be forgotten (like it does with Sydney which gets 99% of all things done there compared to the rest of the state) and project for the area be put on hold while Newcastle prospers from the wonderful work that Lake Macquarie Councilors have done.
Lake Mac Council is forward thinking, open and looking to the future. Newcastle council wants our money!
Councils have too much power as it is. I think it's best to stand alone, just my opinion
Great job being done by Lake Macquarie Council good park & amenities don't wish us to go the way of Newcastle council with money going out & nothing to show for it.
Newcastle is in a great amount of debt. Property prices are also higher in Newcastle and it would be unfair to put our rates up in line with theirs.
Newcastle council have a lot of work to do in the city with building & services .They take to long to move forward with projects.
Lake Macquarie council does a very good job, making decisions that benefit the area and ratepayers,

and listening to resident's concerns. It doesn't need to take on Newcastle City Council's problems and inability to carry out basic works because of misuse of funds and corruption.
My wife and I have been rate-paying residents of Lake Macquarie for the past 7 years - and have been very impressed with the proactive governance of this dynamic local government agency. The gardens/ parks and lake foreshores are a credit to the various departments across the Council. We believe in the old adage ..."if it ain't broke leave it alone". By amalgamating with Newcastle Council you would end up with a huge organisation - which would lead to spreading / stretching of available services - with the ongoing priority being "cost-saving". We have the best Council in the country - and we don't want / need to be dragged into the 'murky waters' of Newcastle Council - which has been plagued with controversy, particularly in more recent years. Leave Lake Macquarie Council and it's customers alone. We don't need any help - we are fortunate to be living in a great healthy environment healthy and we are very satisfied with our Council - so hands off we are fine the way it is. Thanks
We are quite satisfied with most services as they are. By merging with Newcastle we feel services to Western Lake Macquarie will deteriorate. Also why should we inherit what appears to be a disfunctional council who spends most of it's money in the city.
Merging the two large local areas means substantial loss of the ability of the two current councils to meet the different requirements of these two very different groups. There is already sufficient diversity within each of these areas to make council operations complex but currently manageable. Each of the two is also growing rapidly within its own unique guidelines. By amalgamation, no doubt Newcastle businesses would soon take over by money-power. Gone then is the Lake Macquarie community, identity, and the natural beauty of our area so carefully cherished by long-term residents, our Council and working groups such as Landcare. This is just some initial thoughts and I am sure I need to add much when I've had time to think.
Differing needs of the communities
Newcastle Council seems very poorly run, I don't want them wasting our rate money.
Council standing alone would solely represent needs and interests of lake macquarie and not have resources redirected to newcastle
because council doe's nothing for my suburb now, if the council area increases we would never get any services. I hope my area would or could move to the next closest council with the hope of some maintenance, services and structural upgrading.
Lake Macquarie is a council that has worked extremely hard, as has the community, to become the vibrant, innovative and successful region it is today. Its unique identity has been forged over time. Any merger with Newcastle or adjoining council areas would be detrimental to our region, and breach the trust that has been built over time. Having lived in both Newcastle and Lake Macquarie areas, I know which leadership I prefer and that is Lake Macquarie by a landslide. No merger!
Consulative services no duplicated, competitive contract negotiations Administrative cost savings
Newcastle Council has been plagued with mismanagement and overspending issues while lake mac thrives. I don't want to have to pay for their problems!!!
Newcastle local politics has been dysfunctional for as long as I can remember. I don't want to be part of that. The Lake community is distinctive to the Newcastle community in many regards. The Lake deserves a single focussed attention without Newcastle city's concerns taking focus and resources away from LMC. Bigger does not necessarily mean better. I do not like Newcastle's practices regarding kerbside collection. The area covered would be huge
Lake Macquarie City Council is in a good position and is running well due to their forward thinking. I don't want my rates to be responsible for cleaning up the position Newcastle Council has gotten itself into. I don't see how things could be run more efficiently by a single Council that has to look after a much larger area.
on a cost basis less over heads and the area covered is still very small
It seems both councils have financial issues nothing seem to get done due to lack of funds by merging and having one administration would cut down costs. Then maybe we will see funds put into infrastructure needs of the community.
Newcastle council have a history of corrupt behaviors such as the "brown paper bag deal". Propert developers have been allowed to destroy newcastle city, by removing infrastructure such as the railway, in order to make money to for themselves. Whilst I believe Lake Macquarie council is far from perfect, in that they are reluctant to spend money west of the lake, refuse to kero and gutter for flood mitigation, don't, consider developments of property that negatively affect neighboring,properties, they are probably better than newcastle. I also don't think the council are capable to running such a large area. Parts of Lake Macquarie such as Barnsley are like third world nations, they have no drainage, and some houses are draining household used water into neighbouring properties as they do not have proper plumbing. These areas can not be incorporated into super council areas to be further forgotten and neglected. Super councils will see these smaller outer suburbs become slumps. No drainage, no

kerb and guttering, no footpaths, limited community facilities. I am really concerned that a super council will see my suburb cut off from any future improvements.
I often visit your city acer very nice city
One council endeavouring to service the large area covered by Newcastle and Lake Macquarie Councils would result in a decline in service. With a population of 200,000 plus residents spread around the shores of a very large lake, we should have one council devoted to servicing the area. I do not believe that amalgamation would result in significant savings, as it would in the Sydney metropolitan area.
I do not wish to see Lake Mac have to fund the financial issues that have long plagued Newcastle Council, nor the focus shift from Lake Macquarie to the central CBD which I have no interest no visit.
NCC does not service its own current outer suburbs to the degree it services the inner city, a larger single Council would continue that I believe and the outer Lake Macquarie areas suffer accordingly.
The current area size of LMCC together with its current but expanding population provides a satisfactory service to the majority of its ratepayers and residents. To amalgamate with with NCC would create a "super Council" that I believe would result in a decrease of service to its current ratepayers and residents and result in unacceptable rate increases necessary to prop up and service the multi million dollar deficit in infrastructure maintenance currently living with NCC. Additionally the multi million dollar cost of amalgamation would be better spent within LMCC to the benefit of its ratepayers. Bigger is NOT always better a lesson that has been learnt in Queensland with the de-amalgamation of many councils at an enormous cost to ratepayers.
We have a great council that works for us and provides many employment opportunities
I believe there is major opportunities for the combined council to reduce costs, better coordinate facilities and services, be a stronger voice in representing our communities to state and federal governments and be more impartial when making planning decisions.
Lake Maquarie is much more progressive than Newcastle
Lake Maquarie is much more progressive than Newcastle
It will create too much conflict between merging councils. The rate payers will suffer the most. It also takes away options of people choosing which council zone to live in.
Lake Macquarie city council has proven over the years that it listens to its rate payers as well as providing decent infrastructure and forward planning regarding public works. Newcastle Council has proven to its people that it can't be trusted to get a rock off a road in under 2 years or decide on some fig trees.....no brainer really.
Newcastle ans Lake Macquarie are already two of the biggest Councils in the state. They are big enough to have efficiencies of scale and merging would not change that much. There are a lot of smaller Councils, especially in Sydney that are better candidates for merging.
Local councils should be just that: "local". The area to be covered would be too large. Newcastle City Council has a different focus i.e. it is a regional city, whereas LMCC concentrates on a wider, more diverse area. If an amalgamation were to occur, I feel the rates and focus would all be on the Newcastle city area and its development.
Newcastle seems to be very chaotic .. We don't need those disruptions in our council.. We need to stand alone and look after ourselves.
lok at the mess Newcastle is in, Why should Lake Mac bail them out?
Newcastle is always in debt and their charges are far too high they have those bloody parking meters everywhere they make decisions that are contrary to the wishes and best interests of the people they are more interested in making money than they are in providing a healthy, happy and economically viable place for people to live
We are very happy with Lake Macquarie City Council and do not believe that merging would offer any benefits to our city.
Newcastle is a Business City oriented council...Lake Macquarie council is Holiday Home oriented...They each have a different philosophy toward serving their client base. ...
Lake Macquarie CC is much more responsive to the needs of its residents. For example, Lake Macquarie Library and Garbage services are far better than Newcastle's. The Newcastle CC's recent mismanagement of its Art Gallery was simply appalling. Also the population size and land area of Lake Macquarie are optimal for Local Govt.
We believe that Lake Macquarie Council is run by competent politicians who understand and have our needs at heart unlike Newcastle City Council. Our needs are different to other councils and under the current boundaries are largely being met.
Better services
Newcastle City is bankrupt, vide there massive increases in rates for the next 5 years. Why should Lake Macquarie which solvent have to pick up the slack for irresponsible rate payers.

<p>Lake Macquarie has shown in the past that they have the best interest of residents and where Newcastle have shown that they are in the position for themselves and not the community. Community vote these people in thinking they will do the good for them, Lake Macquarie have come through with the goods, where Newcastle seem to keep stuffing around</p>
<p>Newcastle only stuff up everything they touch, are out of touch of what the people want and have way too many do gooders and minority groups who want to live in the 1900's</p>
<p>I like our city the way it is and I see our council as working for the people of the area.</p>
<p>Newcastle Council has been, and is, too politically divided and dysfunctional, debt-ridden and its infrastructure is old and little progress is being made to improve the dilapidated state of the city. Lake Macquarie is much more progressive and would likely be stultified if were merged with Newcastle.</p>
<p>LOSS OF IDENTITY - LESS SAY ON THE LAKE MAC AREA - BETTER MANAGEMENT WITH A SMALLER FOOTPRINT - CENTRAL LOCATION OF HEADQUARTERS & EQUIPMENT RESULTING IN LESS TRAVEL - GREATER EFFICIENCY IN RESPONDING TO PROBLEMS - DIFFERENT IDEOLOGY OF NEWCASTLE RESIDENTS TO LAKE MACQUARIE</p>
<p>Too many replicated layers of management. Resource numbers would remain the same, but no need to have dual bureaucracies suckling off overly generous 6 digit salaries within a 15km distance of each other.</p>
<p>Newcastle council is appallingly hopeless. There is no evidence of any advantage to the ratepayers of Lake Macquarie in being submerged into Newcastle's abyss.</p>
<p>Newcastle is dysfunctional and has been mismanaged for years. Why should we have to rescue them?</p>
<p>Newcastle Council is not as efficient as Lake Macquarie. Lake Macquarie has its own identity. If merged with Newcastle, our interests would be largely ignored.</p>
<p>We have always stood alone and been a strong regional area. Merging faces the potential of taking on problems of other areas</p>
<p>A larger council would ignore us more than we already are. It's tough to be at the arse end of the council zone as it is. We're still waiting for the post storm cleanup to happen. :(</p>
<p>The two areas deal with different issues. I believe we should also have our own funding and staff. My guess is you want to bring the councils together to save money by making workers redundant which would in turn slow down work done by the council. I have dealt with both councils living in different spots and lake Mac council is far more efficient. Why ruin that?</p>
<p>Newcastle City Council is hopeless. From lack of free parking in public places to promote business activity to lack of maintenance in public parks and toilets. Most of their decisions are made based on financial revenue and not the greater good. For years I have discussed with friends and colleagues the obvious signs of corruption so apparent within their ranks. NO NO NO to Newcastle having anything to do with us, We don't want them bringing us down.</p>
<p>LMCC is already large enough thank you.</p>
<p>Newcastle council is unable to manage its own affairs.</p>
<p>Cut cost of Administration greatly, remove Dead wood from all departments, reduce all associated cost that come with 2X General Managers and 2X Mayors. Hopeful reduce Number of Councilors and in doing so decrease hold up of D.A.'s etc. Overall get a new start and place a greater emphasis on responsible Government rather than people just toeing the Political Party Line.</p>
<p>It concerns me as to who lake macquarie council would fund the 4 million required to stand alone. That is a significant amount of revenue and will surely impact the residents substantially either through cuts to areas that are already lacking particularly on the west side of the lake. Merging could provide a more collaborative approach where by benefiting the combined communities and open lake macquarie residents to greater community resources and opportunities.</p>
<p>I prefer the way LMCC works compared to NCC</p>
<p>LMCC currently does a fantastic job of providing services to the area. Lake Mac is a much different feel and has different needs to Newcastle</p>
<p>I believe a merger would be in the interest of saving ratepayers money and would in time lead to a cheaper and better delivery of services but I have reservations about the management of the Newcastle council, its services and their current debts etc. In my opinion and experience Lake Macquarie council by far out performs Newcastle Council.</p>
<p>Newcastle council has a history of not making good decisions for its citizens, I am familiar personally with many Newcastle city councillors and do not find them at all trustworthy or fit to run our wonderful city of Lake Macquarie.</p>
<p>I have no confidence in NCC given their poor administrative history, but I have always been very happy with LMCC services and management. Sustainability issues are different for each council. Environmental and cultural needs different also. I believe we would be absorbed into a mega council with no appreciable gain to the Lake area.</p>
<p>Lake Mac Council has done an outstanding job of running Lake Mac, improving the region and promoting tourism. We do not need the influence of NCC with the running of Lake Mac.</p>

Lake Macquarie is a unique area that needs specialist management
in a big geographical area the small voice, the single complaint, will get forgotten and then lost. As we are is slow enough, bigger can equal full stop.
Newcastle Council in the past have not shown leadership like Lake Maquarie Council and I think that by merging will down grade our Council. Keep up the good work LMC you are doing a wonderful job and get things done
I am Totally happy with Lake Macquarie Council the way it is now, there is no need for any changes ! Amalgamation with Newcastle Council would be an economic disaster and leave the Lake Macquarie district drastically short of assets and ability to service its own ratepayers. There would be more large increases in rates and charges to the detriment of all. However I would like to see some streamlining of council services in the future.
I feel lake Mac is doing a great job building the community and managing it's finances. The councillors and management are strong. Newcastle seems expensive and dysfunctional. Lake Macquarie would be at risk of losing its identity if merged with Newcastle.
Lake Macquarie Council are much more supportive of our suburbs. They make logical and pro-active decisions. And they actively acknowledge enquires and problems in a timely matter. Newcastle Council don't seem to give a damn about the city, its suburbs, the roads or the people living in those suburbs. They're a majority of old-minded, old fashioned, slow moving fools holding back the city. Lake Macquarie is moving forward in the best way and we PROUDLY want to stand alone!
Newcastle needs do not match those if Lake Macquarie so would not work.
It's difficult enough to get council to supply the necessary services with the present area. Newcastle city will dominate council services and we will probably receive less.
Smaller projects and issues will lose any focus with a large institution. The newly amalgamated council will have double the workload and only larger issues will be of any importance. There will be a loss of staff as a result of the amalgamation which will have a flow on effect elsewhere. Where will this end. Will we eventually only have super councils of the future where those in the north coast represented by one, the south and west by another, Sydney, Central Coast and Wollongong then also amalgamating. Sorry, I do not support this in any way shape or form.
NCCC cannot run their own council, no way known to man should we give them the opportunity to ruin our council area as well
Any combined council would cover an area too large for effective governance and service.
We have a council that looks after the city in an economic and effective way
Our current Lake Macquarie council seems to work smoothly and have the residents best interests at heart. I do not want to be dragged into a dysfunctional bordering council who does not seem as well organised as ours. I feel it would mean our council would be dragged down by their issues.
Lake Macquarie City Council has totally different characteristics compared to Newcastle Council (Socio economic, demography etc). LMCC is the number one Council within NSW and LMCC has the capacity to maintain its sustainability without being merged with Newcastle Council. If merged LMCC will obviously loose its glory and freedom. We the residents will get less services with the same or increased rates.
The Lake Macquarie area should be maintained as a separate L.G.A. because of its unique assets and geographical area, which of course incorporates the Lake. A merger with Newcastle would also result in an L.G.A. that would be far too large (both geographically and total population) to effectively govern, provide services and manage to the benefit of all residents.
Newcastle city council is mismanaged and possibly corrupt. Not interested in my rate dollars propping up that shambles!
I feel Newcastle and Lake Macquarie needs are vastly different, and to inherit the problems Newcastle council have, standing alone would be a better option for us. I'm not even sure amalgamation would be the answer to Newcastle's situation anyway, either way it's going to cost the rate payer lets go it alone.
Newcastle City Council can not manage their own affairs.
I have more confidence in the values of governance and the responsive and responsible attitude that LMC has initiated. Newcastle City Council has a poor history in being environmentally responsible and acting on behalf of its electorate ~ too many examples to list in a short survey!
Lake Macquarie is run well with some great facilities in the LGA. Councillors may argue but the better outcomes for the LGA come out front. Newcastle has one issue after another and Councillors who are complete dimwits. Why would we want that? If dimwits is unpublishable, please replace with 'uncooperative, operationally archaic and malicious'.
There will be economies of scale that will allow savings. Savings can go into innovation in the region, new types of jobs supporting/embracing digital innovation. Ultimately all levels of government need to address job losses in manufacturing and mining and develop the whole area as Australia's Silicon Valley, coupled with promoting tourism to our amazing areas combined. Lake Mac and Newcastle need to stop competing and work as one. Competition is what wars are made of.

<p>1) Geographically we are different, with different environmental priorities.</p> <p>2) Much of our population lives in remote villages than as a large suburban mass. We have different needs. Many of those in the more remote villages (particularly in the south and west) already feel disadvantaged compared to the more populated eastern and northern areas.</p> <p>3) LMCC is better managed than NCC. Our rates should not be propping up a neighbouring council in crisis.</p> <p>4) Our rates will be disproportionately spent in the capital.</p> <p>5) The people of Newcastle do not associate themselves with Lake Macquarie.</p>
I'm not at all confident in NCC's ability to manage, maintain & make good decisions for our city.
I would suggest that if this merger went ahead Newcastle would end up bleeding our area dry going on their past performances & Lake Mac has more than enough to look after now without any of our rates diverted to their area.
Since moving to Lake Mac I have for the first time been happy to pay rates, as I can see the benefits daily. LMCC appears to be efficient and has the interest of the area as its priority.
Lake Macquarie council has shown the way in fund management, project management and budgeting. Unlike Newcastle council which has wasted funds, had several cases of fraud and shouldn't be put in charge of running a raffle let alone anything bigger.
We are a big enough council to be able to work together as a community and solve any problems. We have different issues from Newcastle Council.
I do not believe in a larger council our needs and views will get the same level of attention they get now.
To ensure ongoing quality service to Lake Macquarie
Lake Macquarie is a great council and well managed whereas Newcastle is mismanaged and in great financial debt.
Lake Macquarie is a large area with diverse development and maintenance needs, requiring dedicated management. Amalgamation with another large council with competing priorities, and reducing management overheads (incl staff) will not help lower priority needs being addressed. I am not happy with the current management and decision making and would expect it to get worse with amalgamation!
Lake Mac council should stand alone, they have being very progressive and effectively tends to our needs while Newcastle Council is inefficient and seems to now be going backwards since its recent mayor election. LMCC provides in my opinion greater garbage and recycling services and our roads and parks are very well maintained, I believe LMCC is more than capable of effectively governing in its own right and without any boundary changes or mergers
I feel Lake Macquarie Council is doing a great job managing on its own & keeping up with upgrades & maintenance compared to Newcastle Council who have run Newcastle City into the ground!!!
Lake Macquarie is unique and separate from Newcastle. We have the lake and surrounding areas as well as the beach. We have a very active council that works hard at meeting the residents needs. They have a strong link with our Aboriginal citizens and strive hard on reconciliation. They are supportive of business in the area. Standing alone will continue our strong community of Lake Macquarie. The area is too large to be included in Newcastle and I believe the quality of what can be offered will reduce.
LMCC have been moving forward and are putting the local rate payers money back into the community.
Putting the interests of Lake Mac resident's firsts.
Lake Macquarie has been a great Council. Why would we want to join with Newcastle? I don't like going to Newcastle and having to pay to park the car, go to my appointment, then half way through the appointment excuse myself to go and feed a meter which usually isn't close to the appointment. We changed our dentist because of parking meters and rarely go to Newcastle. Keep Lake Macquarie people and business friendly!!!
I think Lake Macquarie council is making great decisions about our lake ,parks, cycle ways etc. The council should stand alone as it is doing a good job as it is. Leave well alone.
Lake Mac council are progressive and do an excellent job. LMCC showed great leadership during the recent storms by being the first council to offer free green waste pickup. Newcastle council do nothing but oppose progress.
The lifestyle and needs of residents in the townships that make up Lake Macquarie City Council are distinct from those of the more urban higher-density residents of Newcastle Council area. I value the focus on my family's chosen lifestyle and community that being part of LMCC brings.
I feel the performance of Lake Macquarie council is sub par, but Newcastle council appears even worse. Look at the issues Newcastle council has faced in recent times and how they have addressed them - woeful. The only positive thing in a merger would be in reduction in overpaid, under performing councillors.
Financial burden presented to us by Newcastle Council, plus the historic inability of their councillors and administration to make decisions and stick with them! Council will move away from the Lake and the residents will need to travel even further for their congress with the council over matters such as

DA's and building information, services provision information etc etc etc. This will be an even greater impost for the people of Morisset and Wyee (if they are not lost to Wyong or the Central Coast). A loss of identity I envisage because the Newcastle Council will over shadow us. The greater NSW population will come to know us as Newcastle City Council despite efforts to rename the combined council. I regard myself as a Novocastrian AND a resident of Lake Macquarie
Three years and how many thousands of dollars to decide to move a rock that fell on the road. NCC hasn't got any better after that.
I hear that Newcastle council continually makes poor decisions, wastes money and doesn't take care of it's people as well as Macquarie Council does.
Lmcc is doing a great job. We are seeing improvement everywhere. We don't need to bail out NCC and don't need them to take over our LM.
Newcastle and Lake Macquarie, despite being neighbours, are incredibly different. I don't believe the needs of Lake Macquarie residents would be supported as well as it is under LMCC if it was amalgamated into NCC.
If it "Ain't broke don't fix it". Lake Macquarie has its own footprint. Which is Totally different to Newcastle. ... Leave us alone.
merger would hurt, at least they might list to want the rate payers want
1. newcastle financial position has been bad for years and I don't want LMCC residents to pay extra to rescue them. 2. Newcastle focus is on the city revitalisation and I am not prepared to pay extra for a benefit that is not in my interest. 3. LMCC has a good track record of services at reasonable cost and I want this to continue and there is no guarantee this would continue under a combined council.
We are different in many ways from Newcastle and deserve to stand alone.
I believe a smaller local council is more likely to be more responsive to local residents needs. A larger a council is more likely to channel funds out of the area to support projects outside of the local area.
It is ridiculous to have two large councils side by side when it could easily be managed by one single management. The cost savings would be enormous and the only reason stopping it is self interested politicians and employee's protecting their patch. 3 Levels of government in this country is not necessary nor sustainable in the future.
Lake Macquarie is more efficient. It manages a larger area with a smaller population and a lower per capita rate.
geographically it doesnt make sence Lake Macquarie deserve it own identity Residents of Lake Mac will suffer , increased rates to prop up the dept of Newcastle What savings can be 100% proven even after the multi million dollar merger is completed
I see no benefit for Lake Macquarie Council merging with Newcastle Council or any other Council. Lake Macquarie will just inherit there mess.
Lake Macquarie Council has much better services,especially library. Newcastle CityCouncil has a bad record on services and i deplore the way they treated the Art Gallery .
Newcastle City Council is extremely wasteful and ineffective. They will take over and control Lake Macquarie City Council if we merge with them and make our council just as useless as theirs. In addition; we will lose our identity and just become sheep.
Lake Macquarie City Council has the capability to maintain its viability by itself. There is no need to merge with Newcastle Council and obviously the merger will not benefit LMCC. We the residents of LMCC love LMCC and would like to see it grow further and further. By merging with NCC we will just deprive from the superb services from LMCC.
Lake Macquarie is a strong Council with an identity of its own, there is no need to merge with Newcastle. Lake Macquarie is financially strong and a leader amongst local Councils, merging with Newcastle would only create unnecessary issues.
Firstly, the merge would create one of the largest council areas in the state, which I don't think is necessary - why not Newcastle merge with a smaller Hunter council area, if ther HAS to be a merge?? In addition to this, the lifestyle and thus needs of lake Macquarie residents is quite different to those of the Newcastle residents, which would make the merged council very difficult to manage. Finally, Lake Macquarie council is a well run, financially viable council with a sound plan for continued success into the future. Newcastle council is in financial strife, which as far as I am aware is largely due to poor management - why should Lake Mac residents take on this financial and managerial mess?? Perhaps educating other council area management is a better solution, as opposed to merging, so they too can enjoy a sustainable and efficient council. I think Lake Macquarie has proved itself a viable and efficient stand alone council area, why change something that works so well?
the combined area will result in poorer services to Lake Macquarie residents at the outer limits & we already suffer from being disowned in area where we are on the limit of the area. I welcome any proof you could provide contrary to this being the outcome of a merger with Newcastle.
Lake Macquarie has proven to be a very well run council in comparison to Newcastle. They consult

<p>readily with the community & provide good services to its residents. I do not want my rates topping up another council and helping to fund their dept.</p>
<p>Lake Macquarie Council does a tremendous job at providing a fantastic service to its rate payers. If a merge were to happen Newcastle council would do nothing for the rate payers who live past Lookout Road Rankin Park. Keep it as stand alone.</p>
<p>Because we are already "Fit for the Future" as evidenced by the awards and accolades we have gained in the past few years. Newcastle council is cash-strapped, disfunctional, cumbersome and extremely political. They have major issues with infrastructure and I'm sure they look with glee on getting hold of Lake Mac funds. As residents we have MUCH better customer service from our council - you only have to talk to Newcastle residents to see this, and a prime example is the clean up of recent storm damage - pickups by Lake Mac council, and take-it-to-the-dump-yourself attitude from Newcastle (difficult if you are without access to a trailer or truck). This merger would drag a well functioning council down We have nothing to gain and everything to lose by merging. These council mergers would be best kept to small country council's where there is a benefit to residence of pooling together resources.</p> <p>Having said all of this, there is another key reason why we should not merge. We are Lake Macquarie - we have more than 100 years of being Lake Macquarie behind us. I am proud of our city and it's history and unique identity. If I wanted to live in Newcastle I would have lived there!!!!!!</p>
<p>Local government should be local not regional</p>
<p>Better management - better council. No infighting and ridiculous decisions as we see in Newcastle.</p>
<p>The financial management of Newcastle Council is a real concern. I do not want to be paying for their ineptitude and see our services decrease because Lake Macquarie rate payers would have to prop up a poorly performing council.</p> <p>I would not want any of their councilors on my local government council. They do not have the ability to run a council and make appropriate financial decisions for the betterment of all rate payers. Newcastle Councilors are more interested in themselves and serving their own self interest. If there is a merger Lake Macquarie rate payers will be worst off and pay for the poor performance of Newcastle Council for years to come.</p>
<p>Better for our city, less cost for rate payers. Lake Macquarie City Council far outweighs in performance and service. We are proud of our Council area.</p>
<p>Newcastle council is absolutely useless it will never be able to make Newcastle a city of the future because the old mob on the hill have too much to say about what happens In the area. Combining the two councils would not work as it would be too big to control. If the present council cant handle the job get new people in who can Cheers Bill.</p>
<p>Newcastle city council is hopeless and always seems to be in trouble with debt and trying to get more money out of it's rate payers constently. I believe Lake Macquarie council seems to handle itself without merging with Newcastle. Newcastle would want it so it would have more money to waste. I can imagine Newcastle council would try to start charging people for parking in areas of business suck as Toronto, Belmont, Warmers Bay, Charlestown and Cardiff just to name some. the perople of Lake Macquarie should not have to bear the burden of the mistakes of Newcastle.</p>
<p>Newcastles performance over recent years would not encourage anyone to join them. I want a council that puts people first and does not encourage greedy developers. We need development but not in a rampant fashion. We need community services.....Newcastle has not done this of recent years and I would hate the disease to spread to Lake Macquarie.</p>
<p>I like the idea of localized government and there is an important sense of community identity which comes from being part of 'Lake Macquarie.'</p>
<p>The needs of Lake Macquarie are diverse and quite different to those of Newcastle. Lake Macquarie should retain its own Council which is equipped to attend to local requirements.</p>
<p>Surrounding councils have shown their inability to manage their own affairs</p>
<p>Lake Mac Council is an excellent Council, the teams / departments are doing great things for the City, and leading the way in many areas. In comparison, Newcastle seem to be 'stuck'. I would not like for a merger to mean Lake Mac stagnated or went backwards / both LGAs were disadvantaged. If a merger meant service levels in Lake Mac would remain unchanged, but Newcastle LGA support improved, that would be fine.</p>
<p>As a member of the Lake Macquarie City Council Electorate, I am proud to be a part of my local council area. I believe LMCC is a more community focused council and has a sound financial position to be able to continue to support and encourage community events in my area, and growth the Lake Macquarie District. From my understanding, NCC has been plagued with financial issues, and allegations of misconduct by it's Councilors, and I would not like to see LMCC end up like this. I would like to see LMCC funding stay within it's own partially regional community, without being forced to be spent on fixing NCC area problems.</p>
<p>We have lived in both these council areas and find Lake Macquarie much more user-friendly, ie. helpful and co-operative. Not to also consider the fact that the council rates are more affordable.</p>

<p>Newcastle Council area is not attractive- we used to spend most weekends there in our younger days but now it lacks train service, the mall is littered and not at all appealing. To move most of the university into the city will not benefit the area in our opinion. The university was established at Jesmond because it was accessible to people from other regions... there will be insufficient accommodation to meet the needs of students and the road and rail services will be inadequate. The Council in recent years has had a lot of negative publicity and I see no evidence of things getting better.</p>
<p>Newcastle would bring more problems with them than we want. I believe we are more efficient and suffer less council infighting. Lmac has made good progress on many fronts and amalgamation would slow us down. Go it alone.</p>
<p>I think LMCC is a very progressive council and in my opinion efficient. Ncle City Council is none of the aforesaid. LM is going forward whereas NCLE is going backward. The best thing that has ever happened to NCLE council is their sacking and appointment of one person to handle its affairs, that is the only time they have ever gone forward.</p>
<p>Newcastle appears to have poorer financial position.</p>
<p>I think Lake Macquarie is doing very well whereas Newcastle has many problems in their area and with their leadership. Why should we take on their problems and make our lives less attractive.</p>
<p>I have always considered Lake Macquarie as the southern part of Newcastle.</p>
<p>The two city councils cover vastly different communities, and as such each council needs to retain its' focus on the particular challenges of their local government area. The area covered by the City of Lake Macquarie is considerably larger than that of the City of Newcastle, consequently the administration requirements relating to services and land management vary. It has also been demonstrated that the current financial position of Lake Macquarie City is markedly superior to the position of Newcastle City.</p>
<p>Lake Macquarie is a great place to live with a well run local council. The needs of Lake Macquarie are very different to those of Newcastle. Lake Macquarie surrounds a very large lake with many community pockets & villages encompassing a very large area. Newcastle is a much more densely populated area which includes a university and a working harbour. It makes no sense in my mind to merge two such very different cities</p>
<p>Lake Macquarie has spent a deal of resources on naming the city and we are becoming much better known as Lake Macquarie City. If we merge will we become Newcastle? If so I think this is a backward step.</p>
<p>Amalgamation with another council, especially a larger one will diminish our existing services, I want my rates in Lake Macquarie, NOT Newcastle. No, No, No !!</p>
<p>I believe if we do merge there will be nothing done around the current lake macquarie area and all funding will be given to Newcastle. Newcastle Council ran their council into the ground by bad decisions they have made. Newcastle Council need to fix themselves and Leave Lake Macquarie Council alone.</p>
<p>Lake Mac have a way to go but they are headed in the right direction for ratepayers. I believe Newcastle Council to waste money procrastinating over major decisions wasting ratepayers money. Fig tree fiasco, Art Gallery extension, Old Post Office is a disgrace.</p>
<p>Newcastle has a different community commercial and industrial style than Lake Macquarie. Both have strengths but are essentially separate in attraction/ structure.</p>
<p>Newcastle City Council is more politically motivated and inefficient. The historical bad habits established in Newcastle many decades ago are not wanted in Lake Macquarie. Lake Macquarie Council runs efficiently and serves a unique and large area very well. Making the area larger would create inefficiency and increase rate levels.</p>
<p>Whilst theoretically in the long term it could potentially be more economical to combine, in the short term it will mean a re-branding and the associated costs, including who knows how many costly and time-wasting studies and analyses! I have absolutely no confidence in Newcastle Council and concerns that an amalgamation will lead to more of the same tail-chasing that currently occurs in their policies and actions.</p>
<p>I fear lake mc rate money will be redirected to newy ... We don't see enough of it as it is!!!</p>
<p>Lake Macquarie council appear to be progressive and the area is a great place to live and work. Newcastle council don't have a good reputation</p>
<p>We are a very large Council as it is. We would not gain any efficiencies of scale by merging due to our size, population, geography and unique catchment.</p>
<p>Councils are inefficient now, by combining the inefficiency is multiplied, more money is spent / wasted on admin which means less is available to be spent on the shires needs.</p>
<p>Lake Macquarie is a unique area whose council serves it well. Please don't merge it with Newcastle Council. Our services will deteriorate!</p>
<p>We would lose our singularity and identity - merged with a council with a different agenda</p>
<p>Areas are very different. Lifestyles</p>

Different too. Lake Mac doing a great job without changing things.
I feel that Newcastle has had a lot of problems within their council and we do not need to be a part of this. We live in a lovely part of Lake Macquarie and are happy with our own council. Stand alone!
Different place to Newcastle with different needs. Newcastle Council still seems dysfunctional.
Lake Macquarie has grown and become a popular place to move to over the last 10 years and during that time we have become our own identity separate from Newcastle which unfortunately has had its own issues over the years. I believe it would be negative for Lake Macquarie to merge with Newcastle.
Lake Macquarie Council has not had the same amount of bad investment decisions, bad planning decisions, problems with management and elected officials as has been apparent with Newcastle Council over the years. I believe it is not in the best interests of lake Macquarie residents to have to bear the burden of these problems if a merger was to take place
Lake Macquarie Council has done wonders for the area and as a rate payer I appreciated the facilities and services that are made available to us. As a resident I feel that Lake Macquarie would suffer and the services provided would deteriorate if we were to merge with Newcastle Council and it would cost Lake Macquarie rates payers more.
Because it is a step in the right direction towards reducing the current expensive three tiers of government in Australia, Federal, State and Local, to two.
I love Lake Macquarie as it is and what the LMCC has done to improve it. I don't think they need to merge with Newcastle City Council, I believe LMCC achieve their goals on it's own well enough. Newcastle City in my opinion have a long way to go to improve parts of Newcastle and they don't seem to get as far in doing so as LMCC do.
I believe local issues can be dealt with more effectively by local people. Merging Newcastle and Lake Macquarie Councils to cover a much larger area would leave more room for communication errors, knowledge gaps, mistakes to be made, and for any possible corruption to go undetected and unchallenged. Not to mention the cost to Lake Macquarie residents. We are happy with Lake Macquarie City Council standing alone, and would be very disappointed if they were forced to merge with Newcastle City Council.
Concern everything will be spent on Newcastle CBD. I live in newcastle and this already happens. The western newcastle suburbs would be even more forgotten.
Newcastle City Council is hopeless and the area will be too large for them to look after if it's combined.
This then becomes a huge council & the suburbs at each end of Lake Macquarie (Cooranbong) will be lost as we don't receive many services now !!!!!
Because NCC doesn't like #DIYRainbow whereas LMCC embraces it. I feel LMCC is there for its residents, meanwhile NCC has been facing corruption allegations.
I quote from the council brochure on this topic--- "An artificial amalgamation-----will likely put that at risk."This expresses what my husband and I,as ratepayers here since 1966 believe.
Because we would inherit NCCs problems & financial issues. Lake Macquarie will lose its identity & funds are likely to be spent predominantly in Newcastle city with inequality of spending throughout the rest of the amalgamated council area. I love living in Lake Mac & I like that it is finally being recognised as a region close to but separate from Newcastle
Newcastle Council has a regressive council. No growth, Parking fees everywhere, any new ideas are debated to death and not acted upon. I don't want to live in a council area that has no future. Lake Macquarie at least tries to be forward looking and transparent and they don't do a bad job. We will only have to prop up a council that is in debt, disenfranchised and has trouble making decisions.
Lake Macquarie would be lost under Newcastle.
Same reasons as Newcastle resents Sydney. Sure we go into Newcastle for events, but we go to Sydney and Canberra etc too. We have our own identity, our assets, our priorities and values. We're more environmentally responsible than Newcastle. We value our sustainability programs. We have over 300 Landcare groups in LMCC I think, a great LRC, a Network and Ctee. Very little presence in Newcastle, I'm afraid. We have green waste pickups and recycling. Love the EcoAngel and Worm Farm programs. We're all around the Lake, love the parks and gardens, the kids sporting fields and the beaches. I'm at Catherine Hill Bay and I love how LM CC was shocked when the Rose DA was approved under 3a by state govt. They even fought it, and try to protect Catho from the developers as much as possible. We've had great Council support out here for our heritage festivals, the Heritage Trail brochure/map and signage. No way Newcastle would do these. Good luck Lake Mac!
Our area is big enough to manage. Newcastle has awhile different feel to our lake. They need to create a model that suits them
I feel Lake Macquarie council already provide a fantastic service to their community without having to

merge with Newcastle council.
Better representation and proven competence and practical politics. If any option is canvassed it should be to bring the rest of the areas in the Lake Macquarie catchment into the city - Mannering Park, Gwandalan, Chain Valley Bay, etc
Fairer distribution of funds
Fairer distribution of funds
Lake Macquarie has quite distinct differences in its demographic compared to Newcastle and I would never promote Newcastle City Council as being able to address those differences
we are an unique community ,totally different to the newcastle area.lets keep lake macquarie city council area as it is today.
LMCC has a record of better financial manangement than NCC.
It is in our best interests to stand alone. We want a say in our future; not be sidelined or absorbed by a large impersonal body. Newcastle and Lake Macquarie are very different and our views of the future possibly vary greatly. We do not want to be part of one huge impersonal Council with the individual being just a voice in the wilderness. Thank you.
My largest concern generates from a greater division of funding and as such there would be less for regions which need development and infrastructure.
Why would anybody want to merge with a council like Newcastle, LMCC is a well run council, and as done a great job improving the facilities and grounds around the lake. I am very happy with our council and it would be a big mistake to merge with Newcastle Council.
Expecting larger council with quality and better plans.
LMCC currently operates at a high efficiency I don't believe there will be any benefit for LMCC or NCC to merge. The combined Council area would be too large to maintain and give the residents a high level of service
NCC can't even meet its own deadline and amalgamation would spoil the LMCC image.
We are two different cities with completely different identities. Lake Macquarie would become a second priority under a merged council with less services for those on the city outskirts.
We have an amazing council with great facilities and I fear that merging will make the area too large to sustain that which makes our area so fantastic
The Lake is a distinctive city, quite different from Newcastle and with its own different needs and priorities. For this reason it needs to continue to stand alone.
Why should we have our rates increased to pay for newcastle councils poor money management, have our services suffer and cause loss of jobs to current council workers. Lmcc is working just fine the way it is so why should we take on the burden of newcastle council and have our city suffer?
Newcastle and Lake Macquarie are already large councils, each managing a population of about 200,000.
I can't see how the minimal staff cuts that could be made to create a "super council", to manage 400,000 residents and the significant geographical area, is worth tens of millions of dollars of upfront amalgamation costs - in the short- or long-term. I cannot see how one organisation managing 400,000 residents and an unusually large and diverse geographical area could be more efficient and effective than two organisations who are closely in touch with their community's needs and able to provide relevant, grass-roots facilities and services.
A greater number of efficient local governments spreads political power, but fewer councils concentrates political power, and therefore the future of local government will dependent on the quality, values and priorities for fewer political leaders. In turn, local government in general may become more volatile and therefore less efficient.
Needs of the lake based residents in the LMCC area are totally different from the higher density Newcastle-based area. Additionally if any changes are investigated i would like to see Wyee and surrounds included in LMCC area not wyong.
LMCC is running very well with staff ratios to area across LMCC. NCC is not managing their assets, staff and their financial situations at all. It would be a disaster for them to merge. The area would be too big to manage. Why change LMCC when they are a great Council for the community. It is just to bail out NCC and then everyone is affected by their mis management.
LMCC is a a good Council. NCC is not. Why wreck LMCC to help NCC. There is no need to do this at all.
NCC is a hopeless Council. Why should LMCC be brought into their mess. Let them and the State Government sort it out not LMCC!!
LMCC is improving the Local Government area, upgrading assets, creating new ones. NCC cant do anything correctly. Why do NCC they need such a big rate rise over the next 5 years? Why should LMCC sacrifice their reputation to be amalgagated with NCC. LMCC is going to suffer and all

ratepayers.
Too many differences for a successful merger. The southlake area now under Wyong would be better boundary adjustment if added to LMCC.
Lake Macquarie Council is best staying away from Newcastle Council, they have an awful reputation for not getting the job done (remember the fallen boulder that blocked the beach road for over two years before they got around to clearing it away?) and their council rates are higher than ours.
Newcastle & Lake Macquarie Councils have completely different needs & strengths. I feel that LMCC is very pro-active & gets things done. Newcastle is always arguing & spending 1,000's of dollars working out how they are going to get something sorted. The biggest example that comes to mind is the fiasco over the Layman Street fig trees! What a waste of money! And yet when LMCC made the decision to cut down the most dangerous fig trees in Toronto, it was done very quickly with little fuss or backlash.
Our economy & focus is mainly based on the Lake so our priorities are different to those of a major port.
Regardless whether Wyong merges with Central Coast or not, it would make sense for Wyee & Wyee Point to be under Wyong rather than Lake Macquarie as they are not close to the Lake as all the other villages are.
I have no faith in Newcastle Council, they stop progress , Newcastle such a great place but they don't even see it. SHAME!
Because this Council has been doing a good job & if they amalgamate I feel Lake Macquarie will be severely hampered in carrying on its good work.
Retain lake Macquarie funds for lake Macquarie.
Our services would suffer and our rates would increase to help support a completely dysfunctional Newcastle council. I feel the Lake Macquarie area is large enough to be handled by one council alone.
LMCC has done a lot of brilliant community minded , environmentally supportive and for the most part makes decisions based on benefitting our community. NCC (it seems) runs agendas supporting the highest bidders against community concerns or wishes and sadly it seems they misappropriate and misuse Rate Payers Money whilst delivering less for the community. We are thrilled with our local council and would be saddened if it were tarnished by self serving bureaucrats , keep moving forward and being forward thinkers.
If they merge having one big council it would be to much to take on the amount of area required to get work done...we wouldn't get nothing done down our way eg parks etc whereas now it's only the minimal that gets done ,better then nothing, One other thing I cannot understand how I can have 2 street names where I live, I wish somebody can shed light on it so it dosnt confuse people when they are trying to find my place and I'm not the only one...
Reduced representation and completely eroding any identity we have
Newcastle Council are a "basket case" and the further Lake Macquarie Council stays away from amalgamation the better. Lake Macquarie Council is doing a good job in controlling their expenses and services for the large population and area of the region which is big enough now and expanding into two councils would be a disaster for our area as our needs are vastly different and controlling expenses and priorities would be an issue as Lake Macquarie as far as I noticed have been overlooked in many funding matters as it is considered part of Newcastle by bureaucrats in government offices of the State of New South Wales.
I am not supportive of these proposed changes. It is not in the best interest with no proof of increased state or federal funding or other benefits.
I would not like to see or sport a merge with Newcastle Council due to the past performance of Newcastle Council. They have wasted so much of their rate payers money and are so disorganised and behind the times with their thinking. While Lake Macquaire Council is very progressive and forward thinking in the way they do things achieving fantastic results. I'm very proud to say I come from Lake Mac and not Newcastle. I'm proud of the way our council achieve their goals, set standards and plan for the future I would hate to see this change. The Lake Mac Council have done a remarkable job thus far especially after the recent storms. Well done guys keep up the Great job you are doing and never ever merge with Newcastle Council.
Lake Macquarie is a successful entity in its own right. I believe that if we merge with Newcastle we will be merging with a council that spends years and millions on whether to remove fig trees and yet does nothing to successfully revitalise the inner city. The focus of a merged council will be in correcting/fixing Newcastle instead of promoting and establishing Lake Macquarie. Newcastle has a lot of ground to make up for the mistakes of the past. Lake Macquarie has a bright future on a sound foundation. I have now undertaken that when someone asks me where I live, I say Lake Macquarie instead of Newcastle.
With some experience in urban and regional planning in UK, research and lecturing at universities in

Australia, UK, USA, Japan, Germany, Argentina and Brazil, Canada and Sweden on urban ecosystems, I am frankly appalled at the evident lack of understanding, in the Lake Macquarie Council, as to how urban systems operate.

Lake Macquarie is NOT a city, it has none of the attributes of a city and all of the attributes of a 'sub-urbium'. It is merely called a city and recent propaganda by the Council at Lake Macquarie is adding to the non-sense. Without Lake Macquarie City, Newcastle City can survive, the converse is not true.

In published work in international journals it has been demonstrated that the Newcastle urban area (disregarding political boundaries and based on detailed census analyses) fits to a spatial distribution of attributes template that is common to all 'western cities': the 'Lake Macquarie' component is firmly family-centred, sub-urban.

The recent independent committee on local government boundaries (2014) made it very clear and properly so that 'north' Lake Macquarie should be amalgamated with Newcastle. The 'south' should go to Wyong. Wyong was agreeable. Lake Macquarie was not.

The single most significant URBAN infrastructure development in this region at the present time is the inner city bypass: not the railway: important though it's removal will prove to be. Two Councils have succeeded in causing a divide and rule opportunity, enabling the RMS to produce a very poor Bypass concept design which seems to confidently ignore community input. This is in part at least because of the archaic and dysfunctional divide that has caused political impotence and no proper, integrated, multifunctional urban planning. Cities the world over, some in major conurbations have been through such necessary amalgamations. It will happen here but in the mean time dysfunction persists from bin collections to major investment decisions involving private enterprise and publicly funded infrastructure.

Nobody other than local residents has ever heard of Lake Macquarie City. Assertive statements and propaganda that Lake Macquarie is a city are damaging to investment and to critical images of the Newcastle Urban area, upon which economic and social flows are certainly in considerable measure based. Newcastle, not Lake Macquarie City, is Australia's sixth largest concentration of industrial, commercial and social investment. The lake is a recreational centre of great attraction and potential for quality of life enhancement to an urban area blessed with extraordinary site potential.

The future of elected members of Council is not relevant to the argument but the staff of the Council most certainly are. The opportunity for a larger, more efficient Council beckons. Nobody need lose their job. Indeed the biggest problem will be recruiting more qualified and experienced staff to an amalgamated Newcastle City Council that support the growing city of Newcastle on the shores of the Pacific and Lake Macquarie.

Lake Macquarie offers a completely different environment and lifestyle to Newcastle. Merging the two councils will cause conflict with priorities.

We are not part of Newcastle, we are Lake Macquarie. If we stand alone, we will get more support. We are not part of Wyong, we live on Lake Macquarie and that's the way it should stay.

Lake Macquarie is large place currently and well run by the local government, and has been for many years. Amalgamating with Newcastle would create a huge area, one which would be very difficult to manage because of how diverse the needs would be, and it would be likely that the city of Newcastle would draw away valuable resources and funds from the smaller townships in lake Macquarie. I say NO.

I am pleased with and proud of the way LMCC run their business and spend our rates. Evidenced by numerous awards won over the last decade and statistics for example how much LMCC spends on staff as opposed to Newcastle.

I do not want rate payers money being used to help Newcastle out of the hole they have dug themselves.

I do not want to be part of a Council that encourages commercial developments in the interest of developers with money and does not listen/respond to the opinion of the average everyday person. The only benefit from amalgamating with Newcastle would be to help them out.

Lake Macquarie has both a character and culture that is quite different to Newcastle. Look at Newcastle city. Who would want to end up like Newcastle. Cold, unfriendly and full of money grabbing parking metres and high rise monstrosities as well as transport problems and a sad CBD. Nobby's area is Newcastle's saving grace.

Lake Macquarie is for everyone. People are so much more friendly. Leave Lake Macquarie alone. It may be a city but we feel like we are in the open spaces and there are so many friendly nuances.

Why would we merge with one of the most dysfunctional councils in the state? Why should we share the financial burden of Newcastle council?

A larger council will simply mean less services for the Lake Macquarie region and will send the region

<p>backwards financially and reduce ongoing local development and services. A larger council, like all large bureaucracies, will be centrally focused at the expense of outlying suburbs. A larger council will open the way to increased cronyism and corruption, with less oversight. A larger council will allow less public involvement in decision making. A larger council will focus less on the real issues of residents.</p> <p>Why have large councils at all? Why not get rid of them completely and just have a state government? if anything councils should be getting smaller.</p>
<p>Newcastle City Council has for some time been totally dysfunctional. Prior to moving to Lake Macquarie some 12 years ago, news of Newcastle's dysfunctional council meetings and issues surrounding management were well known interstate - nothings changed. Why would Lake Macquarie sacrifice all the hard work it has been doing with its community to become part of a financially incompetent council such as Newcastle. There has also been talk of the lower part of Lake Macquarie joining Wyong council, again another council which is constantly in the news for the wrong reasons. Merging with either council or any other boundary combination would be a recipe for disaster for Lake Macquarie Council both financially and in terms of being a meaningful voice for its citizens. Lake Macquarie Council must maintain its independence - no mergers for Lake Mac.</p>
<p>Lake Macquarie and Newcastle are essentially one large city. The boundary is simply down suburban roads. Residents of both cities frequently travel between the cities for work, shopping and entertainment. Merger of the two councils would provide far more bargaining power in discussions with state governments. There are also likely to be opportunities for cost savings and/or better value for rate payers through economies of scale. While there would undoubtedly be some challenges in the merger, I am sure these could be managed and the ultimate result would be far better local government. PS It is important to remember that Brisbane City has 1 council for a much larger area and population and this seems to work quite effectively.</p>
<p>To state the obvious, the centrepiece of the Council area is... the Lake! I am very concerned that any amalgamation would take focus away from this centrepiece. The Lake needs to be central aspect of planning and managing the future of the area.</p>
<p>Lake Macquarie is already a large council delivering excellent services. If they were to merge the delivering of services would be harder as it would be a larger area, with less staff and a larger area to make the money go further. I prefer to stay with the current arrangement of Lake Macquarie City Council standing alone.</p>
<p>Lake Macquarie is a unique area and has its own particular needs and expectations with regards to local government. We do not need to become a larger council area and have Lake Macquarie residents lose out to the needs and expectations of the rate payers of the Newcastle area.</p>
<p>Im actually writing to say as a resident of Wyee I would like to see the town become part of Wyong council. We align with the Central Coast, not Newcastle and feel totally divorced from the region we are supposed to be a part of. I dont have an opinion about merging with Newcastle city council, as frankly I feel so far removed from it I couldn't even imagine if it would be a good, or bad thing. Please do the right thing and give Wyee back to the Central Coast where it belongs. Thank you.</p>
<p>Lake Macquarie is our identity. LMCC have been doing such a fine job and merging with Newcastle would not only be a financial disaster but there would also be no end of bickering and back stabbing. In other words scandalous news headlines.</p>
<p>The council areas are quite large and for LMCC stretch down to the top of the Central Coast. Where would the new council be managed from? City life and lake living embody very different cultures and styles and I'm not convinced the the current NCC understand the needs of the people living in the LMCC areas.</p>
<p>I think that Lake Macquarie City Council does a complete and satisfactory job and it needs to stand alone and continue the good work</p>
<p>I believe residents' interests will be better served by Lake Mac council standing alone.</p>
<p>We would like our Rates to be spent in our area not to go toward Newcastle. Our council area is large enough to be maintained as it stands now. The Western side of the lake could do with upgrading & Newcastle don't seem to want to improve in their area they seem to want to live in the past.</p>
<p>Because Lake Macquarie council don't no what they are doing and merging may get better funding for growing infrastructure</p>
<p>Lake Macquarie council is a very well run, reactive council compared to the Newcastle City which is very dysfunctional council and wastes money. I refer to the fiasco about fig trees in Layman street, planning for the art gallery modernisation with many million spent for no gain, closure of local swimming pools, Jeff McCloy paying bribes and Newcastle council running out of money.</p>
<p>In contrast LMCC supports the community with well run libraries, swimming pools and garbage services. Also the council has built the wonderful children's playground at Speers point and many other great playgrounds at Rathmines and Toronto.</p>
<p>Jodie Harrison is a great Mayor who has well reasoned arguments for not amalgamating such as Newcastle and Lake Macquarie councils having very different focuses. Newcastle council tends to</p>

focus on the city centre, rail line and Newcastle beaches whereas Lake Macquarie Council is focused on preserving the beautiful Lake, the Glendale Transport interchange and protecting the uniqueness of the many townships in Lake Macquarie. There would be too much conflict between these competing projects for an amalgamated council over such a large area to work well.

Lake Macquarie residents have undergone the process of large rate increases already to improve and maintain services. Newcastle council is just starting this process. I think the good financial position of LMCC would be used to help the finances of Newcastle council and this isn't fair to the residents of Lake Macquarie who prefer their rates to be spent in areas in which they live. Newcastle residents will probably feel the same way.

Please fight hard to prevent this amalgamation. I think Lake Macquarie and its residents will be worse off if it proceeds.

Lake Mac has a completely different infra structure to Newcastle, & our rates would go to help maintain their building etc. Lake Mac is doing a great job maintaining roads, parks, buildings etc so why change a good enterprise for an unknown business model, Newcastle has not had a good performance record and I don't think that will change for the better with an amalgamation.

Given their past poor performance the Newcastle part of any merged council would suck the majority of funds out of the the Lake Macquarie area and we would return to being the 'poor relation' as it was prior to the separation.

Lake Macquarie Council does not need Newcastle Council's debts and in facton disagreements.

Newcastle City is a predominantly concentrated area, with high rise buildings surrounding a harbour, heavy industries, a large museum, art gallery, ocean baths, night venues and theatres. While Lake Macquarie has enough population to warrant city status, the population density is much lower than a typical city, and it is more like a large country estate, with many villages spread out around the lake focal piece. The skills required to manage the two areas are quite different, and it is likely that an amalgamation of the two areas would still require a significant staffing from both areas in order to maintain the required expertise. This would minimise the expected savings of amalgamation. I believe that many of the Lake's residents choose to live here due to the access to the lake, surrounding bushland, and convenient location and transport to other areas such as Sydney and the Hunter Valley. I am satisfied with the way Lake Macquarie Council manages the city, unlike Newcastle City Council which I believe has been dysfunctional for a number of years, and would not like to see Lake Macquarie become less efficient as a result of any amalgamation.

LMCC and NCC are different. They have different kinds of businesses, building densities, traffic flows and congestion, environmental imperatives and individual lifestyles. Therefore the cities have disparate requirements and systems of government dictating their core services and long-term plans. LMCC ensures high standards of service provision such as libraries, waste management, shared pathways and swim centres. They meet requirements for a sustainable and efficient council and continually seek new ways to improve services. LMCC is open to the Council Improvement Program. Amalgamation would weaken not strengthen the City Council's management, improvement processes and provision of services. In addition the planning, process and implementation of amalgamation would incur an unnecessary financial drain as well as a less effective, more expensive government for the people of Lake Macquarie in the long term. Amalgamation is not in the interests of Lake Macquarie rate payers.

A bigger council will mean all the organisation to gain some economies of scale. For example they will only require one billing system, one asset management system and one management team. The council should also ensure that it is getting value for money in the services it provides. That is they should be testing their internal workforce against the private sector. Currently you see their internal work force haveing BBQ's at Boolaroo more often than working on fixing issues with their assets.

Localised councils are most appropriate for monitoring local community social/geographical environments and administering more localised projects. It allows for better local community collaboration and for the community's concerns and considerations to be properly heard and actioned. Importantly the manner in which local priorities are listed and addressed will be devastated and longer waiting times due to prioritising of projects which have little or no local benefit will anger and infuriate residents.

Lake Macquarie Council helps maintain a local and united identity and supports the community much more than if the council area was split up between Wyong and Newcastle. Each of those councils have their own interests and Lake Macquarie would come a poor second to those interests. Because the current council boundaries follow the general line of the watershed catchment into the lake, it is important that a single council can manage this as a single area, much harder to manage properly if the council area is split up. For Lake Macquarie, a split and merger between two councils would take the "local" out of local government.

Newcastle and Lake Macquarie are very different areas and require very different ways of managing it. I am afraid that in a merger with Newcastle that Lake Macquarie will receive less attention and funding than Newcastle as that is "the city".

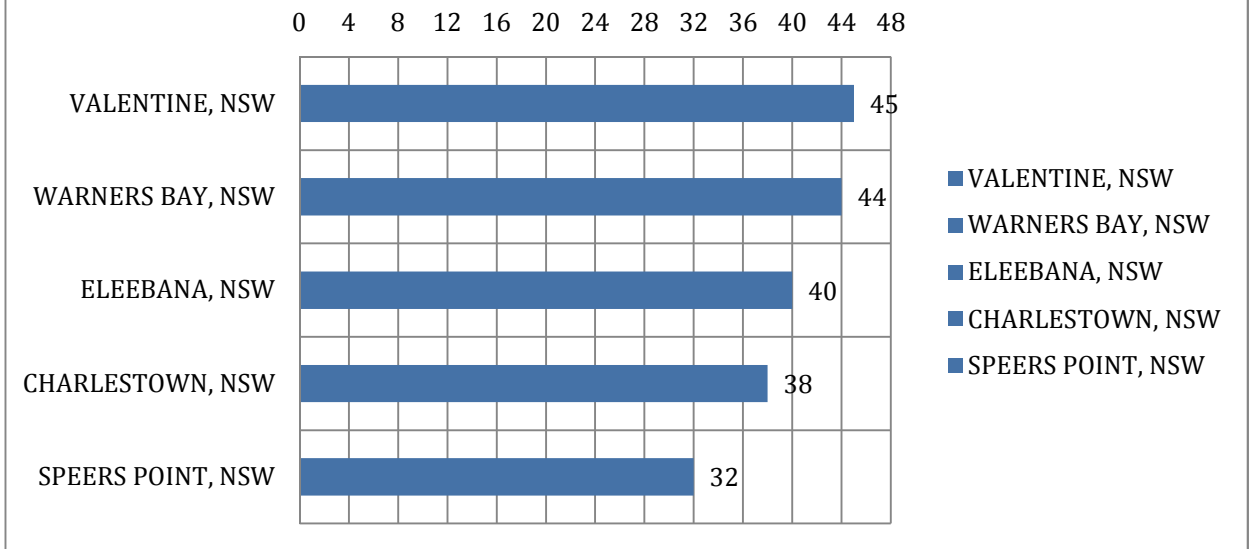
The current state government policies highlight more than most the shortcomings of modelling which seek a dollar outcome from every variable. Apart from simply failing to include factors which do not render easily to dollars, thus avoiding that difficulty, the imagination required to give some quantification to the humanitarian advantages of retaining a separate identity as Lake Macquarie are beyond the collective and individual abilities of the LNP members
I love what we have now. It feels like a real community and this is why I moved to the area. Lake Macquarie council knows what is happening in the Lake Macquarie area. Newcastle is too far away and I can't imagine we would get the same support from an area not aware of issues down here. As it stands, Morisset would be moved to Wyong council and I don't believe that would work at all. Two completely different areas with different priorities. I say NO.....leave Lake Macquarie City Council as it is.
Provides better local focus
Its a very closed questionnaire - an amalgamation with the northern half of Wyong would bring all of the lake side suburbs / areas into the one Council area and would provide for more coherent management of the environment, the lake and issues for the businesses and residents of the Lake Mac Region (and the southern half / section of Wyong could readily be amalgamated into the Gosford LGA with benefits for those areas that are more "Central Coast") - if LM amalgamates with Newcastle it will lose its regional identity and likely current LM LGA will be the poor cousin in a greater Newcastle Council - seems to me Newcastle could amalgamate with Maitland quite readily
Wyong would be better
Don't want Newcastle City problems and priorities
Lake Macquarie council appears to be financially well run, whereas Newcastle appears to be concerned about the city centre only, and decisions appear to be made to suit developers and the expense of the general community
We believe that Lake Mac is a viable, financially independent city that should include all lakeside suburbs.
Lake Macquarie Council has recently won the Bluett award for being the best Council in NSW. Over the past decade, LMCC has implemented good financial and operational management strategies that have resulted in a healthy financial position and an efficient, capable Council that residents are generally very happy with. Newcastle City Council is a 'sick' Council - it has major financial and operational issues - forcing a merger between these two Councils is likely to result in two 'sick' Councils. The responsible thing for the State Govt to do would be to support NCC implement a 10 year plan to get back on track.
Councils whilst managing different small geographic regions complete a high level of very similar, if not exact, tasks, which from a pure administration perspective would benefit both from an efficiency and effectiveness from a merger. Running these independently largely results in duplication and increased costs for the rate payer. In addition the 2 regions are very close and the way in which development (both rate and type) is occurring is very different and not cohesive. I believe that the current lack of consistent approach will ultimately leave Lake Macquarie behind in terms of both growth of business & employment.

5) Suburb	Counts
ADAMSTOWN HEIGHTS, NSW	6
ADAMSTOWN, NSW	1
ARCADIA VALE, NSW	3
ARGENTON, NSW	2
AWABA, NSW	2
BALCOLYN, NSW	8
BALMORAL, NSW	2
BARNSLEY, NSW	3
BELMONT NORTH, NSW	15
BELMONT SOUTH, NSW	2
BELMONT, NSW	21
BLACKALLS PARK, NSW	15
BLACKSMITHS, NSW	8
BLACKSOIL, QLD	1
BOLTON POINT, NSW	15

BONNELLS BAY, NSW	16
BOOLAROO, NSW	6
BOORAGUL, NSW	11
BRIGHTWATERS, NSW	4
BUTTABA, NSW	5
CAMERON PARK, NSW	19
CAMS WHARF, NSW	1
CARDIFF HEIGHTS, NSW	4
CARDIFF SOUTH, NSW	10
CARDIFF, NSW	16
CAREY BAY, NSW	3
CATHERINE HILL BAY, NSW	2
CAVES BEACH, NSW	11
CHARLESTOWN, NSW	38
COAL POINT, NSW	9
COORANBONG, NSW	26
CROUDACE BAY, NSW	3
DORA CREEK, NSW	3
DUDLEY, NSW	11
EDGEWORTH, NSW	26
ELEEBANA, NSW	40
ELERMORE VALE, NSW	1
FASSIFERN, NSW	6
FENNELL BAY, NSW	10
FISHING POINT, NSW	2
FLETCHER, NSW	1
FLORAVILLE, NSW	7
FREEMANS WATERHOLE, NSW	1
GARDEN SUBURB, NSW	5
GATESHEAD, NSW	4
GLENDALE, NSW	12
HAMILTON, NSW	1
HIGHFIELDS, NSW	5
HILLSBOROUGH, NSW	1
HOLMESVILLE, NSW	5
JESMOND, NSW	1
JEWELLS, NSW	9
KAHIBAH, NSW	7
KILABEN BAY, NSW	11
KILLINGWORTH, NSW	2
KOTARA SOUTH, NSW	2
KOTARA, NSW	1
LAKELANDS, NSW	10
MACQUARIE HILLS, NSW	21
MARKS POINT, NSW	2
MARMONG POINT, NSW	5
MARTINSVILLE, NSW	1

MARYLAND, NSW	1
MAYFIELD EAST, NSW	1
MIRRABOOKA, NSW	7
MORISSET PARK, NSW	4
MORISSET, NSW	5
MOUNT HUTTON, NSW	6
MURRAYS BEACH, NSW	4
MYUNA BAY, NSW	1
NEW LAMBTON HEIGHTS, NSW	5
NEW LAMBTON, NSW	3
NEWCASTLE EAST, NSW	1
NEWCASTLE, NSW	2
NORDS WHARF, NSW	2
PELICAN, NSW	1
RANKIN PARK, NSW	4
RATHMINES, NSW	4
REDHEAD, NSW	10
RYHOPE, NSW	1
SEAHAMPTON, NSW	1
SHORTLAND, NSW	1
SPEERS POINT, NSW	32
SUNSHINE, NSW	3
SWANSEA HEADS, NSW	1
SWANSEA, NSW	8
TERALBA, NSW	10
TINGIRA HEIGHTS, NSW	10
TORONTO, NSW	25
VALENTINE, NSW	45
WALLSEND, NSW	2
WANGI WANGI, NSW	20
WARNERS BAY, NSW	44
WARNERTOWN, SA	1
WEST WALLSEND, NSW	6
WHITEBRIDGE, NSW	5
WICKHAM, NSW	1
WINDALE, NSW	7
WINDERMERE PARK, NSW	3
WOODRISING, NSW	10
WYEE POINT, NSW	4
WYEE, NSW	4
YARRAWONGA PARK, NSW	1

Suburb (only top five are visualised here)



Attachment J - Data to Support Results presented in Section 4

Fit for the Future - Projected Ratios														
Ratio	Component	11/12 Actual	12/13 Actual	13/14 Actual	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24
- Operating Performance	Total Income	205,671	205,851	236,716	238,256	235,769	244,418	246,059	255,431	263,240	270,560	278,313	286,506	294,108
	Income - Capital Grants and Contributions	30,340	26,089	44,824	43,229	30,536	30,963	23,713	23,368	23,578	23,794	24,016	24,243	24,477
	Income - Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Net Share of Joint Ventures	46	34	52	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investment Properties	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Reversal of IPPE Revaluation Decrements	0	0	0	0	0	0	0	0	0	0	0	0	0
	- Sub-total	175,285	179,728	191,840	195,027	205,233	213,455	222,346	232,063	239,662	246,766	254,297	262,263	269,631
	Total Expenses	174,652	179,234	194,422	196,920	205,673	214,456	219,732	226,871	233,682	243,102	249,890	257,238	264,873
	Expenses - Net Loss from Disposal of Assets	185	1,183	3,501	0	0	0	0	0	0	0	0	0	0
	Expenses - Net Share of Joint Ventures	0	0	0	0	0	0	0	0	0	0	0	0	0
	Expenses - Revaluation Decrements	1,632	248	2,205	0	0	0	0	0	0	0	0	0	0
	- Sub-total	172,835	177,803	188,716	196,920	205,673	214,456	219,732	226,871	233,682	243,102	249,890	257,238	264,873
	Ratio	0.014	0.011	0.016	-0.010	-0.002	-0.005	0.012	0.022	0.025	0.015	0.017	0.019	0.018
	Three year average			0.014			-0.006			0.020			0.017	
- Own Source Revenue	Total Income	205,671	205,851	236,716	238,256	235,769	244,418	246,059	255,431	263,240	270,560	278,313	286,506	294,108
	Income - Operating Grants and Contributions	30,588	27,942	25,670	26,296	26,420	26,433	27,144	27,664	28,383	29,039	29,763	30,497	31,179
	Income - Capital Grants and Contributions	30,340	26,089	44,824	43,229	30,536	30,963	23,713	23,368	23,578	23,794	24,016	24,243	24,477
	Income - Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Net Share of Joint Ventures	46	34	52	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investment Properties	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Reversal of IPPE Revaluation Decrements	0	0	0	0	0	0	0	0	0	0	0	0	0
	Ratio	70.4%	73.7%	70.2%	70.8%	75.8%	76.5%	79.3%	80.0%	80.3%	80.5%	80.7%	80.9%	81.1%
	Three year average			71.4%			74.4%			79.9%			80.7%	
- Building and Infrastructure Assets Renewal	Building and Infrastructure Renewals	25,081	32,952	32,712	33,568	38,283	37,923	36,951	36,295	38,408	39,576	40,224	42,939	42,911
	Depreciation, Amortisation and Impairment	32,347	31,225	30,751	31,003	33,179	34,114	35,104	35,915	36,728	38,681	39,477	40,328	41,215
	Ratio	77.5%	105.5%	106.4%	108.3%	115.4%	111.2%	105.3%	101.1%	104.6%	102.3%	101.9%	106.5%	104.1%
	Three year average			96.5%			111.6%			103.6%			103.6%	
- Debt Service	Payment - Borrowings & Advances	4,256	4,168	4,085	3,982	4,051	3,823	4,337	4,858	5,346	5,413	5,698	6,307	6,660
	Interest on Loans	3,736	3,868	4,334	5,192	7,451	8,714	9,395	10,005	10,511	10,388	11,235	11,694	12,153
	Total Income	205,671	205,851	236,716	238,256	235,769	244,418	246,059	255,431	263,240	270,560	278,313	286,506	294,108
	Income - Capital Grants and Contributions	30,340	26,089	44,824	43,229	30,536	30,963	23,713	23,368	23,578	23,794	24,016	24,243	24,477
	Income - Net Gain from Disposal of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Net Share of Joint Ventures	46	34	52	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Fair Value Adjustments - Investment Properties	0	0	0	0	0	0	0	0	0	0	0	0	0
	Income - Reversal of IPPE Revaluation Decrements	0	0	0	0	0	0	0	0	0	0	0	0	0
	Ratio	4.56%	4.47%	4.39%	4.70%	5.60%	5.87%	6.18%	6.40%	6.62%	6.40%	6.66%	6.86%	6.98%
	Three year average			4.5%			5.4%			6.4%			6.6%	

Attachment K – Projected Financial Position with Proposed Improvements

PROJECTED FINANCIAL STATEMENTS - Statement of Financial Performance

Derived from the Statements_Data Sheet

	Actual				Financial Projections with Proposed Improvements					
	2013 / 2014	2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023
	\$									
Rates	98,856,977	102,688,662	108,816,573	114,921,424	120,756,677	126,870,401	130,995,072	135,244,186	139,621,484	144,130,819
Annual Charges	29,556,983	30,687,307	31,877,264	33,088,346	34,315,322	35,571,230	36,826,254	38,026,569	39,159,530	40,298,438
User Charges & Fees	19,921,782	19,569,785	21,430,993	22,531,703	23,185,700	23,985,407	25,040,409	25,627,209	26,522,486	27,750,565
Interest on Investments	6,189,314	7,349,565	8,379,936	8,274,946	8,823,277	9,503,967	9,979,172	10,404,426	10,803,575	11,138,249
Grants & Contributions - Operating	25,951,614	26,295,725	26,420,105	26,432,937	27,143,508	27,664,130	28,383,135	29,039,473	29,762,729	30,497,034
Grants & Contributions - Capital	26,371,548	43,229,417	30,535,685	30,963,463	23,712,630	23,367,559	23,577,815	23,793,748	24,015,502	24,243,242
Other Revenue	8,957,358	8,435,115	8,308,679	8,205,485	8,121,660	8,467,903	8,438,201	8,424,847	8,427,990	8,447,431
Total Revenue	215,805,576	238,255,576	235,769,235	244,418,304	246,058,774	255,430,597	263,240,058	270,560,458	278,313,296	286,505,778
Operating Expenses	(136,712,335)	(145,372,616)	(148,564,713)	(154,251,838)	(157,535,099)	(163,395,253)	(168,915,522)	(176,674,548)	(181,341,399)	(187,612,336)
Borrowing costs	(5,041,705)	(5,630,139)	(7,888,865)	(9,151,550)	(9,832,940)	(10,442,507)	(10,948,419)	(10,825,700)	(11,672,917)	(12,132,247)
Depreciation	(51,742,722)	(45,917,341)	(49,219,061)	(51,052,521)	(52,363,724)	(53,032,785)	(53,818,036)	(55,601,267)	(56,875,695)	(57,493,608)
Net Operational Expenditure	(193,496,762)	(196,920,096)	(205,672,639)	(214,455,909)	(219,731,763)	(226,870,545)	(233,681,977)	(243,101,515)	(249,890,011)	(257,238,191)
Operating Result	22,308,814	41,335,480	30,096,596	29,962,395	26,327,011	28,560,052	29,558,081	27,458,943	28,423,285	29,267,587
Operating Result before Capital		(1,893,937)	(439,089)	(1,001,068)	2,614,381	5,192,493	5,980,266	3,665,195	4,407,783	5,024,345
Capital Additions - New	(42,076,755)	(70,419,556)	(56,444,166)	(52,693,434)	(39,761,534)	(40,911,917)	(40,715,091)	(39,758,633)	(40,409,554)	(41,052,008)
Capital Additions - Replacement	(43,767,025)	(44,526,739)	(50,137,022)	(49,953,466)	(47,727,547)	(46,256,339)	(47,507,360)	(48,789,784)	(50,589,603)	(52,517,448)
Transfer to Restricted Cash	(97,532,050)	(92,418,846)	(81,156,504)	(79,322,661)	(74,218,986)	(76,068,933)	(78,140,234)	(80,178,671)	(82,231,782)	(84,306,247)
Loan Repayments	(4,406,277)	(3,981,528)	(4,051,462)	(3,823,034)	(4,336,994)	(4,858,311)	(5,346,211)	(5,412,707)	(5,698,248)	(6,306,538)
Total Capital	(187,782,107)	(211,346,669)	(191,789,154)	(185,792,595)	(166,045,061)	(168,095,500)	(171,708,896)	(174,139,795)	(178,929,187)	(184,182,241)
Funds Required	(165,473,293)	(170,011,189)	(161,692,558)	(155,830,200)	(139,718,050)	(139,535,448)	(142,150,815)	(146,680,852)	(150,505,902)	(154,914,654)
Funded By:										
Loans Utilised	14,277,530	30,919,586	16,750,167	11,559,936	11,545,270	10,286,156	9,883,783	11,925,661	11,824,128	12,504,054
Book Value of Assets Sold	26,476,900	4,957,500	2,949,600	2,292,000	2,451,500	2,459,000	2,297,000	2,229,100	2,261,500	2,396,500
Restricted Cash – Asset Replacement	53,319,318	49,963,190	53,946,070	55,240,407	50,427,520	49,567,273	51,334,627	53,064,771	56,038,901	57,577,783
Restricted Cash – Other	70,962,414	84,017,097	88,109,144	86,764,231	75,580,567	77,782,920	79,688,945	80,854,384	81,688,810	83,701,874
Provision for Future Rehabilitation	437,131	437,794	437,794	437,794	437,794	437,794	437,794	437,794	437,794	437,794
Budget Surplus / (Deficit)	-	283,978	500,217	464,168	724,601	997,695	1,491,334	1,830,858	1,745,231	1,703,351

Attachment L – Full Detailed Action Plan

Key Sustainability Strategies

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
1. Improve sustainability of waste services	Waste Strategy Phase 2 Removal of food waste from the domestic waste stream	Implementation complete by July 2016	Operating Performance Ratio increases Own Source Revenue Ratio increases Building and Asset Renewal Ratio remains above 100% Continued reduction in waste being transferred to landfill in the City.	Real Operating Expenditure improves	Costs subtracted to generate net benefit	Benefits to residential and business ratepayers through reduction in waste charges: 2016/17: \$5,644,659 2017/18: \$5,879,056 2018/19: \$6,093,408 2019/20: \$6,309,496 2020/21: \$6,532,000 2021/22: \$6,762,094 2022/23: \$7,000,241 2023/24: \$7,246,764	Construction delayed. Contractor unable to find markets for product.	Savings are difference between gate fee for disposal to landfill and green waste processing facility. Tonnes food waste only. Assume 5% of benefits are to General Fund, remainder to Domestic Waste Management Charge.
2. Improve sustainability of swim centre services	Pool Service Delivery Model continued implementation.	a) Full integration of new entry system and booking system by December 2015	Operating Performance Ratio increases Own Source Revenue Ratio increases Building and Asset Renewal Ratio remains above 100%	Real Operating Expenditure improves	\$27,800 capital costs in 2015 already incorporated in LTFP. \$6,000 additional annual operating costs from 2016 onwards, already incorporated in LTFP	Increased capacity to ensure no increase in the rate of subsidy by LMCC to the provision of swim centre services through increased ability to ensure appropriate level of resourcing via management and associated analytics of: membership, bookings, programs	Staff and patron acceptance and compliance with the introduction of system and associated process changes. This is a low risk	Council's new corporate systems architecture (expected to be deployed in 2017) will be compatible with swim centre entry system. Data collected by entry management

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
						and kiosk inventory.		system will yield business insights leading to more sustainable management of swim centres.
		b) Implementation of new knowledge management and business tracking tool by June 2015	<p>Operating Performance Ratio increases</p> <p>Own Source Revenue Ratio increases to</p> <p>Building and Asset Renewal Ratio remains above 100%</p>	Real Operating Expenditure improves	No additional direct costs. The indirect cost of staff time spent on this initiative is already included in expenditure forecasts in Council's Long Term Financial Plan	<p>Enhanced management decision-making capability, enabling better decisions, for example, regarding staffing levels, program development and marketing.</p> <p>Ongoing productivity gains of 2% per annum commencing 2016/17.</p> <p>Proportion of swim centre operating expenses funded by swim centre revenue increases from 45% to 48.2% from 2017.</p>	<p>Expected benefits not fully realised, due to staff culture not supporting continuous improvement. Risk rating = low (likelihood = unlikely; consequence = major)</p>	<p>Council's new corporate systems architecture (expected to be deployed in 2017) will continue to be compatible with swim centre entry system and other key data sources.</p>
		c) Implementation of new fees and charges structure by 2017	<p>Operating Performance Ratio increases</p> <p>Own Source Revenue Ratio increases</p> <p>Building and Asset Renewal Ratio remains</p>	<p>Debt Service Ratio remains in benchmark range of greater than 0% and less than or equal to 20%.</p> <p>Real Operating Expenditure improves</p>	No additional direct costs. The indirect cost of staff time spent on this initiative is already included in expenditure forecasts in Council's LTFP	<p>Revenue increases by \$66,500 per annum from 2016</p> <p>Greater equity in fees across leisure services.</p>	<p>Expected revenue gains not achieved, due to one or more of the following factors:</p> <ul style="list-style-type: none"> Growth in demand for leisure services less than expected 	<p>5% increase in total centre income on the 5 year average</p> <p>New programs set a minimum class number to ensure 100% cost</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
		d) New admin management structure	above 100% Operating Performance Ratio increases	Real Operating Expenditure improves	Introduction of business Services	Increased in revenue via focussed officer attention on various	<ul style="list-style-type: none"> • Other service providers' offerings provide better value to customers • Implementation of new fees & charges structure delayed • Design of new fees & charges structure is sub-optimal • Promotion of new offerings is not adequate • Unforeseen changes to alternative service providers in terms of entry cost reduction • Weather variations at seasonal centres <p>Implementation of new management structure delayed due to</p>	<p>recovery</p> <p>Stated community interest in recent consultation forums and feedback channels is realised in participation</p> <p>Detail from the new entry management system continues to provide higher level of usage details</p> <p>Over satisfaction rates with centre users remains at current high level (95%)</p> <p>Continued program innovation and review in line with customer feedback and demand</p> <p>Costs are based on approved</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
		and operational review by 2015/16	Own Source Revenue Ratio increases Building and Asset Renewal Ratio remains above 100% Greater focus on the business, business improvements and marketing the services.		Officer at Grade 15 is equivalent to \$89,870 Review of casual and vacant permanent operational positions saving of \$144,000	initiatives. Operational efficiencies through the use of network rosters for 4 swim centres Development of specific training and development plan to meet business challenges. Greater job security & permanency and reduction in casual loading	union obstructionism. Additional industrial relations costs (e.g. legal representation, IRC hearings, etc) incurred during introduction of new management structure. Expected annual reduction in employee costs not realised. Additional industrial relations costs (e.g. legal representation, IRC hearings, etc) incurred during introduction of new management structure. Risk rating = very low Delays to	administration structure which does not include Manager Leisure Services which is currently temporary role. Continued rate of improvement and associated performance result is maintained. Costs associated with new staff member is recovered via continued success of program introduction and review. Significant reduction in casual hours will be replaced with permanent & seasonally temporary po

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
		e) Water quality control plant upgrades complete by 2018	<p>Operating Performance Ratio increases</p> <p>Own Source Revenue Ratio increases</p> <p>Building and Asset Renewal Ratio remains above 100%</p>	<p>Real Operating Expenditure improves</p> <p>Asset Maintenance Ratio improves</p> <p>Debt Service Ratio remains in benchmark range of greater than 0% and less than or equal to 20%.</p>	<p>Capital costs already included in Long Term Financial Plan:</p> <ul style="list-style-type: none"> • 2014/15: \$1.85M • 2015/16: \$1.97M • 2016/17: \$2.02M • 2017/18: \$1.32M 	Improved water quality Ongoing utility cost savings of \$34,300 per annum (compared to business as usual) from 2018.	individual projects due to unforeseen latent conditions at ageing facilities. (E.g. unknown problems with old subsurface pipework.) Risk rating = moderate	situations Utility prices increase in accordance with latest revision of Long Term Financial Plan.
3. Sustainable Family Day Care (FDC) Business Model	Recent changes to the funding available for FDC services has resulted in LMFDC losing over \$300,000 per annum in Federal Funding. LMCC has reviewed the service and the business model and has developed a three-year plan which will increase the child care places available in the City and create sufficient income to make the service	FDC services financially sustainable by July 2017	<p>Operating Performance Ratio increases</p> <p>Own Source Revenue Ratio increases</p> <p>Building and Asset Renewal Ratio remains above 100%</p>	<p>Real Operating Expenditure declines</p> <p>Debt Service Ratio remains in benchmark range of greater than 0% and less than or equal to 20%.</p>	<p>Additional operational expenditure of:</p> <p>2015/16 : \$181,364</p> <p>2016/17: \$50,545</p>	Creation of a wholly sustainable and resilient family day care service with minimum dependency of grants and funding from other levels of Government and therefore also able to withstand changes and fluctuations in this funding.	Revenue targets not achieved, if additional educators not recruited. (Risk rating = Low. Possible Likelihood x Moderate consequence) Further changes to legislation and/or funding Risk rating = Medium.	<p>Increase in Educator numbers and associated FTE of 55 in 2015/2016 and 35 in 2016/2017</p> <p>Annual increase in administration levy</p> <p>Operating costs increase with CPI</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	independently sustainable.							
4. Sustainable operation of tennis courts	New lease/licence arrangements with coaches operating businesses on LMCC tennis courts, which include annual contributions to asset replacement costs for each facility.	New lease/licence arrangements in place for 25% of tennis courts by June 2015	Operating Performance Ratio increases Own Source Revenue Ratio increases Building and Asset Renewal Ratio remains above 100%	Infrastructure Backlog Ratio reduces Asset Maintenance Ratio increases Debt Service Ratio remains in benchmark range Real Operating Expenditure reduces	Nil	Capital revenue increases by \$30,000 per annum from 2015/16 onwards. Tennis court capital revenue reflects asset lifecycle costs, will be used to fund asset replacement. Maintenance the responsibility of lessee or operating committee. Council's operating expenditure reduces by \$5,000 per annum from 2015/16 . Increased community ownership of tennis court assets. Greater use of tennis courts	Lessees default on lease due to declining attendance. Risk rating = very low. (Unlikely likelihood x Moderate consequence)	Lessees are able to maintain existing tennis facility usage
5. Sustainable Surf Clubs	Develop & implement business plans for all surf clubs to make their operations self-sustaining Make surf club operators responsible for sourcing	Sustainable business plans prepared for all four Surf Club facilities by 2017.	Operating Performance Ratio increases Own Source Revenue Ratio increases Building and Asset Renewal Ratio remains above 100% Surf Clubs buildings will be	Infrastructure Backlog Ratio reduces Asset Maintenance Ratio increases Debt Service Ratio remains in benchmark range Real Operating Expenditure	Capital expenditure increases by \$60,000 per annum from 2017/18 .	Operating expenditure reduces by \$60,000 per annum from 2017/18 . Improved amenity for community members, including Surf Clubs' members. Asset service levels improve. Responsibility for	Benefits delayed due to clubs disagreeing with the proposal. Risk rating = low (possible likelihood x moderate consequence) Elected Council does not endorse this	Surf Clubs support the proposal and work with LMCC in delivering the sustainability outcomes. Assistance is provided by Hunter Branch in realising the

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	all operating costs, then redirect the \$60,000 per annum LMCC spends operating & maintaining surf clubs into improving the facilities from 2018.		self-sustaining. Income generated from greater casual use of the clubs; café's restaurants and functions will increase the funds available to maintain and improve the facilities, enabling better amenities for users.	reduces		maintenance delegated to users. Additional source of funds for asset replacement.	approach. Risk rating = low (unlikely likelihood x major consequence) Further restrictions imposed by State agencies on the way Surf Clubs on Crown Land can collect revenue. Risk rating = low	objectives of the initiative. Surf Clubs do not attempt to renegotiate current lease provisions.
6. Ensure Council's workforce is sustainable	E2E Traineeship Program	A combined total of 95 trainees, apprentices and cadets employed by March 2018, without an increase in staff numbers. 30-35 additional skilled workers entering the Hunter region's workforce each year from 2018.	Operating Performance Ratio increases	Real Operating Expenditure reduces	No additional direct costs. Staff time involved in managing this initiative to be funded using existing forecast operational expenditure.	Continue providing current levels of service, despite 25% of its current workforce due to retire by 2025. \$60,000 reduction in operational expenditure in 2015/16 , compared to business as usual. \$120,000 reduction in operational expenditure in 2016/17 , compared to business as usual. Ongoing reduction in operational expenditure of \$175,000 per annum from 2017/18 (compared to	Fewer apprentices, cadets & trainees employed due to forced amalgamation with Newcastle City Council, after which most job vacancies would be filled by redeployment of staff that would otherwise be made redundant. Risk rating = moderate	Staff turnover rates remain within the range observed in recent years, with 70-120 employees leaving each year. Approximately 50% of positions vacated each year are suitable for conversion to an apprenticeship traineeship or cadetship.

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
						business as usual).		
7. Ensure statutory obligations are adequately met	Review indexation of contributions to NSW Fire and Rescue	Advice of the annual statutory contribution by Ministry of Police and Emergency Services (received in approximately January each year)	Reduction in indexation from 5% to CPI (2.6%)	Operating Performance Ratio improves	Nil	Savings of: 2015/16: \$389,565 2016/17: \$490,060 2017/18: \$597,687 2018/19: \$721,857 2019/20: \$836,003 2020/21: \$967,581 2021/22: \$1,108,072 2022/23: \$1,141,954 2023/24: \$1,464,504	Unknown 'new' capital works being undertaken by NSW Fire and Rescue, increase in plant and resources allocated to RFS and SES and change to legislative contribution rates. Future contributions do not reflect 2014/15 actual contributions	That the contribution will increase by CPI in the absence of any known changes to operations, being capital or operational by any of the agencies
8. Construction waste management	Minimise waste generation Identify alternative reuse options Achieve net environmental benefit	Complete construction of Sustainable Resource Centre by 2016 Obtain consent for quarry rehabilitation by 2015	Reduce waste to landfill Reduce consumption of raw materials	Operating Performance Ratio improves	Approvals for quarry rehabilitation of \$70,000 in 2015/16	Saving in landfill costs of \$408,187 per annum Savings in raw materials of \$172,800 per annum Environmental benefit from quarry rehabilitation (not quantified)	Changes to waste regulation Failure to obtain consent for quarry rehabilitation Changes to LMCC waste profile	All of construction waste disposal costs are General Fund 2,000 tonnes per annum are diverted from landfill Does not allow for future increases in Waste Levy, which would increase savings

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
								Raw material savings of \$3.84/tonne are achieved on annual consumption of 45,000 tonnes

Key Infrastructure and Service Management Improvement Strategies

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
1. Reduce Infrastructure Backlog Ratio to meet Fit for the Future benchmark by 2019/20	<p>a) Continue implementing existing strategies until the end of 2018/19</p> <p>b) Beginning in 2016/17, increase borrowings to fund additional asset renewal works. The following schedule indicates proposed additional new loans:</p> <ul style="list-style-type: none"> 2016/17: \$473,000 2017/18: 	<p>2017/18: Engineering investigation & detailed design work complete for additional asset renewal works in 2019/20</p> <p>2019/20: \$8.51M worth of additional asset renewal works complete</p> <p>2019/20: Infrastructure Backlog Ratio reduces below 2%</p> <p>2021/22: Engineering investigation &</p>	<p>a) Infrastructure backlog ratio reduces below 2% by 2020</p> <p>b) Infrastructure backlog ratio remains below 2%</p> <p>c) Upward trend in community satisfaction with infrastructure assets (especially roads, pathways & open space assets) from 2019/20 onwards</p>	<p>Operating Performance Ratio (three year average) will remain below breakeven until 2017/18, but will be greater than breakeven – and will remain so - from 2018/19 onwards.</p> <p>Building and Infrastructure Asset Renewals Ratio will improve remain above 100%</p> <p>Debt Service Ratio will increase marginally, but</p>	<p>2017/18: \$40,000 additional interest costs and \$24,000 additional principal loan repayments</p> <p>2018/19: \$77,000 additional interest cost and \$47,000 additional principal loan repayments</p> <p>2019/20: \$73,000 additional interest cost and \$47,000 additional principal loan repayments</p> <p>2020/21: \$803,000</p>	<p>No need to seek further rate increases to ensure the City's key infrastructure is sustainably renewed.</p> <p>Inter-generational equity maintained with respect to infrastructure renewal costs.</p>	<p>Proposed additional asset renewal works delayed, due to a shortage of appropriately skilled engineering personnel. Risk rating = low (likelihood = unlikely; consequence = major). Such shortages arose during past mining and construction booms. However, less likely to occur again in foreseeable future. Risk</p>	<p>Additional new loans taken to reduce the infrastructure backlog will have terms of 20 years, with twice-yearly repayments, and variable interest rates consistent with interest rate forecasts used to develop the current Long Term Financial Plan.</p> <p>Planning and design costs comprise 10% of the cost of additional asset renewal works. Planning and design for</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	<p>\$473,000</p> <ul style="list-style-type: none"> • 2018/19: \$0 • 2019/20: \$8.505M • 2020/21: \$182,000 • 2021/22: \$182,000 • 2022/23: \$3.463M • 2023/24: \$196,000 • 2024/25: \$3.519M <p>c) Complete additional asset renewal works in 2019/20, 2022/23 and 2024/25</p>	<p>detailed design work complete for additional asset renewal works in 2022/23</p> <p>2022/23: \$3.63M worth of additional asset renewal works complete</p> <p>2023/24: Engineering investigation & detailed design work completed for additional asset renewal works in 2024/25</p> <p>2024/25: \$3.91M worth of additional asset renewal works complete</p>		<p>remain well within the Fit for the Future benchmark range</p> <p>Real operating expenditure per capita will exhibit a downward trend between 2014/15 and 2019/20, as well as for the period 2020/21 to 2024/25.</p>	<p>additional interest cost and \$473,000 additional principal loan repayments</p> <p>2021/22: \$482,000 additional interest cost and \$777,000 additional principal loan repayments</p> <p>2022/23: \$491,000 additional interest cost and \$751,000 additional principal loan repayments</p> <p>2023/24: \$468,000 additional interest cost and \$1.01M additional principal loan repayments</p> <p>2024/25: \$674,000 additional interest cost and \$965,000 additional principal loan</p>		<p>controls: multiple programs to demonstrate LMCC's attractiveness as an employer to local engineering students, e.g. Student Scholar program, in which Engineering team hosts five engineering students per year; and Education to Employment program, which will increase the number of engineering cadets employed in the coming years.</p>	<p>additional asset renewals will be undertaken over two years preceding physical works.</p> <p>Soil contamination affecting additional renewal works is consistent with contamination levels found at other locations across the City in recent years. Thus waste disposal costs associated with asset renewal works will be consistent with those incurred in recent years.</p> <p>Asbestos in LMCC buildings has been adequately characterised. Thus waste disposal costs associated with asset renewal works will be consistent with asbestos known to be present in LMCC buildings. This is a reasonable assumption given</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
					repayments			that Council's buildings have undergone detailed inspections, with a focus on identifying potential asbestos containing materials in recent years.
2. Increase Asset Maintenance Ratio to meet the Fit for the Future benchmark by 2019/20	<p>a) Continue implementing existing strategies until the end of 2018/19</p> <p>b) In 2019/20, increase asset maintenance expenditure to achieve a 100% Asset Maintenance Ratio</p> <p>c) Continue this additional maintenance expenditure, indexed in line with other asset maintenance expenditure, for each year after 2019/20 to ensure the</p>	<p>2018/19: Preparatory staff recruitment processes and plant & equipment procurement completed to enable additional maintenance works from 2019/20 onwards</p> <p>2019/20: Increased asset maintenance commences</p> <p>2019/20: Asset maintenance ratio increases to 100%, and is maintained at that level</p>	<p>a) Asset maintenance ratio increases to 100% by 2020</p> <p>b) Asset maintenance ratio remains at 100%</p> <p>c) Upward trend in community satisfaction with infrastructure assets (especially buildings, public trees, pathways & traffic facilities) from 2019/20 onwards</p>	<p>Operating Performance Ratio (three-year average) will remain below breakeven until 2017/18, but will be greater than breakeven – and will remain so - from 2018/19 onwards.</p> <p>Debt Service Ratio will increase marginally, but remain well within the Fit for the Future benchmark range</p> <p>Real operating expenditure per capita will exhibit a downward trend between</p>	<p>Additional operating costs for additional asset maintenance work as follows:</p> <p>2019/20: \$878,000</p> <p>2020/21: \$904,000</p> <p>2021/22: \$931,000</p> <p>2022/23: \$959,000</p> <p>2023/24: \$988,000</p> <p>2024/25: \$1,018,000</p>	Potential for future infrastructure backlogs avoided.	The cost of required annual maintenance works increases faster than anticipated in the LTFP, due to unforeseen macro-economic turbulence, e.g. oil shocks, severe recession, or changes in state or federal government policy. This presents a medium risk. Continuation of prudent investment management is expected to mean modest cash reserves	Additional plant & equipment purchases to enable additional maintenance will not exceed \$285,000 (2019 dollars). This is consistent with recent plant & equipment purchases to support asset maintenance services.

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	Asset Maintenance Ratio remains at 100%			2014/15 and 2019/20, as well as for the period 2020/21 to 2024/25.			are available to help mitigate the impacts of macro-economic turbulence on Council's ability to deliver infrastructure and services as forecast.	
3. Maintain Debt Service Ratio within the Fit For the Future Benchmark range	<p>a) Continue modelling the impact of all decisions relating to borrowings on forecast financial performance ratios as when developing recommendations for the elected LMCC regarding loan borrowings.</p> <p>b) Continue refraining from recommending new borrowings that would increase the Debt Service</p>	2024/25: Debt Service Ratio reaches approximately 8.3%. No additional new borrowings are required to maintain Infrastructure Backlog Ratio <2%	<p>a) Debt Service Ratio remains within Fit for the Future benchmark range</p> <p>b) Upward trend in community satisfaction with infrastructure assets and services from 2019/20 onwards</p>	As above	No direct financial costs. This initiative can be implemented using staff time already incorporated into the Long Term Financial Plan	Debt service expenditure maintained at a low enough level to sufficient cash flows for LMCC to achieve continued strategic flexibility in combating threats and taking advantage of opportunities in its operating environment.	The magnitude and speed of interest rate increases is greater than anticipated, causing the Debt Service Ratio to exceed 20%. This is not a credible risk. Although it is possible that interest rates could increase more than anticipated, it is highly unlikely that such increases would cause Council's Debt Service Ratio to exceed 20%, given the current DSR and proposed levels of borrowing.	Interest rates payable on Council's borrowings will increase approximately linearly to 8.28%p.a. by 2016/17, then increase approximately linearly from there to 8.47% per annum by 2019/20, then increase to 8.71% by 2020/21, then stabilise around 8.71%. These assumptions were developed in consultation with Council's professional financial advisors, Prudential Investment Company of Australia (PICA)

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	Ratio above 20%.							

Key Efficiency Strategies

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
1. Identify and implement continuous improvement initiatives aimed at delivering operational savings and/or process efficiencies.	Undertake a program of cross-functional business process reviews	<p>The following reviews completed, including business cases and implementation programs, by end June 2015:</p> <ul style="list-style-type: none"> Mobile Technology Management Correspondence and Service Requests E-Services for Internal and External Customers Corporate and Budget Planning Alignment Cross-unit 	Real Operating Expenditure decreases by from FY 2016.	Operating Performance Ratio increases.	No direct costs (review conducted in-house)	Productivity improvements equivalent to 1800 hours of staff time each year from 2016.	Expected benefits not achieved due to large-scale organisational disruption following forced amalgamation with Newcastle City Council. Risk rating = medium (possible likelihood x major consequence)	<p>No changes to NSW's Integrated Planning and Reporting Framework affecting the processes used to prepare the annual Operational Plan & Budget.</p> <p>Council's corporate information systems provider (CapGemini) continues to deliver systems enhancements within similar timeframes and costs as in recent years.</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
		Collaboration Procurement						
2. Identify and implement savings and/or process improvements in the procurement of goods and services.	<ul style="list-style-type: none"> a) Establish and implement a Preferred Supplier Management System b) Implement DecisionMax Contract Management System c) Continue program of strategic category management 	<ul style="list-style-type: none"> a) System implemented by end June 2015 b) System implemented by end June 2015 c) Category plans developed and implemented as the opportunity arises 	<ul style="list-style-type: none"> a) Real Operating Expenditure reduces by from 2016. b) Reduction in the number of approved suppliers; c) Improved processes around contract management, supplier compliance management, supplier performance management, etc.; d) Costs avoided and process improvements forecasts made and actuals tracked 	<ul style="list-style-type: none"> Operating Performance Ratio increases . Debt Service Ratio increases in 2016. 	<ul style="list-style-type: none"> a) Nil b) Costs already included in Long Term Financial Plan: \$84,000 capital in 2014/15 + annual maintenance cost of \$6000 pa ongoing c) Nil 	<ul style="list-style-type: none"> Costs avoided = \$1.15M per annum from 2015/16. Efficiency improvements equivalent to \$0.56M per annum from 2015/16. 	<ul style="list-style-type: none"> Expected efficiency gains not achieved due to large-scale organisational disruption following forced amalgamation with Newcastle City Council. Risk rating = high 	<ul style="list-style-type: none"> The benefits represent estimates of costs that have been/or are to be avoided (savings) and the indirect benefit of process improvements through implementation of the procurement strategies in 2014/15. It is assumed that the same savings and efficiencies will be delivered in subsequent years subject to the actual quantities of goods or services to be purchased in that year. The achievement of benefits are being actively monitored as an indicator to the effectiveness of the procurement strategies being employed, and do not take account

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
								of costs that may be escalating in other areas as a normal consequence of inflationary influences.
3. Provide development & training to swim centre staff, & change swim centres' work culture to focus on continuous improvement	<ul style="list-style-type: none"> a) Implement staff training & development plan b) Develop specific business sustainability indicators & action plan c) Implement marketing & program development strategy d) Develop specific asset maintenance plans for each centre's plant and equipment 	Recommendations implemented by June 2017	Real Operating Expenditure reduces	<p>Operating Performance Ratio increases</p> <p>Own Source Revenue Ratio increases</p>	NIL (delivered in-house)	<p>Revenue increases by \$150,000 per annum from 2016/17</p> <p>Operational cost savings of \$150,000 from 2016/17 onwards.</p> <p>Reduction of the subsidy provided to swim centre operations from the current 55% to 51.8% from 2016/17 onwards</p>	Alternative private service providers enter the market	<p>Continued engagement with team leaders and staff in striving towards continuous improvement initiatives.</p> <p>Revenue achieved by fees and charges review, ongoing regular program review & consultation with patrons and user groups via intercept surveys</p> <p>Local participation trends remain on a similar trend</p> <p>Cost savings include 2% efficiency realised through introduction knowledge</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
								management system, utility cost savings via plant upgrades & operational staff review
4. Efficient operation of the Awaba Waste Management Facility	On-site recovery of waste cover material	Real Operating Expenditure reduces from 2015 onwards	30% of annual demand for cover material recovered on-site	Operating Performance Ratio increases	Nil	\$700,000 pa of avoided operational costs (net of implementation costs)	<p>Landfill extension project does not identify sufficient cover material on-site</p> <p>Lack of available space to store cover material on site during landfill extension</p> <p>Changes to regulatory regime relating to use of cover material</p>	<p>Recovering material that can be used as daily or intermediate cover for waste will negate the need to import virgin excavated natural material at \$12.50 per tonne plus the EPA's waste levy of \$120 per tonne. LMCC currently budgets for approximately 18,000 tonnes of cover material at a cost of approximately \$2.38m. It is estimated that approximately 5000 to 10000 tonnes of suitable material can be recovered representing a potential saving of between \$662,500 to \$1,325,000 in the current and future financial</p>

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
								year. Savings against general fund and domestic waste charge
5. Identify and implement efficiencies in Fleet Management	<p>a) Review the replacement interval for passenger and light commercial vehicles;</p> <p>b) Review heavy truck servicing based on the results of an oil additive trial</p>	<p>a) Review complete by June 2015</p> <p>b) Review complete by June 2015</p>	<p>a) Real Operating Expenditure reduces</p> <p>b) Vehicle retention extended from 3yrs – \$80K, to 4yrs – \$100K</p> <p>c) Current oil servicing intervals extended 10-fold, resulting in service cost savings</p>	Operating Performance Ratio increases	Nil	<p>a) Annual Capital saving = \$600,000; Annual Operating Cost saving = \$130,000</p> <p>b) Annual Operating Cost saving = \$80,000</p>	<p>Passenger and light commercial vehicle annualised maintenance costs increase due to longer replacement interval. Risk rating = low</p> <p>Price of oil additive increases, partially offsetting cost savings derived from longer servicing intervals. Risk rating = low</p>	Annualised life cycle costs for passenger and light commercial vehicles are lower with longer replacement interval.
6. Energy and water saving initiatives at LMCC facilities	<p>a) Install renewable energy systems on LMCC facilities</p> <p>b) Energy demand management</p>	<p>a) 50 kW of renewable energy installed each year</p> <p>b) Annual investment program</p>	<p>a) Real Operating Expenditure reduces from 2016. This reduction compounds each year, such that a reduction in</p>	Operating Performance Ratio increases	<p>a) ~\$1000/kW</p> <p>b) ~\$100,000 p.a.</p> <p>c) Nil (vehicle replacement)</p> <p>d) ~10,000 p.a.</p>	<p>a) \$2,900,000</p> <p>b) ~\$1,200,000/~\$100,000 invested</p> <p>c) ~\$200,000 p.a.</p> <p>d) ~\$100,000 p.a.</p>	Changes in regulatory regime relating to renewable energy and vehicle emissions standards adversely affects market	Savings in energy costs over the life of solar panels, so no savings reported over life of implementation

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
	measures c) Fleet efficiencies d) Water demand management measures	c) Reduce greenhouse gas emissions from fleet by 3% per annum d) Annual program implemented	Real Operating Expenditure achieved by 2025, compared to business as usual. b) 600 kW of renewable energy installed on LMCC facilities by 2023 c) Contribution to GHG emissions reduction of 45% by 2023 d) Contribution to GHG emissions reduction of 45% by 2023 compared to 2007-08 baseline e) 12% potable water savings by 2023				and ROI. Risk rating = moderate Availability of sites to install initiatives becomes constrained. Risk rating = low	
7. Waste Management Strategy	Reduce waste to landfill – Phase 1	a) increase uptake of 360 litre recycling bins to 5000 by 2015	75% reduction in waste to landfill by 2023, resulting in a decrease of Real Operating	Operating Performance Ratio decreases from 2015/16	Cost subtracted to generate net benefit	\$ 2,000,000 p.a. (net of costs)	Lower than anticipated uptake of services Container	Benefit represented by the extension of the life of the landfill, and costs avoided in

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
		<p>b) increase uptake of commercial recycling by 40% per annum</p> <p>c) e-waste recycling program</p>	Expenditure from 2023.				<p>deposit scheme adversely affects contractor's viability</p> <p>Changes to regulatory regime eg Product Stewardship Scheme</p>	collection and processing of waste
8. Effective use of mobile technology for field staff	Deliver workplace numeracy, literacy, digital literacy training to outdoor workforce. Deploy mobile technology to field operations	<p>Training program delivered by June 2017.</p> <p>Hardware rollout by June 2018</p>	200 outdoor employees provided with the necessary skills and tools to effectively work with mobile technology, leading to a reduction in Real Operating Expenditure from 2018/19.	Operating Performance Ratio from 2018/19	<p>Training: \$560,000 operating costs to be met within expenditure forecast in existing Long Term Financial Plan.</p> <p>Hardware (Capital): \$100,000 costs in 2017/18 to be met using existing LTFP allocation for implementation of IT&IM Strategy.</p> <p>Ongoing additional operating costs for mobile data services: \$36,000</p>	<p>Efficiency Benefit of \$680K pa, arising from:</p> <ul style="list-style-type: none"> Improved timeframes in service delivery to customers through electronic distribution, recording, and responses to service requests; Increased compliance and awareness of workplace procedures and safety systems Improved communication flows 	<p>Mobile data service costs higher than anticipated, partially offsetting expected efficiency gains. Risk rating = very low</p> <p>Mobile data service quality lower or less consistent than anticipated, meaning expected efficiency benefits are not fully achieved. Risk rating = low</p>	Efficiency gains of 5% time savings x \$68k per participant per year x 200 participants = \$680k per annum. Assumes: Net-Work participants achieve 5% efficiency gains, on average, after completing the program.

Objective	Strategies	Key Milestones	Outcome	Impact on other measures	Costs	Benefits	Risks	Assumptions
					pa from 2018/19 to be met from existing LTFP allocation for communications services.			
9. Improved cash management	Reassess assumptions in Long Term Financial Plan Fund loans from internal reserves	Updated Long Term Financial Plan by December 2015 Document cash management strategy by 30 June 2016 Seek Ministerial approval to utilise externally restricted reserves by 30 June 2016	More accurate financial forecast Access to cheaper finance	Improved operating performance ratio	Negligible – staff time	Savings of approx. 2.5% per annum on cost of borrowing Savings in salaries, materials, plant hire and utilities costs from revised assumptions	Internally restricted funds are required prior to the end of the loan term Assumptions are insufficiently conservative	Available funds from internal reserves restricted to 20% of minimum forecast balance Relatively conservative risk appetite retained

Attachment M – February 2014 response to ILGRP’s Final Report

Lake Macquarie City Council Special Report of the General Manager



**Submission in response to the
NSW Independent Local Government
Review Panel Final Report –
Revitalising Local Government
February 2014**

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**Submission in Response to ILGR Panel Final Report
“Revitalising Local Government”**

Council Ref: F2012/00045
Report By: General Manager – Brian Bell

Précis:

This submission from Lake Macquarie City Council is the fourth submission from this Council in response to the various discussion papers released by the Independent Local Government Review (ILGR) Panel. This submission is to the Minister for Local Government in NSW, whereas the previous three submissions have been to the ILGR Panel.

Many of the recommendations put forward by the ILGR Panel in their ‘Final Report’ to the Minister are generally supported by Lake Macquarie City Council.

Positive recommendations mainly relate to the following areas:

- Fiscal responsibility
- Strengthening the revenue base
- Meeting Infrastructure needs
- Improvement, productivity and accountability
- Political leadership and good governance
- Regional Joint Organisations (“Council of Mayors”)
- State-Local Government relations

Of the 65 recommendations put to the State Government by the IGLR Panel in their final report, Lake Macquarie City Council agrees with 37 of those recommendations (in whole or in-part) and disagrees with 10 recommendations. The remainder of the recommendations are not necessarily relevant to Lake Macquarie circumstances, and Council offers no comment on these.

There are a number of the IGLR Panel’s recommendations that are not supported by Lake Macquarie City Council. The most significant of these relate to suggested amalgamations and City boundary adjustments. There is a better and simpler way forward that offers all of the proposed benefits put by the IGLR Panel without the hugely divisive, extremely costly amalgamations program put forward by the IGLR Panel. The better ways forward are noted in this submission.

Lake Macquarie’s recommendations provide for a practical, appropriate and sensible way forward that provides the solutions sought, but at a much lesser cost to the government and communities of NSW.

Recommendation:

Amalgamation and Boundary Adjustments

Recommendation 1

The option put by the ILGR Panel in relation to 'Structural Reform' of the Lower Hunter Councils via amalgamation of Lake Macquarie City Council with Newcastle City Council is rejected by Lake Macquarie, as it is not in the interest of the more than 200,000 residents of Lake Macquarie.

Recommendation 2

The option put by the ILGR Panel that the southern area of Lake Macquarie around Morisset-Wyee be added to Wyong Shire or a new Central Coast Council is rejected by Lake Macquarie as it is not in the interest of the 20,000 residents in that area.

Recommendation 3

Lake Macquarie recommends that should any future forced or voluntary boundary adjustments occur with Wyong Shire, that the only change be to incorporate the remainder of the southern land catchment of the Lake Macquarie water body into the administrative boundaries of Lake Macquarie City Council.

Recommendation 4

Lake Macquarie notes that the ILGR Panel commissioned SGS report fails to provide evidence-based justification for any of the boundary adjustment options. The report is limited in its spatial mapping to inaccurate population and employment estimates, and travel times to central urban areas. The report fails to identify key determinates of how local economies and communities function, and interact with their local councils. Lake Macquarie notes further that the reports sole reliance on the use of travel times to administration buildings as the determinate of where a local government boundary should be located, is a flawed concept. The analysis in the report fails to take into consideration social, cultural and economic implications when arriving at its recommendations.

Recommendation 5

Lake Macquarie notes that the reports commissioned by the ILGR Panel, together with the recommended options put by the ILGR Panel in their final report, fail to provide any reasoning on social, economic, or environmental grounds that would indicate a change from the current boundaries would have any beneficial outcomes to the communities of Lake Macquarie or Newcastle.

Strategic Capacity

Recommendation 6

Lake Macquarie notes that the ILGR Panel suggestion for councils to have the ability to respond to diverse and changing needs of different communities they need to become larger organisations that can generate increased resources through economies of scale and scope. Lake Macquarie agrees that this may be so in some cases, but where councils are already very big, like Lake Macquarie, and already doing these things, there is little value in making up reasons for them to further amalgamate.

Recommendation 7

Lake Macquarie notes that the ILGR Panel underplays the existing strategic capacity roles already being enacted by a myriad of councils across a vast range of local needs in NSW. Lake Macquarie believes that where a matter becomes “too big” strategically for a local council to handle, they could refer it to their (legislated with powers) regional joint organisation. For the councils in the Hunter Region that would be a “Hunter Regional Council of Mayors”.

There are many examples of Lake Macquarie City Council exercising successful strategic capacity across a wide range of significant areas and functions. These include land use planning, infrastructure planning and development, waste management, joint and shared whole-of-catchment management, contribution to regional decision-making, and ongoing social, environmental and financial sustainability.

Neither of the ILGR Panel options for amalgamation or boundary adjustments will add any value to the strategic capacity of Lake Macquarie City. Effectively, Council has been using, and plans to continue with, a strategic land use planning process and community engagement model that is very similar to the process now foreshadowed in the White Paper on the new planning system for NSW.

Lake Macquarie further notes that its landuse planning systems and programming “Lifestyle 2020” was drawn upon heavily by the Department of Planning to prepare the Lower Hunter Regional Strategy (LHRS) in 2006. The urban investigation areas and urban centre hierarchy identified as part of Lifestyle 2020 were captured in the LHRS. This is further indication of the strategic capacity of the city, in this case helping to position the state government land use planning programme.

Joint Regional Organisations (Council of Mayors)

Recommendation 8

Lake Macquarie City Council notes and endorses the reconsidered views of the ILGR Panel in acknowledging the practical and sensible implementation of “Joint Organisations”, by whatever name they might have. This proposal will enhance regional strategic capacity, does not involve unnecessary amalgamation, and can be implemented without significant expense.

Role of Mayors and Councillors

Recommendation 9

Lake Macquarie City Council endorses the recommendation of the ILGR Panel that Mayors of Councils must be remunerated properly, be popularly elected in councils above certain sizes or of certain complexity, or where a local community wants a popularly-elected mayor.

Financial Sustainability

Recommendation 10

Lake Macquarie notes and endorses comments by the ILGR Panel that the securing of local government financial capacity and sustainability is the fundamental prerequisite for all other moves to enhance the strength and effectiveness of local government.

Recommendation 11

Lake Macquarie recommends that financial sustainability be the first priority when implementing any reforms for local government in NSW. This should include any or all of the following options:

- Removal of the rate cap;
- Introducing the ILGR Panel recommendations for rate benchmarking or rate streamlining;
- Application of rigorous IPR processes to each council, followed by IPART review for every council, on a rotational basis;
- Earned autonomy now for councils that have proven performance and capacity.

Recommendation 12

Lake Macquarie notes comments by the ILGR Panel that the general community in NSW is willing to pay more in rates for their council services. Having been through this process, Lake Macquarie agrees with that position. Given reasonable information, a reasonable community will make a reasonable decision about their future council services and how much they are prepared to pay for them.

Recommendation 13

Lake Macquarie agrees with the four recommendations made by the ILGR Panel for fiscal responsibility. We note that the Panel specifically requests that councils be required to employ a qualified Chief Financial Officer. Lake Macquarie endorses this approach for larger councils and for regional groupings of smaller councils. However, it should be equally important to employ equally qualified experts in the social, environmental and cultural fields, as these have equal importance in a council's deliberations and servicing of people and built and natural environments they are

responsible for. Too much emphasis is placed by the Panel on one area of expertise alone in determining the qualifications required for council staff. For example, the Panel recommends the removal of the Morisset area from the southern parts of Lake Macquarie City and placing it into another administrative body. This is a generally incomprehensible recommendation when taking into account the environmental, social and economic circumstances in that area of Lake Macquarie City.

State Government

Recommendation 14

Lake Macquarie recommends that instead of requiring the communities (councils) of NSW to go through the massive costs of amalgamation in terms of money, time and anguish, the State Government give a small fraction of those costs to the State Division of Local Government (DLG) to help the DLG become the organisation the Panel, the NSW councils, and others suggest it should be. With a comparatively small, ongoing injection of funds the DLG could take on a much greater strategic role in NSW local government than it currently has the capacity to do. The benefits of this relatively small investment would have significant positive strategic effect on the future workings and performance of local government in NSW.

Advancing Structural Reform

Recommendation 15

Lake Macquarie notes the comments by the ILGR Panel that the way forward for local government would involve:

- focusing on the need for increased strategic capacity;
- rejecting one-size-fits-all policies;
- facilitate a mix-and-match approach to the different needs of different parts of NSW; and
- changing the process for initiating and considering amalgamations and boundary changes.

There are relatively simple ways to do this that do not need the hugely divisive, extremely costly amalgamations program put forward by the Panel. Lake Macquarie recommends the following strategies be implemented:

- Implementing the suggested Regional Joint Organisations (Council of Mayors) to deal with the perceived strategic capacity issues at a regional level; and
- Recognising financial sustainability as the first priority to be dealt with, mostly through a combination of existing processes (IPR and IPART), removing the rate cap, or introducing rate benchmarking or rate streamlining, together with appropriate performance requirements and assessments for local councils.

Driving and Monitoring Reform

Recommendation 16

Lake Macquarie recommends that any future Ministerial Advisory Group should have a member of Local Government Managers Association NSW (LGMA NSW) on the Ministerial Advisory Group, to represent the interests of local government managers and employees in NSW.

Lake Macquarie notes that the LGMA NSW has been left out of the peak bodies list that should be represented on a Ministerial Advisory Group. The LGMA is the peak representative body for local government employees and represents their professional interests. Any Ministerial Advisory Body that does not have representation for the 50,000 employees in NSW local government is not truly representative.

Recommendation 17

Attachment 7 to this report contains a summary of Council's responses (as endorsements or otherwise) to the remaining recommendations of the ILGR Panel final report.

General Manager – Brian Bell

Attachment 1: Lake Macquarie City Council Submission to the ILGR Panel Final Report

Lake Macquarie City Council
Submission
February 2014



**Revitalising Local Government
Final Report Of The NSW Independent
Local Government Review Panel**

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Executive summary

This submission from Lake Macquarie City Council is the fourth submission from this Council in response to the various discussion papers released by the Independent Local Government Review (ILGR) Panel. This submission is to the Minister for Local Government in NSW, whereas the previous three submissions have been to the ILGR Panel.

Many of the recommendations put forward by the ILGR Panel in their 'Final Report' to the Minister are generally supported by Lake Macquarie City Council.

Positive recommendations mainly relate to the following areas:

- Fiscal responsibility
- Strengthening the revenue base
- Meeting Infrastructure needs
- Improvement, productivity and accountability
- Political leadership and good governance
- Regional Joint Organisations ("Council of Mayors")
- State-Local Government relations

Of the 65 recommendations put to the State Government by the IGLR Panel in their final report, Lake Macquarie City Council agrees with 37 of those recommendations (in whole or in-part) and disagrees with 10 recommendations. The remainder of the recommendations are not necessarily relevant to Lake Macquarie circumstances, and Council offers no comment on these.

There are a number of the IGLR Panel's recommendations that are not supported by Lake Macquarie City Council. The most significant of these relate to suggested amalgamations and City boundary adjustments. There is a better and simpler way forward that offers all of the proposed benefits put by the IGLR Panel without the hugely divisive, extremely costly amalgamations program put forward by the IGLR Panel. The better ways forward are noted in this submission.

Lake Macquarie's recommendations provide for a practical, appropriate and sensible way forward that provides the solutions sought, but at a much lesser cost to the government and communities of NSW.

1. Amalgamation and boundary changes

1.1 Lake Macquarie City Council amalgamating with Newcastle City Council

The recommendation or option put by the ILGR Panel in relation to ‘Structural Reform’ of the Lower Hunter Councils via amalgamation of Lake Macquarie City Council with Newcastle City Council is not in the interest of the more than 200,000 residents of Lake Macquarie.

The recommendation is rejected by Lake Macquarie City Council. Similarly, Lake Macquarie City Council notes the resolution of Newcastle City Council on 28 May 2013 regarding a suggested amalgamation. The resolution states, in part, that Newcastle City Council:

“Oppose the long-term agenda of the Local Government Review Panel to merge metropolitan and regional councils regardless of the wishes of local residents.

Notes that:

- a) It has strong concerns that the Local Government Review Panel is proposing the merger of Newcastle City Council with Lake Macquarie Council without consulting the residents in either of these local government areas;
- b) Newcastle City Council has strong community support and that there is no clear case for it to be merged with neighbouring councils; and
- c) That any merger of Newcastle City Council with neighbouring councils will inevitably reduce the level of local representation and strength of local democracy in the Hunter.”

Attachment 1 details the significant negative financial impacts to Lake Macquarie should a forced amalgamation of Lake Macquarie City Council and Newcastle City Council proceed.

Attachment 2 details the significant social impacts to Lake Macquarie should a forced amalgamation of Lake Macquarie City Council and Newcastle City Council proceed.

1.2 Boundary adjustments between Lake Macquarie City Council and Wyong Shire Council

The additional recommendation or “option” put by the ILGR Panel that the southern area of Lake Macquarie around Morisset – Wyee be added to Wyong Shire or a new Central Coast Council, is not in the interest of the 20,000 residents in that area.

The recommendation or option is rejected by Lake Macquarie City Council.

The proposed transfer of Morisset – Wyee to Wyong Council would have significant financial implications for Lake Macquarie.

While it is not specified what constitutes the proposed subject area, it is assumed to include postcodes 2259, 2264 and 2265, inclusive of Wyee, Morisset, Bonnells Bay, Dora Creek and Cooranbong localities. This area currently has 8700 rateable

properties and 19,000 residents – which is approximately 9 per cent of the total Lake Macquarie population.

Attachment 3 details the opportunities to improve the management of southern Lake Macquarie.

Attachment 4 details the impacts on the Morisset – Wyee community should forced boundary adjustments occur between Lake Macquarie City Council and Wyong Shire Council.

Should a future state government change its policies and force boundary adjustments, there is a case for a future boundary adjustment that would incorporate all of the southern land catchment of the Lake Macquarie water body into the administrative boundaries of Lake Macquarie City Council.

If any southern boundary adjustments are to occur between Lake Macquarie City and Wyong Shire, we suggest that there is a more logical and sensible adjustment where all of the southern land catchment of the Lake Macquarie water body be incorporated into the administrative boundaries of Lake Macquarie City Council.

While Lake Macquarie is not pushing this boundary adjustment proposal it is certain that this option would be a far better and much more logical option than the indefensible proposal put by the ILGR Panel that the Morisset – Wyee area of Lake Macquarie City be subsumed into Wyong Shire. This recommended option does not make sense economically, socially or environmentally.

Lake Macquarie recommends that should any future boundary adjustments occur with Wyong Shire, that the only change be to incorporate the remainder of the southern land catchment of the Lake Macquarie water body into the administrative boundaries of Lake Macquarie City Council.

1.3 Spatial Analysis of NSW Regional Centres and Selected Regions report – Lake Macquarie

The scope of the *Spatial Analysis of NSW Regional Centres and Selected Regions* report by SGS Economics and Planning and commissioned by the IGLR Panel is to provide analysis of spatial patterns that could potentially affect local government boundaries in selected regions. The focus of this review is the quality of the spatial analysis and the recommendations on the Lake Macquarie City Council Local Government Area.

The SGS report attempts to identify spatial patterns of population and employment growth between 2001 and 2011 and projections to 2031. Travel time mapping was also undertaken in an attempt in defining regional centre-service catchments. These catchments were then used to make recommendations on potential adjustments to local government boundaries.

In regards to Lake Macquarie, the report suggests that the following be considered by the Panel:

- retention of the current local council arrangements;
- realigning administrative boundaries around the extent of the Newcastle urban-region, including Newcastle, part of the Lake Macquarie LGA including

the area south to Toronto and Swansea (excluding Morisset – Wyee area) and southern Port Stephens LGA including airport and employment areas to the immediate north of Newcastle;

- considering administrative boundaries based on Newcastle and coastal areas, including the LGAs of Newcastle, Port Stephens and part Lake Macquarie (as identified above); and
- establishing a Greater Newcastle ‘Regional Council’ including all the Lower Hunter LGAs, with Morisset – Wyee area of Lake Macquarie LGA being included in the central coast area.

The report fails to provide any evidence-based justification for any of the above boundary adjustments. It is limited in its spatial mapping to inaccurate population and employment estimates, and travel times to central urban areas. The report fails to identify any of the key determinates of how local economies and communities function, and interact with local councils.

The SGS report makes recommendations on local government boundaries using travel times to administration buildings as the sole determinate. The use of travel times to administration buildings as a determinate of local government boundaries is a flawed concept. The analysis fails to take into consideration any social, cultural, and economic implications of the recommendations.

1.3.1 Population projections

The SGS report relies on the Bureau of Transport Statistics (BTS) Population Forecasts 2012 to provide spatial analysis of population growth and distribution to 2031. The population forecasts used are based on the BTS Travel Zone system and the now outdated Australian Bureau of Statistics’ 2006 Census. Local development patterns within the estimates are determined using the Department of Planning and Infrastructure’s Metropolitan Development Program (MDP).

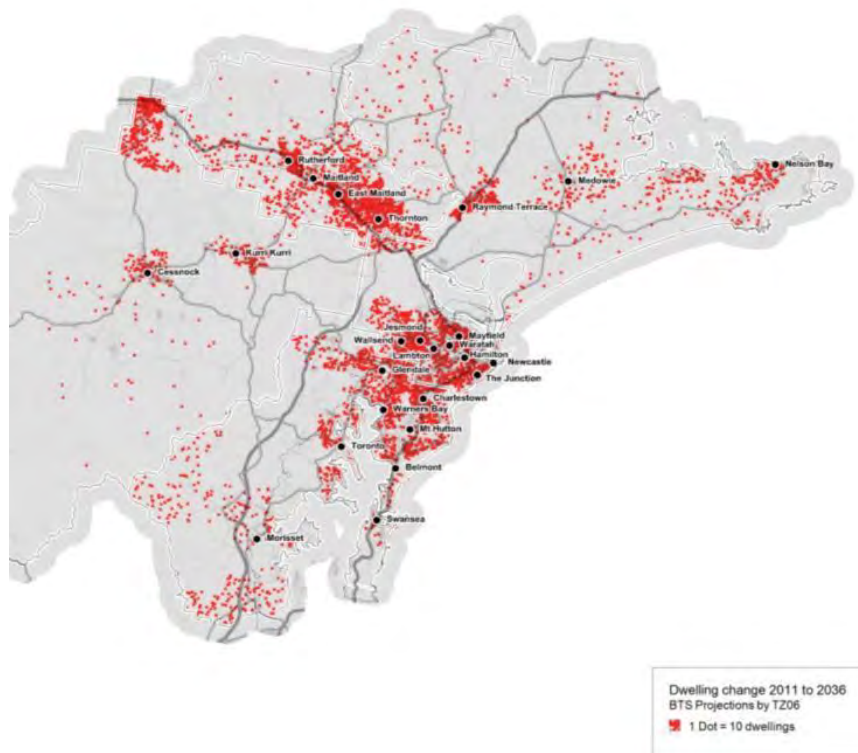
The base (2011) estimates provided within the SGS report are not consistent with the ABS’s Estimated Resident Population (ERP) or the 2011 Census. Using the ERP, the 2011 population of Lake Macquarie was 195,900, and 154,900 for the Newcastle LGA. The SGS Report estimates Lake Macquarie’s population as follows:

LGA	2011	2031	Total Change	Total Change
Lake Macquarie	199,208	227,956	28,748	14.4%
Newcastle	157,169	175,699	18,530	11.8%

The BTS Population Forecasts are not reliable outside of the Sydney metropolitan areas as it relies entirely on the MDP to identify residential developments. As such, the BTS estimates for the whole of the Lower Hunter are based on a simple extrapolation of the growth patterns in the region between 2001 and 2006. This results in an inaccurate, and unreliable distribution of population estimates for the whole of the Hunter Region.

While the extremely poor quality of the maps and the lack of data provided within the report does not allow a high level of analysis, it is quite clear that the underlying data is incorrect at a local level.

For example, Figure 45 – *Lower Hunter Projected Population Growth, 2011-2036 by TZ* indicates low levels of growth within key development areas of the Lake Macquarie LGA. In particular, considerable development areas such as the North Cooranbong Urban Release Area, Northlakes Estate, and the Catherine Hill Bay developments do not appear to be included on the map. As all these developments have commenced construction, it is likely that we will see close to the full development of these areas by 2031.



A more appropriate dataset for population projections is the *New South Wales State and Local Government Area Population Projections: 2013 preliminary revision* produced by the Department of Planning and Infrastructure in conjunction with the ABS, and local Councils. These projections are considered far more accurate taking into consideration the ABS's 2011 Census, Estimate Resident Population dataset, variances in migratory patterns and natural growth, and local development proposals and trends. The estimates for the Lake Macquarie and Newcastle LGAs are as follows:

LGA	2011	2031	Total Change	Total Change	Annual Change
Lake Macquarie	195,900	219,600	23,700	12.1%	0.6%
Newcastle	154,900	192,500	37,600	24.3%	1.1%

While these estimates are provided at an LGA level only, due to the significance of the proposed boundary changes, it would be appropriate for detailed estimates to be provided to ascertain an accurate picture of the projected population distribution within the region.

1.3.2 Employment distribution

The workforce analysis and spatial mapping within SGS Report relies on the BTS Workforce Forecasts 2012. Whilst this dataset is considered to be more reliable than the BTS population forecasts for the Lower Hunter Region, there still appears to be several anomalies.

For example, the *Lower Hunter Employment Change 2001-2011* map (below) indicates limited employment growth within the Charlestown area between 2001 and 2011. This is contrary to the ABS Journey to Work data that indicates significant employment growth within the Charlestown area within the same time period. One of the main drivers of employment within this area was the major expansion of the Charlestown Square shopping complex that opened in 2010. It is estimated that this development alone accounted for an increase of approximately 550 FTE.



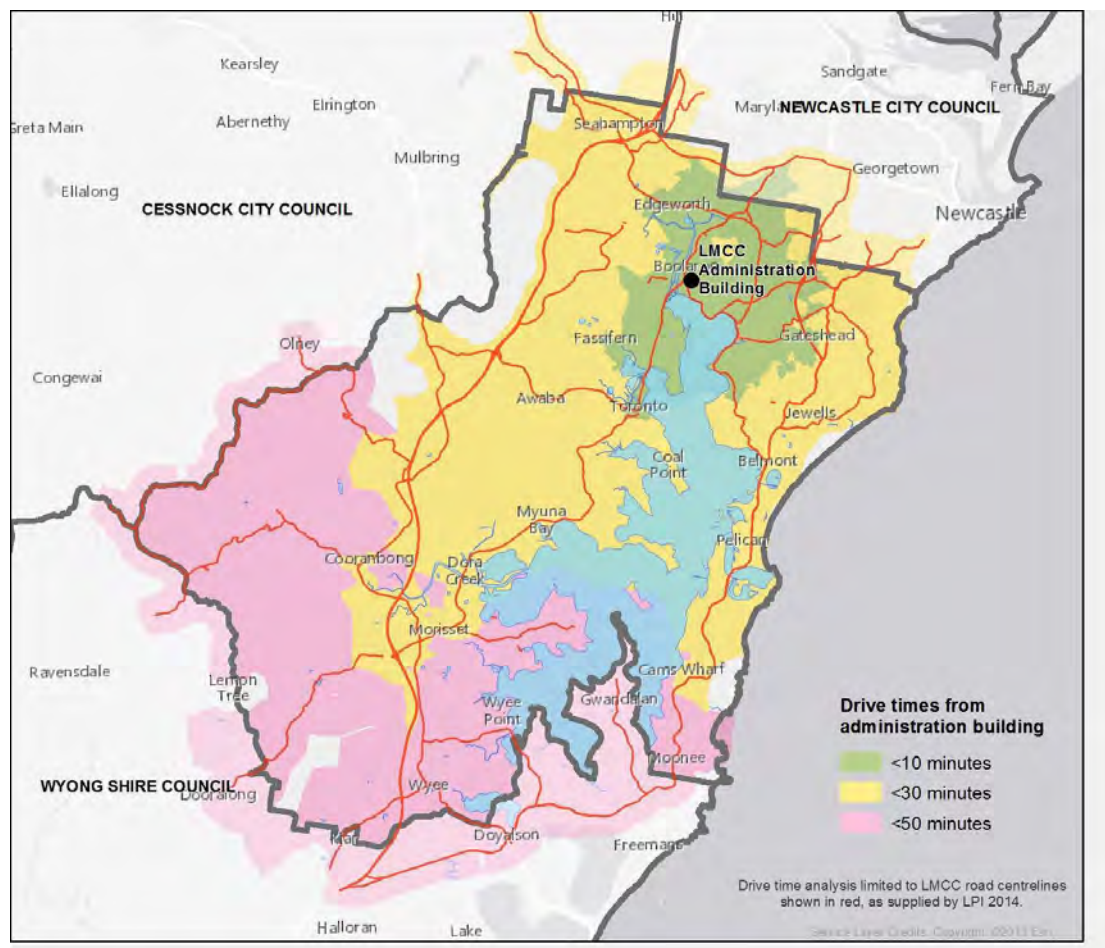
It is also curious why the SGS Report did not provide spatial mapping of the BTS Workforce Forecasts to 2031 when such information was readily available.

1.3.3 Travel time analysis

The report analyses travel times using private and public transport from the Newcastle CBD and other urban centres to identify the Newcastle Urban Area. The basis of this analysis is the criteria set in Box 6 of the Independent Local Government Review Panel Discussion Paper. The discussion paper identifies that the areas of a main administrative centre should be accessible within 30-45 minutes of the LGA boundaries.

The SGS report provides mapping which indicates that it is theoretically possible to travel from the Newcastle CBD to the areas surrounding Catherine Hill Bay (south of Swansea) on the eastern side of Lake Macquarie, and Toronto on the west.

The SGS Report also fails to undertake an assessment on the travel time performance of the current Lake Macquarie LGA boundaries. As indicated below, the main administration building at Speers Point is currently accessible by all areas of the Lake Macquarie LGA within 50 minutes. **Attachment 4** outlines how Council is continuing to develop its online and call centre capacity so all residents have access to Council services.



1.3.4 Recommendations

The SGS report states that the current boundaries provide a fragmented approach to the Newcastle urban region and suggests that a single local authority could manage the authority. The report indicates that the areas of Lake Macquarie south to Toronto Swansea could form part of the Newcastle urban region, and therefore should be considered for amalgamation.

The report fails to identify a single instance of a fragmented approach to the governance within the Lake Macquarie and Newcastle local government areas. The only known area of potential conflict that may result in a fragmented planning outcome is a proposed development that currently is split across the two council boundaries. However, a boundary adjustment supported by both Lake Macquarie and Newcastle councils that would resolve this issue has been under assessment by the State Government since 2010. The resolution of this boundary adjustment would resolve any planning conflict, and permit the development to proceed in an orderly manner.

The report provides analysis of the population and employment distribution of the region. However, it does not provide any justification as to how the management of these two factors could be improved by any of the recommendations.

The SGS report fails to provide a single evidence-based justification on why such a boundary change would be beneficial for the management of region. It fails to provide any reasoning on social, economic, or environmental grounds that would indicate a change from the current boundaries would have any beneficial outcomes to the communities of Lake Macquarie or Newcastle.

2. Strategic capacity

The IGLR Panel makes the point that councils need to shift their focus towards a more strategic view of their operations and have the ability to respond to the diverse and changing needs of different communities and to take on new functions or deliver improved services in order to meet those needs. The Panel then suggests that this implies a move to larger, more robust organisations that can generate increased resources through economies of scale and scope.

This would be so in some cases, but where councils are already very big, like Lake Macquarie, and already doing these things, there is no value in making up reasons for them to further amalgamate.

What is the role of local government? It is not the same as state or federal governments and shouldn't be expected to be so. Local government should not be expected to, under the guise of "equal partner" or "strategic capacity", to fund infrastructure and assets that are state or federal government responsibilities, unless the total funding (without fail) is provided by state or federal governments to local government. Total funding here means building and maintaining for the life of the asset.

No "double dipping" at the expense of local government should be expected, where local government is required to help fund state or federal government responsibilities.

There are many serious and important local matters that local government should, and does, deal with. Do not make local government into a quasi-state government

unless all the powers, opportunities and funding is provided by the state to local government, all the time, every time.

The ILGR Panel underplays the existing strategic capacity roles already being enacted by a myriad of councils across a vast range of local needs in NSW. For example, Lake Macquarie can handle the big strategic capacity needs they have, while many other smaller councils handle the strategic capacity needs that they have.

The answer? Where a matter becomes too big strategically for a local council to handle, they could refer it to their (legislated with powers) regional joint organisation. For the councils in the Hunter Region that would be a “Hunter Regional Council of Mayors”.

Returning specifically to Lake Macquarie, there is no example in the last decade where any significant issue or strategy for Lake Macquarie would have been enhanced by an amalgamation with Newcastle City Council. In fact, the opposite would be true, with Newcastle City focusing mainly on its CBD renewals and related matters. There are many examples of Lake Macquarie City Council exercising successful strategic capacity across a wide range of significant areas and functions. These include land use planning, waste management, infrastructure planning and development, joint and shared whole-of-catchment management, contribution to regional decision-making, and ongoing social, environmental and financial sustainability.

Neither of the ILGR Panel’s recommendations for amalgamation will add any value to the strategic capacity of Lake Macquarie City. Effectively, Council has been using, and plans to continue with, a strategic land use planning process and community engagement model that is very similar to the process now foreshadowed in the White Paper on the new planning system for NSW.

2.1 Lifestyle 2020, 2030 and 2050

Council initiated Lifestyle 2020 in early 1997. The purpose was to prepare a sustainable land use structure for the City to guide urban development out to the year 2020. The project was innovative at the time, winning awards such as the Award for Planning Excellence from the Planning Institute of Australia. The project involved:

- using a holistic approach where issues were integrated rather than segregated, and impacts and opportunities of land use decisions could be considered from many perspectives;
- enquiry by design workshops, that allowed detailed input from residents and stakeholders; and
- consideration of the infrastructure needs to cater for or facilitate employment and population growth.

The Local Government Area is unique in having a large coastal lake as its central focal point (rather than a CBD) and an urban form of 90 separate towns and villages (an equitable way of delivering services, facilities, employment and retail space given the Lake). The population of the LGA was 187,000 at the commencement of the project and is forecasted to grow significantly by 2020. Considerable effort was taken to gain a good understanding of the social, economic and environmental

characteristics of the LGA at the time, and input from the community was sought. This included:

- completion of 33 technical studies covering the broad categories of environment, social development and liveability, economic development, integrated transport and infrastructure, and urban and rural development;
- each technical study being overseen by a reference group made up of Council staff and external experts or parties with an special interest in the area under study;
- establishment of a local government forum (Wyong, Cessnock, Maitland and Newcastle staff) to allow an information exchange on significant strategic programs that may have had a bearing on what may happen in the LGA in the future;
- establishment of a Youth Forum for input on specific youth issues;
- eight urban design workshops, including a specific workshop for each of the seven planning districts that make up the LGA. Each workshop consisted of three to five days of intensive investigation and discussion. On the final evening of each workshop, the outcomes were presented to all who chose to attend. In some instances, as many as 100 people became involved in each workshop;
- a Quality Lifestyle Survey (August 1997) delivered to 110,000 households;
- a Quality of Life Phone Survey of 2500 households (October 1997);
- Camera Project (September 1998) where 40 community members were provided with disposable cameras to photograph attributes of their area that they valued, disliked or felt required attention;
- a six-page insert in the Newcastle Herald and The Post newspapers (May 1999) to publicise the draft Strategy; and
- More than 3000 copies of the draft Strategy were provided to members of the community who asked for a copy to review. About 300 formal submissions were received and another 300 telephone or face-to-face enquiries were made during the exhibition.

Lifestyle 2020 became the basis for a new City-wide Local Environmental Plan (Lake Macquarie LEP 2004) and there was a rewrite of more than 70 separate development controls plans into a single, updated, City-wide Development Control Plan (Lake Macquarie DCP No. 1).

Lifestyle 2020 was drawn upon heavily by the Department of Planning to prepare the Lower Hunter Regional Strategy (LHRS), which was finalised in 2006. The urban investigation areas and urban centre hierarchy identified as part of Lifestyle 2020 were captured in the LHRS.

Lifestyle 2030 was adopted by Council on 11 March 2013. The updated version was prepared to facilitate the development and adoption of a new City-wide local environmental plan that conforms to the Standard LEP template (Lake Macquarie LEP 2014). The update focussed on incorporating more recent policy directions and plans of the State and Federal governments, such as the Lower Hunter Regional Strategy and various Part 3A project approvals.

Development of Lifestyle 2050 is scheduled to commence in the 2015/16 financial year. Lifestyle 2050 will involve a comprehensive review of land uses across the City, potentially identify new areas for expanded urban settlement, and encourage the redevelopment of existing urban areas to create compact, mixed-use areas with a range of facilities, services and housing types to reduce reliance on private vehicles,

generate employment. Lifestyle 2050 will also take into account community supported options for dealing with the impacts of climate change.

3. Joint Regional Organisations (Council of Mayors)

Lake Macquarie City Council notes and endorses the reconsidered views of the ILGR Panel in acknowledging the practical and sensible implementation of “Joint Organisations”, by whatever name they might have.

In our submission to the ILGR Panel in June 2013 we put a case for a “Council of Mayors” regional entity for the Hunter region. The Council of Mayors would be an enhanced model of the already successful Hunter Councils model. With significantly enhanced decision making powers (via appropriate legislation) for regionally important matters, the Council of Mayors for the Hunter Region would be an important step forward that would add to the region’s “strategic capacity”. Our submission to the ILGR Panel of June 2013 said:

“The solution involves the development of a model for a regional entity. That entity would be a ‘Council of Mayors’ for the Hunter Region. This could be achieved relatively easily and without significant expense by a practical and appropriate adaptation of existing legislation. The ‘Council of Mayors’ would have mandated powers to deliver the strategic regional role contemplated by the ILGR Panel’s discussion paper. The decisions of the ‘Council of Mayors’ would relate only to agreed, significant regional issues and bind the individual councils within that region, along with the services provided by the individual State Government departments that service those decisions. The ‘Council of Mayors’ could and should also be a regional entity that has the ability, via shared resources and services, to support the needs of member councils in the Hunter that currently do not have the strategic capacity and resources to do so in their own right. If the ‘Council of Mayors’ process is implemented, it would reshape the awareness, respect levels, importance and accountability for councils in NSW, in practice, and in the minds of communities, the councils themselves and the State Government.”

This is a practical and sensible solution to the matters raised by the ILGR Panel in relation to regional strategic capacity that does not involve unnecessary amalgamation, and would be a far better solution, without significant expense.

Lake Macquarie is of the view that the appropriate terminology would be a “Council of Mayors” for the Hunter Region. This could be achieved relatively easily and without significant expense by the practical and appropriate adaptation of existing legislation.

The “Council of Mayors” would have mandated powers to deliver the strategic regional role contemplated by the ILGR Panel recommendations.

4. Role of Mayors and Councillors

Lake Macquarie endorses the recommendation of the ILGR Panel that Mayors of Councils must be remunerated properly, be popularly elected in councils above certain sizes or of certain complexity, or where a local community wants a popularly-elected mayor.

5. Financial Sustainability

The Panel begins by commenting that securing local government financial capacity and sustainability is the fundamental prerequisite for all other moves to enhance its strength and effectiveness.

Lake Macquarie agrees and recommends that this be the first priority when implementing reforms.

Lake Macquarie also agrees and endorses the TCorp recommended essential elements for fiscal responsibility, noted in seven dot points on page 34 of the Panel's report.

The ILGR Panel appropriately spends considerable time discussing the financial circumstances of local government in NSW. In its final report, the Panel makes many valid points on these matters.

Financial sustainability was perhaps the major issue in the minds of local government when it met in Dubbo for Destination 2036 in November 2011. A lot has been written about financial sustainability and it has been discussed again and again. Many very good suggestions and potential solutions have come forward.

There is an absolute need to ensure that financial sustainability is the first priority for any State Government strategy to "improve" local government.

This was common knowledge within "thinking" local governments long before Destination 2036.

As the Panel says on Page 42 of their final report, an increase of \$1-2 a week in rates would be sufficient to address many of the problems identified by TCorp in their assessments of local councils in NSW.

Therein lies most of the answers.

In noting this, the ILGR Panel should then have gone on to make financial sustainability the central issue in their strategy to address the future of local government, using mostly existing processes to help solve the issues. It is hard work but it isn't that difficult. This should have been the preferred strategic direction for the Panel.

Instead, the Panel has recommended a convoluted package of structural reform mainly centred around amalgamations.

In spite of their defensive comments to the contrary, the Panel is pushing what appears to be an ideological position of "bigger is probably better" amalgamations. As the Panel has no doubt been told many times, there is precious little evidence to support their favoured position on amalgamations.

Local government does not need massive amalgamations to solve their financial sustainability issues.

The more practical, much less costly and simpler solutions are:

- Remove the rate cap;
- Introducing the ILGR Panel recommendations for rate benchmarking or rate streamlining;

- Apply rigorous IPR processes to each council, followed by IPART review for every council, on a rotational basis;
- Earned autonomy now for councils that have proven performance and capacity.

The Panel has worked through the obvious answers, but refuses to strongly recommend abolition of the rate cap, citing political problems. However it then strongly pushes for “bigger is probably better” amalgamations. Does that not create even bigger political problems?

The Panel notes that the general community in NSW is willing to pay more in rates for their council services. Having been through this process, Lake Macquarie agrees with that position. Given reasonable information, a reasonable community will make a reasonable decision about their future council services and how much they are prepared to pay for them.

5.1 Rate pegging

The Panel questions the apparent reluctance of many councils to apply for special rate variations via the IPART process. Most of the points made are valid. Lake Macquarie City recently went through this rigorous process to obtain a seven-year rate variation and supports this level of rigour and procedure.

Interestingly, the Panel makes an observation that experience in other States and the results of community surveys suggest that increases of \$1-2 a week would be acceptable for most NSW ratepayers, provided the additional revenue is earmarked for specific improvements to infrastructure and services. The Panel adds that increases of that order would be sufficient to address many of the problems identified by TCorp.

Given that the major concern for most local governments in NSW is future financing, why isn't the Panel pushing the financial sustainability opportunities for most local councils through the IPR and IPART processes, rather than inappropriately pushing the ideological line of amalgamations as the best answer?

5.2 The Panel's view of local government performance

The Panel is generally dismissive of local government performance in NSW.

Contrary to the Panel's view, the reality is that “after 30 years of rate-pegging, winding back of FAG's, years of statute and state bureaucracy imposed red tape and over regulation, outdated and unnecessary reporting requirements, and a general do as I say and not do as I do approach to State and Federal Government, it is a testament to the ingenuity and commitment of local government that they have been able to keep NSW councils functioning viably for so long” (Ken Gainger, GM Marrickville. Page 9, Volume 1 of ILGR Panel Consultation Report. October 2013).

Returning to the Panel's penchant for amalgamations the further reality is that the all around performances of councils in NSW and elsewhere has very little to do with their size.

Council performance is strongly controlled by two things:

- political stability in the elected council; and

- good, strong, smart administrative management.

Why does the Panel continue to push the “bigger is probably better” line when there is little evidence to prove it?

There are many very well-run councils, large, medium and small, that handle their circumstances very well.

The well-run councils, no matter their size, always outrun and outperform the not-so well-run councils, no matter their size.

In looking at the capital use efficiency of councils, employee costs are a key indicator. An understanding can be gained of how efficiently a council is operating comparative to other councils. Employee costs are the biggest cost factor in the provision of public services by a council and therefore are an appropriate key performance indicator to review and compare under the banner of capital use efficiency.

The table below provides a brief snapshot that highlights these matters. Brisbane City Council with a population of 1,084,000 has been a very large city for many years. Gold Coast City with a population of 536,000 was amalgamated with Albert Shire Council about 20 years ago. Lake Macquarie City Council has a population of 202,000, while Newcastle City Council has a population of 156,000. The table clearly shows a significant variation in performances of the four councils noted. The data in the table is sourced from the 2013 Audited Financial Statements from each council.

	Brisbane	Gold Coast	Newcastle	Lake Macquarie
Projected LGA Population	1,084,000	536,000	156,000	202,000
Council Operating Revenue per Capita	\$1,256	\$1,393	\$1,450	\$1,017
Lake Macquaries Revenue per Capita is lower by	(19%)	(27%)	(30%)	-
Council Operating Cost per Capita	\$1,311	\$1,356	\$1,474	\$886
Lake Macquaries Operating Cost per Capita is lower by	(32%)	(35%)	(40%)	-
Number of Employees	6,700	3,275	960	902
Employees per Capita (Employees per 1000 residents)	6.2	6.1	6.1	4.5
Lake Macquaries Employees per Capita is lower by	(27%)	(26%)	(26%)	-
Annual Savings if these councils were managed at Lake Macquaries operating cost per Capita	\$461 Million Lower Costs per Year	\$252 Million Lower Costs per Year	\$91 Million Lower Costs per Year	-

* Revenue and operating costs exclude related water supply and transport facilities.

In previous submissions to the ILGR Panel’s various reports, Lake Macquarie makes the point that bolstering the revenue base of councils must be given first priority when implementing reforms. The solutions can only come from within councils that function well.

Those councils that are not yet functioning well should, in the first instance, be required to undergo the requirements of the Integrated Planning and Reporting process (IP&R) with subsequent independent review by an IPART (or similar) process.

These processes in tandem are most likely to ensure a rigorous and robust result that involves community engagement, subsequent agreed (with the community)

costings and substantial community agreement on a way forward. The IPART style independent review also ensures a realistic case has been made that the community is prepared to support and fund.

If a struggling council goes through these robust processes, first it will have an enhanced knowledge of its real position and will know what its community is prepared to pay for it to enjoy a lifestyle it wants.

If these processes are undertaken, it will remove much of the hand wringing and distrust that sometimes exists in systems that do not fully understand their own position. It will also remove much of the unnecessary structural reform calls that are being made by the ILGR Panel.

It is important to recognise that local government is quite capable of moving forward in a rigorous way. The best example of this is the introduction of the Integrated Planning and Reporting process. In a few short years, the local government sector in NSW has made giant steps forward in understanding the things that matter and how to deal with them into the future. They are now getting on and dealing with these matters.

If after having gone through (or having been required to go through by State Government) a rigorous process involving the full IPR process, followed by an IPART Review process, a council is still unable to measure up, then that is the time for more onerous action to be taken. Not before.

Lake Macquarie agrees with the four recommendations made by the Panel for fiscal responsibility. We note that the Panel specifically requests that councils be required to employ a qualified Chief Financial Officer. Lake Macquarie endorses this approach for larger councils and for regional groupings of smaller councils. However, it should be equally important to employ equally qualified experts in the social, environmental and cultural fields, as these have equal importance in a council's deliberations and servicing of people and built and natural environments they are responsible for. Too much emphasis is placed by the Panel on one area of expertise alone in determining the qualifications required for council staff. For example, the Panel recommends the removal of the Morisset – Wyee area from the southern parts of Lake Macquarie City and placing it into another administrative body. This is a generally incomprehensible recommendation when taking into account the environmental, social and economic circumstances in that area, as outlined in other parts of this submission.

6. State Government

Lake Macquarie understands that some aspects of this review process may be motivated in part by the State Government not wanting to deal with so many local councils in NSW, and preferring instead to deal with a lesser number.

If that is so, then the solution is simpler than instigating widespread amalgamations to reduce the number of councils. The answer lies in the State Government dealing with regional organisations that could represent the individual councils within that region.

If the State takes the amalgamations path recommended by the ILGR Panel, then the State needs to consider the comparative financial costs involved, including to the NSW community.

To wipe out or subjugate a large number of NSW councils will come at great financial cost. The recommended amalgamation of Lake Macquarie with Newcastle alone will cost the Lake Macquarie community hundreds of millions of dollars in the short, medium and long term. Multiply this figure by a number of other councils and you have a significant issue. In our view, this is an unacceptable outcome for many communities in NSW.

Instead of requiring the communities (councils) of NSW to go through the massive costs in money, time and anguish, we recommend that the State Government give a small fraction of those costs to the DLG to help it become the organisation the Panel, the NSW councils, and others suggest it should be. With a comparatively small, ongoing injection of funds the DLG could take on a much greater strategic role in NSW local government than it currently has the capacity to do. The benefits of this relatively small investment would have very significant positive strategic effect on the future workings and performance of local government in NSW.

7. Advancing structural reform

The Panel makes a number of comments on these matters which do not necessarily follow the logic that the Panel claims.

For example, the Panel talks about the history of amalgamations in NSW over the last century and suggests it follows that many councils which now assert the importance of their identity are in fact the result of past amalgamations. The reality is that people will ultimately work with what they have got, or are forcibly given. The question needs to be asked whether halving the number of councils in NSW over the last 100 years has actually made for better local government? There are no guarantees about this. The reality is that size is not the issue. Well-run councils generally have good political stability combined with good administrative management, no matter how big or small they are.

The Panel also describes as “odd” the de-amalgamation of Warringah Shire to allow a separate Pittwater Council. It is not odd, it is the result of a local community, Pittwater, exercising their community right to determine their own future.

The Panel notes that it was required by its terms of reference to consider options for structures and boundaries, taking into account the State Government’s policy of “no forced amalgamations”. The Panel adds that it is now time for a “fresh approach to break the current deadlock and enable proper consideration of necessary structural reform”.

There is no “deadlock”. There has always been a way forward, and it is a relatively simple way, compared to the very convoluted and divisive amalgamations program put forward by the Panel. The Panel is attempting to use a sledgehammer. Local government is not as ignorant of reform as the Panel would have us believe. In pushing their minority view for amalgamations everywhere, the Panel says that formerly amalgamated councils are now asserting the importance of their identity. The communities are not saying that at all. People will ultimately work with what they have, or what they are forcibly given.

The Panel repeatedly talks about the capacity for a local council to be a “real” partner of state and federal governments in addressing the challenges of growth. Local councils look after local issues. If the Panel is suggesting that local councils need to be able to fund major infrastructure works that are the responsibility of State and Federal governments then they are wrong. It is not the role of local government to use local monies for state and federal responsibilities. That is called double-dipping and it is a “cop-out” – by state governments in particular.

The Panel claims “before and after” case studies of amalgamations have shown significant efficiency gains, but those who actually look at the evidence that is the exception rather than the rule. The reality is that large amalgamated councils often have much greater costs per capita to operate their programs than well-run councils of any size.

The Panel continues to go on about the “potential” for amalgamations, continually pushing a minority view. Can we recommend that we focus on the much better ways to allow local government to do what they already do very well, and add to it by focusing on financial sustainability and the benefits of regional strategic capacity through formal Regional Councils of Mayors.

The Panel says the way forward would involve:

- focusing on the need for increased strategic capacity (Regional Joint Organisations with power to act on regional matters would deal with that);
- Rejecting one-size-fits-all policies;
- facilitate a mix-and-match approach to the different needs of different parts of NSW; and
- changing the process for initiating and considering amalgamations and boundary changes.

There are relatively simple ways to do this:

- the suggested Regional Joint Organisations (Council of Mayors) to deal with the perceived strategic capacity issues at a regional level; and
- Recognising financial sustainability as the first priority to be dealt with, mostly through a combination of existing processes (IPR and IPART), removing or relaxing the rate cap, and appropriate performance requirements and assessments for local councils. It does not need the hugely divisive, extremely costly amalgamations program put forward by the Panel.

7.1 Driving and monitoring reform

Lake Macquarie notes that the LGMA NSW has been left out of the peak bodies list that should be represented on a Ministerial Advisory Group. The LGMA is the peak representative body for local government employees and represents their professional interests. Any Ministerial Advisory Body that does not have representation for the 50,000 employees in NSW local government is not truly representative.

Attachment 1: Financial impacts to Lake Macquarie should a forced amalgamation of Lake Macquarie City Council and Newcastle City Council proceed

Infrastructure backlog

The Financial Sustainability Review undertaken by the NSW Treasury made significant reference to the Asset Renewal Ratios of each council. This is because it noted that many councils have been reducing expenditures on maintenance and asset renewal works, to fund operating programs. Current underspend on asset maintenance and asset renewal will impact future generations and create large future funding requirements if not planned for and addressed on a routine annual basis.

The review looked at four key sustainability measures, with the following comparative ratios reported.

	Lake Macquarie	Newcastle	Group 5 Councils	NSW Treasury Benchmark
Capital expenditure ratio	1.5x	1.0x	1.2x	> 1.1x
Asset maintenance ratio	0.9x	0.6x	0.8x	> 1.0x
Infrastructure backlog ratio	0.07x	0.12x	0.08x	< 0.02x
Building and infrastructure asset renewal ratio	0.7x	0.2x	0.4x	> 1.0x

Capital expenditure

This measure looks at the ratio of annual capital expenditures to annual depreciation, and looks at the extent which Lake Macquarie City Council is expanding its assets against the assets it is writing off. The report indicated that Lake Macquarie is spending sufficiently on capital expenditures and is above the recommend NSW benchmark.

Asset maintenance

This ratio looks at what councils are currently spending on asset maintenance, versus the asset maintenance that is required.

While Lake Macquarie's spending on asset maintenance was marginally below the NSW benchmark, it was higher than councils of a similar size. Newcastle's spending on asset maintenance was lower than the NSW benchmark, and also lower than its peer group of councils.

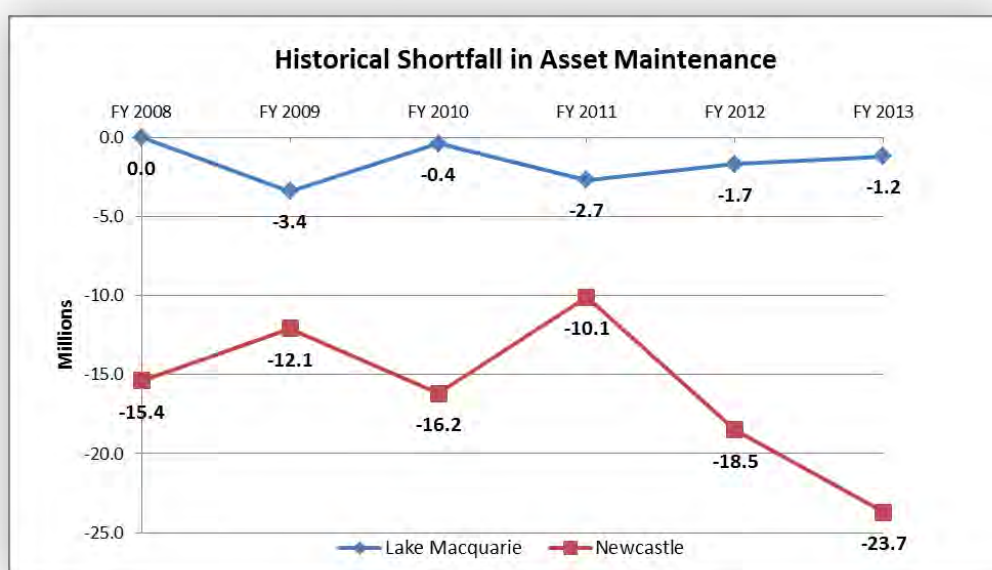
Based on the 2013 Audited Financial Statements (Special Schedule 7). The estimated costs of bringing assets to a satisfactory condition was reported.

	Lake Macquarie	Newcastle
Estimated total costs to bring assets to a satisfactory standard	\$92.7M	\$97.7M
Total cost per capita	\$458	\$620
Required annual maintenance	\$16.4M	\$47.3M
Current annual maintenance	\$15.2M	\$23.5M
Maintenance shortfall in 2013	(\$1.2M)	(\$23.7M)

These results indicate that Lake Macquarie had a shortfall in maintenance expenditure of \$1.2 million in 2013, while Newcastle’s shortfall in expenditure was \$23.7 million.

In order to restore assets to a satisfactory condition, this indicates that \$620 per capita must be spent in Newcastle, and \$458 per capita in Lake Macquarie.

In the context of the total asset base, which needs to be maintained, Lake Macquarie has \$2 billion of property and plant assets on its balance sheet, with a current maintenance shortfall of \$1.2 million. Newcastle has a lower level of property and plant assets of \$1.3 billion, yet a much higher maintenance shortfall of \$23.7 million.



The table above demonstrates that over the last three years, the shortfall in annual asset maintenance has continued to widen in Newcastle while Lake Macquarie has steadily narrowed its asset maintenance gap to within reasonable levels.

Any proposal to amalgamate would need to consider both the level of funding required and the priority of works to restore assets to a satisfactory condition. In particular significant recurring funding would need to be established to close the shortfall in Newcastle’s asset maintenance program.

Infrastructure backlog

This ratio measures what class of assets the backlog of maintenance relates to – in particular the proportion of infrastructure assets, building and structures and depreciable improvements. The NSW sustainability review indicated that Lake Macquarie and Newcastle both have a higher than benchmark proportion of infrastructure assets requiring maintenance, though Lake Macquarie was at a lower ratio than its peer group of councils.

Building and infrastructure asset renewals

This ratio compares the expenditure on asset renewals versus the depreciation of building and infrastructure assets. Ideally, a council will spend at least an equivalent amount on replacement and refurbishment to maintain capacity and performance, to the level of depreciation on those assets. The sustainability review indicated that Lake Macquarie and Newcastle both have a lower than benchmark ratio, though Lake Macquarie was at a higher level than its peer group of councils.

The ILGR Panel's recommended option of amalgamating Lake Macquarie City and Newcastle City will have major negative financial implications for the Lake Macquarie community over the short, medium and long term.

Any proposal to amalgamate would normally be preceded by an in-depth due diligence process, feasibility and compatibility review, conducted by an independent third party. The purpose of these reviews would be to investigate and audit all aspects of both organisation's systems, processes, policies, workforce, legal and financial matters, to determine all material facts and identify any implications, risks, or matters which should be known prior to an amalgamation.

At the time of writing, a due diligence process has not been undertaken for either Newcastle City Council or Lake Macquarie City Council, and as such the financial comparisons and projections used in this report rely solely on published financial statements and forward looking projections provided by both organisations.

An amalgamation with Newcastle would directly negatively impact the Lake Macquarie community and undermine its long-term financial sustainability. The implication of amalgamation is that the Lake Macquarie community would be required to direct funding away from local programs and services to pay for amalgamation costs, redundancy costs, increased operating expenses, to remedy the current financial situation of Newcastle Council. Faced with likely community job losses and increased business rates, the proposed amalgamation does not offer any favourable improvement to its current financial position and commencing this process would also result in a disruption of community services and organisational productivity.

Current financial position

As of June 2013, the audited financial statements for Lake Macquarie and Newcastle reported the following summary positions.

	Lake Macquarie (\$)	Newcastle (\$)
Total income 2013	205.9M	227.2M
Income per capita	1,017	1,443
Cash and investments	167.7M	222.8M
Property and plan	2,019.2M	1,285.4M
Other assets	31.4M	40.7M
Total assets	2,218.4M	1,548.8M
Borrowings	65.7M	69.0M
Provisions and other liabilities	73.9M	71.8M
Total liabilities	139.6M	140.8M
Net assets	2,078.8M	1,408.0M

Lake Macquarie has a significantly higher asset base to maintain than Newcastle and with a lower revenue base to support it. Overall cash position and liabilities are at similar levels.

Per capita financial comparison

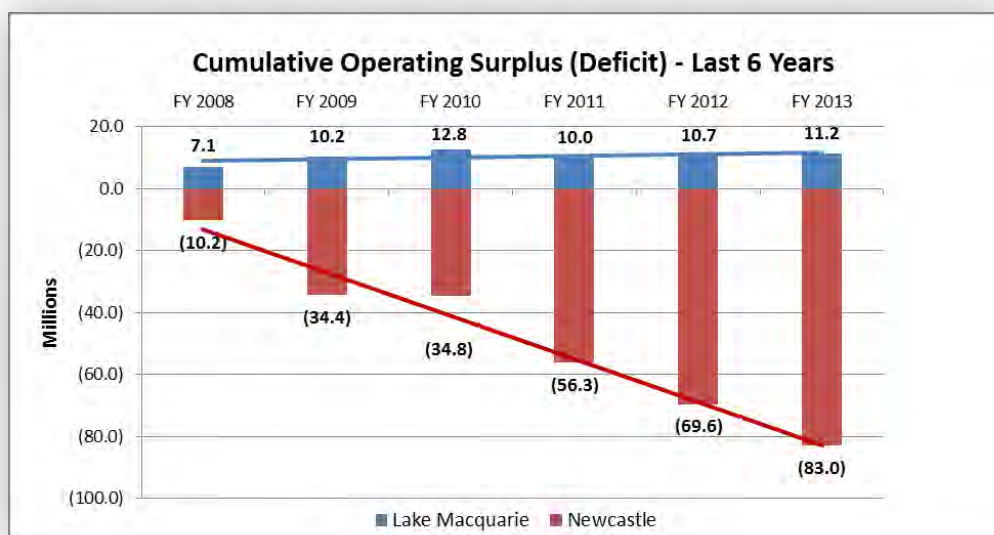
Comparatively, on a per capita basis Lake Macquarie has a lower revenue burden on the community per capita, has a lower debt position per capita and a higher level of net assets per capita, than Newcastle.

	Lake Macquarie	Newcastle
Council income per capita	\$1017	\$1443
Operating expense per capita	\$886	\$1466
Debt per capita	\$325	\$438
Net assets per capita	\$10,274	\$8942
Employee numbers (full-time equivalents)	902	960
Employees per capita (employees per 1000 residents)	4.5	6.1

As a measure of capital use efficiency, Lake Macquarie operates with a lower number of employees per capita and a significantly lower operating expense per capita.

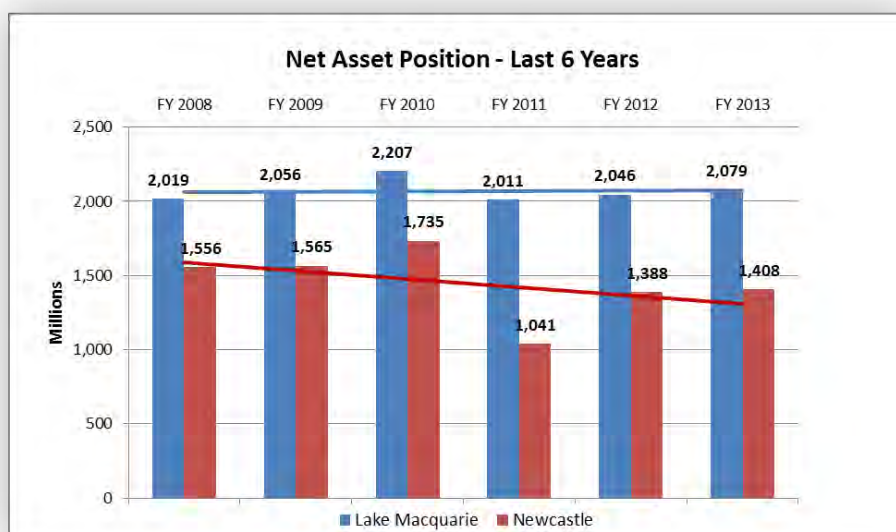
Historical financial performance

Over the last six years, Lake Macquarie Council reported a cumulative operating surplus of \$11.2 million, increasing its net assets to \$2.079 billion and maintaining its communities equity.



As of the end of the 2013 financial year, Newcastle Council had reported six consecutive years of operating deficits, totalling \$83 million.

As a result of these operating deficits, asset sales, re-evaluations, high-risk investment write-downs and other operating factors, the value of Newcastle Council's net assets has declined from \$1.55 billion to \$1.41 billion, reducing the value of its communities equity.

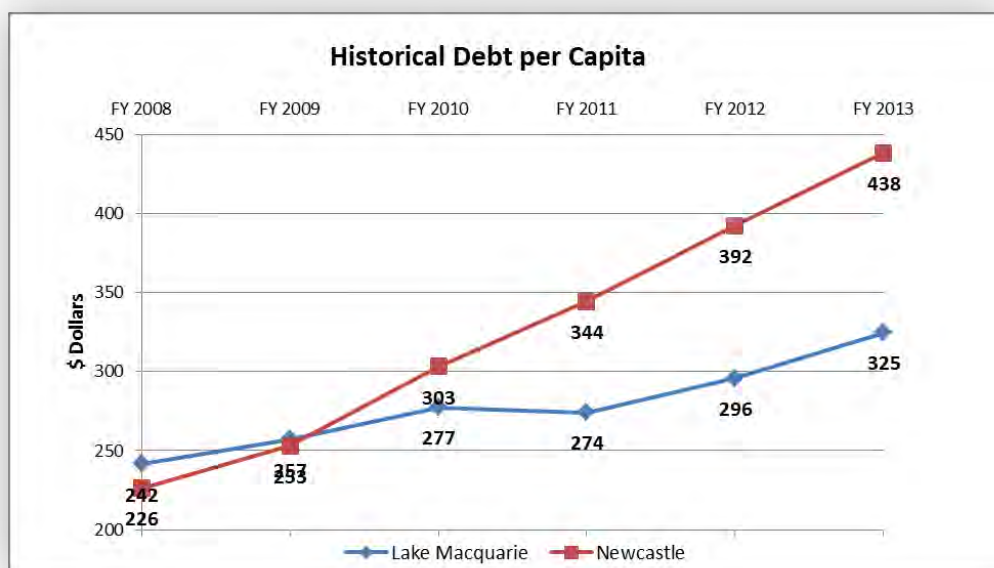


Growth in borrowings

Over the last six years, Newcastle's borrowings have doubled to a reported \$69 million while Lake Macquarie borrowings have increased by 40 per cent to \$65.7 million.

While in dollar terms, both organisations have similar debt levels, the debt burden on the Newcastle community now stands at \$438 per capita, which is 35 per cent higher than the per capita debt burden of \$325 reported for the Lake Macquarie community.

	Lake Macquarie	Newcastle
Total borrowings - June 30, 2013	65.7M	69.0M
Increase in borrowings over the last six years	+40%	+100%
Community debt burden (per resident)	\$325	\$438

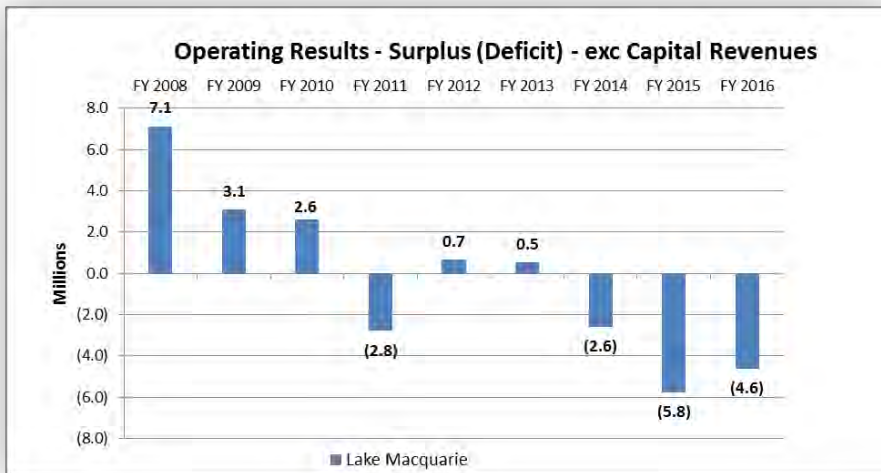


Projected net operating results

The published Draft Delivery Plans for 2014-2017 provide the current financial projections for both organisations.

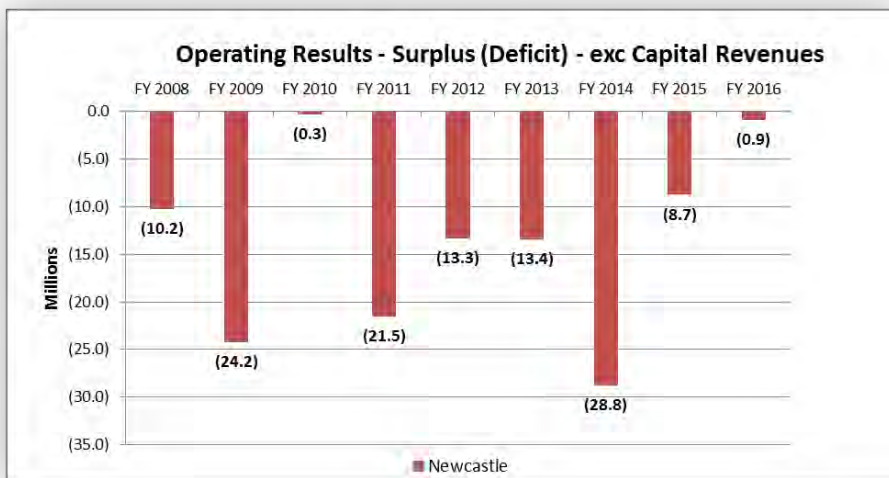
Lake Macquarie

Lake Macquarie is projecting a small, net operating deficit (excluding capital grants) as the IPART approved Special Rate Variations are implemented for each next three years. This is notwithstanding and updated long-term financial plan is scheduled to be tabled for Lake Macquarie Council approval in April this year that will show a recovery to a surplus operating position.



Newcastle

The financial outlook provided by Newcastle Council indicates that it will continue its pattern of large operating deficits for the next three years. A significant operating deficit of \$28.8 million is projected for 2014. This is notwithstanding Newcastle has not reported a surplus in recent years.



Financial Sustainability Ratings (FSR)

The NSW Treasury's review of financial sustainability in local government, released in March 2013, made the following assessment of both councils' financial position and projected financial outlook as of June 2012.

At the time of writing, these sustainability ratings are being refreshed based on current financial results and updated projections. It is expected that Lake Macquarie's Financial Outlook will demonstrate improved ratings while Newcastle's are expected to remain the same or further decline.

	Lake Macquarie	Newcastle
Current Financial Sustainability Rating	Moderate	Moderate
Financial Outlook	Neutral	Negative

Both councils are currently rated with a 'moderate' financial sustainability rating, indicating an "adequate capacity to meet their financial commitments".

In the review of both financial projections, Newcastle Council was qualified with a 'Negative' outlook, while Lake Macquarie was rated with a 'neutral' outlook.

These ratings have the following definitions.

Neutral outlook: "No known foreseeable event would have a direct impact on financial sustainability."

Negative outlook: "Potential deterioration in capacity to meet its financial commitments."

Some of the key findings that were noted in this report:

Lake Macquarie	Newcastle
<ul style="list-style-type: none"> • Consistent Operating performance • Good Capital Expenditure program but lower asset maintenance & renewal expenditure • Actions already taken to secure financial sustainability including Special Rate Variation • An Extensive internal service review has been completed leading to operating cost savings • Sound Liquidity 	<ul style="list-style-type: none"> • Poor operating ratio • Continued pattern of Operating Deficits are projected • Good level of own source revenue • Significantly Large infrastructure backlog, though capacity to undertake additional borrowings • The current Long Term Financial plan and capital expenditure program is likely to lead council to becoming illiquid by 2019

In particular, the review noted that immediate action is required by Newcastle Council to identify a sustainable way forward, to ensure all liabilities are met as required, and to address the challenges for the medium to long term.

This situation was reinforced in Newcastle's Draft Delivery Plan for 2013, which stated, "Council's Audit Committee independent members have rated the situation as an 'extreme' risk. The external Financial Advisory Panel, which comprises regional

business leaders, has also assessed the situation as ‘critical.’” (The City of Newcastle - Draft Delivery Plan 2013, Public Exhibition 8 May - 5 June 2013)

Recent actions taken to address financial performance

Lake Macquarie

The action to secure the IPART Special Rate Variation is the single most significant action which has been taken to address Council’s financial performance and is the culmination of two years of specific planning and community consultation. It will provide \$171 million of additional revenue for Council over the next seven years.

Newcastle

Recent public announcements and commitments made by Newcastle Council in both the press and its Draft Delivery Plan for 2013-2017 indicate that the following actions are planned to address its financial performance:

- planned sales of assets;
- planned reductions in services;
- planned reductions in workforce levels;
- planned operating expense reductions of 12 per cent over two years;
- reduction in infrastructure maintenance backlog over the next 10 years; and
- internal efficiencies to be generated.

Comparison of operating expense levels

In 2013, it cost \$51.7 million more to run Newcastle City Council than Lake Macquarie, despite Newcastle having about 41,000 fewer people. (Australian Bureau of Statistics Regional Profile, 2007-2011)

This indicates that it cost \$580 more per capita to run Newcastle Council than it did to run Lake Macquarie. In percentage terms, the operating cost for Newcastle was 65 per cent greater than Lake Macquarie on a per capita basis in 2013.

	Lake Macquarie	Newcastle	Difference
Total operating expense	\$179.2M	\$230.9M	+ \$51.7M higher
Operating expense per capita	\$886	\$1466	\$580 + 65% higher

Operating expense levels are a primary indicator of the efficient use of community resources.

Comparison of operating efficiency and employee expense

As a service organisation, the single largest operating cost of a council is employee expense as it contributes close to 40 per cent of all operating expenses. As such, a primary measure of the efficient use of community funds is the employee levels per capita and employee cost per capita.

Some significant differences exist in the level of operating efficiency between Lake Macquarie and Newcastle Councils. Based on the 2013 Audited Financial Statements, the following items are noted:

	Lake Macquarie	Newcastle	Difference
Number of employees	902	960	58
Employees per capita (employees per 1000 residents)	4.5	6.1	1.6
Total employee cost	\$72.3M	\$94.7M	+ \$22.4M
Employee cost per capita	\$357	\$601	\$244
Average cost per employee (per annum)	\$80,100	\$98,633	\$18,533 23% higher

Compared to Newcastle Council, Lake Macquarie operates with:

- a lower total number of employees;
- a lower number of employees per capita;
- a lower total employee cost;
- a lower employee cost per capita; and
- a lower average annual cost per employee.

The difference in the modus operandi of each council has direct implications for the level of changes that would be required to maintain an efficient use of capital under any amalgamation.

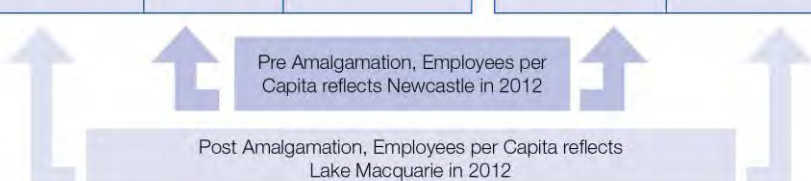
Example case: Moreton Bay amalgamation (Queensland)

Established in 2008, Moreton Bay Regional Council amalgamated the councils of Redcliffe, Pine Rivers and Caboolture. Council officers have reported the following in relation to the amalgamation:

- two councils were in operating deficit position, one was in surplus position;
- they had a one-year planning phase with an interim management team;
- a concerted cost reduction effort followed;
- a significant rationalisation in workforce was made, after costs ballooned in initial years;
- little data on the true costs of amalgamation exists, with most costs were absorbed internally by council; and
- it was advised as not a short-term project and anticipated outcomes are to be realised over an eight to ten-year period, with expected benefits not expected until a minimum five years.

Shown below is a comparison of the employees per capita, pre- and post-amalgamation of Moreton Bay Regional Council.

	Lake Macquarie 2012	Newcastle 2012	Combined Lake Macquarie & Newcastle	Moreton Bay Pre Amalgamation	Moreton Bay Post Amalgamation
Projected Population	197,000	156,000	353,000	357,000	390,000
Number of Employees	897	952	1849	2269	1548
Employees per Capita (Employees per 1000 residents)	4.5	6.1	5.2	6.4	4.0



Using employees per capita, as a primary measure of capital use efficiency, this indicates:

- Moreton Bay Council, after its amalgamation, resembles a similar level of employees per capita as Lake Macquarie has today; and
- before commencing the process of amalgamation, the combined levels of employees per capita for Moreton Bay resembles a similar level as Newcastle is today.

This suggests that the greatest operating efficiency gains from amalgamation, reside with improvement in the Newcastle Council.

Lake Macquarie is already operating at a level of efficiency, which is expected to be achieved after an amalgamation. This raises the question of what additional community benefits would arise from going through such a process.

Workforce savings required to achieve Lake Macquarie's current capital efficiency levels

Reduction in Newcastle head count required for an equivalent number of employees per capita

Number of employees 2013	960
Projected population	157,458
Employees per capita (employees per 1000 residents)	6.1

Required employees per capita (equivalent to Lake Macquarie)	4.5
Implied total number of Newcastle employees	708
Reduction in Newcastle's employees required	(252)

Current Newcastle employee cost	\$94.7M
Average cost per employee	\$98,633
Savings from a reduction in employees	\$24.9M
Newcastle employee cost after reduction	\$69.8M

To achieve the same level of employees per capita as Lake Macquarie, this suggests Newcastle would need to reduce employee levels by 252 employees, a workforce reduction of 26 per cent, equivalent to \$24 million in annual operating expense based on reported 2013 expense levels.

Additional reduction in Newcastle head count to achieve an equivalent employee cost per capita

The average workforce cost per employee in Newcastle was reported as 23 per cent higher (\$18,500) in 2013, than Lake Macquarie. As such, further efficiency savings would be required to achieve the same average cost.

Newcastle employee cost after reduction	\$69.8M
New number of employees	708
Average cost per employee	\$98,633
Required average cost per employee (equivalent to Lake Macquarie)	\$80,100
Reduction in average cost per employee	(\$18,533)
Additional savings x number of employees	\$13.1M

This suggest a further reduction of heads	(133)
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This indicates that a further reduction of 133 Newcastle employees, equivalent to savings of \$13.1 million a year would be required, to achieve the same average cost per employee as Lake Macquarie.

Estimated costs for a reduction in workforce

Assuming that a cost equivalent to six months' salary would be incurred as a result of redundancy, a reduction in workforce would cost a total of \$19 million which would be incurred up front based on the two scenarios listed above.

Estimated one-off redundancy costs on amalgamation	Per capita efficiency	Average cost efficiency	Total
Number of employees	252	133	385
Average cost per employee (a year)	\$98,633	\$98,633	\$98,633
Estimated redundancy costs per employee (50 per cent)	\$49,317	\$49,317	\$49,317
Estimated one-off redundancy costs	\$12.4M	\$6.6M	\$19M

This assumed cost does not take into account the average length of service, provision balances, or cost of outplacement and transition services. It is likely that these one-off costs to the community would be greater.

Job loss and wage parity is a significant issue for amalgamation

Employee levels and expense will be a significant and central issue to be addressed on amalgamation.

- **Materiality of costs:** Employee expense is the single largest operating expense category of both councils and therefore the single biggest opportunity for cost savings and reductions.
- **Duplication:** A combined organisation would need to eliminate a high level of duplication of roles between the two organisations that would exist as a result of amalgamation.
- **Efficiency:** One of the underlying factors for amalgamation is to achieve financial sustainability and expense efficiency. Driving the organisation to the most efficient levels of capital use is a primary desired outcome for amalgamation.

The estimates shown above indicate only the reductions in workforce required to achieve the same per capita efficiency levels as Lake Macquarie today. They do not address any likely job loss as duplicated roles are eliminated.

Wage parity

The differences in wage levels and awards between Lake Macquarie and Newcastle would need to be considered in relation to amalgamation. This is because each organisation has their own enterprise agreements and also, it is likely there is employees being paid different rates for the same roles at the different councils, as a result of amalgamation.

The experience of the 2008 Queensland amalgamations indicated that:

- pay rates increased to the highest levels between the councils amalgamating;
- additional payments were made for employees who may have been disadvantaged by a change in location. This was based on a time rate, or mileage rate;
- extended enterprise bargaining and agreement resulted;
- costs related to establishing wage parity were considered discretionary, excluded from amalgamation cost claims and received zero state Government funding; and
- a moratorium on job loss combined with wages parity changes, resulted in employee expense ballooning in the first years of amalgamation.

Based on 2013 financial statements, the average cost per employee in Newcastle was 23 per cent higher than Lake Macquarie. In dollar terms, this represents \$18,500 a year, per employee. If the difference in wages were equalised, this would equate to an estimated \$16.7 million of additional costs a year.

	Lake Macquarie	Newcastle
Total employee costs (2013)	\$72.3M	\$94.7M
Number of employees	902	960
Average cost per employee (per annum)	\$80,100	\$98,633
vs Lake Macquarie		+23%
vs Lake Macquarie		\$18,533
Implied cost of wage parity – additional cost a year	\$16.7M	

Increases to wage levels, are a permanent change. Ongoing costs would off-set any changes in workforce reduction and other savings.

Summary of impacts of amalgamation and implications for Lake Macquarie residents

Financial impacts on the community would be realised in the following areas:

Area of Impact	Example	Nature of Impact
1. One off Costs	Redundancy Costs, Systems Integration costs Due Diligence costs	These are Sunk Costs & have no financial return for the community. Funds could be alternatively spent on real improvements or services
2. Cost Increases	Wage Increases to establish Parity between employees with the same roles but paid on different rates	These are a permanent increases to the operating cost base of council, with no direct increase in output or services
3. Rate Increases	Rate Increases to establish parity between similar ratepayer groups	Ratepayers (such as Lake Macquarie Businesses) would have significant increases
4. Job Losses	Reduction in Workforce to generate savings & eliminate job duplication	Job Losses will affect employees in both organisations.
5. Productivity Loss	The Amalgamation is a process which will take 2-5 years to complete	Lost time due to the efforts to harmonise process, policy, systems and integrate two completely different organisations
6. Service Disruption	Reduced or cancelled services	Services re-located or rationalised to achieve expense savings
7. Socio – Economic Impacts	Affect on the Wider community as a result of Job Losses in the local area	Increased community financial support, Additional Services Burdens, Health & Family issues, mortgage stress

Conclusion

Lake Macquarie City Council has strategically planned for the organisation to be in a financially, environmentally and socially sustainable position for its community.

The body of this submission identifies the significant reasons and provides evidence of why Lake Macquarie does not endorse the recommendations of the ILGR Panel in relation to structural reform for the proposed amalgamation of Lake Macquarie City Council and Newcastle City Council.

Lake Macquarie City Council has put forward rational arguments in favour of more efficient and achievable solutions for the overall reform of local government in NSW.

Attachment 2: Social impacts to Lake Macquarie should a forced amalgamation of Lake Macquarie City Council and Newcastle City Council proceed

Lake Macquarie and Newcastle: Similar or different?

Background

The Independent Local Government Review Panel suggests that Newcastle's southern suburbs,

'merge seamlessly into the Lake Macquarie area to form a single metropolis that needs to be planned and managed as an integrated whole'. (page 52)

The report therefore concludes that an option might be that Newcastle and Lake Macquarie be amalgamated to form a new council. Observations and options like this ignore the available data and show little understanding of the physical or social character of "place". The Lake Macquarie/Newcastle border, with some minor exceptions, reflects catchment, traditional infrastructure, development or land use patterns. The minor exceptions arise from the provision of new infrastructure (such as the Newcastle Link Road), land use changes especially since World War II or where one boundary indicator (road pattern) has taken precedence over another (catchment) for the purpose of practicality.

The ILGR Panel has seemingly not attempted to understand the existing boundary, or at least not published its analysis, but made reference that does not reflect its purported evidence-based decision making model. This approach is particularly frustrating because Lake Macquarie and Newcastle councils have demonstrated joint willingness to address the few anomalies that exist in our current boundary only to be frustrated over a period of years by State Government inaction. The most urgent boundary anomaly is, of course, in the rapidly developing north-western corner of the City where the development of the Newcastle Link Road has provided an opportunity for a substantial physical barrier to represent the boundary. An updated boundary in this location also enhances the two Council's planning intentions for the area as taken up by the government's own *The Newcastle - Lake Macquarie Western Corridor Planning Strategy* (pub. July 2010). The two Councils resolved in 2009 to use the Link Road as the boundary and despite repeated requests by both Councils for the government to act on this agreement, this has not happened. Further minor rationalisations are available in the mid-northern boundary of the City but they do not have the urgency of imminent significant development supporting them.

The amalgamation proposal also appears to be based on the misinterpretation of two studies that were commissioned to a very selective and narrow brief by the ILGR Panel: SGS Economics and Planning, *Spatial analysis of NSW regional centres and select regions*; and National Institute of Economic and Industry Research [NIEIR], *New South Wales Local Government Areas: Similarities and Differences*. These are discussed below.

Findings

The purpose of the SGS Report, *Spatial analysis of NSW regional centres and select regions* is to: assess current and future trends relating to population projections and employment trends; undertake travel time mapping and spatial analysis of population

and employment change; conduct a desktop overview of strategic issues that may impact on structural or boundary change; and map a series of options for potential structural change to address future growth.

The SGS report identifies a fragmented approach to the planning and governance of the Newcastle urban area, and that the growth of Newcastle to the north-west and south-west is within multiple LGAs. (SGS Economics and Planning, page 41). Both Lake Macquarie and Newcastle are expected to experience population growth over the next 20 years (14.4 per cent and 11.8 per cent, respectively), however Newcastle will experience higher concentrations of growth, due the fact that the Newcastle LGA's land use zoning is predominately residential, whilst Lake Macquarie contains significant amounts of non-residential and rural lands. (SGS Economics and Planning, pages 16, 43 and 46). While employment growth will be dispersed throughout both of the LGAs, Newcastle will experience substantially higher rates of employment growth (25.6 per cent, compared to 16.3per cent for Lake Macquarie). (SGS Economics and Planning, pages 17 and 48). While such a result is potentially achievable, it is not consistent with recent history.

In undertaking its analysis of travel times, the SGS Report identifies that significant parts of Lake Macquarie are not within reasonable travel times to Newcastle (even more areas if people are reliant on public transport).

The SGS Report concludes by identifying four options for the Lower Hunter, with three of these involving an amalgamation of Newcastle and Lake Macquarie, although the south-western part of Lake Macquarie is to be amalgamated with Wyong LGA. The fourth option is for the retention of the current arrangements. However, the report identifies that although these options are based on the travel time accessibility criteria identified by the ILGR Panel, it has exceeded this criteria. (SGS Economics and Planning, page 67).

The NIEIR Report identifies communities within NSW that have similar characteristics and are facing similar challenges. The Report identifies that Lake Macquarie and Newcastle LGAs have a number of similarities including that they have experienced similar population growth, have similar family household structures, have similar employment characteristics along with income and wealth, similar dwelling stock, car ownership and reliance on public transport. However, significant differences were found regarding the age structure of the two LGAs, their projected population growth, and religion, language and education of the communities. (National Institute of Economic and Industry Research).

The NIEIR Report also identifies that there is a high level of cross-border migration between Newcastle and Lake Macquarie (as well as between Newcastle and Port Stephens, and Newcastle and Maitland) as well as inbound commuting (from all areas in the Hunter). This is due to the fact that Newcastle is higher in the hierarchy of service provision (eg tertiary education, hospitals, regional offices for public administration, and retail and finance) and has historically attracted the majority of government infrastructure spending. The report also identifies that Gosford and Wyong are relatively isolated from the LGAs to the north (i.e. Lake Macquarie and Cessnock) in terms of commuting. (National Institute of Economic and Industry Research).

The Australian Bureau of Statistics 2011 Census also revealed some similarities and differences between the Lake Macquarie and Newcastle LGAs. Similarities between the two LGAs include employment status, employment hours worked, unpaid work, households earning less than \$600 a week or more than \$3000 a week, and median

mortgage repayments. The Socio-Economic Indexes for Areas (SEIFA) for relative socio-economic advantage and disadvantage, and for relative socio-economic disadvantage, were also similar for the two LGAs. (Australian Bureau of Statistics 2011).

However, the Census also identified distinct differences between the two LGAs, including the age structure of the population, marital status, occupation and industry of employment of residents, modes of travel, dwelling structures and tenures, and household composition. In addition, there are marked differences in the Index (SEIFA) of economic resources and Index of education and occupation. Lake Macquarie is in the 7th decile for economic resources (Newcastle is in the 4th) with significantly more suburbs in the higher decile than Newcastle. There are also marked differences between the suburbs adjacent to the border of the two LGAs. However, Newcastle is in the 9th decile for education and occupation (Lake Macquarie is in the 6th), with suburbs towards the city centre being in a higher decile, and decreasing the further out from this centre. Whilst the Lake Macquarie LGA has some pockets of suburbs in the higher deciles, it has no suburb that it is in the top decile (Australian Bureau of Statistics 2011).

The Lower Hunter Regional Strategy provides information on the land use patterns of the two LGAs (as well as for the three other LGAs in the Lower Hunter). The Strategy is a pre-eminent planning document for the Lower Hunter Region and plans for the provision of sufficient new urban and employment lands to meet expected strong demands for growth. The Strategy identifies significant sections of Lake Macquarie are for rural and resource purposes, along with National Park and State Forests, however only a relatively small portion of Newcastle LGA to the north-west is identified for these purposes. Newcastle is identified as a regional city, although Lake Macquarie has a major regional centre in Charlestown and two other emerging major regional centres. To meet the demands for growth, 36,000 dwellings are planned for Lake Macquarie, with less than 60 per cent of these to be infill, and over 40 per cent new release. Just over 20,000 new dwellings are planned for Newcastle, with more than 70 per cent of these to be infill, and less than 30 per cent new release (NSW Department of Planning).

The actions identified by the Lower Hunter Regional Strategy will continue to support Lake Macquarie as a low-density, dispersed urban environment consolidated on multiple town centres (nodes), while Newcastle will be a concentrated urban environment. Currently, Lake Macquarie consists of more than 90 individual communities and has a population density of about 300 persons per square kilometre. Newcastle has far fewer distinct communities and a population density almost three times that of Lake Macquarie, with 837 people per square kilometre (Australian Bureau of Statistics 2012).

Discussion / Analysis

In identifying a fragmented approach to the planning and governance of the Newcastle urban area, the SGS Report has failed to take into consideration the role of the Lower Hunter Regional Strategy. As identified above, this Strategy is a pre-eminent planning document for the Lower Hunter Region and ensures that planning for the area to meet the demands for growth is not undertaken in a fragmented way.

The options identified by the SGS Report are based on the travel accessibility criteria developed by the ILGR Panel and fail to address any other of the factors identified by the ILGR Panel that are to inform an assessment of local government boundaries. It is a very narrow analysis and has the air of being undertaken only to service an

argument for amalgamation. In addition, the SGS Report recognises that its options exceed the travel time accessibility criteria identified by the ILGR Panel and it also fails to consider travel journey data such as the ABS 'Journey to Work' data. This data indicates that even for those living in Charlestown, there is a higher percentage of residents who travel to work in Lake Macquarie City, than to Newcastle, and the proportion travelling to Newcastle decreases the further away you move from the border (Don Fox Planning Consultants 2010). The options that identify that the south-western part of Lake Macquarie could be incorporated into Wyong LGA is also at odds with the NIEIR Report and ABS 'Journey to Work' data. The NIEIR Report identified that Gosford and Wyong are isolated from the LGAs to the north and this is confirmed by 'Journey to Work' data that identifies that just 15 per cent of people in Morisset – Wyee travel to Wyong for work, compared to 48 per cent that travel in Lake Macquarie (Don Fox Planning Consultants 2009)

The NIEIR Report identified limited similarities between Newcastle and Lake Macquarie in support of the ILGR Panel's claim that the two LGAs 'merge seamlessly together to form a single metropolis'. The report identified substantial differences between the LGAs, most notably the age structure and projected population growth and ageing rates. It is a fiction to describe the two cities as socially homogenous.

These differences are also confirmed by ABS Census data and the land use patterns and plans (i.e. Lower Hunter Regional Strategy) that identifies that Lake Macquarie is a low-density urban area made up of numerous townships/communities, whilst Newcastle is, and will become even more, highly concentrated.

The conclusion of the ILGR Panel's report that Newcastle and Lake Macquarie should be amalgamated to form a new council also appears to contradict the factors that the ILGR Panel identified that they need to consider when determining local government boundaries. The ILGR Panel's conclusions are not supported by selective evidence let alone a broader, deeper understanding of the two cities.

In terms of the ILGR Panel's need to consider population growth, whilst there is significant growth planned for the northern area of Lake Macquarie/southern area of Newcastle that straddles the border, this is easily able to be addressed through a boundary realignment (the Newcastle Link Road will act as a significant defining barrier/border between the adjacent areas). Despite having the support of both the councils, the Division of Local Government has failed to act on this sensible alignment for more than two years. Many other areas are also identified for future population growth within the Lake Macquarie LGA.

As identified above, the SGS Report admits that its proposal to amalgamate Lake Macquarie and Newcastle does not conform with the ILGR Panel's accessibility criteria. Whilst moving the administration centre to a more central location within the amalgamated council (e.g. Charlestown or Glendale) may help to address this issue, this would be counter to the other factors identified by the ILGR Panel as well as the Lower Hunter Regional Plan in consolidating Newcastle City as the Regional City with higher order administrative services. The ILGR Panel appears to have been selective in applying its own criteria to the proposition of an amalgamation.

The history of the two LGAs, as well as the Census data and land uses (both current and planned) of the LGAs indicates that while there are some similarities, each LGA is markedly different in terms of communities of interest, local identity and sense of place. Lake Macquarie is a dispersed, low-density urban environment with many individual communities (it is often referred to as a City of Villages). In contrast,

Newcastle has its roots in heavy industry, facilitated by the port, and will continue to be the Regional City with a concentrated urban environment.

With each LGA having a sizeable population which is forecast to continue to grow, each LGA is able to demonstrate strategic capacity, and efficiency and effectiveness in their own right. Although the ILGR Panel identify that the City of Newcastle faces significant challenges including forecast operating deficits and large capital works requirements, (Independent Local Government Review Panel) these will not be addressed simply by amalgamation unless the historically strong financial position of Lake Macquarie is plundered to repair Newcastle.

Although Newcastle is recognised as the Regional City with higher order commercial, administrative, education, health and other services, as identified by the Lower Hunter Regional Strategy, Lake Macquarie has a major regional centre and two other emerging major regional centres. With a high-order commercial centre around Charlestown and the Glendale-Cardiff area, large TAFEs (Belmont and Glendale) and secondary schools, significant hospitals (Belmont, Warners Bay, Gateshead and Toronto), specialised health services (Charlestown and Toronto), public administrative offices (at Charlestown, Belmont and Toronto), and transport services, Lake Macquarie has the population centres that provide higher-order services to meet its needs.

Conclusion

In concluding that Newcastle and Lake Macquarie should be amalgamated to form a new council, the ILGR Panel have failed to address the factors that they identified that should inform an assessment of local government boundaries. The two reports that helped to inform the ILGR Panel's Report also failed to address these factors, and identified many differences between the two LGAs, rather than similarities.

Although Newcastle's southern suburbs merge into the Lake Macquarie area, it is apparent that that is where the similarities end, as there is a marked difference in the history, demographics and land uses within the two LGAs. The boundary does largely reflect catchment, infrastructure, development and land use patterns. The ILGR Panel has apparently made little attempt to properly understand the boundary. Nor have they recognised the joint attempts of the two Councils to rationalise the minor anomalies that have arisen due to new infrastructure and settlement.

Furthermore, in suggesting that there is a fragmented approach to the planning and governance of the Newcastle urban area, the SGS Report fails to recognise the role of the Lower Hunter Regional Strategy and the ongoing success already achieved in this area.

Whilst future population growth in the area will straddle the LGA boundaries, this is able to be addressed through cooperation between the Councils, and minor boundary realignments, rather than amalgamation.

Attachment 3: Opportunities to improve the management of southern Lake Macquarie

The strategic capacity of Lake Macquarie City in matters of environmental sustainability across the spectrum is without peer in Australian Local Government. The recommendation of the ILGR Panel to divide the land use and catchment management responsibility for the Lake Macquarie catchment by separating off the Morisset – Wyee Planning District is not reasonable. The outstanding results in the improvement of the ecological health of Lake Macquarie is a direct result of the high quality catchment management strategy and implementation by Lake Macquarie City Council, working with State Government and our community over a 20-year period. There is no known other example as successful as this in Australian Local Government.

Application of catchment management principles for effective adaptive management of natural resources is widely recognised as best practice (Brierley et al 2006, Everard et al 2009, Pahl-Wostl 2007). A catchment, or watershed, is typically defined as a geographical area within which all rainfall flows to a common location (Burton 1986). For practical purposes, the key principles of catchment management are (Hirsch 2008):

- adoption of the catchment as the fundamental unit of land management;
- integration of land and water management and reduced management fragmentation (based on interconnectedness);
- adoption of a participatory approach, involving all stakeholders; and
- focusing on long-term sustainability, rather than short-term outcomes.

There has been widespread adoption of these principles by administrative authorities across all tiers of government, both throughout Australia and overseas. Australian examples include the Murray Darling Basin Authority (Commonwealth level), the various Catchment Management Authorities (CMAs) throughout the states of NSW and Victoria, as well as various local governments (such as Great Lakes Shire Council, Shoalhaven Shire Council and Lake Macquarie City Council) who apply these as the basis of their natural resource management (NRM) actions. Successful international examples include the Mekong River Commission (which provides for river basin management and development in Vietnam, Laos, Thailand, and Cambodia) (MRC 2011) and the Lake Simcoe Region Conservation Authority, Canada (International Riverfoundation 2010).

In addition to its natural resource management benefits, co-alignment of administrative boundaries with catchment boundaries provides economic and social benefits such as improved societal cohesion and community ownership of public lands (Everard et al 2009); adaptive and effective administration (Arciono 2001, Allan 2007); and protection of livelihoods (Everard et al 2009).

Benefits of catchment management in Lake Macquarie

The City of Lake Macquarie has been widely recognised as having a highly significant natural environment, including Lake Macquarie (the lake), extensive remnant native vegetation and a highly bio-diverse coastline (NSW MPA 2005). The high ecological values of the City have been maintained within a City that is urbanising, and supports a population of more than 200,000. This is to a large extent due to the alignment of the local government boundary with the catchment boundary

of Lake Macquarie (95 per cent of the catchment boundary is within the City of Lake Macquarie).

This alignment of catchment and administrative boundaries has enabled catchment management principles to effectively be adopted and applied in land and water management programs delivered by Lake Macquarie City Council, and the utilisation of catchments as the fundamental unit for the delivery of these programs. This catchment-based approach has proven to provide an effective governance structure for the management of natural resources in the City.

The City of Lake Macquarie has been the subject of significant lake and catchment restoration programs since the late 1990s. The implementation of these environmental improvement programs (led by Lake Macquarie City Council) has resulted in measurable improvements to the health of Lake Macquarie, including increased lake water clarity (Figure 1), increased extent of seagrass and decreased nutrient loads.

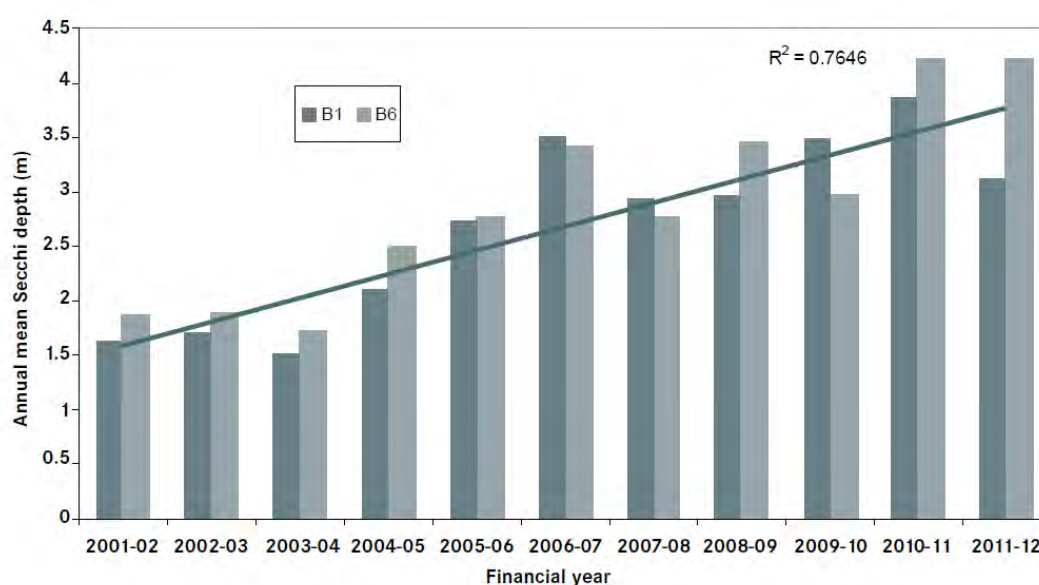


Figure 1 – Water clarity (Secchi depth) time series in Lake Macquarie (LMCC 2012). The monitoring sites selected for reporting are for the northern section of the lake between Eleebana and Bolton Point (**site B1**), and for the southern section of the lake between Goonda Point and Balcolyn (**site B6**).

Lake Macquarie is a very large estuarine lagoon, 110 square kilometres in surface area and having a catchment of 640 square kilometres. Fortunately, the catchment boundary aligns in general terms with the Lake Macquarie City Council local government boundary with the exception of a number of lake foreshore villages to the south-eastern sector of the lake which are within the Wyong Shire Council area. The Lake has a narrow elongated entrance channel and as a result of this constricted opening only has a 1 per cent water exchange with each tidal movement.

In April 1998, the NSW Premier appointed an independent Taskforce administered by the Premier’s Department to review the Lake Macquarie Estuary Management Plan and recommend a priority action plan, develop institutional arrangements for implementation, identify funding sources/arrangements, recommend strategies to alleviate the problems of planning and urban development. The Taskforce had wide representation including the Mayors and staff of both Lake Macquarie City Council and Wyong Shire Council, senior officers of all relevant government departments and

agencies, including The Cabinet Office and NSW Treasury, and representatives of industry and commerce. Lake Macquarie City Council provided additional support to the work of the Taskforce in providing meeting facilities and staff to participate in some of the working sub-committees.

In recognition of the success of Lake Macquarie's lake and catchment improvement program, the City was awarded the prestigious Thiess River Prize for excellence in waterway improvement in 2008 and was a finalist for the prize for three consecutive years from 2006.

The ecological values of the City contribute significantly to the quality of life enjoyed by its residents and are highly valued by them. Community surveys indicate that 79 per cent of residents are concerned about environmental issues. Of those residents who expressed concern, 82 per cent expressed a 'great deal' or 'fair amount' of concern (Micromex Research 2011).

The close alignment of the local government and catchment boundaries in Lake Macquarie City has contributed to this high level of connection of local residents to their environment. For example, over the period coinciding with the Council-led implementation of lake and catchment improvement works, the number of local Landcare groups increased from 22 in 1999 to more than 300 in 2013. This is the highest number of Landcare Groups of any local government in NSW, and most probably in Australia. This elevated level of environmental care and involvement provides considerable social benefits to local communities, by providing avenues for social cohesions as well as flow-on benefits to health and wellbeing.

There are also both direct and indirect financial benefits that derive from the City's alignment of catchment and local government boundaries. Direct financial benefits include efficiencies in the delivery of services, while there are also indirect benefits that flow on from the improved environmental quality (resulting from catchment-based management) such as tourism benefits. For example, Lake Macquarie's beaches are estimated to contribute \$147.5 million a year to the Lake Macquarie economy (CQU 2012). It is also estimated that a 2 per cent decline in beach water quality would represent an \$11.2 million loss per annum. Economic benefits are also derived from the high levels of community participation in environmental programs described above. Local participation in Landcare groups is estimated to provide more than \$3 million a year worth of volunteer time and work on environmental restoration works on land owned or managed by Lake Macquarie City Council.

To further enhance the benefits of catchment management to the local community and environment it would be advantageous that in any future realignment of local government boundaries the five per cent of the catchment of Lake Macquarie currently not within the City be transferred to Lake Macquarie City Council.

Consequences of changing to a non-catchment based management approach

Hooper (1999:748-755) notes that horizontal coordination among governments at the same level is difficult to achieve:

"Rather, the problem is that there is no adequately directive framework within which one agency or council feels confident or is encouraged by others to take the lead in driving through the necessary decisions".

Non-alignment of catchment and administrative boundaries is likely to generate negative governance, social, economic, and environmental outcomes for the residents of the Lake Macquarie catchment. These include reduced clarity of land management responsibilities, duplication of effort by adjoining authorities and gaps in effective management (Hooper et al 1999, Arciono 2001, Pahl-Wostl 2007).

It is also widely recognised that if the first principle of catchment management (the catchment is the fundamental unit of land management) is not adopted, the effectiveness of land and water management programs is inherently compromised, thus leading to decreased environmental, social and economic outcomes (Everard et al 2009).

There is also the potential for a decreased level of connection for residents if a non-catchment-based local government framework were introduced for the City (Brierley et al 2006). At present, the City of Lake Macquarie is inherently defined by its landscape, with the lake not only dominating the City's landform, but also its name and identity. It is unreasonable to expect that the high level of connectedness to this local landform would remain in place if the local government area were to be modified as recommended by the Independent Local Government Review Panel.

A close alignment between catchment and administrative boundaries is consistent with best-practice Natural Resource Management (NRM). This approach is the first principle of catchment management. Local and international examples demonstrated the success and applicability of catchment management approaches for natural resource management, regardless of the scale of the catchment.

The City of Lake Macquarie has high environmental values, and the adoption of catchment management principles has enabled implementation of successful lake and catchment improvement programs. Significant governance, social, financial and environmental benefits have been provided to the City and its residents as a result of adoption of these principles. The close alignment of the City's administrative and catchment boundary has been a significant contributor to these benefits.

If the City's administrative boundary was to be modified to be substantively misaligned with catchment boundaries, decreased environmental, social and economic outcomes would likely occur. A preferable approach is to expand the City of Lake Macquarie to include the five per cent of the Lake Macquarie catchment currently outside the local government boundary.

Attachment 4: Impacts on the Morisset – Wye community should forced boundary adjustments occur between Lake Macquarie City Council and Wyong Shire Council

Background

The southern boundary of catchment of the Lake Macquarie water body makes a logical and functional boundary between Lake Macquarie City and Wyong shire to the south.

Lake Macquarie is the focus of the Lake Macquarie local government area and is a source of strong community pride and identity. It is a water body of national significance. It is about twice the size of Sydney Harbour and recognised as one of the largest coastal saltwater lakes in Australia. The lake has 174km of foreshore with natural areas and urban settlements.

Considerable work has been undertaken to improve the water quality of the Lake and its external environment, particularly over the last 10 years.

The Lake Macquarie Project Management Committee and consequently the Office of the Lake Macquarie and Catchment Coordinator and the Lake Macquarie Improvement Project have provided multiagency co-ordination and research with a focus on an action plan that has an emphasis on integration, both physically and administratively, as well as promoting a 'whole of government' approach and strong community involvement. The work of these groups has provided a "textbook" example of how an urbanising catchment with several large industrial facilities can be managed in an integrated way with improved environmental outcomes.

An independent evaluation of the program found that water clarity had improved by 95.1 per cent and there had been an increase of 23.4 per cent in the area of seagrass, both key indicators of the health of the lake. This is despite the dramatic urbanisation that had occurred within the lake catchment during the evaluation period.

Council is keen to improve on the effectiveness of this result. The inclusion of the southern lake catchment within Council's administrative responsibilities would simplify the coordination required to achieve continuous improvement in Lake Macquarie water quality and foreshore management and deliver administrative efficiencies.

The Lake Macquarie catchment boundary (see figure below) largely follows the Pacific Highway to Doyalson, Wye Road, Bushells Ridge Road, then north-west from the intersection of Bushells Ridge Road and Hue Hue Road to the intersection of Watagan Road and Watagan Forest Road. A minor amendment to the Lake Macquarie LGA boundary in a southerly direction to include areas such as Gwandalan, Summerland Point, Chain Valley Bay and Mannering Park would ensure that the southern catchment of the Lake Macquarie water body is entirely within the administrative responsibility of Lake Macquarie City Council.

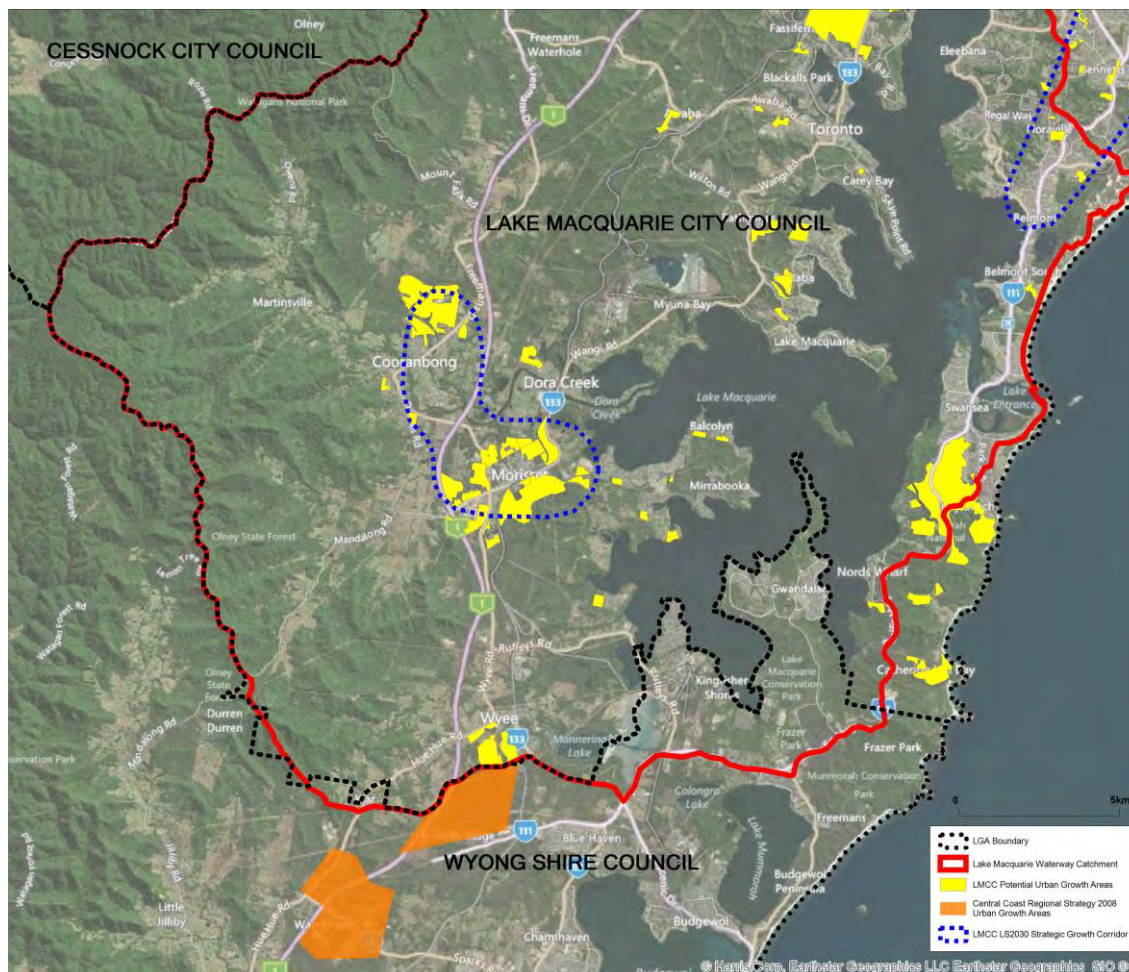


Figure: Proposed Lake Macquarie City Council boundary based on the waterway catchment

Lake Macquarie City Council administers the largest LGA in the Hunter Region (by population) and has developed a high strategic capacity to manage the challenges of continued urban and economic growth together with the sound management of the Lake and coastline. The City of Lake Macquarie is the fourth-most populated local government area (LGA) in NSW, with an estimated residential population of 202,347 as at March 2012.

The Council consistently receives a high satisfaction rating in independent community surveys for its service delivery and received the 2012 Bluett Award.

Service centres

The service centres of Morisset and Swansea are located in the south-west and south-east of the City. The State Government's Lower Hunter Regional Strategy (LHRS) designates Morisset as an emerging regional centre and Swansea is a town centre.

Morisset is one of the six major regional centres identified in the LHRS. As such it is increasingly providing "a concentration of business, higher order retailing, employment, professional services and generally including civic functions and

facilities. It provides focal point for subregional road and transport networks and may service a number of districts”.

Council’s Lifestyle 2030 Strategy, which provides a long-range land use strategic plan for the City, reinforces the LHRS by identifying a series of detailed directions and outcomes that are focused on building the capacity of Morisset – Wyee as a hub for economic, social and community activity in the southwest of the LGA.

Wyong is a major centre in the North Wyong Structure Plan and the Central Coast Regional Strategy. Tuggerah is a major centre in the Central Coast Regional Strategy. Warnervale is a potential new centre that has not yet been developed. As a regional centre, Morisset is the highest of these centres within the centres hierarchy used by the Department of Planning and Infrastructure.

Morisset and Swansea are the primary service centres for the southern Lake Macquarie catchment. The role of both centres is recognised in the LHRS. Council’s policy framework and subsequent actions (see under Urban Growth, over) will reinforce the role of these centres. In particular, the Morisset – Wyee regional centre will expand its range of regional level services to meet the needs of these communities.

Satisfaction with Council services

The residents’ satisfaction with Council services in the south-west of the City is high and no different to that found elsewhere in the City. Council is confident it can provide the same high level of service delivery to the residents that would reside in the City if the boundary was adjusted southwards to correspond with the Lake Macquarie waterbody catchment boundary.

An independent survey of residents undertaken for Council by Micromex found that 92 per cent of residents surveyed in the 2264 postcode area (southwest of Lake Macquarie) were either highly satisfied, satisfied or neutral about Council’s performance across all responsibility areas, with only seven per cent dissatisfied or very dissatisfied, which was the same as for all respondents in the LGA.

Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas?		
	SW LGA (%)	All LGA (%)
Very satisfied	6	9
Satisfied	58	63
Neither	28	20
Dissatisfied	6	6
Very dissatisfied	1	2
Total	100	100

Lake Macquarie has a sustained record of achieving high residents' satisfaction with its service delivery in all areas of the City.

Council's experience and track record in delivering services to a dispersed population living in communities located around the lake leads to confidence that there will be a high satisfaction with Council services within the additional communities that would be included if the City boundary was adjusted southwards to embrace the entire lake water body catchment.

Access to Council services

The Local Government Review Panel's Final Report states that the car travel time from an outlying community near the City boundary to the main administration centre should be no more than 30-45 minutes in urban areas (p age76). Wyee is a 33-minute drive from the Lake Macquarie City administration centre at Speers Point, and Gwandalan (in Wyong) is 39 minutes. Both meet the Panel's criteria for accessibility relative to LGA boundaries.

Council is working towards the development of a multi-purpose service centre at Morisset as part of the planned redevelopment of its library. This will further increase access to Council services by providing a Council services desk for those matters that require meetings or a physical exchange of documents, or for residents that prefer this mode of service delivery, such as older residents.

Council is continuing to develop its online and call centre capacity and, as a result, residents do not need to physically visit the City administration centre at Speers Point to access most of Council's services.

Council can meet the Panel's criterion for physical travel times (locational criterion), as well as the availability of online access for the additional communities that would be included if the City boundary was adjusted southwards to embrace the entire Lake water body catchment.

In any case, notwithstanding Lake Macquarie City Council's compliance with the Panel's locational criterion, the increasing use of internet based services and

contemporary service delivery models used by local Councils, such as Lake Macquarie City Council, draw into question to validity of the Panel's distance criterion as a test for the location of LGA boundaries.

The Green Corridor

The North Wyong Structure Plan designates a "green corridor" and "major external habitat link" that generally follows the catchment boundary of Lake Macquarie and the land to the south. It provides a logical break between the developed areas within the Lake Macquarie catchment and the developed areas of the Tuggerah Lakes' catchment. The Structure Plan states: "*The green corridor includes valuable vegetated areas that contain endangered ecological communities, threatened species and habitats, riparian environments and wetlands.....Within and adjoining the corridor and habitat network areas, there are a range of areas where future improvements in biodiversity connectivity can provide a significant benefit to wildlife movement. The green corridor aims to link the mountain areas in the west of the region to the ocean foreshore in the east. The corridor will link through to the proposed Watagan-Port Stephens and Wallarah green corridors in the adjoining Lower Hunter region*".

The Lower Hunter Conservation Plan states "*... the Watagan Ranges to Port Stephens proposal, which provides a highly significant link between southern sandstone ranges and the coastal heaths and wetlands of Port Stephens. Corridors are a major theme in the new reserve proposals...The South Wallarah Peninsula is another long standing conservation priority. ...Protection of key areas on the Peninsula will also assist in creating a coastal corridor connection linking Wallarah National Park and Munmorah State Conservation Area and provide a green buffer between Newcastle and the Central Coast*".

Lake Macquarie City Council's Lifestyle 2030 Strategy recognises the importance protecting and enhancing these corridors. The inclusion of the entire Lake Macquarie catchment within the Lake Macquarie local government area will permit the Strategy to be implemented with greater effectiveness and efficiency.

Council recognises that the green corridor provides a logical and natural break between the settlement patterns of the Central Cost and that of the Lower Hunter. The communities on either side of the green corridor relate to the north and south respectively for access to employment, goods and services. In this context, the town or Swansea and the emerging regional centre of Morisset provide the major service centre for communities north of the green corridor (and within the southern catchment of Lake Macquarie).

Urban growth

The Lower Hunter Regional Strategy designated a Morisset as an emerging regional centre with an additional 1600 jobs and 600 dwellings in the centre by 2031.

Council has applied its strategic planning capacity to undertake sound forward plan for the area, including for infrastructure provision. At an LGA level, Council has adopted Lifestyle 2030 to provide strategic direct to its land use planning. At a more detailed level, Council has adopted a Structure Plan to direct the growth of the Morisset area, a Growth Strategy for Wyee, a Town Plan for the Morisset Town Centre, and an updated section 94 Contributions Plan for infrastructure provision.

These documents reinforce the role of Morisset as a regional service centre, consistent with the Lower Hunter Regional Strategy. These and other forward planning actions, demonstrate that Council has the forward planning capacity advocated by the Panel, and that it has sufficient strategic capacity to manage the additional areas gained as a result of the southern boundary adjustment proposed in this submission.

Detailed population projections undertaken by Council to assist in managing growth of Morisset – Wyee area anticipate between 2010 and 2025 there will be 5650 additional private residential dwellings and 850 additional rooms/beds in non-private accommodation, accommodating 16,080 additional persons (DFP, 2010).

There is also estimated to be an increase in retail floor space of 14,980 sqm, commercial floorspace of 4240 sqm and industrial floor space of 122,530 sqm, by 2025. This is forecast to generate employment for an additional 1850 workers within the Morisset – Wyee catchment (DFP, 2010).

In addition to the general urban growth in the Morisset – Wyee catchment, several urban release areas are proposed, including Cooranbong (up to 3000 dwellings) and Wyee (up to 2000 dwellings), which will support its growth as a regional centre. Substantial capital investment is being undertaken in Morisset – Wyee, including a new Woolworths complex. Council is focusing district level commercial and community facilities in Morisset.

Morisset has a major railway station and associated bus interchange serving the south-western area of Lake Macquarie.

Clearly, Morisset – Wyee is a commercial and community service hub for the district, and its role will continue to strengthen over time.

Major urban expansion is proposed in the short to medium term within the Lake's catchment currently in Wyong Shire. About 2457 lots are proposed in Precinct releases in the Summerland Point, Chain Valley Bay, and Gwandalan areas (Precincts 17, 18, 19, and 20) in addition to smaller subdivisions throughout the area (North Wyong Structure Plan p23). This will lead to a population increase of at least 6142 people (at 2.5 people/dwelling average).

These figures do not include the potential for additional dwellings in the Lake Munmorah (north) Precinct (part Precinct 16) which may include an estimated additional 800 dwellings. The green corridor of the North Wyong Structure Plan passes to the north of Precinct 16, however that part of Precinct 16 that is north of the Pacific Highway appears to be in the catchment of the Lake Macquarie water body.

Lake Macquarie City Council is keen to ensure that the management of this sizable proposed urban development drains into Lake Macquarie is consistent with the comprehensive integrated approach adopted by Lake Macquarie City Council elsewhere in the Lake catchment. The best way to achieve this outcome is for the LGA boundary to be adjusted southwards to include all of the catchment of the Lake Macquarie water body.

Community identification

The focus of the communities that surround the Lake Macquarie water body is the lake.

Unlike other communities that focus on a town centre, Lake Macquarie residents focus on the large natural water body that forms the centrepiece of the area – Lake Macquarie. This is just as true for communities that are currently within Wyong Shire, but within the Lake Macquarie water body catchment, as it is for the residents of Speers Point adjacent to the Lake Macquarie Council administration centre.

Lake Macquarie is a City of villages surrounding the lake. Each village exists within a hierarchy of centres - some larger, such as the regional centre of Charlestown and the emerging regional centre of Morisset, and others are smaller, such as Wyee.

An adjustment of the LGA boundary to the south will bring villages such as Gwandalan and Manning Park into the same local government area as their primary community of interest, the Lake Macquarie water body.

A useful indicator of how communities interact is found by analysing ‘journey to work’ information. People tend to relate more strongly to those areas they commute to work than they do other areas. For example, Gosford has a strong commuting tendency to the south and residents in Gosford tend to relate more strongly to Sydney than Newcastle as a result. By contrast, residents of the south-western area of Lake Macquarie tend to commute more to the north than the south, and can therefore be expected to relate more strongly to the north for social, retail and community interaction.

Journey to work statistics (ABS 2011 census) for residents within the Lake Macquarie catchment (including those within Wyong Shire) show:

- a higher proportion of those working in the area live in Lake Macquarie City (55 per cent) compared with Wyong Shire (28 per cent); and
- a higher proportion of residents living in the area working in Lake Macquarie City (35 per cent) compared with Wyong Shire (28 per cent).

If Newcastle and Gosford are included in the above comparisons, there is an even greater proportion of people living/working in Lake Macquarie City and Newcastle City than in Wyong Shire/Gosford City. There is a clear orientation to the north among residents and workers in the southern Lake Macquarie Catchment, relative to towards the south.

Accordingly, the inclusion in Lake Macquarie City of all communities within the southern catchment of Lake Macquarie means that these communities will be administered from a locality with which they have the strongest relationship.

Criteria for determining future local government boundaries (Box 27, p 76)

Criteria	Proposal assessment comment
Sustainability and strategic capacity	<p>LMCC is already a high-capacity council.</p> <p>Council is financially sustainable. When considering a proposed rate variation in 2012 IPART concluded: “Council is to be commended for addressing its financial sustainability, including managing the backlog in maintenance and renewing its substantial and aging asset base. The Council has a financing strategy that is consistent with inter-generational equity. It has a policy of borrowing, within prudent limits, to</p>

Criteria	Proposal assessment comment
	<p>support its capital works program”.</p> <p>Council received the 2012 Bluett Award for the quality of its services and management.</p>
Efficiency and effectiveness	<p>Council would be able to deliver a more effective integrated approach to the management of the lake, its foreshores and streams if it is responsible for the entire southern catchment.</p> <p>Existing municipal services can be readily extended to provide for the additional localities embraced by any southern LGA boundary adjustment.</p>
Integrated planning	<p>The proposal integrates an area with a close existing association with the lake and its communities. Integrated planning of natural areas, water quality and urban development will be facilitated by the proposal.</p> <p>Lake Macquarie has a well developed integrated planning framework, including its Community Strategy Plan, its Lifestyle 2030 Strategy, and Resourcing Strategy and Asset Management Strategy and Plan.</p> <p>The North Wyong green corridor provides a natural separation between the urban areas of Lake Macquarie and those of the Central Coast to the south. Inclusion of the entire southern catchment of the Lake would facilitate the integrated planning of the area.</p>
Local identity and sense of place	<p>Communities have a strong relationship and identification with the dominant physical and recreational feature of the area – the Lake Macquarie water body.</p>
Population growth	<p>The proposal would bring additional urban growth areas into Lake Macquarie City. Council is well placed to manage these areas as a component of the urban growth framework already applying in the southern parts of the City, including Murrays Beach, Catherine Hill Bay, Wyee, Morisset and Cooranbong.</p> <p>Council has an excellent planning framework to manage urban growth, as demonstrated by the range of plans and strategies in place for the urban growth areas in the Morisset – Wyee area south-west of the City.</p>
Accessibility	<p>All areas located in the proposed extension of the LGA meet the Panel’s accessibility criteria. Morisset and Swansea provide strong local service centres for communities within southern Lake Macquarie catchment.</p> <p>Residents in the south-west of the City have a high satisfaction with Council services and Council is confident this level of service delivery can be extended to the additional communities embraced in this proposal.</p>
Strong centre	<p>Lake Macquarie has several strong centres, including three emerging regional centres designated as such by the Lower</p>

Criteria	Proposal assessment comment
	Hunter Regional Strategy. These centres deliver a range of higher-order services and are continuing to strengthen the scope of delivered services. The emerging regional centre of Morisset provides a regional centre for communities within the southern catchment of Lake Macquarie.
Key infrastructure	The proposal does not impact on key transport or other built infrastructure. However, it would provide a more efficient and effective means of managing the key physical environmental infrastructure of the LGA – the Lake Macquarie water body.

Attachment 5: References

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Attachment 6: Responses to the ILGR Panel Final Report “Revitalising Local Government – October 2013

Building a sustainable system

The ILGR Panel discusses the use of a systems approach to building sustainable system for local government in NSW. Box 7 in Chapter 4 notes the “Essential Elements of an Effective System for Local Government”. The elements noted are of the motherhood style but are logical and supported by Lake Macquarie.

Box 7: Essential Elements of an Effective System of Local Government

- Councils with the scale, resources and ‘strategic capacity’ to govern effectively and to provide a strong voice for their communities
- Maintenance of a strong sense of local identity and place
- Councils with an adequate revenue base (own source or grants) relative to their functions, healthy balance sheets, and sound financial management
- Councils renowned for their efficiency and focus on outcomes, based on the Integrated Planning and Reporting framework
- Regional groupings of councils that share resources on a large scale and jointly plan and advocate for their regions
- Councils that have highly skilled mayors, councillors and executive teams; and are respected by the State government and community alike
- Mayors who are recognised leaders both within the council and throughout the local community, and enjoy a positive reputation for that leadership.
- An electoral system designed to ensure that as far as possible councils are representative of the make-up and varied interests of their communities
- A Local Government Act that minimises prescription and provides a range of options for the way councils and regional bodies are structured
- Effective mechanisms for State-local consultation, joint planning, policy development and operational partnerships
- A local government association that is focused on strategy; a well-informed, dynamic advocate; a leader in reform; and a troubleshooter
- A constructive relationship between employers, employees and employee organisations, focused on improving productivity, performance and rewards.

Key elements of strategic capacity

Box 8: Key Elements of Strategic Capacity

- More robust revenue base and increased discretionary spending
- Scope to undertake new functions and major projects
- Ability to employ wider range of skilled staff
- Knowledge, creativity and innovation
- Advanced skills in strategic planning and policy development
- Effective regional collaboration
- Credibility for more effective advocacy
- Capable partner for State and federal agencies
- Resources to cope with complex and unexpected change
- High quality political and managerial leadership.

The Panel makes the point that councils need to shift their focus towards a more strategic view of their operations and have the ability to respond to the diverse and changing needs of different communities and to take on new functions or deliver improved services in order to meet those needs. The Panel also suggests that this implies a move to larger, more robust organisations that can generate increased resources through economies of scale and scope.

This would be so in some cases but where councils are already large like Lake Macquarie and already doing these things, there is no value in arguing amalgamation.

Fiscal responsibility

The Panel begins by commenting that securing local government financial capacity and sustainability is the fundamental pre-requisite for all other moves to enhance its strength and effectiveness.

We agree and recommend that this be the first priority when implementing reforms.

Lake Macquarie also agrees and endorses the TCorp recommended essential elements for fiscal responsibility noted in seven dot points on page 34 of the Panel's report.

Lake Macquarie endorses the statements in Box 9 "Proposed Requirements for Delivery Programmes" on page 35 of the Panel's report.

Box 9: Proposed Requirements for Delivery Programs

A Delivery Program should:

- Give effect to long-term financial and asset management plans prepared fully in accordance with IPR guidelines
- Contribute effectively to progressive elimination of an operating deficit
- Establish a 4-8 year 'revenue path' for all categories of rates linked to specific expenditure proposals for infrastructure and services
- Clearly justify any proposed increases in services or creation of new assets, based on regular service reviews and community consultation to determine appropriate levels of service
- Incorporate substantially increased funding for infrastructure maintenance and renewal (where backlogs have been identified)
- Apply increased borrowing to meet infrastructure needs wherever appropriate and financially responsible
- Ensure a fair and reasonable distribution of the rate burden across categories of ratepayers
- Include measures to bring about ongoing improvements to efficiency, productivity, financial management and governance
- Be certified by the Mayor and General Manager, in their respective capacities, as meeting these requirements.

In relation to cost shifting, particularly from state government, Lake Macquarie requests state government to honour the recently signed "Intergovernmental Agreement to Guide NSW State-Local Government Relations on Strategic Partnerships" where one of the principal provisions states that "Where local government is asked or required by the state government to provide a service or function to the people of NSW, any consequential financial impact is to be considered within the context of the capacity of local government". Lake Macquarie estimates its current annual cost-shifting burden at approximately \$16 million. This equates to an 16 per cent of the annual rate income for the City.

Recommendations for fiscal responsibility

Lake Macquarie agrees with the four recommendations made by the Panel for fiscal responsibility. We note that the Panel specifically requests that councils be required to employ a qualified Chief Financial Officer. Lake Macquarie endorses this approach for larger councils and for regional groupings of smaller councils. However, it should be equally important to employ equally qualified experts in the social, environmental and cultural fields, as these have equal importance in a council's deliberations and servicing of people and built and natural environments they are responsible for. Too much emphasis is placed by the Panel on one area of expertise alone in determining the qualifications required for council staff. For example, the Panel recommends the removal of the Morisset – Wyee area from the southern parts of Lake Macquarie city and placing it into another administrative body. This is a generally incomprehensible recommendation when taking into account the environmental, social and economic circumstances in that area, as outlined in the following attachments.

Recommendations for fiscal responsibility	
1	Establish an integrated Fiscal Responsibility Program, coordinated by DLG and also involving TCorp, IPART and LGNSW to address the key findings and recommendations of TCorp's financial sustainability review and DLG's infrastructure audit (5.1 and 5.3)
2	<p>As part of the program:</p> <ul style="list-style-type: none"> • Adopt an agreed set of sustainability benchmarks (5.1) • Introduce more rigorous guidelines for Delivery Programs as proposed in Box 9 (5.2) • Commission TCorp to undertake regular follow-up sustainability assessments (5.3) • Provide additional training programs for councillors and staff (5.3) • Require all councils to employ an appropriately qualified Chief Financial Officer (5.3)
3	Place local government audits under the aegis of the Auditor General (5.4)
4	Ensure that the provisions of the State-Local Government Agreement are used effectively to address cost-shifting (5.5)

Strengthening the revenue base

The Panel suggested some NSW rating system improvements.

Box 10: The NSW Rating System and Potential Improvements	
<p>Total council revenues in 2011-12 were \$9.245bn; 52% came from rates and annual charges (including water)</p> <p>There may be scope to raise a greater share of revenue from fees and charges levied on services akin to 'private goods' eg leisure centres</p> <p>Rates are a tax, not a fee-for-service; they need to be set in accordance with principles of taxation – equity, efficiency, simplicity, sustainability and policy consistency</p> <p>The level of rates paid relative to property values varies greatly from one local government area to another: this raises a number of equity issues (notably the relatively low rates paid by property owners in many affluent suburbs of Sydney)</p> <p>In particular, there is a need for more equitable arrangements for rating apartments; these might include a partial shift from Land Value to Capital Improved Value as the basis for rates</p>	<ul style="list-style-type: none"> • Other options to generate increased rate revenues from apartments also need to be explored • Existing options for minimum rates, base charges and differential rates should remain, but overly complex use of those mechanisms should be discouraged • There is considerable potential for greater use of special rates • Some concessions for disadvantaged ratepayers are justified, but social welfare should not be a local government responsibility; arrangements for pensioner concessions should be reviewed • Further consideration should be given to enabling income-poor but asset-rich ratepayers to defer payment of rates as a charge against their property, rather than receive a concession • The extent of non-rateable land and exemptions for government business enterprises, benevolent institutions and others should be reviewed

The Panel also suggests some potential changes for rate exemptions (see table 2, page 39)

Other matters discussed in this section in addition to the rating system include exemptions and concessions (including pensioner concessions); equitable rating of apartments; and broader equity issues dealing with relative levels of rates (see table 3, page 41).

Rate pegging

The Panel discusses and questions the apparent reluctance of many councils to apply for special rate variations via the IPART process. Most of the points made are valid. Lake Macquarie City recently went through this rigorous process to obtain a seven year rate variation and supports the process.

Interestingly the Panel make an observation that experience in other states and the results of community surveys suggest that increases of \$1-2 a week would be acceptable for most NSW ratepayers, provided the additional revenue is earmarked for specific improvements to infrastructure and services. The Panel adds that increases of that order would be sufficient to address many of the problems identified by TCorp.

Given that the major concern for most local governments in NSW is future financing, why isn't the Panel pushing the financial sustainability opportunities for most local councils via the IPR and IPART processes, rather than inappropriately pushing the ideological line of amalgamations as the best answer?

Options for more effective rating arrangements

Rate benchmarking

Box 11: Rate Benchmarking

- More rigorous Delivery Programs (see Box 9) and Revenue Policies, certified by the Mayor and General Manager as meeting all applicable requirements
- Proposed rate increases and associate expenditures must be subject to community consultation when preparing Delivery Programs
- IPART publishes and justifies an annual Local Government Cost Index
- Annual audits (under the aegis of the Auditor General) check whether revenues in excess of the cost index have been expended in accordance with the Delivery Program
- IPART publishes benchmarking data on increases in revenues and expenditure efficiency
- Minister can intervene if the evidence warrants corrective action.

Streamlined rate pegging

The Panel points out that some streamlining of rate pegging has already occurred under revised rate pegging guidelines for 2013 and 2014, which link the system more closely to the IPR requirements. The Panel believes the approach can be taken much further. Additionally, the TCorp report says that rate revenues need to grow to cover not only annual cost increases faced by councils but also the underlying costs of service delivery including progressive elimination of operating deficits and funding infrastructure needs.

This is the same strategy that Lake Macquarie adopted in its submission for a seven-year standard rate variation.

Lake Macquarie generally agrees with the proposals made by the Panel for streamlined rate pegging.

Box 12: Streamlined Rate-Pegging

Councils would be able to increase rates by up to 5% pa above the rate-pegging limit over the life of a Delivery Program, provided that:

- They prepare more rigorous Delivery Programs (see Box 9) and Revenue Policies, certified by the Mayor and General Manager as meeting all applicable requirements
- The community has been made aware of proposed rate increases and associated expenditures contained in the Delivery Program
- The case for a Special Rate Variation has been endorsed by the council's auditor as being soundly based and warranted to ensure long term sustainability
- Council has lodged its documentation with IPART.

In addition, the Local Government Act and/or Regulation would be amended:

- to require IPART to publish and justify an annual Local Government Cost Index
- to provide that increased revenues flowing from all legitimate SRVs are embedded permanently in a council's rating base
- to exempt from rate-pegging Special Rates levied on a defined group of ratepayers in order to undertake specific projects that are of particular benefit to those ratepayers, and have been shown to enjoy majority support amongst those affected
- to give councils the right to collect revenue in excess of the rate-pegging limit that results from new 'greenfields' development, converted Crown Land, additional multi-unit residential development, and any increased residential values flowing from the introduction of CIV for multi-unit dwellings
- to remove the need to seek approval for small amounts of revenue above the rate-pegging limit collected as a result of inaccurate estimates or calculation errors (amounts less than, say, the equivalent of 0.1% of total rate revenues)
- to ensure that domestic waste management charges are set on a proper cost-recovery basis
- to empower the Minister – through IPART – to conduct random audits to ensure that councils' documentation and implementation of these arrangements meets all relevant requirements.

Where an audit shows that a council has failed to meet the new criteria for Delivery Programs and/or Special Variations, the current rate-pegging arrangements would be re-applied.

The point needs to be stressed however, that before councils are able to simply raise rate revenue up to 5 per cent above the rate cap they should be required to undertake initial service reviews and other IPR measures to ensure they are operating in a suitably efficient and effective way, before applying these increases.

During the development of our bid for a seven-year rate variation we determined that a well-run council in today's local government climate would require an annual upward rate variation of approximately 4.6 per cent.

Note though that the ongoing 4.6 per cent annual increase would be additional after a council deals with infrastructure backlogs and underlying costs of delivery service.

Earned exemption

Lake Macquarie strongly supports the Panel's suggested option for earned exemption from the rate cap.

Box 13: Earned Exemption from Rate Pegging

- Amend the Local Government Act to enable the Minister to exempt from rate-pegging individual councils that have demonstrated a consistently high level of fiscal responsibility and sound financial management in accordance with IPR Guidelines
- Councils apply to IPART for the exemption and IPART advises the Minister on whether or not it should be granted
- Where a random audit by IPART shows that a council has failed to meet the new criteria for Delivery Programs and/or Special Variations, or concerns about a council's financial management are raised in an annual financial audit completed under the aegis of the Auditor General, the Minister may re-apply the current rate-pegging arrangements.

Distribution of grants

Box 14: Options for Future Distribution of Financial Assistance Grants

- Eligibility for grants to be contingent upon councils making adequate efforts to maximise their efficiency and own-source revenue
- Abolition of the minimum per capita grant
- Change the distribution formula for general purpose grants to reduce or eliminate grants to councils that have considerable unused revenue capacity
- Provision for up to 15% of the roads component to be set aside for strategic regional projects and special assistance to councils facing severe infrastructure backlogs (see section 7)
- Declare new Joint Organisations and the proposed Far West Regional Authority to be 'local governing bodies' for the purpose of FAGs (see sections 11 and 16)

Lake Macquarie, while supporting the proposal in principle, notes that this would require an agreed rigorous and fair methodology proposed to accomplish this, and it would not support any model that would undermine Lake Macquarie City Council's financial sustainability.

Recommendations for strengthening revenues

Lake Macquarie generally agrees with the recommendations of the Panel for strengthening revenues in NSW local government. Recommendation 8 relating to redistribution of Commonwealth FAG's is agreed to only if it does not undermine the future financial sustainability of Lake Macquarie City Council.

Recommendations for Strengthening Revenues	
5	Require councils to prepare and publish more rigorous Revenue Policies (6.1)
6	Commission IPART to undertake a further review of the rating system focused on: <ul style="list-style-type: none"> Options to reduce or remove excessive exemptions and concessions that are contrary to sound fiscal policy and jeopardise councils' long term sustainability (6.2) More equitable rating of apartments and other multi-unit dwellings, including giving councils the option of rating residential properties on Capital Improved Values, with a view to raising additional revenues where affordable (6.3)
7	Either replace rate-pegging with a new system of 'rate benchmarking' or streamline current arrangements to remove unwarranted complexity, costs, and constraints to sound financial management (6.5)
8	Subject to any legal constraints, seek to redistribute federal Financial Assistance Grants and some State grants in order to channel additional support to councils and communities with the greatest needs (6.6)
9	Establish a State- borrowing facility to encourage local government to make increased use of debt where appropriate by: <ul style="list-style-type: none"> Reducing the level of interest rates paid by councils Providing low-cost financial and treasury management advisory services (6.7)
10	Encourage councils to make increased use of fees and charges and remove restrictions on fees for statutory approvals and inspections, subject to monitoring and benchmarking by IPART (6.8)

Meeting infrastructure needs

Box 15: Using Joint Organisations to Boost Road Maintenance

Local councils currently work with Roads and Maritime Services (RMS) in two key areas:

1. Maintenance contracts on State Roads
2. Grant funding programs for Regional Roads

RMS is looking to improve the efficiency and effectiveness of maintenance delivery on State roads in regional NSW. Currently 78 councils are involved in contract arrangements to undertake maintenance for RMS. Key areas for improvement include reduced RMS and council administration, improved systems and WHS capability from councils, increased procurement efficiency and improved utilisation of council resources.

Under current arrangements councils are encouraged to form Peer Exchange Groups (PEGs) aimed at developing innovation, resource sharing and process improvement. The current PEG regional boundaries differ from those proposed in section 11, but could be progressively re-aligned.

RMS will consider a 'pilot' scheme (or schemes) that would align one of the existing PEG groups into a proposed Joint Organisation, and also explore the potential to trial aggregated arrangements for maintenance contracts.

RMS currently supports the maintenance of Regional Roads through formula- based block grants to councils and through targeted funding under the REPAIR program.

The proposed Joint Organisation model provides an opportunity for:

- improved consistency in council supplied data that feeds the funding distribution formula
- a broader strategic approach to effective use of available funds to Regional Roads through improved business planning at the JO level
- streamlining of administration of grant programs for RMS and councils
- a more strategic engagement on a broader network basis to prioritise freight productivity needs and initiatives
- improving the model for the strategic distribution of REPAIR funds.

Recommendations for Meeting infrastructure needs

Recommendations for Meeting Infrastructure Needs	
11	Factor the need to address infrastructure backlogs into any future rate-pegging or local government cost index (7.1)
12	Maintain the Local Infrastructure Renewal Scheme (LIRS) for at least 5 years, with a focus on councils facing the most severe infrastructure problems (7.2)
13	Pool a proportion of funds from the roads component of federal Financial Assistance Grants and, if possible, the Roads to Recovery program in order to establish a Strategic Projects Fund for roads and bridges that would: <ul style="list-style-type: none"> • Provide supplementary support for councils facing severe infrastructure backlogs that cannot reasonably be funded from other available sources • Fund regional projects of particular economic, social or environmental value (7.2)
14	Require councils applying for supplementary support from the Strategic Projects Fund to undergo independent assessments of their asset and financial management performance (7.2)
15	Carefully examine any changes to development (infrastructure) contributions to ensure there are no unwarranted impacts on council finances and ratepayers (7.3)
16	Adopt a similar model to Queensland’s Regional Roads and Transport Groups in order to improve strategic network planning and foster ongoing improvement of asset management expertise in councils (7.4)
17	Establish Regional Water Alliances as part of new regional Joint Organisations proposed in section 11 (7.5).

Improvement, productivity and accountability

The Panel believes there is still considerable room to improve local government's efficiency and effectiveness. Along with a range of other matters, they suggest a program of high quality and efficient service reviews.

Box 16: Proposed Principles for Service Reviews

- A council must achieve continuous improvement in the provision of services and seek to ensure that its services are equivalent to 'best on offer' in its region
- All services provided by a council must meet defined performance outcomes and quality and cost standards developed by the council in consultation with local communities and key stakeholders
- As part of service reviews, a council must explore the potential for partnerships with adjoining or nearby councils, as well as other public or private service providers
- Service reviews must take into account the importance of maintaining and where possible increasing local employment opportunities
- Each service provided by a council must be accessible to those members of the community for whom the service is intended
- A council must report regularly to its community on its achievements to these principles.

Lake Macquarie City Council generally agrees with this approach and notes that the Panel has noted in its references the work undertaken by Lake Macquarie (Walker and Gray) as part of our extensive service reviews program.

Internal and performance auditing

The Panel makes the case for audit committees for all councils. They believe various steps need to be taken, focused on reorienting the concept of internal audit towards adding value and continuous improvement, and requiring all councils to have effective internal audit processes, including audit committees with a majority of independent members.

Lake Macquarie has internal audit procedures and resources specifically allocated for that purpose. We agree with the concept of an audit committee but not with the wide-ranging portfolios proposed by the Panel.

Councils like Lake Macquarie already have sophisticated community strategic plan and delivery programmes in place along with service reviews and governance arrangements, which are regularly reviewed. Further, any audit committee should have no powers of direction over staff as that is the role of the General Manager. Nor should there be any indication that there is an audit committee that is a law unto itself. The marshalling and distribution of resources provided by council is ultimately the responsibility and role of the General Manager alone. Any cutting across those roles and responsibilities of the General Manager is inappropriate.

Box 17: Strengthening Internal and Performance Auditing

- Revise the current guidelines under the Act and make them mandatory
- Extend the concept of internal audit towards adding value and continuous improvement
- Require all councils with expenditures of more than a set amount (perhaps \$20m per annum) to have an 'audit, risk and improvement' committee and associated internal audit function with broad terms of reference covering financial management, good governance, performance in implementing the Community Strategic Plan and Delivery Program, service reviews, collection of required indicator data, continuous improvement and long term sustainability
- Enable councils with smaller budgets to have joint arrangements for internal audit and to share audit committees, under the aegis of regional Joint Organisations (see section 11)
- Require audit committees to have a majority of independent members and an independent chair, and preclude General Managers from membership of audit committees (but not attendance at meetings)
- Ensure that the chair of the audit committee reports at least biannually to a council meeting on the organisation's performance in financial management, good governance and continuous improvement
- Empower the Auditor General to conduct issue-based performance audits in key areas of local government activity.

Recommendations for Improvement, Productivity and Accountability

- | | |
|----|--|
| 18 | Adopt a uniform core set of performance indicators for councils, linked to IPR requirements, and ensure ongoing performance monitoring is adequately resourced (8.1) |
| 19 | Commission IPART to undertake a whole-of-government review of the regulatory, compliance and reporting burden on councils (8.2) |
| 20 | Establish a new sector-wide program to promote, capture and disseminate innovation and best practice (8.3) |
| 21 | Amend IPR Guidelines to require councils to incorporate regular service reviews in their Delivery Programs (8.4) |
| 22 | Strengthen requirements for internal and performance auditing as proposed in Box 17 (8.5) |
| 23 | Introduce legislative provisions for councils to hold Annual General Meetings (8.6) |
| 24 | Develop a NSW Local Government Workforce Strategy (8.7) |
| 25 | Explore opportunities for the Local Government Award to continue to evolve to address future challenges facing the sector and changing operational needs. |

Political leadership and good governance

Box 18: Councillors and Mayors in NSW

- There are 1,475 councillors across NSW (including 152 Mayors)
- The number of residents per councillor ranges from less than 150 to more than 20,000
- Currently 34 mayors are popularly elected; the great majority are chosen by the councillors
- 27% of councillors are female, compared to 51% of the NSW population
- 1.9% of councillors identify as Aboriginal or Torres Strait Islander, compared to 2.5% of the population.
- 9% of councillors speak a language other than English at home, compared to 26% of the population.
- Councillors are paid an annual allowance which varies according to the characteristics of the council and is set by an independent tribunal
- Councillor allowances range between \$7,930 and \$34,950; mayors receive an additional allowance of between \$8,430 and \$76,390 (with the exception of the City of Sydney whose Lord Mayor is paid up to \$191,860).

Councillors roles and skills

The Panel discusses the roles and skills of councillors in Section 9.2, page 61 of their final report. They have provided a list of proposed roles and responsibilities of councillors.

Box 19: Proposed Roles and Responsibilities of Councillors

- The councillors and mayor collectively constitute the governing body of the council.
- The roles and responsibilities of the governing body are to:
 - to provide effective civic leadership and guidance to the community
 - to consult regularly with community organisations and other key stakeholders and keep them informed of council's activities and decisions
 - to direct and control the affairs of the council in consultation with the general manager and in accordance with this Act
 - to ensure as far as possible the financial sustainability of the council
 - to determine and adopt the Community Strategic Plan, Delivery Program and other strategic plans and policies
 - to determine and adopt a rating and revenue policy and operational plans that ensure the optimum allocation of the council's resources to implement the community strategic plan and for the benefit of the area
 - to make decisions in accordance with those plans and policies
 - to make decisions necessary for the proper exercise of the council's regulatory functions
 - to keep under review the performance of the council and its delivery of services
 - to determine the process for appointment of the General Manager and monitor his/her performance
 - to ensure that the council acts honestly, efficiently and appropriately in carrying out its statutory responsibilities
- The role and responsibilities of an individual councillor, including the mayor, are:
 - to be an active and contributing member of the governing body
 - to make considered and well informed decisions
 - to represent the collective interests of residents, ratepayers and the wider community of the local government area
 - to facilitate communication between the community and the governing body
 - to be accountable to the community for the local government's performance
 - to uphold and represent accurately the policies and decisions of the governing body.

Councillor development

The Panel also makes suggestions about councillor development, as outlined in the Attachment 7.

Box 20: Councillor Development

- Require the governing body of a council to undertake a periodic audit and self-assessment of its skills base against its role and strategic objectives
- Require individual councillors to undertake similar self-assessments (this could be a simple on-line process)
- Require all councils to prepare, resource and implement a Councillor Development Plan linked to each 4-year Delivery Program and in accordance with a set of principles and professional development targets established jointly by LGNSW and DLG
- Introduce a mandatory component including an extended induction program for new councillors and 'update' modules for re-elected councillors, in both cases to be completed within 3 months after each election
- Also require councillors to complete a prescribed number of optional professional development activities during each term – such activities to be selected from a list of approved courses and other options.

Role of mayors

Lake Macquarie generally supports the proposed roles and responsibilities of mayors. A point put by the Panel is that the mayor should be responsible for putting the council budget to the council and community. A note of caution is required here. It is difficult enough for full time senior staff to do this. For a mayor to be expected to know so much detail is a very big ask. However, the mayor should have a strategic knowledge of the budget and the delivery regime. Secondly, the Panel recommends mayors should have dedicated administrative and policy support staff. Our view is that this should not happen at the expense of the role of senior council staff whose role it is to provide such information and advice.

Box 21: Proposed Roles and Responsibilities of Mayors

The Mayor has the responsibilities of a councillor plus the following additional responsibilities:

- to be the leader of the council and the community of the local government area, and advance community cohesion
- to promote civic awareness and, in conjunction with the General Manager, ensure adequate opportunities and mechanisms for engagement between the council and the local community
- to be the principal member and spokesperson of the governing body and to preside at its meetings
- to nominate a deputy mayor, subject to ratification by the governing body
- to ensure that the business of meetings of the governing body is conducted efficiently, effectively and properly in accordance with provisions of this Act
- to propose a committee structure and to nominate chairs of committees, subject to ratification by the governing body
- to lead the councillors in the exercise of their responsibilities and in ensuring good governance
- to ensure the timely development of the governing body's strategic plans and policies, and to promote their effective and consistent implementation, including by promoting partnerships between the council and key stakeholders
- to present and propose adoption of the annual operational plan and budget
- to deliver an annual public statement outlining progress made during the previous twelve months in implementing the Community Strategic Plan and Delivery Program, and identifying key issues for the future
- to exercise, in cases of necessity, the policy-making functions of the governing body between meetings of the council
- to represent the governing body on regional organisations and in inter-government forums at regional, State and federal levels
- to advise, manage and provide strategic direction to the general manager in accordance with the council's strategic plans and policies
- to lead performance appraisals of the General Manager
- to carry out the civic and ceremonial functions of the mayoral office
- to exercise such other functions as the governing body determines.

Election of Mayors

Box 22: Election of Mayors

- Mandatory direct election of mayors in all metropolitan councils, in other councils with populations of 40,000 or more, and in designated regional centres
- Elsewhere, election of the mayor to be either directly by the voters or by the councillors, with the default position remaining election by the councillors
- Minimum two-year terms for mayors elected by the councillors
- Ensure that all councils have an odd number of councillors (including the mayor), and require all councillors to vote in a mayoral election (thus avoiding 'draws from the hat')
- Councils to hold community consultations on whether to change the way the mayor is elected as part of each representation review
- Councils to hold a referendum if the representation review finds substantial community support for a change, or a set number of eligible voters petition the council
- Referenda to be conducted by postal voting to minimise costs
- Mayors to undertake mandatory ongoing professional development in accordance with the council's adopted Councillor Development Plan, including an initial specialised course to be successfully completed within three months of election as mayor.

Roles and responsibilities of General Managers

Box 23: Role and Responsibilities of General Managers

- To conduct the day-to-day management of the council in accordance with the governing body's strategic plans and policies
- To advise the mayor and the governing body on the development and implementation of policies and programs, including the appropriate form and scope of community consultation
- To prepare, in consultation with the mayor and governing body, the Community Strategic Plan and the council's Resourcing Strategy, Delivery Program and Operational Plan, Annual Report and State of the Environment Report
- To certify, together with the Mayor, that IPR requirements have been met in full, and that council's annual financial statements have been prepared correctly
- To ensure that the mayor and councillors receive timely information, advice and administrative and professional support necessary for the effective discharge of their responsibilities
- To implement lawful decisions of the governing body in a timely manner
- To exercise such of the functions of the governing body as are delegated by the governing body to the General Manager
- To appoint staff in accordance with an organisation structure and resources approved by the governing body
- To direct and dismiss staff
- To implement the council's equal employment opportunity management plan.
- To undertake such other functions as may be conferred or imposed on the General Manager by or under this or any other Act.

Appointment and tenure of General Managers

Box 24: Appointment and Tenure of General Managers

- The mayor should lead the appointment and performance reviews of the General Manager, and take responsibility for ensuring due process
- There should be a 'cooling off' period of 6 months after the election of a new council or mayor during which the summary dismissal provisions of the standard General Manager contract should not apply (this would provide an opportunity to build a positive working relationship whilst not preventing dismissals based on documented poor performance)
- Use of the summary dismissal provisions at any time should require a two-thirds majority of councillors
- Contracts of General Managers should not be renewed within 6 months prior to an election except by means of a full merit selection process; otherwise they should not be extended for more than 12 months and only on existing terms and conditions
- As a condition of appointment, General Managers should be required to complete a tailored induction program before or within 3 months of their first appointment to such a position, and approved professional development programs thereafter.

Organisation structure

The Panel's view is that the governing body (the council) should be able to determine, on the advice of the General Manager, the upper levels of the organisation structure, and to ensure that staffing resources are being allocated in such a way that council's priorities are being pursued. The Panel proposes that the Act be amended to provide, as at present, that a council must review the organisation structure after each election, and may do so at other times, but also that the council must act on the advice of the Mayor and General Manager; the adopted structure must accord with the priorities set out in the council's Community Strategic Plan and Delivery Programme; the adopted structure may only specify the roles and relationships of the General Manager, designated senior staff and other staff reporting directly to the General Manager.

The Panel's recommendations for political leadership and good governance

Recommendations for Political Leadership and Good Governance	
26	<p>Amend the Local Government Act to strengthen political leadership:</p> <ul style="list-style-type: none"> Require councils to undertake regular 'representation reviews' covering matters such as the number of councillors, method of election and use of wards (9.1) Before their nomination is accepted, require all potential candidates for election to local government to attend an information session covering the roles and responsibilities of councillors and mayors (9.1) Amend the legislated role of councillors and mayors as proposed in Boxes 19 and 21, and introduce mandatory professional development programs (9.2 and 9.3) Provide for full-time mayors, and in some cases deputy mayors, in larger councils and major regional centres (9.3) Amend the provisions for election of mayors as proposed in Box 22 (9.3)
27	Increase remuneration for councillors and mayors who successfully complete recognised professional development programs (9.2-9.4)
28	Amend the legislated role and standard contract provisions of General Managers as proposed in Boxes 23 and 24 (9.5)
29	Amend the provisions for organisation reviews as proposed in section 9.6
30	Develop a Good Governance Guide as a basis for 'performance improvement orders' and to provide additional guidance on building effective working relationships between the governing body, councillors, mayors and General Managers (9.7)

Advancing structural reform

The Panel makes a number of comments on these matters, which do not necessarily follow the logic that the Panel claims.

Box 25: Council Amalgamations in NSW

- Since 1906 the number of councils in NSW has fallen progressively from 327 to 152 as a result of mergers.
- This reduction is similar to Australia as a whole which has seen the total fall from 1,067 in 1910 to 565 councils.
- The last group of mergers in NSW occurred in 2003-04, cutting the number of councils from 172 to 152.
- Nearly all mergers and boundary changes in NSW have been outside the Sydney metropolitan area. The only changes to local government in Sydney have been the voluntary merger of Drummoyne and Concord to form Canada Bay; the separation of Pittwater from Warringah; and various adjustments to the City of Sydney (most recently its amalgamation with South Sydney in 2004).

For example, the Panel talks about the history of amalgamations in NSW over the last century and suggests it follows that many councils which now assert the importance of their identity are in fact the result of past amalgamations. The reality is that people will ultimately work with what they have got, or are forcibly given. The question needs to be asked whether the halving of council numbers in NSW over the last 100 years has actually made for better local government? There are no guarantees about this. The reality is that size is not the issue. Well-run councils generally have good political stability combined with good administrative management, no matter how big or small they are.

The Panel also describes as “odd” the de-amalgamation of Warringah Shire to allow a separate Pittwater Council. It is not odd, it is the result of a local community, Pittwater, exercising their community right to determine their own future.

The Panel notes that it was required by its terms of reference to consider options for structures and boundaries, taking into account the state government’s policy of “no forced amalgamations”. The Panel adds that it is now time for a “fresh approach to break the current deadlock and enable proper consideration of necessary structural reform”.

There is no “deadlock”. There has always been a way forward and is a relatively simple way, compared to the very convoluted and divisive amalgamations program put forward by the Panel. The Panel is attempting to use a sledgehammer. Local government is not as ignorant on reform as the Panel would have us believe. In pushing their minority view for amalgamations everywhere, the Panel says that formerly amalgamated councils are now asserting the importance of their identity. The communities aren’t saying that at all. People will ultimately work with what they have got, or what they are forcibly given.

The Panel repeatedly talks about the capacity for a local council to be a “real partner” of State and Federal governments in addressing the challenges of growth. Local councils look after local issues. If the Panel is suggesting that Councils need to be able to fund major infrastructure that is the responsibility of State and Federal governments then they are wrong. It is not the role of local government to use local monies for State and Federal responsibilities. That is called double-dipping, and it is a “cop-out” by state governments in particular.

The Panel claims before-and-after case studies of amalgamations have shown significant efficiency gains. There is very little evidence to show this, in fact that is the exception rather than the rule. The general rule is that large amalgamations have much greater costs per capita than well-run councils of any size.

The Panel continues to go on about the “potential” for amalgamations, continually pushing a minority view. Can we recommend that we focus on ways to allow local government to do what they already do very well, while focusing on improved future financial sustainability and regional strategic capacity through formal Regional Councils of Mayors.

The Panel says the way forward would involve:

- focusing on the need for increased strategic capacity (Regional Joint Organisations with power to act on regional matters would deal with that);
- rejecting one-size-fits-all policies;
- facilitate a mix-and-match approach to the different needs of different parts of NSW; and
- changing the process for initiating and considering amalgamations and boundary changes.

There are relatively simple ways to do this:

- the suggested Regional Joint Organisations (Council of Mayors) to deal with the perceived strategic capacity issues at the regional level; and
- recognising financial sustainability as the first priority to be dealt with, mostly through a combination of existing processes (IPR and IPART), removing or relaxing the rate cap, and appropriate performance requirements and assessments for councils. It does not need the hugely divisive, extremely costly amalgamations program put forward by the Panel.

Box 26: A Revised Process for Boundary Changes

- Reconstitute the Boundaries Commission to comprise three members, none of whom may be a serving public official nor a current or former councillor or State politician: an independent chair nominated by the Minister and two other members nominated jointly by the Minister and President of LGNSW
- Appoint Commission members for a minimum 5 years
- Give the Commission a small dedicated secretariat, plus funding for research
- Require the Commission to undertake regular reviews of local government boundaries across NSW, in accordance with a schedule to be determined by the Minister, and to initiate proposals for changes when there is evidence they are warranted
- Allow the Minister, any council or public authority, or a group of electors (250 or 10%, whichever is the lesser, across the affected area/s) to submit a specific proposal to the Commission
- Require the Commission to determine whether or not the proposal has sufficient merit to proceed, and to publish the reasons for its decision
- If the proposal proceeds, require the Commission to prepare a public information report setting out arguments for and against
- Retain the current provisions for inquiries, surveys and polls, but remove the Minister's power to decide whether an inquiry is warranted
- In every case of an amalgamation, require the Commission to conduct a survey or poll of all residents and ratepayers in the area/s affected, unless two or more councils have proposed a voluntary merger and the Commission is satisfied that those councils have already undertaken adequate community consultation
- Require the Commission at the end of its investigations to report to the Minister on whether or not the proposal should proceed and, if so, precisely what form it should take and what steps and resources are required for its effective implementation
- Enable the Minister to request the Commission to reconsider its recommendations, but require any proposed amendments and the reasons for them to be published
- Require the Minister to implement the Commission's final recommendations in full unless s/he reasonably forms the opinion that the process has been flawed and/or that to proceed would be contrary to the wider public interest.

Box 27: Criteria for Determining Future Local Government Boundaries

- **Sustainability and Strategic Capacity**
Councils need a strong base to ensure their long-term sustainability; to achieve economies of scale and scope; to deliver quality services; to provide a pool of talented councillor candidates; to attract skilled staff; and to develop strategic capacity in governance, advocacy, planning, and management.
- **Efficiency and Effectiveness**
Councils should be able to operate efficiently and effectively within the limits imposed by their location, geography and the characteristics of the communities they serve. They should be able to provide 'value for money' to their ratepayers and external funding agencies.
- **Integrated Planning**
LGA boundaries should not unnecessarily divide areas with strong economic and social inter-relationships; they should facilitate integrated planning, coordinated service delivery, and regional development.
- **Local Identity and Sense of Place**
Consistent with the need for integrated planning, boundaries should reflect a sense of identity and place, including important historical and traditional values. (However, other mechanisms available to maintain local identity should be taken into account.)
- **Population Growth**
The boundaries of a local government area (LGA) should be able to accommodate projected population growth generated by the LGA over at least the next 25 years.
- **Accessibility**
As a general rule, it should be possible to drive to the boundaries of a LGA from a main administration centre within 60-90 minutes in country areas, and within 30 to 45 minutes in metropolitan areas.
- **Strong Centre**
Each LGA should have a substantial population centre that can provide higher order commercial, administrative, education, health and other services.
- **Key Infrastructure**
As far as possible, key transport infrastructure such as airports and ports, and those nearby urban and regional centres that are principal destination points, should be within the same LGA.
- **Combining Existing Municipalities**
Wherever practicable, amalgamations should combine the whole of two or more existing LGAs without the additional cost and disruption of associated boundary adjustments.

Recommendations to Advance Structural Reform

31	Introduce additional options for local government structures, including regional Joint Organisations, 'Rural Councils' and Community Boards, to facilitate a better response to the needs and circumstances of different regions (10.1)
32	Legislate a revised process for considering potential amalgamations and boundary changes through a re-constituted and more independent Boundaries Commission (10.3)
33	Encourage voluntary mergers of councils through measures to lower barriers and provide professional and financial support (10.4)
34	Provide and promote a range of options to maintain local identity and representation in local government areas with large populations and/or diverse localities (10.5)

Regional joint organisations

Box 29: Factors in Defining Regions

- Manageable geographic area and suitable scale for strategic planning
- Regional or sub-regional communities of interest reflected in current arrangements, including existing ROCs and County Councils
- Alignment as far as possible with key State and federal agencies for strategic planning purposes
- In the Sydney region, alignment with sub-regional boundaries proposed for the metropolitan strategy
- Strong socio-economic links identified through the Panel's 'cluster-factor' analysis
- Viability of a regional alliance of water utilities (at least 10,000 connections)*
- A regional centre with existing or potential strategic capacity to anchor the Joint Organisation and to assist smaller member councils where required.*

*The Panel has some doubts about the capacity of the proposed Mid-Murray Region in these areas, which will require further investigation

Box 30: Framework for Establishing New Joint Organisations

- JOs would be regional bodies established under new provisions of the Local Government Act replacing those for County Councils
- Membership and ongoing active participation by councils would be mandatory
- Each JO would be established by a separate proclamation which would be negotiated amongst the member councils and with the Minister, with the assistance of expert facilitators provided by the State government
- The proclamation would set out the name, area, membership, functions, staffing and governance and financial arrangements (including payment of any 'dividends' to member councils)
- In finalising a proclamation the Minister would act on the advice of a Ministerial Advisory Group (see section 18.1)
- The governing body would comprise the mayor of each member council, but the proclamation could provide for additional council representatives and for 'participating observers' or advisers from outside local government
- Each JO would prepare a 10 year Strategic Business Plan and 4-year Delivery Program to guide (but not restrict) operations, both to be endorsed by member councils and updated as required
- JOs would be able to establish subsidiaries to undertake specific functions, and would incorporate existing County Councils (for which transitional provisions would apply)
- Subsidiaries would have their own boards, which would be skills-based, and could include senior council staff and people with relevant expertise drawn from outside local government
- Subsidiaries would be required to agree an annual Statement of Intent with the governing body to ensure that their activities and priorities align with those of the JO and its member councils
- JOs would hold annual general meetings open to all councillors of member councils and to the public, at which they would report on and account for their activities, and at which priorities and strategies for the coming year could be discussed
- Other provisions of the Act would apply to JOs as they do to councils, but variations could be made by Regulations or the terms of proclamations (eg to eliminate unwarranted compliance processes).

Box 31: Proposed Core Functions of Joint Organisations

- Strategic regional and sub-regional planning
- Inter-government relations and regional advocacy
- Information and technical exchanges between member councils
- Activities of existing County Councils
- Regional alliances of local government water utilities
- Road network planning and major projects (through Regional Roads Groups as discussed in section 7.4)
- Collaboration with State and federal agencies in infrastructure and service provision
- Strategic procurement (which could also include accessing state-wide contracts and arrangements)
- Other joint activities specified in the proclamation, such as major infrastructure projects, regional waste and environmental management (including weeds and floodplain management), regional economic development, regional library services and 'high level' corporate services or 'back office' functions
- Administrative and technical support for any 'Rural Councils' established within the JO's area (see section 12.1).

Recommendations for **Regional Joint Organisations**

35

Establish new Joint Organisations for each of the regions shown on Maps 2 by means of individual proclamations negotiated under new provisions of the Local Government Act that replace those for County Councils(11.5)

- Defer establishment of JOs in the Sydney metropolitan region, except for sub-regional strategic planning, pending further consideration of options for council mergers (11.5)
- Enter into discussions with 2-3 regions to establish 'pilot' JOs (11.5)
- Re-constitute existing County Councils as subsidiaries of new regional Joint Organisations, as indicated in Table 5 (11.2)
- Establish Regional Water Alliances in each JO along the lines proposed in the 2009 Armstrong-Gellatly report (11.3)
- Set the core functions of Joint Organisations by means of Ministerial Guidelines (11.6)
- Seek federal government agreement to make JOs eligible for general-purpose FAGs (11.6)

36

Identify one or more regional centres within each Joint Organisation and:

- Create a network of those centres to drive development across regional NSW (11.7)
- Consider potential mergers of councils to consolidate regional centres, as indicated in Table 6 (11.7)

37

Develop close working partnerships between Joint Organisations and State agencies for strategic planning, infrastructure development and regional service delivery (11.8), and

- Add representatives of Joint Organisations to State agency Regional Leadership Groups (11.8)
- Give particular attention to cross-border issues and relationships in the operations of Joint Organisations and in future regional strategies (11.9)

Metropolitan Sydney

Lake Macquarie, along with Hunter Councils, put the proposal forward for regional Council of Mayors that could operate almost anywhere, including the Sydney metropolitan area. However, we do not agree that it should be similar to the south-east Queensland model, because the Queensland model has no teeth. Any Sydney metropolitan model must have teeth so that genuine strategic capacity at the regional level can be enhanced.

Recommendations for Metropolitan Sydney	
40	Strengthen arrangements within State government for coordinated metropolitan planning and governance, and to ensure more effective collaboration with local government (13.1)
41	Seek evidence-based responses from metropolitan councils to the Panel's proposals for mergers and major boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (13.3)
42	<p>Prioritise assessments of potential changes to the boundaries of the Cities of Sydney and Parramatta, and</p> <ul style="list-style-type: none"> • Retain a separate City of Sydney Act to recognise its Capital City role • Establish State-local City Partnership Committees for Sydney and Parramatta along the lines of Adelaide's Capital City Committee (13.4)
43	Pending any future action on mergers, establish Joint organisations of councils for the purposes of strategic sub-regional planning (13.5)
44	Maximise utilisation of the available local government revenue base in order to free-up State resources for support to councils in less advantaged areas (13.6)
45	Continue to monitor the sustainability and appropriateness in their current form of the Hawkesbury, Blue Mountains and Wollondilly local government areas (13.7)
46	Promote the establishment of a Metropolitan Council of Mayors (13.8)

Hunter, Central Coast and Illawarra

Recommendations for **Hunter, Central Coast and Illawarra**

47

Seek evidence-based responses from Hunter and Central Coast councils to the Panel's proposals for mergers and boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (14.1 and 14.2)

48

Defer negotiations for the establishment of a Central Coast Joint Organisation pending investigation of a possible merger of Gosford and Wyong councils (14.2)

49

Pursue the establishment of Joint Organisations for the Hunter and Illawarra in accordance with Recommendation 35 (14.1 and 14.3)

State – Local Government relations

The Panel suggests that local government should become a real partner that contributes substantial resource and expertise to joint program and projects. Local councils would be generally happy to do that as long as it does not constitute financial double dipping where local government provides more taxpayer and ratepayer monies to pay for things that state and federal governments should be paying for.

Recommendations for **State-Local Government Relations**

56

Use the State-Local Agreement as the basis and framework for a range of actions to build a lasting partnership, and negotiate supplementary agreements as appropriate (17.2)

57

Introduce new arrangements for collaborative, whole-of-government strategic planning at a regional level (17.3)

58

Amend the State Constitution to strengthen recognition of elected local government (17.4)

59

Seek advice from LGNSW on the measures it proposes to take to meet its obligations under the State-Local Agreement (17.5)

60

Strengthen the focus of DLG on sector development and seek to reduce its workload in regulation and compliance (17.6)

Driving and monitoring reform

Box 42: A Priority Implementation Package

1. Establish the new regional Joint Organisations (including Regional Roads Groups, Water Alliances and sub-regional planning groups in metro Sydney): negotiations in 2-3 'pilot' regions could be launched immediately.
2. Build a 3-way strategic planning process that brings together a new regional component of IPR, DP&I Regional Growth Plans, and Premiers Department Regional Action Plans.
3. Further upgrade asset and financial management requirements in IPR, including Delivery Programs (among other things, to provide a basis for proposed changes to rate-pegging).
4. Revise current guidelines to require improved internal audit processes.
5. Place local government audits under the aegis of the Auditor General.
6. Initiate improvements to the rating system eg exemptions, equitable system for rating apartments, and steps to ensure a more equitable distribution of federal Financial Assistance Grants and State grants.
7. Establish a state-wide local government finance facility to cut the cost of borrowing.
8. Commission IPART to review the regulatory, compliance and reporting burdens imposed on councils.
9. Strengthen political leadership: re-write the roles of Mayors, Councillors and General Managers
10. Introduce minimum 2-year terms for mayors elected by the councillors.
11. Amend the State Constitution to secure recognition of elected local government (cf Victoria, Queensland).
12. Re-constitute the Boundaries Commission to progress evidence-based, impartial assessment of possible mergers and boundary changes.

Lake Macquarie City Council agrees with this package for the most part but has question marks over the methods and processes for items 9 and 12 in Box 42.

We note that the Local Government Managers Association (LGMA) has been left out of the peak bodies list that should be represented on a Ministerial Advisory Group. The LGMA is the peak representative body for local government employees and represents their professional interests.

Any Ministerial Advisory Body that does not have representation for the 50,000 employees in NSW local government is not truly representative.

Proposed changes to the Local Government Act

Box 43: Proposed Interim Amendments to Local Government Act, Regulations and Guidelines

- Provisions for Joint Organisations, 'Rural Councils' and Community Boards
- Reconstitution of the Boundaries Commission and amendments to the process for dealing with amalgamations and boundary changes (but defer application to Sydney metropolitan region – see section 11.4)
- Amendments to rate-pegging provisions (and associated changes to IPR Guidelines)
- Enabling oversight of local government audits by the Auditor General (may be handled instead through Public Finance and Audit Act)

Box 44: Other Legislative Changes Required

- Establishment of Far West Regional Authority (possibly separate Act)
- Establishment of a local government finance facility (preferably by simply amending TCorp legislation)
- Amendment to State Constitution to strengthen recognition of elected local government
- New or revised provisions in the Local Government Act covering:
 - Goal of sustainable councils
 - Concept of a system of local government
 - Appointment of Chief Financial Officers (or equivalent)
 - Roles of the Council (governing body), Mayors, Councillors and General Managers
 - Direct election of Mayors
 - Preparation of Councillor Development Plans and mandatory professional development requirements for Councillors and Mayors
 - Holding of an Annual General Meeting
- Revised IPR Guidelines for:
 - Delivery Programs and service reviews
 - Regional component of Community Strategic Plans
- New mandatory guidelines for internal audit and continuous improvement processes (including committees)

Driving and monitoring reform

Recommendations for **Driving and Monitoring Reform**

- | | |
|----|--|
| 61 | Establish a Ministerial Advisory Group and Project Management Office (18.1 and 18.2) |
| 62 | Refer outstanding elements of the Destination 2036 Action Plan to the Ministerial Advisory Group (18.1) |
| 63 | Adopt in principle the proposed priority initial implementation package set out in Box 42, as a basis for discussions with LGNSW under the State-Local Government Agreement (18.3) |
| 64 | Further develop the proposals for legislative changes detailed in Boxes 43 and 44, and seek to introduce the amendments listed in Box 43 in early 2014 (18.5) |
| 65 | Adopt in principle the proposed implementation timeline (18.6) |

Attachment 7: Summary of Lake Macquarie City Council's response to the 65 NSW Independent Local Government Review Panel recommendations

Revitalising Local Government

Final Report of the NSW Independent Local Government Review Panel

Recommendations


Recommendation	X	✓	?	Comments
1. FISCAL RESPONSIBILITY				
Establish an integrated Fiscal Responsibility Program, coordinated by DLG and also involving TCorp, IPART and LGNSW to address the key findings and recommendations of TCorp's financial sustainability review and DLG's infrastructure audit (5.1 and 5.3)		✓		Supported by Lake Macquarie.
As part of the program <ul style="list-style-type: none"> • Adopt an agreed set of sustainability benchmarks (5.1) • Introduce more rigorous guidelines for Delivery Programs as proposed in Box 9 (5.2) • Commission TCorp to undertake regular follow-up sustainability assessments (5.3) • Provide additional training programs for councillors and staff (5.3) • Require all councils to employ an appropriately qualified Chief Financial Officer (5.3) 		✓		Supported by Lake Macquarie, however the guidelines for Delivery Programs should include social and environmental rigour not just financial rigour.
Place local government audits under the aegis of Auditor General (5.4)		✓		Lake Macquarie agrees.
Ensure that the provisions of the State-Local Government Agreement are used effectively to address cost-shifting (5.5)		✓		Like other NSW councils, Lake Macquarie City Council's finances have been eroded by rising prices, rate pegging and increased cost-shifting from other levels of government. While the NSW Government says that councils are often best placed to provide these

Recommendation	✘	✔	?	Comments
				cost shifted services to communities, councils do not have the means to keep taking on new jobs without adequate resourcing.
2. STRENGTHENING REVENUES				
Require councils to prepare and publish more rigorous Revenue Policies (6.1)		✔		Lake Macquarie agrees and already does this to a large extent.
<p>Commission IPART to undertake a further review of the rating system focused on:</p> <ul style="list-style-type: none"> • Options to reduce or remove excessive exemptions and concessions that are contrary to fiscal policy and jeopardise council's long term sustainability (6.2) • More equitable rating of apartments and other multi-unit dwellings, including giving councils the option of rating residential properties on Capital Improved Values, with a view to raising additional revenues where affordable (6.3) 		✔		Lake Macquarie supports these recommendations in-principle as long as councils are able to raise revenue from other sources and increase their income. The suggestion that rating residential properties on Capital Improved Values should remain optional and the final decision-making powers rest with each individual council.
Either replace rate-pegging with a new system of 'rate benchmarking' or streamline current arrangements to remove unwarranted complexity, costs, and constraints to sound financial management (6.5)		✔		Council has a preference for rate benchmarking over rate streamlining.
Subject to any legal constraints, seek to redistribute federal Financial Assistance Grants and some State grants in order to channel additional support to councils and communities with the greatest needs (6.6)		✔		Lake Macquarie, while supporting the proposal in-principle, notes that this would require an agreed rigorous and fair methodology

Recommendation	✘	✓	?	Comments
				proposed to accomplish this and it would not support any model that would undermine Lake Macquarie City Council's financial sustainability.
Establish a State-borrowing facility to encourage local government to make increased use of debt where appropriate by: <ul style="list-style-type: none"> • Reducing the level of interest rates paid by councils • Providing low-cost financial and treasury management advisory services (6.7) 		✓		Lake Macquarie supports this recommendation, however the borrowings period should cover the maximum term life of the asset.
Encourage councils to make increased use of fees and charges and remove restrictions on fees for statutory approvals and inspections, subject to monitoring and benchmarking by IPART (6.8)		✓		Lake Macquarie agrees in moderation, but councils should still maintain a notion of equity.
3. MEETING INFRASTRUCTURE NEEDS				
Factor the need to address infrastructure backlogs into any future rate-pegging or local government cost index (7.1)		✓		Lake Macquarie agrees and that is why we dealt with it via a rigorous IPR/IPART process, so that we are now in a position to deal with it over the coming years.
Maintain the Local Infrastructure Renewal Scheme (LIRS) for at least 5 years, with a focus on councils facing the most severe infrastructure problems (7.2)		✓		Lake Macquarie, while supporting the proposal in principle, disagrees with the short term of the existing loans scheme payback period (10 years). The loans should be normally taken for long life assets >20 – 30 years. Intergenerational

Recommendation	✘	✓	?	Comments
				equity and responsible financial planning is not serviced by limiting the scheme to a 10-year loan period.
<p>Pool a proportion of funds from the roads component of federal Financial Assistance Grants and, if possible, the Roads to Recovery program in order to establish a Strategic Projects Fund for roads and bridges that would:</p> <ul style="list-style-type: none"> • Provide supplementary support for councils facing severe infrastructure backlogs that cannot reasonably be funded from other available sources • Fund regional projects of particular economic, social or environmental value (7.2) 		✓		While Lake Macquarie conceptually agrees with this recommendation, the allocation of funds should be done in a rigorous, transparent and independent manner.
Require councils applying for supplementary support from the Strategic Projects Fund to undergo independent assessments of their asset and financial management performance (7.2)		✓		
Carefully examine any changes to development (infrastructure) contributions to ensure there are no unwarranted impacts on council finances and ratepayers (7.3)		✓		
Adopt a similar model to Queensland's Regional Roads and Transport Groups in order to improve strategic network planning and foster ongoing improvement of asset management expertise in councils (7.4)		✓		Lake Macquarie believes this role can be carried out under the proposed 'Joint Organisations' structure.
Establish Regional Water Alliances as part of new regional Joint Organisations proposed in section 11 (7.5).		n/a		Not applicable
4. IMPROVEMENT, PRODUCTIVITY AND ACCOUNTABILITY				
Adopt a uniform core set of performance indicators for councils, linked to IPR requirements, and ensure ongoing performance monitoring is adequately resourced (8.1)		✓		Lake Macquarie continues to strive to achieve this at all times. This recommendation should encourage Councils to report

Recommendation	✘	✓	?	Comments
				against its own performance, not just benchmarking with other similar councils.
Commission IPART to undertake a whole-of-government review of the regulatory, compliance and reporting burden on councils (8.2)		✓		
Establish a new sector-wide program to promote, capture and disseminate innovation and best practice (8.3)		✓		Lake Macquarie believes the work currently undertaken by the Australian Centre of Excellence for Local Government can be further enhanced to achieve this recommendation.
Amend IPR Guidelines to require councils to incorporate regular service reviews in their Delivery Programs (8.4)		✓		Service reviews should be undertaken as appropriate and not as a simplistic, one-size-fits-all solution.
Strengthen requirements for internal and performance auditing as proposed in Box 17 (8.5)		✓		
Introduce legislative provisions for councils to hold Annual General Meetings (8.6)	✘			Lake Macquarie already does this as part of its annual reporting processes.
Develop a NSW Local Government Workforce Strategy (8.7)			?	More detail is required to understand what this strategy would encompass and mean for local government.
Explore opportunities for the Local Government Award to continue to evolve to address future challenges facing the sector and changing operational needs.			?	

Recommendation	✘	✓	?	Comments
5. POLITICAL LEADERSHIP AND GOOD GOVERNANCE				
<p>Amend the Local Government Act to strengthen political leadership:</p> <ul style="list-style-type: none"> • Require councils to undertake regular 'representation reviews' covering matters such as the number of councillors, method of election and use of wards (9.1) • Before their nomination is accepted, require all potential candidates for election to local government to attend an information session covering the roles and responsibilities of councillors and mayors (9.1) • Amend the legislated role of councillors and mayors as proposed in Boxes 19 and 21, and introduce mandatory professional development programs (9.2 and 9.3) • Provide for full-time mayors, and in some cases deputy mayors, in larger councils and major regional centres (9.3) • Amend the provisions for election of mayors as proposed in Box 22 (9.3) 				<p>While Lake Macquarie agrees in-principle with the majority of recommendations in relation to strengthening political leadership; it does not believe that professional development programs should be mandatory. However, an induction process should be compulsory.</p> <p>There is no evidence to support that a deputy mayor be a full-time job. In relation to this position, Lake Macquarie believes the mayor should not nominate a deputy mayor, rather it should be a decision for the entire governing body.</p> <p>Lake Macquarie would prefer the role of mayor to be full time however we understand that some individuals may be able to carry out the responsibilities while still being</p>

Recommendation	✘	✔	?	Comments
				employed in another capacity.
Increase remuneration for councillors and mayors who successfully complete recognised professional development programs (9.2-9.4)	✘			Lake Macquarie believes this recommendation is fraught – it should be getting the right people for the right job.
Amend the legislated role and standard contract provisions of General Managers as proposed in Boxes 23 and 24		✔		
Amend the provisions for organisation reviews as proposed in section 9.6		✔		
Develop a Good Governance Guide as a basis for 'performance improvement orders' and to provide additional guidance on building effective working relationships between the governing body, councillors, mayors and General Managers	✘			<p>While Lake Macquarie understands that a Good Governance Guide could be effective in some councils, there is no evidence to suggest that private sector boards use the guides with any positive effect.</p> <p>Lake Macquarie enjoys a positive working relationship governing body, councillors, mayors and General Managers.</p>
6. ADVANCE STRUCTURAL REFORM				
Introduce additional options for local government structures, including regional Joint Organisations, 'Rural Councils' and Community Boards, to facilitate a better response to the needs and circumstances of different regions (10.1)		✔		Lake Macquarie is generally supportive however, these structures should provide choices and options not directions. In our

Recommendation	✘	✔	?	Comments
				own experience, corporations have been problematic to set up.
Legislate a revised process for considering potential amalgamations and boundary changes through a re-constituted and more independent Boundaries Commission (10.3)	✘			<p>Suggestions by the ILGR Panel for the amalgamation of Lake Macquarie with Newcastle City Council, and the separation of the Morisset – Wyee Planning District into a future city of the Central Coast are strongly rejected by Lake Macquarie City Council.</p> <p>This stance has been strongly argued in all Lake Macquarie submissions in 2013.</p>
Encourage voluntary mergers of councils through measures to lower barriers and provide professional and financial support (10.4)	✘			<p>Suggestions by the ILGR Panel for the amalgamation of Lake Macquarie with Newcastle City Council, and the separation of the Morisset – Wyee Planning District into a future city of the Central Coast are strongly rejected by Lake Macquarie City Council. This stance has been strongly argued in all Lake Macquarie</p>

Recommendation	✘	✓	?	Comments
				submissions in 2013.
<p>Provide and promote a range of options to maintain local identity and representation in local government areas with large populations and/or diverse localities (10.5)</p>	✘			<p>Suggestions by the ILGR Panel for the amalgamation of Lake Macquarie with Newcastle City Council, and the separation of the Morisset – Wyee Planning District into a future city of the Central Coast are strongly rejected by Lake Macquarie City Council. This stance has been strongly argued in all Lake Macquarie submissions in 2013.</p>
7. REGIONAL JOINT ORGANISATIONS				
<p>Establish new Joint Organisations for each of the regions shown on Maps 2 by means of individual proclamations negotiated under new provisions of the Local Government Act that replace those for County Councils (11.5)</p> <ul style="list-style-type: none"> • Defer establishment of JOs in the Sydney metropolitan region, except for sub-regional strategic planning, pending further consideration of options for council mergers (11.5) • Enter into discussions with 2-3 regions to establish 'pilot' JOs (11.5) • Re-constitute existing County Councils as subsidiaries of new regional Joint Organisations, as indicated in Table 5 (11.2) • Establish Regional Water Alliances in each JO along the lines proposed in the 2009 Armstrong-Gellatly report (11.3) • Set the core functions of Joint Organisations by means of Ministerial Guidelines (11.6) • Seek federal government agreement to 		✓		<p>Lake Macquarie specifically suggests and endorses the recommendation that Hunter Councils be a 'pilot' JO.</p> <p>Further details are required for Lake Macquarie for comment on the JO specific FAGs.</p>

Recommendation	✘	✔	?	Comments
make JOs eligible for general-purpose FAGs (11.6)				
Identify one or more regional centres within each Joint Organisation and: <ul style="list-style-type: none"> • Create a network of those centres to drive development across regional NSW (11.7) • Consider potential mergers of councils to consolidate regional centres, as indicated in Table 6 (11.7) 	✘			
Develop close working partnerships between Joint Organisations and State agencies for strategic planning, infrastructure development and regional service delivery (11.8), and <ul style="list-style-type: none"> • Add representatives of Joint Organisations to State agency Regional Leadership Groups (11.8) • Give particular attention to cross-border issues and relationships in the operations of Joint Organisations and in future regional strategies (11.9) 		✔		Supported by Lake Macquarie as long as JO have legislated power.
8. 'RURAL COUNCILS' AND COMMUNITY BOARDS				
Establish a working party as part of the Ministerial Advisory Group proposed in section 18 to further develop the concept of 'Rural Councils' for inclusion in the re-written Local Government Act (12.1)		n/a		No comment
Include provisions for optional Community Boards in the re-written Act, based on the New Zealand model, but also enabling the setting of a supplementary 'community rate' with the approval of the 'parent' council (12.2)		n/a		No comment
9. METROPOLITAN SYDNEY				
Strengthen arrangements within State government for coordinated metropolitan planning and governance, and to ensure more effective collaboration with local government (13.1)		n/a		No comment

Recommendation	✘	✓	?	Comments
41. Seek evidence-based responses from metropolitan councils to the Panel's proposals for mergers and major boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (13.3)		n/a		No comment
Prioritise assessments of potential changes to the boundaries of the Cities of Sydney and Parramatta, and <ul style="list-style-type: none"> • Retain a separate City of Sydney Act to recognise its Capital City role • Establish State-local City Partnership Committees for Sydney and Parramatta along the lines of Adelaide's Capital City Committee (13.4) 		n/a		No comment
Pending any future action on mergers, establish Joint organisations of councils for the purposes of strategic sub-regional planning (13.5)		n/a		No comment
Maximise utilisation of the available local government revenue base in order to free-up State resources for support to councils in less advantaged areas (13.6)				
Continue to monitor the sustainability and appropriateness in their current form of the Hawkesbury, Blue Mountains and Wollondilly local government areas (13.7)		n/a		No comment
Promote the establishment of a Metropolitan Council of Mayors (13.8)		n/a		No comment
10. HUNTER, CENTRAL COAST AND ILLAWARRA				
Seek evidence-based responses from Hunter and Central Coast councils to the Panel's proposals for mergers and boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (14.1 and 14.2)	✘			Suggestions by the ILGR Panel for the amalgamation of Lake Macquarie with Newcastle City Council, and the separation of the Morisset – Wyee Planning District into a future city of the Central Coast are strongly rejected by Lake Macquarie City Council.

Recommendation	✘	✓	?	Comments
				This stance has been strongly argued in all Lake Macquarie submissions in 2013, but has been ignored by the Panel.
Defer negotiations for the establishment of a Central Coast Joint Organisation pending investigation of a possible merger of Gosford and Wyong councils (14.2)		n/a		No comment
Pursue the establishment of Joint Organisations for the Hunter and Illawarra in accordance with Recommendation 35 (14.1 and 14.3)		✓		Lake Macquarie specifically suggests and endorses the recommendation that Hunter Councils be a 'pilot' JO.
11. NON-METROPOLITAN REGIONS				
Explore options for non-metropolitan councils in Group A as part of establishing the Western Region Authority proposed in section 16 (15.1)		n/a		No comment
Refer councils in Groups B-F to the Boundaries Commission in accordance with Table 11 and the proposed timeline (15.1)		n/a		No comment
Complete updated sustainability assessments and revised long term asset and financial plans for the 38 councils identified in Table 11 by no later than mid-2015 (15.2)		n/a		No comment
12. FAR WEST				
Agree in principle to the establishment of a Far West Regional Authority with the functions proposed in Box 39 and membership as proposed in Figure 9 (16.3)		n/a		No comment
Adopt the preferred new arrangements for local government set out in Box 40 as a basis for further consultation (16.4)		n/a		No comment
Establish a project team and reference group of key stakeholders within the DPC Regional Coordination Program to finalise proposals (16.5)		n/a		No comment

Recommendation	✘	✓	?	Comments
13. STATE-LOCAL GOVERNMENT RELATIONS				
Use the State-Local Agreement as the basis and framework for a range of actions to build a lasting partnership, and negotiate supplementary agreements as appropriate (17.2)		✓		
Introduce new arrangements for collaborative, whole-of-government strategic planning at a regional level (17.3)		✓		
Amend the State Constitution to strengthen recognition of elected local government (17.4)		✓		
Seek advice from LGNSW on the measures it proposes to take to meet its obligations under the State-Local Agreement (17.5)		✓		This recommendation needs cooperation from both LGNSW and State Government, outlining what measures they both propose to take.
Strengthen the focus of DLG on sector development and seek to reduce its workload in regulation and compliance (17.6)		✓		Funds need to be directed to the DLG to focus their role on sector development rather than compliance.
14. DRIVING AND MONITORING REFORM				
Establish a Ministerial Advisory Group and Project Management Office (18.1 and 18.2)		✓		Lake Macquarie is supportive of MAG and PMO if it is driven for the right reasons, i.e. the future financial sustainability of local government in NSW. Lake Macquarie suggests that representatives from <i>Local</i>

Recommendation	✘	✓	?	Comments
				<p><i>Government Managers Australia (LGMA) can assist the MAG. Otherwise, the 50,000 employees in NSW Local Government are not represented.</i></p>
<p>Refer outstanding elements of the Destination 2036 Action Plan to the Ministerial Advisory Group (18.1)</p>		<p>✓</p>		<p>Lake Macquarie suggests that representatives from <i>Local Government Managers Australia (LGMA)</i> can assist the MAG.</p>
<p>Adopt in principle the proposed priority initial implementation package set out in Box 42, as a basis for discussions with LGNSW under the State-Local Government Agreement (18.3)</p>		<p>✓</p>		<p>The composition of the Boundaries Commission should include professionals who have experience and knowledge in local government.</p>
<p>Further develop the proposals for legislative changes detailed in Boxes 43 and 44, and seek to introduce the amendments listed in Box 43 in early 2014 (18.5)</p>	<p>✘</p>			<p>Suggestions by the ILGR Panel for the amalgamation of Lake Macquarie with Newcastle City Council, and the separation of the Morisset – Wyee Planning District into a future city of the Central Coast are strongly rejected by Lake Macquarie City Council.</p> <p>This stance has been strongly argued in all Lake Macquarie submissions in</p>

Recommendation	✘	✔	?	Comments
				2013, but has been ignored by the Panel.
Adopt in principle the proposed implementation timeline (18.6)	✘			Lake Macquarie believes the Panel's timeline needs to be adjusted to allow for adequate community consultation and feedback.

Attachment N – April 2014 addendum to response to ILGRP’s Final Report

**Special Report of the General Manager to Ordinary Council
Meeting
24 March 2014**

**Consultation Report in response to ILGR Final Report - Revitalising
Local Government**

Council Ref: F2012/00045 - D06923822
Report By: General Manager - Brian Bell

Précis:

This submission is an addendum to the previous submission provided by Lake Macquarie City Council in response to the Independent Local Government Review (ILGR) Panel's final report – *Revitalising Local Government*.

As requested by the Panel, submissions are to be evidence-based. Over the last two months, Council has undertaken a dedicated consultation program with the residents of southern Lake Macquarie, the results of which are outlined in Attachment 1.

Recommendation:

Council endorse the range of matters and feedback contained in Attachment 1, along with feedback from the community workshop to be held on March 27, into a formal submission responding to the Independent Local Government Review (ILGR) Panel's final report – *Revitalising Local Government*.

General Manager - Brian Bell

Attachments:

1. Lake Macquarie City Council Consultation Report to the ILGR Panel

Lake Macquarie City Council Consultation Report

April 2014



**Revitalising Local Government
Final Report Of The NSW Independent
Local Government Review Panel**

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Executive summary

This submission is an addendum to the previous submission provided by Lake Macquarie City Council in response to the Independent Local Government Review Panel's final report – *Revitalising Local Government*.

There are a number of the ILGR Panel's recommendations that are not supported by Lake Macquarie City Council. The most significant of these relate to suggested amalgamations and City boundary adjustments. There is a better and simpler way forward that offers all of the proposed benefits put by the ILGR Panel without the hugely divisive, extremely costly amalgamations program put forward by the ILGR Panel.

As requested by the Panel, submissions are to be evidence-based. Over the last two months, Council has undertaken a dedicated consultation program with the residents of southern Lake Macquarie, the results of which are outlined in the following report.

What continues to be alarming are the options put forward by the Panel to amalgamate Lake Macquarie and Newcastle councils and to move Morisset and Wyee into either Wyong Council or a new a Central Coast Council. It is alarming because these are options put by the ILGR Panel despite strong evidence to the contrary, provided in previous submissions by Lake Macquarie City Council.

The simple fact is that the proposed southern boundary changes and amalgamation of Lake Macquarie and Newcastle city councils is not necessary, and would be detrimental to the community. Lake Macquarie is a significant city in its own right; a City whose 200,000 residents identify themselves with an impressive lake and who, regardless of whether they live in a town, village or coastal suburb, north, south, east or west of our lake, associate their neighbourhood, their lifestyle and their sense of identity as being intrinsically linked to Lake Macquarie.

Lake Macquarie City Council is performing strongly and is well placed to provide good-quality daily services that all our residents expect and rely on. As stated whenever Council has been asked to make a submission, Lake Macquarie Council meets the requirements for a sustainable and efficient council with effective strategic capacity to lead the City and enhance the lifestyle and liveability of our communities through high-quality governance and first-rate service delivery.

1. Boundary adjustments between Lake Macquarie City Council and Wyong Shire Council

The “option” put by the ILGR Panel that the southern area of Lake Macquarie around Morisset – Wyee be added to Wyong Shire or a new Central Coast Council, is not in the interest of the 20,000 residents in that area.

The option is rejected by Lake Macquarie City Council.

While it is not specified what constitutes the proposed subject area, it is assumed to include postcodes 2259, 2264 and 2265, inclusive of Wyee, Morisset, Bonnells Bay, Dora Creek and Cooranbong localities. This area currently has 8700 rateable properties and 19,000 residents – which is approximately 9 per cent of the total Lake Macquarie population.

1.1 Petition

In mid-February, Council developed a petition at change.org for residents to sign in support of Council's position on the recommendations of amalgamation and southern boundary changes to

Reject the proposal to amalgamate Lake Macquarie City Council and Newcastle City Council. Reject the proposed boundary changes of adding Morisset – Wyee area to Wyong or a new Central Coast council.

Paper copies of the petition have been placed at all City library branches, Council's Administration Centre and at the Wyee Mini Market.

As of Thursday 20 March, the petition has more than 1163 signatures.

Attachment 1: Lake Macquarie City Council petition

1.1 Letterbox drop – February 2014

Council engaged Australia Post to deliver unaddressed mail on Monday 24 February to 11,000 residents in the following suburbs: Balcoly; Bonnells Bay; Brightwaters; Cooranbong; Dora Creek; Eraring; Mandalong; Martinsville; Mirrabooka; Morisset; Morisset Park; Myuna Bay; Silverwater; Sunshine; Windermere Park; Wyee; Wyee Point; and Yarrawonga Park, inviting them to the community meeting.

Attachment 2: The letter from Lake Macquarie Mayor, Cr Jodie Harrison inviting residents to the community meeting

1.2 Community meeting – February 2014

Lake Macquarie Mayor, Cr Jodie Harrison, and fellow Councillors hosted a community meeting on Thursday 27 February at the Wyee Community Hall to discuss why the proposed boundary change option in the Morisset – Wyee area is not necessary, and would be detrimental to the community.

Over 300 community members attended the event, where a resolution was passed:

"The meeting endorses the actions of Lake Macquarie City Council to date, and calls on the Minister of Local Government to consider the responses of the community in regard to boundary changes and amalgamation of councils."

Moved: Fred Lawrence
Seconded: Harwood Lockton

At the community meeting, attendees were asked "What impact do you think the boundary changes may have on you?"

More than 250 responses were collected and collated into twelve key themes:

1. Financial management
2. Provision of water and sewer
3. Airport and lack of consultation on airport
4. Rates and land values
5. A sense of place
6. Services
7. Catchment and environment
8. Development
9. Education
10. Health
11. Transport
12. General comments and questions

Community feedback received within these themes include:

- We do not want Morisset to go with Wyong. Lake Macquarie are good financial managers.
- Funding from Wyong will be limited compared to Lake Macquarie successful record.
- Lake Macquarie has a much higher level of effective financial management than Wyong.
- Just because Wyong says they will put in sewerage doesn't mean they will.
- The identity of Lake Macquarie should not be diminished by splitting the local government district.
- We lived for 20 years in Wyong Shire before moving to Lake Macquarie in 1999. No way do I want to go back to Wyong Shire.
- We have a top performing Council why would we go for less.

- We live in Lake Macquarie! We are supported by Lake Macquarie City Council! Our “villages” are well cared for and we should retain catchment boundary.
- It is important that the Lake Macquarie catchment stay in Lake Macquarie.
- Our main concern is that the integrity of the management of the lake will be compromised. The lakes in Wyong shire are not in a good condition compared to Lake Macquarie.
- Loss of environmental management for the Lake between various councils – the lake would be best managed entirely by one council.
- Ecological Sustainable Development is a key driver in Lake Macquarie planning – Wyong does not put as high value on its environment.
- One catchment area please. Wyee/Morriset to stay in Lake Macquarie.
- Leave us as we are happy with Lake Macquarie. Been residents all our lives, 84 years.

Attachment 3: Presentation from the community meeting

Attachment 4: Summary of the feedback received at the community meeting

1.3 Media and news stories

Over the last two months, Council has issued a number of media releases, posted on its social media accounts and provided interviews and information to a variety of media outlets to publicise the community meeting, the petition and Council’s submission.

Attachment 5: Media stories resulting from Council-issued media releases

1.4 Letterbox drop – March 2014

On Wednesday 19 and Thursday 20 March, Council staff delivered an invitation to Wyee and Wyee Point residents inviting them to another community workshop.

Attachment 6: Copy of the letter from Lake Macquarie Mayor, Cr Jodie Harrison inviting residents to the community workshop.

1.5 Survey results

1.5.1 Lake Macquarie City Council Boundary Survey 2014

In early March, Council engaged Micromex to conduct a phone survey of 400 residents (25 per cent of possible households) in Morisset, Wyee and Wyee Point to seek their views on the Panel’s recommendation.

With the population area of the two areas, a sample size of 200 household in each provides a maximum sampling error of approximately +/-6.9% at 95% confidence in each area.

Eighty five per cent of Morisset residents and 69 per cent of Wyee and Wyee Point residents would prefer to remain in Lake Macquarie City Council.

Attachment 7: Copy of the Lake Macquarie City Council Boundary Survey questions

Attachment 8: Report from the Lake Macquarie City Council Boundary Survey

1.5.2 Lake Macquarie City Council Community Survey 2012

Using data from Council's Community Survey 2012, the residents' satisfaction with Council services in the south-west of the City is high and no different to that found elsewhere in the City. Ninety-two per cent of residents surveyed in the 2264 postcode area (southwest of Lake Macquarie) were either highly satisfied, satisfied or neutral about Council's performance across all responsibility areas, with six per cent dissatisfied and one per cent very dissatisfied, which was the same as for all respondents across the LGA.

Overall, for the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas?		
	SW LGA (%)	All LGA (%)
Very satisfied	6	9
Satisfied	58	63
Neither	28	20
Dissatisfied	6	6
Very dissatisfied	1	2
Total	100	100

Lake Macquarie has a sustained record of achieving high residents' satisfaction with its service delivery in all areas of the City.

1.6 Community workshop – March 2014

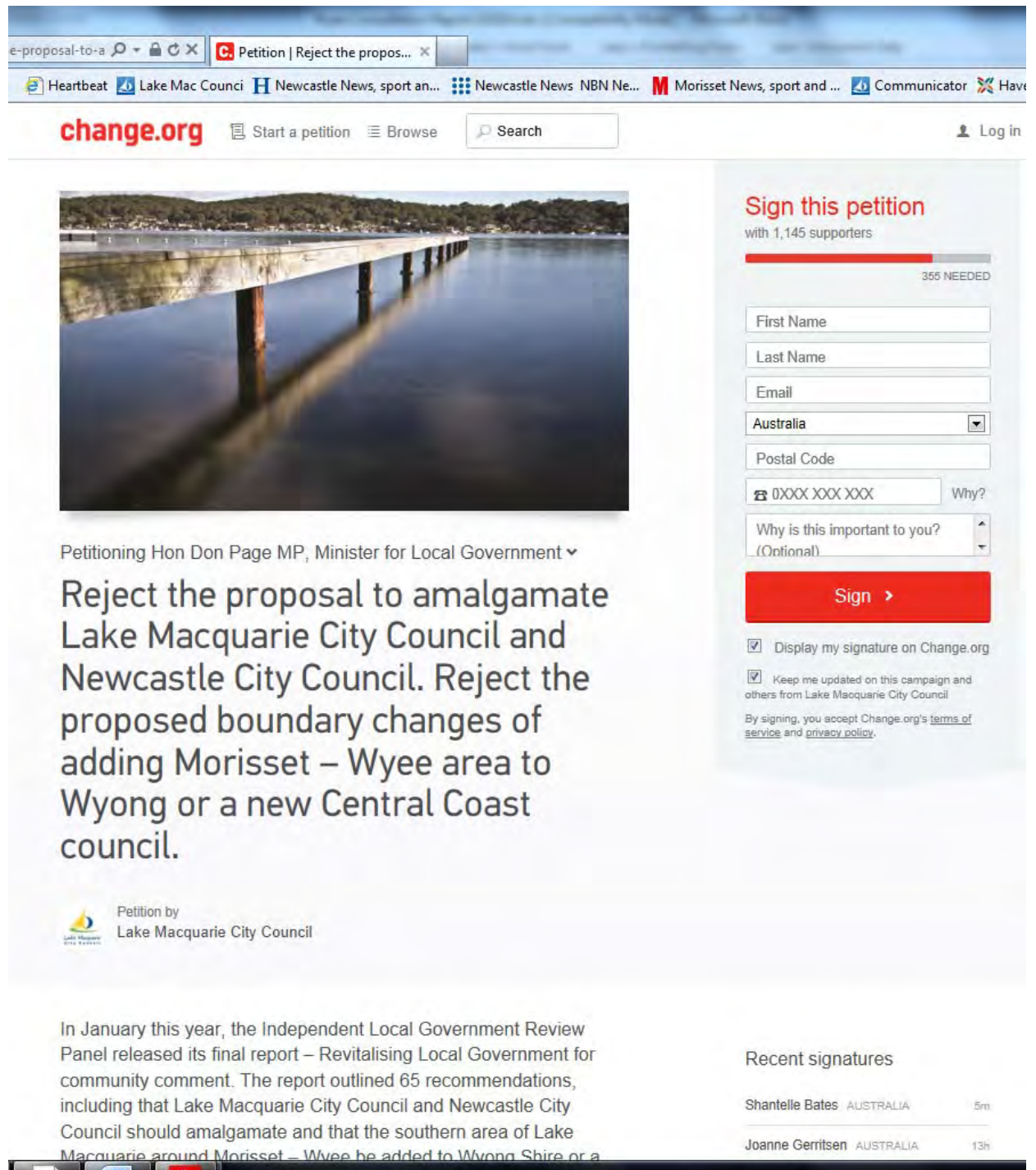
Lake Macquarie Mayor, Cr Jodie Harrison, and fellow Councillors will host a community workshop on Thursday 27 March at the Wyee Community Hall to discuss why proposed boundary changes in the Morisset – Wyee area is not necessary, and would be detrimental to the community.

Upon completion of the workshop, feedback will be reviewed and collated for inclusion into this report.


Conclusion

There has been an overwhelming response of support to Lake Macquarie City Council's position on local government reform. Put simply, the proposed southern boundary changes are not necessary, and would be detrimental to the community – and there is vast evidence to prove it.

Attachment 1: Lake Macquarie City Council petition



change.org Start a petition Browse Search Log in



Sign this petition
with 1,145 supporters
355 NEEDED

First Name
Last Name
Email
Australia
Postal Code
0XXX XXX XXX Why?
Why is this important to you? (Optional)

Sign >

Display my signature on Change.org
 Keep me updated on this campaign and others from Lake Macquarie City Council
By signing, you accept Change.org's [terms of service](#) and [privacy policy](#).

Petitioning Hon Don Page MP, Minister for Local Government

Reject the proposal to amalgamate Lake Macquarie City Council and Newcastle City Council. Reject the proposed boundary changes of adding Morisset – Wyee area to Wyong or a new Central Coast council.

Petition by Lake Macquarie City Council

In January this year, the Independent Local Government Review Panel released its final report – Revitalising Local Government for community comment. The report outlined 65 recommendations, including that Lake Macquarie City Council and Newcastle City Council should amalgamate and that the southern area of Lake Macquarie around Morisset – Wyee be added to Wyong Shire or a

Recent signatures

Shantelle Bates	AUSTRALIA	5m
Joanne Gerritsen	AUSTRALIA	13h

Attachment 2: The letter from Lake Macquarie Mayor, Cr Jodie Harrison inviting residents to the community meeting



From the Office of

Her Worship the Mayor of the City of Lake Macquarie, Councillor Jodie Harrison



21 February 2014

Dear Resident

Invitation to community meeting to reject boundary changes in southern Lake Macquarie

As you may be aware, over the last 12 months, the NSW Government has engaged an Independent Local Government Review Panel to investigate the future of the local government sector.

In January this year, the Panel released its final report – *Revitalising Local Government* for community comment. The report outlined 65 recommendations, including that the southern area of Lake Macquarie around Morisset – Wyee be added to Wyong Shire or a new Central Coast council. **Lake Macquarie City Council strongly rejects this recommendation.**

Lake Macquarie City Council is performing strongly and we are well placed to provide good quality daily services that our southern Lake Macquarie residents expect and rely on.

As we stated in our submission to the Panel before they released their findings, we believe we meet the requirements for a sustainable and efficient council. For several years, Lake Macquarie has been improving our efficiency and working towards financial sustainability, and our efforts and achievements have been recognised by IPART and NSW Treasury Corporation.

Please join me and fellow Lake Macquarie councillors at a community meeting to discuss why proposed boundary changes in the Morisset – Wyee area is not feasible, not necessary, and would be detrimental to the community. I'd welcome your involvement, however should you be unavailable to attend the community meeting, please take the time to sign our petition at www.change.org/en-AU.

When: Thursday 27 February 2014

Where: Wyee Community Hall, 114 Wyee Road, Wyee

Time: 5.45pm for a 6pm start

RSVP for catering purposes to kwalsh@lakemac.nsw.gov.au or 4921 0223 by Tuesday 25 February.

To read Council's previous submission or the reports released by the Independent Local Government Review Panel visit www.lakemac.com.au.

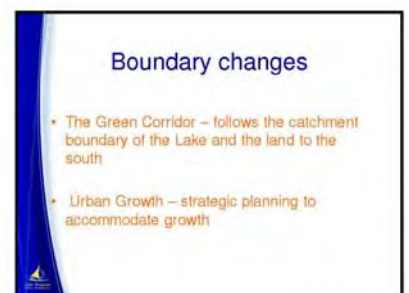
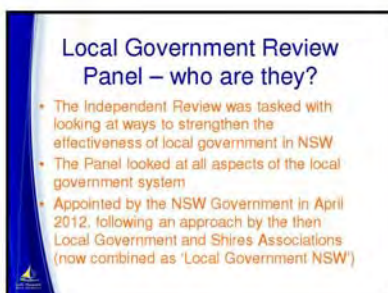
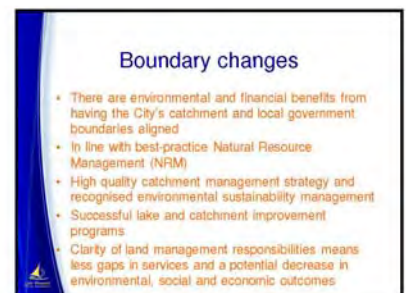
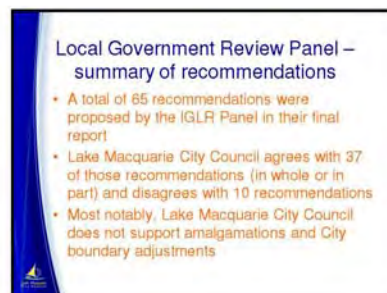
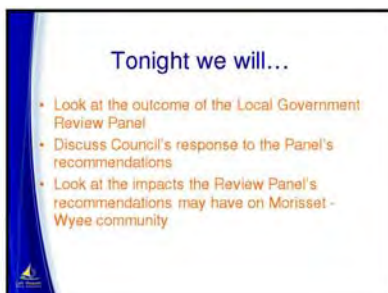
Yours sincerely



Councillor Jodie Harrison
Mayor

P: 02 4921 0223 A: 126 -138 Main Road, Speers Point NSW 2284 Box 1906, Hunter Region Mail Centre NSW 2310

Attachment 3: Presentation from the community meeting

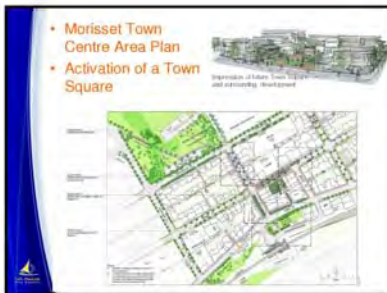




Current and upcoming works

- Construction is currently underway at Bernie Goodwin Oval to reconstruct the access road and car park, at a cost of \$576,000
- Upgrading of floodlighting at Bernie Goodwin Oval is scheduled to commence in March 2014 at a cost of \$465,000
- Design work is progressing at Bonnells Bay neighbourhood centre for an upgraded playground, with construction scheduled by the end of 2014

Introduce Member for Lake Macquarie, Greg Piper MP



- Morisset Town Centre Area Plan
- Activation of a Town Square

Current and upcoming works

- Morisset streetscape master plan and town centre hub
- Proposed \$3 million upgrade to Wye Road and Rutleys Road intersection
- Sunshine Park, Sunshine Jetty
- Morisset Swim Centre replacement works
- Morisset Memorial Hall
- Morisset to Cooranbong cycleway extension
- Morisset to Sunshine cycleway extension

Where to from here?

- By February 2014: Government to determine its response to panel report
- Mid 2014: Councils to seek community feedback on Panel's proposal for boundary changes
- During 2015: Government to determine further action in Hunter region, including any referrals to Boundaries Commission
- By 2021: Boundaries Commission to complete review

Recent works

- Construction of the Bernie Goodwin Oval amenities has been completed at a cost of \$1.05 million
- Construction of new netball facilities with floodlighting has been completed at Bonnells Bay at a cost of \$421,000
- Construction of cricket practise nets at Douglass Street Dora creek has been completed at a cost of \$57,000

Current and upcoming works

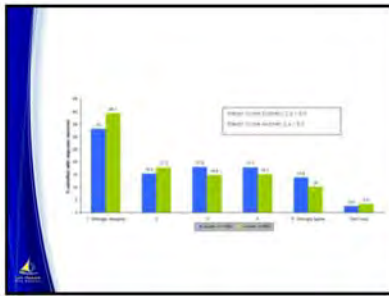
- Design work has commenced to provide a new amenities building, floodlighting and car parking area at Auston Oval Morisset, with construction scheduled to be undertaken during the 2014/15 financial year.
- Upgrading of the neighbourhood playground at Bernie Goodwin Oval is scheduled for design in 2014/15 with construction to follow in 2015/16.

Where to from here?

We have set up a petition

www.change.org

> Search Lake Macquarie



For more information and to sign the petition

www.lcmcc.nsw.gov.au > Search Lake Macquarie

What we've heard so far

'Keep Morisset and Wyee in Lake Macquarie'

'The postcodes for peninsula of suburbs such as Morisset Park and Bonnells Bay are the same as Morisset. It does not seem intuitive to move the peninsula suburbs that are located on Lake Macquarie away from the council of Lake Macquarie.'

'I have moved here from Brisbane (originally Sydney) and believe that this is not in the interests of the local communities.'

'I live on Lake Macquarie how can we be under any other council.'



Activity

At your tables:

1. What impact do you think the boundary changes may have on you?
2. Do you still have any questions about the proposed recommendations and Council's position?
3. Select a representative from your table to give a brief outline of the main issues arising in your discussion

Attachment 4: Summary of the feedback received at the community meeting

Meeting participants were asked to consider and discuss how any boundary changes may impact upon them.

Collated results have been grouped by themes.

Financial management

We do not want Morisset to go with Wyong. Lake Macquarie are good financial managers. Disadvantaged if we go with Wyong

Why would you want to go to another Council that has less money?

Also I am concerned that the financial state of Lake Macquarie City Council, currently very healthy, will be jeopardised by the financial difficulties that exist in Newcastle City Council

Shift from a well-run council to a poorly run and opportunistic council – economic management

How much finances have they got? I think changing boundaries is a bad idea and detrimental to Lake Macquarie people – listen to the people

Cooranbong/Morisset would move from a Council that is well run (Lake Macquarie) to one that is poorly run

Lake Macquarie has a much higher level of effective financial management than Wyong

What is Wyong Council's current debt?

Higher rates

Funding from Wyong will be limited compared to Lake Mac successful record

Two really poorly run councils [Wyong and Newcastle] want to gobble up a well-run council and benefit from its assets, finance

54 Years in Wyong Shire, 13 years in Lake Macquarie Council – in our opinion moving into Wyong shire would be a backward step in services and financially a huge backward step – no thanks

Wyong Council is not in the interest of residents of Wyee, they are not a Council I would live under their rates are too high and the whole thing is ridiculous we live on Lake Macquarie not the Central Coast

Why do we the people of Lake Macquarie Council want to have the hidden financial problems of Newcastle Council handed to us through amalgamation.

How much revenue will Lake Macquarie lose to Wyong?

Why would anyone want to go to another Council that have less money? We are on the outskirts, so it takes longer for things to be done

Wyong's financial position is not good

Wyong Council financial position is not good!

Do Wyong and Newcastle only need our money

Rates paid by Wyee and Morisset people are unlikely to be spent in these areas on upkeep of the lake

Wyong Council is just looking for a cash cow to fund their poor management of Wyong Council

Wyong has no money for roads. How will they fund proposals out of thin air?

We don't like Wyong Council or its management

Provision of water and sewer

A boundary change Wyong – No, Wyong have water restrictions we will have less services if we join Wyong

Morisset has had sewerage for years, why has Wyee been ignored?

Water restrictions is a worry if we are under Wyong

Water restrictions - beware of Wyong and Gosford. For many years, Wyong and Gosford have had Level 3 or Level 4 restrictions while Lake Macquarie and Hunter Region have had none or very minor

If Morisset and Wyee were moved into Wyong/Gosford Council areas, we would certainly have the Wyong water restrictions applied to us

Can you imagine the north border suburbs of Wyong being free to less water while all other parts of the same council are kept or quite severe restrictions

Wyong hasn't got an abundance of water it uses ours

If Wyee has to come under the Wyong Council area, how long would it be before the sewer would be put on?

Water restrictions

My experience on water committees one sort or another left me with the belief that Wyong/Gosford water management was flawed and inadequate to cope with future planning requirements. And that Gosford/Wyong councils were taken up with internal political competition to be able to stand back and sensibly assess their council programs and effectiveness I do not want Lake Macquarie City Council amalgamated with Wyong or Newcastle

Just because Wyong says they will put in sewage doesn't mean they will

Definitely need sewer at Wyee

If the boundaries are changed will Wyee have water restrictions and will it have to pay a fee Mardi Pipeline

We don't think Wyong Council is capable of carrying out sewerage at Wyee. But Lake Macquarie Council needs to do this and as a priority

Water restrictions would be imposed as they are in Wyong

Will Wyong Council give Wyee sewer quickly and efficiently

Water rates higher in Wyong

We will wait longer for sewerage in town

Wyee might get water restrictions

Don't want Wyong water. Would Hunter Water concede area to Wyong, along with sewer?

Would there be water restrictions when in Wyong Council from Morisset?

Water restrictions will be under Wyong and not be in our interest

Wyong can't use water on driveways or paths, only water before 10am and late in afternoon.

Change of priorities (sewer)

Want Hunter Water in Wyee

If we move where does the water come from for the sewerage?

We have never been on water restrictions

Water tastes awful too much chlorine

This idea has arisen before. Wyong Treatment Works couldn't cope with more homes, so why now?

What is Wyong's motive for change, what is their so called sewerage proposal going to cost us?

Airport/lack of consultation regarding airport

Wyong are trying to get an airport without consultation with Lake Macquarie. We do not want an airport. Definitely not if it is forced on us

Impact of airport on residents

If Lake Macquarie Council amalgamates will an airport mean a flight path over Lake Macquarie

Concern airport

Wyong only wants Wyee for a [proposed] airport and nothing else will be done. I have had three properties in Wyong Shire both residential and commercial and the best thing I did was leave

Airport – Wyee. It will be a sad day if we were under Wyong Council

Grandiose proposals e.g. airport, theme park for Chinese tourists are a feature of Wyong Council's planning

Wyong will place airport at Wyee due to being at the end of the boundary

No airport at Wyee

Main concern about airport – more consultation please?

Wyong is proposing airport – what about Morisset/Wyee in the flight path – when will they be considered – no change

Does Wyong only want the boundary change to access the land for airport?

No airport at Wyee, fix Wyee Point up!

Wyee would get airport and racetrack – are these wanted?

Airport...No thanks!

Aircraft Noise

We live at Wyee why should we have an airport next door to us

Don't want airport

No airport

Wyong only wants us because of Airport, Race Track, Wallarah 2 Coal Mine

Rates and land values

Wyong are trying to get more rates, not on, we do not want it

Rates in Wyong are much higher than Lake Macquarie Council

Land values would go down if we are under Wyong

Concerns are WSC will take our rates but neglect our area

Insurance costs are higher in Wyong

We want 50 per cent discount on rates if you pay early

Rates would rise for areas moved to Wyong – what are the implications?

If changing to another council, would rates go up?

Higher rates at Wyong

Our rates could be increased

Residents need to be aware Wyong rates are dearer

A sense of place

Morisset and Wyee Areas need to be part of Lake Macquarie as that is where it is

Loss of regional identity – social management.

Changing to Wyong would not improve Wyee's lot we are a community with a long history of being part of Lake Macquarie

The identity of Lake Macquarie should not be diminished by splitting the local government district

We live on Lake Macquarie so we should be under Lake Macquarie Council

All the villages are situated around Lake Macquarie

We are not around Tuggerah lakes or Brisbane Waters. Why should we be made to go to another Council. It's detrimental

We live within sight of Lake Macquarie. What sense does it then make to have us under the jurisdiction of any other council than Lake Macquarie City Council?

We bought our house at Wyee Point only for being under the Lake Macquarie Council

We lived for 20 years in Wyong Shire before moving to Lake Macquarie in 1999. No way do I want to go back to Wyong Shire

I live 100yards from the Lake at Brightwaters why do I need Wyong Council at all

Historical and cultural attachment to Hunter Region especially bounded by natural water catchment area. Morisset area part of emotional country of Lake Mac?
Aboriginal Boundaries?

Have no attachment to Wyong or Central Coast – it is another country!

Lack of common interests of those in Lake Macquarie and those in Wyong/Gosford

Morisset and surrounds is known as the nurturing community part of the Lake Macquarie don't cut out Lake Macquarie City Council's heart.

Morisset is on Lake Macquarie and is a hub of whole region

Morisset and Wyee are on Lake Macquarie so how can it identify with Wyong?
Historically aligned with Lake Macquarie

We are on Lake Macquarie and I think we should be under Lake Macquarie Council

Amalgamation leads to loss of identity

As a resident of Cooranbong, we totally disagree with boundary change to Morisset/Wyee. We are residents of Lake Macquarie not Wyong and are satisfied with Lake Macquarie City Council

We live and purchased out properties in Lake Macquarie not to live in Wyong

Our hall is Lake Macquarie's, our fire station is Lake Macquarie's, our cemetery is Lake Macquarie's, our library is Lake Macquarie's, our water comes from Hunter Water

Services

We are on outskirts, so it takes longer to get anything done. If we went to them, we are on the end of their list. Lake Macquarie City Council is finally doing some things now.

We have a top performing Council why would we go for less (Morisset)

Lake Macquarie City Council has been excellent over the last 15 years, vastly superior to Wyong Shire Council

We live in Lake Macquarie! We are supported by Lake Macquarie City Council! Our "villages" are well cared for and we should retain catchment boundary. So why take it away from us and give it to Newcastle Council who can't look after their own area

Fixing Rutley's Road too many deaths

At present Morisset/Wyee is the forgotten end of the city. e.g. No Seniors week activities south of Toronto. Would Wyee/Morisset become the forgotten northern end of a Central Coast Council?

Length of time for development applications Wyong v Lake Macquarie

Re: amalgamation with Newcastle City Council. My concern is that the Morisset and

Wyee area will be even more of an “outpost” than it currently is, with greater neglect an poorer resource allocation

Bought a house at Wyee Point because we were under Lake Macquarie & the services are great

I think we are forgotten now that Wyong wants us. We are getting told how good LMCC is. Not what they personally are doing for Wyee. We have very little in money spent on us i.e. sporting, footpaths, sewerage is a joke. This is the 21st Century

Moves to the Wyong Council area would mean long-term loss of essential funds to maintain infrastructure and services. Part of Wyong Shire are inaccessible by public transport. We don't want that same lack of services affecting our area

Less services

Less support for community groups

Maybe we will no longer be ignored by Council. – You had a list of projects on the screen and out of all the projects Wyee was mentioned once

We need a footpath along Wyee Road, we need a lift at the station. We don't need all the fees you charge

Fix roads

No deaths on Rutleys Road

Emergency Services

Lights on the park at Wyee Point

There are lot of areas in Wyong that need fixing. Just look at the Wyong main street

Why are all the back lanes in Redhead tarred and signposted when the people in Wyee live with dirt roads and pot holes

Wyong Council too many pipe dreams

Need better paths on Wyee Road and kerb and guttering at Wyee Road for safety of pedestrians

Need a lift at Wyee railway for seniors

We have lived in Wyong Shire, also Cessnock and now in Lake Macquarie and Lake Macquarie is the best in the amenities provided and the benefits to all residents also all areas around the Lake Macquarie Catchment area should be under the umbrella of Lake Macquarie

The services we feel won't be as good. If any example of Wyong Shire as it is now

The peninsula would be totally neglected

Will Wyong Council give Wyee better and safer pedestrian access for Wyee Road

Will Wyong Council give us better facilities to lifts at railway station

Finally Morisset has some infrastructure planning, now we are being given to Wyong who will give us what? The new kid on the block will go to the bottom of the wish list

We will lose council services if we go to Wyong LGA

Why change after getting good services?

We have very good services. Would we get the same services with Wyong?

I reject the proposed amalgamation of Lake Macquarie City Council with Wyong Council or a mega Central Coast Council. Lake Macquarie is performing well and provides excellent services to Morisset peninsula. Why try to fix something that is not broken?

Kerb and guttering on Wyee Rd

Footpaths

Lift for Wyee Station

Wyong doesn't have the funds to even take care of its [bad] roads, so who then is taking care of our lake and it's surrounds if Lake Macquarie Council gets sucked into Newcastle and the residents of the Lake get sucked into Wyong? We live on the Lake to be part of the Lake Mac community. If we wanted to be part of the Wyong community, I'd move to Wyong

Roads are in reasonable condition in Lake Macquarie

Better services in Lake Macquarie

Playground for kids

Wyong CBD is a disgrace! Nothing much changed in 50 Years

In a recent newspaper clipping Wyong Council stated not enough funds to upgrade roads in their area. How do they propose to pay for sewerage to Wyee, so what about our roads as well

Catchment and environment

It's important that the Lake Macquarie catchment stays in Lake Macquarie

Whole of Lake Macquarie catchment should be in the same local government area

The boundary should include the whole of Lake Macquarie's catchment area, it makes sense

The only change to any boundaries that I would accept is Lake Macquarie must include all the catchment area to ensure a clean lake is kept clean

Re adjusting boundaries to move to south part of Lake Macquarie City Council area to Wyong. Our main concern is that the integrity of the management of the lake will be compromised. The lakes in Wyong shire are not in a good condition compared to Lake Macquarie

Shift from an environmentally sensitive council to an environmental cowboy council

Loss of environmental management for the Lake between various councils – the lake would be best managed entirely by one council

Ecological Sustainable Development is a key driver in Lake Macquarie planning – Wyong does not put as high value on its environment

The management plan for *Tetratheca Junecia* is now policy in Lake Macquarie.

<p>Wyong has no such plan. Little value is placed on the environment in Wyong compared with Lake Macquarie City Council</p> <p>The sustainability/environmental management, future of the Lake Macquarie catchment has been seriously compromised by the allocation of the SE area to Wyong Council area</p> <p>Wyong has not improved its lakes or waterways</p> <p>One catchment area please. Wyee/Morriset to stay in Lake Macquarie</p> <p>All of Lake Macquarie's water catchment should be in Lake Macquarie Council Area</p> <p>To keep Lake Macquarie clean, the boundary must include the entire catchment areas</p> <p>Lake health would be neglected</p> <p>Lake Macquarie City Council is really big on sustainability and that's what it is all about</p> <p>Keep the lake community as a single council</p> <p>Whole of lake one council</p> <p>I believe that amalgamating Morriset (and one can only assume its surrounding areas, such as Bonnells Bay/Mirrabooka/Sunshine/Brightwaters, etc) is not in the best interests of its people. Lake Macquarie City Council is a Council focussed on the lake, the sustainability of the lake and its surrounding environments. We live by the lake – so how can we be managed by those whose interests aren't the Lake and its surrounding area?</p>
<p>Development</p>
<p>Wyong puts undue emphasis on development at any cost.</p> <p>Communities operate by trusting their consenting authorities to do the right thing by their ratepayers. Why does Lake Macquarie City Council have a policy of not advising neighbours of any complying development even on a floodplain where risks are high. Wyong Council advises their Ratepayers of DA's for swimming pools, sheds etc but not homes why does Lake Macquarie not advise of any DA's. We are told to go to your website and check on our neighbours. What if I don't have internet or knowledge of computers. There is a large retired elderly consistency in the Lake Macquarie area and this is unfair</p> <p>No houses in Wyee Point</p> <p>Building codes/regulations/zones</p> <p>Is it because the subdivision of 700 home sites is going ahead? More revenue</p>
<p>Health</p>
<p>Medical specialist locals – working in geographical area</p> <p>Changes to access to medical services</p>
<p>Transport</p>
<p>Community transport system</p>

General comments and questions

Lake Macquarie has been truthful

If Wyee want to go to Wyong let them and leave Morisset where it is (on the Lake)

The old saying if it isn't broken don't change it

Leave Morisset – Wyee the way it has been since 1906

Housing Commission

No need to change boundaries as there are no benefits

Is Cooranbong included in the term 'Morisset & Wyee' in the discussion regarding boundary changes?

No amalgamation with Newcastle ever. Very happy with Morisset proposals as they are

No amalgamation with Newcastle, love things the way they are

No difference we at Wyee are at the very far end of the boundary

Leave us as we are happy with Lake Macquarie. Been resident all our lives, 84 years

10 years ago Wyee voted to not secede to Wyong Shire. Does this legal vote still hold good?

Question – Would the boundaries commission recognise that Wyee and Morisset are in different situations and whilst Wyee might wish to move, Morisset does not? Or is it an all-in or nothing case?

Don't trust Wyong Council feel that have a hidden agenda

If ain't broke why fix it?

If boundary changes we will be worse off than now

No to any amalgamation. Wyee has been in Lake Macquarie area – it is not broken so don't try to fix it.

Wyong wants to grab our assets

What is Morisset area going to lose?

What is happening with Morisset bypass?

Stop parking on Dora Street (main shopping area)

Will we have a say in regard to boundary changes – such as a referendum or is government going to make the decision for us and impose a situation we do not want?

Why is Doyalson and up to Swansea still in Wyong area?

Wyee – further from town centre if Gosford/Wyong Council join

How can Wyong make Lake Macquarie better?

Wyee and Morisset will be worse off

Remoteness of Wyong/Gosford from the lake

All communities which surround Lake Macquarie should be in the same Council (i.e. Lake Macquarie)

Leave the boundaries alone!

Either Council. Wyee is still on the fringe. I understand Wyee feels like they're the poor relation in Lake Mac Area. Telephone prefix is "43" not "49". They have been waiting a long time for things to happen

I don't understand why people who live at Morisset or lake area would come under Wyong Council, not Lake Macquarie. Amalgamations or giant councils don't work, ask south Sydney residents

Leave us alone

Why nobble a winning racehorse

Can't win from any change – still at far end of the council area

We've heard the arguments against the proposed boundary changes! What are the arguments in favour?

Thank you Mayor for paying off our 30 million dollar debt in 23 years and for approving the most DA's in the State, third behind Sydney City Council and Blacktown Council. Why is council allowing 7000 homes to be built in a high-risk flash flood catchment area? Don't you know that there are people and homes on the Dora Creek flood plain? When are you going to address the flooding issues at Dora Creek? And tell us the truth about what cause flooding around the lake. It's not 'sea level rise' it's lakeside development.

Is Cooranbong involved?

Access to Police services

If it's not broken don't change!

No mine

No noise from racetrack = cars

Move boundary to Sparks Road

No good reason

Part of Lake Macquarie and part of community did live in Wyong and it was not as good

Are we going to be another San Remo?

Boundary change should be all towns returned to Lake Macquarie Council

This meeting should be Wyee people voting about moving or not moving to Wyong Shire, not people from Morisset and Bonnells Bay.

Lake Macquarie has promised for twenty-five years, as I have been a resident.

We don't want borders changed

We would have to change our business stationary

Wyee has our own Council special number: ie 4357 1999

I live on the border of Wyong and Lake Macquarie, my road is graded by Lake Macquarie

We need a Police station manned at Morisset not Toronto

We love Lake Macquarie and want to stay with it.

Don't want to amalgamate with Wyong or Newcastle Council

It has never worked in Sydney, Manly and Warringah and now also Pittwater Council

No airport, no coal mine, Wallarah 2, no race tracks no sewage, no water rates. We are on tank and dam water, no Chinese theme park at Wyee.

As to the idea Tuggerah is Wyee's regional shopping centre, what a load of rubbish. Bad to park. What about Morisset, which has most facilities nearer, is closer, Lake Haven or Toukley which a lot of people prefer to go to

A lot of older residents who don't like crowds do their shopping at Wyee shopping centre.

Attachment 5: Media stories resulting from Council-issued media releases

Town tests borders



WYEE NOT: Scott Faber, of Wye Country Meats, expects the meeting to generate some strong opinions.

Pictures: Dean Osland

Council moves to protect its boundary

By DAMON CRONSHAW

LAKE Macquarie City Council is making moves to defend its territory and stop the Morisset district from being hived off to a Central Coast council.

Mayor Jodie Harrison has written to residents in the area, urging them to attend a meeting at Wye tonight to discuss the matter.

"Lake Macquarie council is performing strongly and we are well placed to provide good quality, daily services that our southern Lake Macquarie residents expect and rely on," Cr Harrison said.

"Proposed boundary changes in the Morisset-Wyee area are not feasible, not necessary and would be detrimental to the community."

As recently reported, Lake Macquarie council is strongly opposed to a state-funded review's suggested merger with Newcastle City Council.

The review also recommended carving off the Morisset district and including it in Wyong Shire or a new Central Coast "super



NO MORE: Katrina and Ruby Fisher, of Wye, are sick of the sewer problem.

"We're in Lake Macquarie, but we have a Central Coast phone number," Mr Faber said.

Wyee resident Katrina Fisher said she would prefer to stay in Lake Macquarie because she didn't like the Wyong name.

But Ms Fisher said the sewer problem must be sorted. "We've still got poo trucks coming through town - it's disgusting," she said.

"We're in the middle of nowhere, like in *The Simpsons Movie* where they take Springfield off the map."

Lake Macquarie councillor Barry Johnston said the prospect of the Morisset district going to the Central Coast should go to a referendum.

"If they want to go to Wyong let them go to Wyong, but I don't believe they will," Cr Johnston said.

He added in jest: "It might be the only way for the Mariners to get sufficient supporters".

The meeting will be held at Wye Community Hall at 6pm.

Spoiling what works
Opinion

council". Wyong Shire Council supports the concept, particularly adding Wye to its area.

Mayor Doug Eaton said Wye could receive better support from his council for water and sewer services.

Cr Eaton said Wyong would not need to rely on state sewer funding because the council had a large sewerage treatment plant at Charmhaven.

Many Morisset residents

appear intent on staying in Lake Macquarie, but Wye could be a different story.

Wyee residents have been pushing for their town to be sewerred for decades.

Despite coming close in recent years to a solution, authorities have not resolved the problem.

Wyee butcher Scott Faber said many of the town's residents appeared undecided about the boundary matter, but the meeting would generate strong opinions.

Council merger will spoil what is working

Bigger will not necessarily be better, writes Jodie Harrison.

THE release of Lake Macquarie City Council's response to the recommendations in the Independent Local Government Review Panel's final report has brought the issue of council amalgamations back into sharp focus in the Hunter Region.

This persistent theme in local government in NSW will not go away, even though consultation undertaken by the panel itself indicates most of the Hunter's population is not supportive of amalgamation.

As mayor of Lake Macquarie and representative on the Local Government NSW Board of Directors, doing what is best for local government in NSW is of the highest priority, but of even more importance is what is best for the people of Lake Macquarie. In this matter, those goals are the same.

What we need to be doing is making sure that we build stronger and more sustainable councils through appropriate processes and structural changes.

What continues to be alarming is the recommendation put forward by the panel to amalgamate Lake Macquarie and Newcastle councils, and to move Morisset and Wyee into either Wyong Council or a new Central Coast Council.

Why alarming? It is so because the recommendations came despite strong evidence against such moves, provided in previous submissions.

The simple fact is that the proposed southern boundary changes and amalgamation of Lake Macquarie and Newcastle city councils is not feasible, not necessary, and would be detrimental to the community.

Lake Macquarie is a significant city in its own right; a city whose 200,000 residents identify themselves with an impressive lake and who, regardless of whether they live in a town, village or coastal suburb, north, south, east or west of our lake, associate their neighbourhood, their lifestyle and their sense of identity as being intrinsically linked to Lake Macquarie.



SENSE OF IDENTITY: Jodie Harrison says the lifestyle of Lake Macquarie's residents is linked to the lake.

Another aspect of the strong evidence shown against amalgamation is the point that the cities of Lake Macquarie and Newcastle are very different. Each has different requirements and systems of government, which determine the core services and plans delivered by each council.

Lake Macquarie offers a healthy work-life balance. The philosophy is ingrained in many of the employers, workers and families of the city. Business practices, costs and strains differ between Lake Macquarie and Newcastle, as does traffic.

There are more open spaces in Lake Macquarie, particularly more accessible bushland. Housing density is naturally different between the cities, overall.

Lake Macquarie council is performing strongly and is well placed to provide good-quality daily services that all our residents expect and rely on.

As stated, whenever council has been asked to make a submission, Lake Macquarie council meets the requirements for a sustainable and efficient council with effective

strategic capacity to lead the city and enhance the lifestyle and liveability of our communities through high-quality governance and first-rate service delivery.

For several years, Lake Macquarie has been improving its efficiency and working towards financial sustainability, something IPART and NSW Treasury Corporation have recognised.

Arguments continue to rage between those who promote larger (in population) local government areas as a means to more efficient and effective service delivery, and those who believe local democracy is best served by smaller councils.

There are many very well-run councils, large, medium and small, that handle their circumstances very well. The well-run councils, no matter their size, always outperform the not-so well-run councils, no matter their size.

Compare the performance of Lake Macquarie or Newcastle against Brisbane, with a population of 1.1 million, or Gold Coast City, which amalgamated with Albert Shire Council about 20 years ago and has a

population of 536,000. Looking at the figures from last year's audited financial statements, there is a clear and significant variation in performances of these councils.

Lake Macquarie council operates with 4.5 employees per 1000 residents, while Brisbane, Gold Coast and Newcastle councils operate with 6.2, 6.1 and 6.1 employees per capita respectively.

Lake Macquarie has the lowest operating expense per capita of these examples, while Newcastle has the highest.

So why there is this push that "bigger is probably better" is a mystery - there is little evidence to prove it.

The proposed southern boundary changes and amalgamation of Lake Macquarie and Newcastle city councils is not feasible, not necessary, and would be detrimental to the community - and there is vast evidence to prove it.

Jodie Harrison is the mayor of Lake Macquarie.

Attachment 6: Copy of the letter from Lake Macquarie Mayor, Cr Jodie Harrison inviting residents to the community workshop



From the Office of

Her Worship the Mayor of the City of Lake Macquarie, Councillor Jodie Harrison



18 March 2014

Dear Resident

Invitation for Wye and Wye Point residents to community workshop

Thank you to the residents of Wye and Wye Point who have so far provided feedback on the NSW Government's proposal for the southern area of Lake Macquarie around Morisset and Wye to be added to Wyong Shire or a new Central Coast council. Lake Macquarie City Council strongly rejects this option.

At the community meeting held in Wye on 27 February 2014, I made a commitment to host an additional workshop for Wye and Wye Point residents.

At this meeting, I also heard loud and clear that residents are eager to see progress on connecting the community to a sewerage system. I have been advised that in a recent letter to Member for Lake Macquarie Greg Piper from the Minister for Finance and Services Andrew Constance, "Hunter Water will be making an application to the NSW Government in the coming months to seek funding to deliver sewer services to Wye. This request will be under the Priority Sewerage Scheme (PSP), of which Wye will be its top ranked township."

This is a fundamental step in achieving sewerage connection for Wye, and is only progressing due to the efforts of Lake Macquarie City Council and the Member for Lake Macquarie.

I extend an invitation for you to join me and fellow Lake Macquarie councillors at a community workshop to discuss why proposed boundary changes in the Morisset - Wye area is not necessary, and would be detrimental to the community. I'd welcome your involvement, however should you be unavailable to attend the community meeting, please take the time to sign our petition online at www.change.org/en-AU and search 'Lake Macquarie' or in person at the Wye Mini Market.

When: Thursday 27 March 2014

Where: Wye Community Hall, 114 Wye Road, Wye

Time: 5.45pm for a 6pm start

RSVP for catering purposes to kwalsh@lakemac.nsw.gov.au or 4921 0223 by Tuesday 25 March.

To read Council's previous submission or the reports released by the Independent Local Government Review Panel visit www.lakemac.com.au.

Yours sincerely



Councillor Jodie Harrison
Mayor



P: 02 4921 0223 A: 126 -138 Main Road, Speers Point NSW 2284 Box 1906, Hunter Region Mail Centre NSW 2310

Attachment 7: Copy of the Lake Macquarie City Council Boundary Survey questions

Lake Macquarie City Council Amalgamation Survey

Good morning/afternoon/evening, my name is _____ from _____ and we are conducting a survey with residents about Lake Macquarie City Council and the future of the Local Government area on behalf of Lake Macquarie City Council.

Q51. Before we start I would like to check whether you or an immediate family member work for Lake Macquarie Council?

- Yes No (If yes, terminate survey)

Q52. Which of these age groups do you fit into?

- 18 – 34 (If under 18y/o, terminate survey)
 35 – 49
 50 – 64
 65+

Q53a. In which suburb do you live?

- Morisset
 Wyee
 Wyee Point
 Other - Terminate

Q1a. Which of the following, if any do to you most associate with where you live? (Prompt, Can be Multi)

- Lake Macquarie
 The suburb you live in
 Neither of these

Q2. On a scale of 1-10 where one means "I feel I have little to no connection with the Lake Macquarie City Council Local Government Area" and 10 means "I feel I have a strong connection with the Lake Macquarie City Council Local Government Area, how would you rate your connection with the Lake Macquarie Local Government Area?

- | No connection | | | | | | | | | | Strong connection | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | | |

Q3a. Overall, how would you rate Lake Macquarie Council's image within the local community? Prompt

- | Excellent | Very good | Good | Fair | Poor | Very poor |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Q4. Are you aware that the State Government is reviewing the Local Government system?

- Yes No



Read Concept Statement

The NSW State Government appointed an Independent Local Government Review Panel to review the NSW local government system. The Panel has proposed several options for sweeping changes, including reducing the number of Councils. This is to be achieved through merging/amalgamating Councils and making boundary changes.

What effects you is that the Panel has proposed the option of a boundary change to southern area of Lake Macquarie. They have suggested that Morisset and Wye be added to Wyong Shire Council.

The longer term effect of this is that households in the Morisset and Wye area may eventually become part of a greater Central Coast Council, if Wyong Shire and Gosford City Councils amalgamate.

The Panel has proposed this option, however there is also the option to oppose the boundary change, or to propose an alternative idea.

Lake Macquarie City Council is seeking your views to form its position on the options.

Q5a. In the short term, how supportive would you be of Morisset and Wye becoming part of Wyong Shire Council?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Completely Supportive | Supportive | Somewhat Supportive | Not very Supportive | Not at all Supportive |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Q5b. Why do you say that?

.....

Q5c. In the longer term, how supportive would you be of Morisset and Wye potentially becoming part of a new Central Coast council?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Completely Supportive | Supportive | Somewhat Supportive | Not very Supportive | Not at all Supportive |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Q5d. Why do you say that?

.....

Q6a. As we indicated the Panel has proposed this option for the residents of Morisset and Wye, however there is the option to oppose boundary changes or to propose an alternative idea.

Which of the following outcomes would be your preference?
Prompt

- Remain in the Lake Macquarie City Council area
- Become part of Wyong Shire Council
- Become part of a greater Central Coast Council
- Other/propose alternative idea (Please specify.....)

Q6b. Why do you say that?

.....

Q7. We are looking to understand the ways in which the community prefers to be involved in community consultation over the issue of boundary changes and amalgamations. How would you prefer to be consulted about this issue?

- Council meetings
- Community surveys
- Community workshops/Focus groups
- Online discussion forums
- Writing a submission to Council
- Talking with others in the community
- Contacting Councillors
- Communicating through community group leaders
- Joining an advisory committee
- Other – please specify _____
- None of the above – I would not get involved much at all on this issue.

Q8. How many years have you lived in the Lake Macquarie City Council Local Government Area?

Prompt

- Less than 6 months
- 6 months to 2 years
- 3 – 5 years
- 6 – 10 years
- More than 10 years

Q9. Do you own or rent your property?

- I/We own/are currently buying this property
- I/We currently rent this property

That completes our interview. Thank you very much for your time.

Q10. Gender (determine by voice):

- Male
- Female



Attachment 8: Report from the Lake Macquarie City Council Boundary Survey



Lake Macquarie City Council

Amalgamation Research
Prepared by: Micromex Research
Date: March 2014





Background

Background

The State Government has instigated a process of review into Local Government. The Independent Local Government Review Panel has been created to analyse the councils in NSW, to identify their strengths and weaknesses, and to recommend a path for change. One of the points raised by the Review Panel is the possible need for boundary changes, consolidations, or in simple terms 'amalgamations'.

Research Objectives

Lake Macquarie City Council has undertaken a community survey in order to measure the Morisset and Wyee community's attitude towards a potential boundary change.

Interviewing

A random telephone survey of 403 residents was conducted between 6th and 10th March 2014.

Interviewing was conducted in accordance with IQCA (Interviewer Quality Control Australia) Standards and the Market Research Society Code of Professional Conduct. Where applicable, the issues in each question were systematically rearranged for each respondent.

Sampling Size Implication

A random community sample size of 403 provides a maximum sampling error of plus or minus 4.9% at 95% confidence.

This means that if the survey was replicated with a new universe of n=203 Morisset and n=200 Wyee residents, that 19 times out of 20 we would expect to see the same results, i.e. +/- 6.9%.

Therefore the research findings documented in this report should be interpreted by Lake Macquarie City Council as not just the opinions of 403 residents, but as an accurate and robust measure of the entire Morisset and Wyee community attitudes.

Data analysis

The data within this report was analysed using Q Professional Software.

- The questionnaire, of approximately 5 minutes in duration, was designed to establish current attitudes and explore community response to the proposed resource strategies

Questionnaire Structure

- QS1. Before we start I would like to check whether you or an immediate family member work for Lake Macquarie City Council?
- QS2. Which of these age groups do you fit into?
- QS3a. In which suburb do you live?
- Q1a. Which of the following, if any do you most associate with where you live?
- Q2. On a scale of 1-10 where one means "I feel I have little to no connection with the Lake Macquarie City Council Local Government Area" and 10 means "I feel I have a strong connection with the Lake Macquarie City Council Local Government Area." How would you rate your connection with the Lake Macquarie Local Government Area?
- Q3a. Overall, how would you rate Lake Macquarie Council's image within the local community?
- Q4. Are you aware that the State Government is reviewing the Local Government system?
- READ CONCEPT
- Q5a. In the short term, how supportive would you be of Morisset and Wye becoming part of Wyong Shire Council?
- Q5b. Why do you say that?
- Q5c. In the longer term, how supportive would you be of Morisset and Wye potentially becoming part of a new Central Coast council?
- Q5d. Why do you say that?
- Q6a. Which of the following outcomes would be your preference?
- Q6b. Why do you say that?
- Q7. We are looking to understand the ways in which the community prefers to be involved in community consultation over the issue of boundary changes and amalgamations. How would you prefer to be consulted about this issue?
- Q8. How many years have you lived in the Lake Macquarie City Council Local Government area?
- Q9. Do you own or rent your property?
- Q10. Gender

Ratings questions

The Unipolar Scale of 1 to 5 was used in all rating questions, where 1 was the lowest level of support and 5 the highest level of support

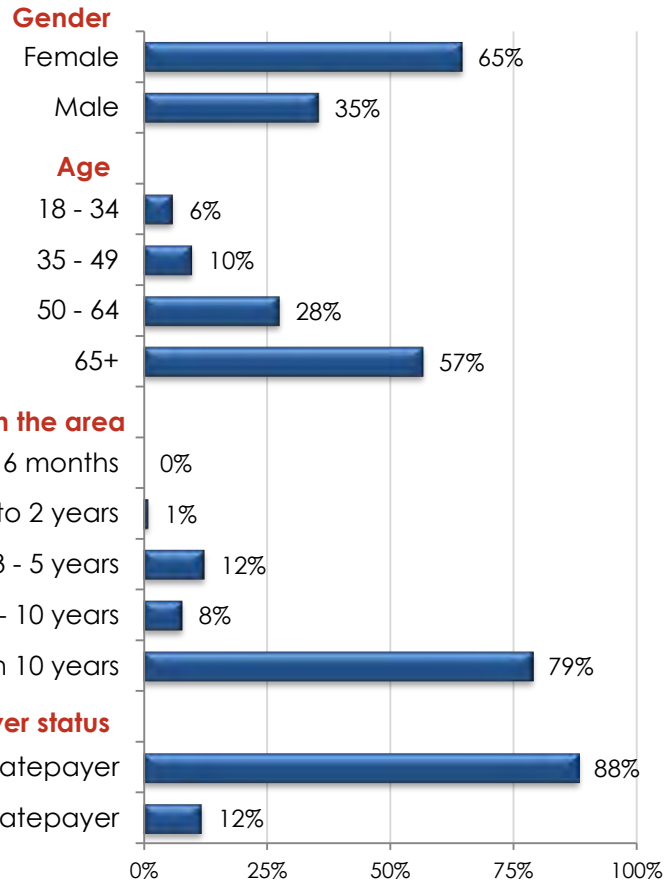
This scale allowed for a mid range position for those who had a divided or neutral opinion.

1.99 or lower	'Very low' level support
2.00 – 2.49	'Low' level of support
2.50 – 2.99	'Moderately low' level of support
3.00 – 3.59	'Moderate' level of support
3.60 – 3.89	'Moderately high' level of support
3.90 – 4.19	'High' level of support
4.20 – 4.49	'Very high' level of support
4.50 +	'Extreme' level of support

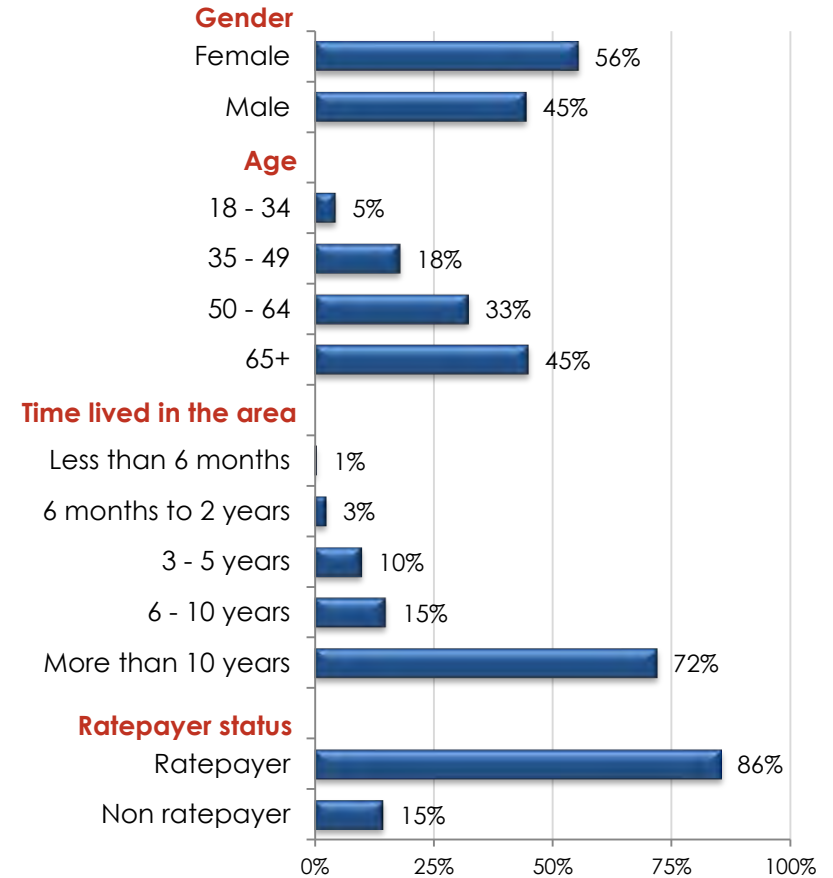


Sample Profile

Morisset



Wyee



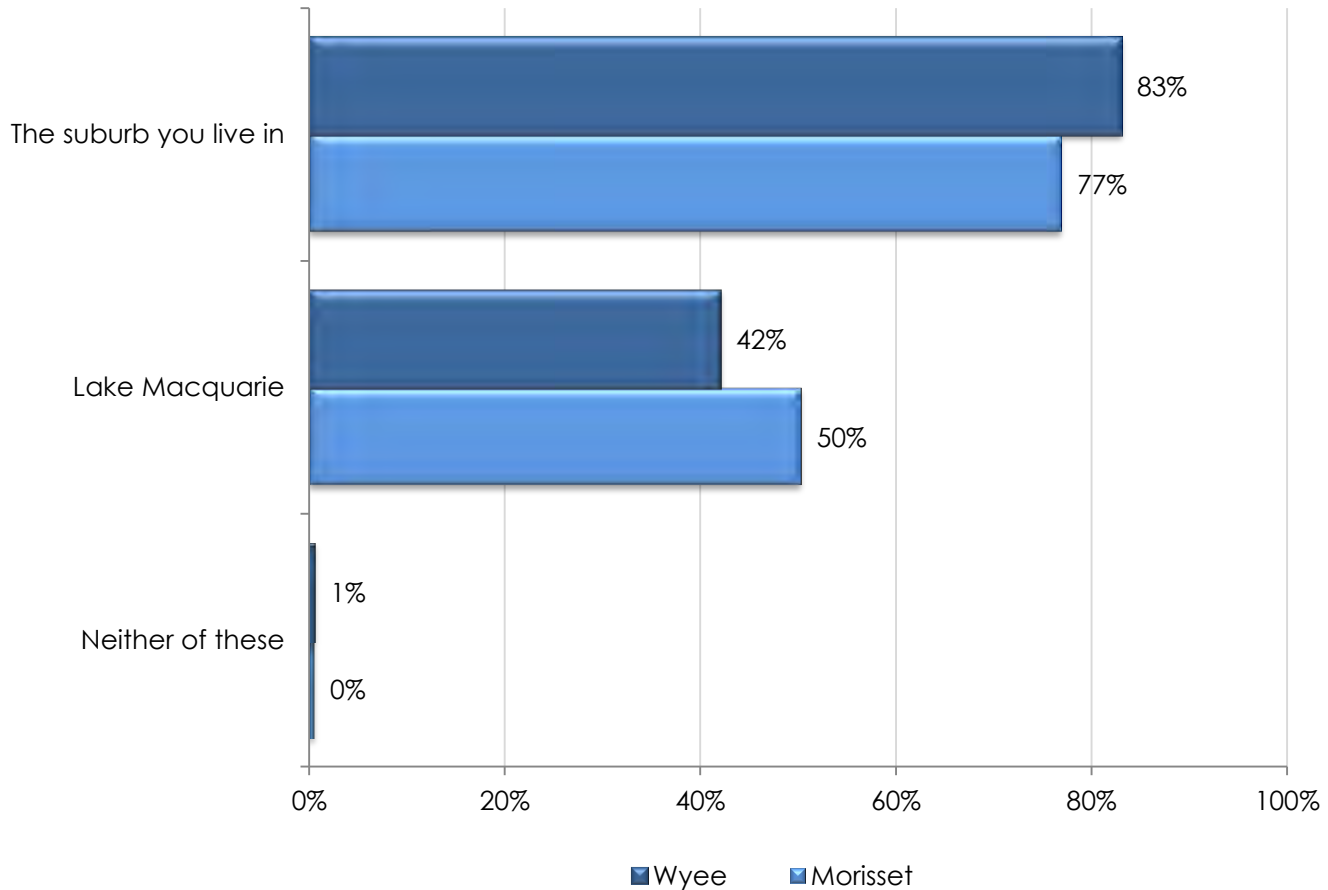
Base: Morisset n=203, Wyee n=200



Results

Most Residents Associate With The Suburb They Live In

Q. Which of the following, if any, do you most associate with where you live?

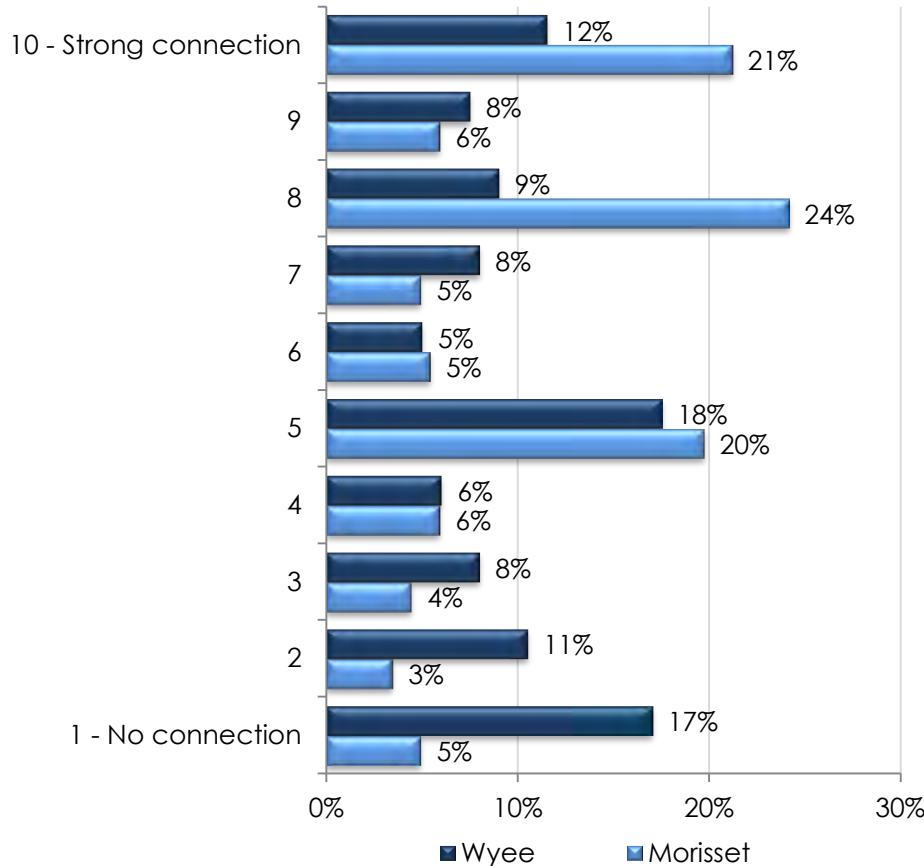


Base: Morisset n=203, Wyee n=200

Residents also largely associate themselves with living in the Lake Macquarie region

Residents Have A Moderate To Moderately High Level Of Connection To The Lake Macquarie Local Government Area

Q. How would you rate your connection with the Lake Macquarie Local Government Area?



Mean ratings	Morisset	Wye
	6.7▲	5.1▼

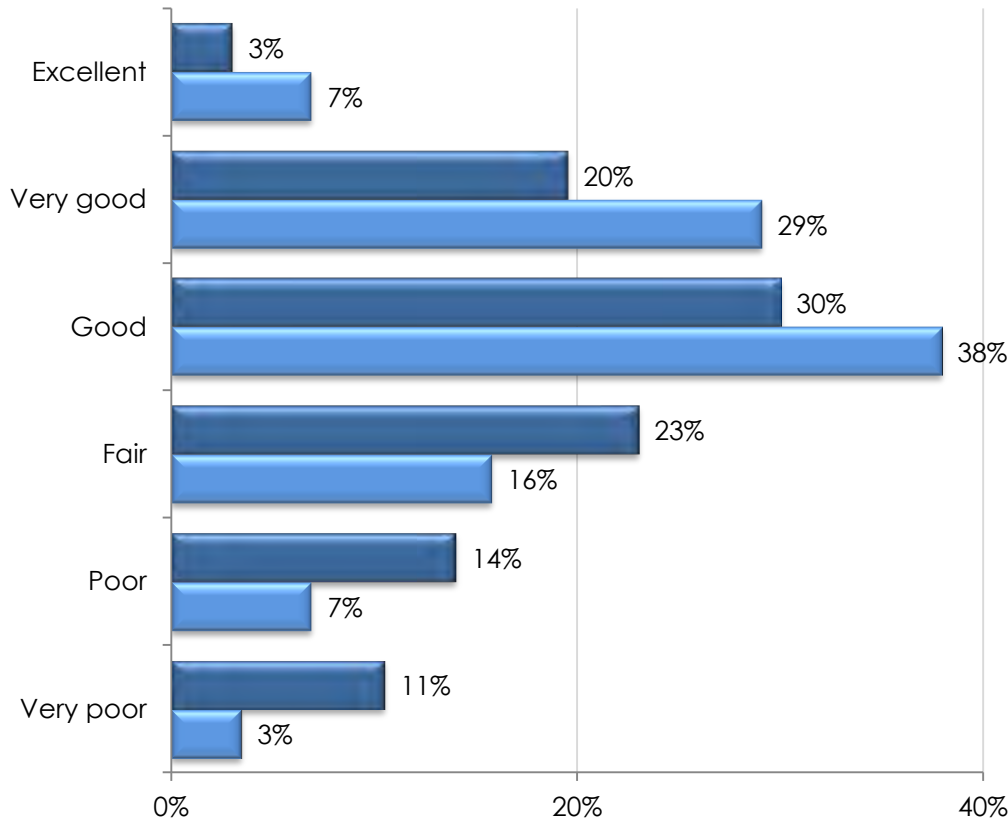
▲ ▼ = significantly higher/lower level compared by group

Base: Morisset n=203, Wye n=200

Morisset residents are significantly more connected to the Lake Macquarie Local Government Area than were Wye residents

Residents Generally Have A Positive View Of Lake Macquarie Council's Image Within The Local Community

Q. Overall, how would you rate Lake Macquarie Council's image within the local community?



Mean ratings	Morisset	Wyee
	3.7▲	3.2▼

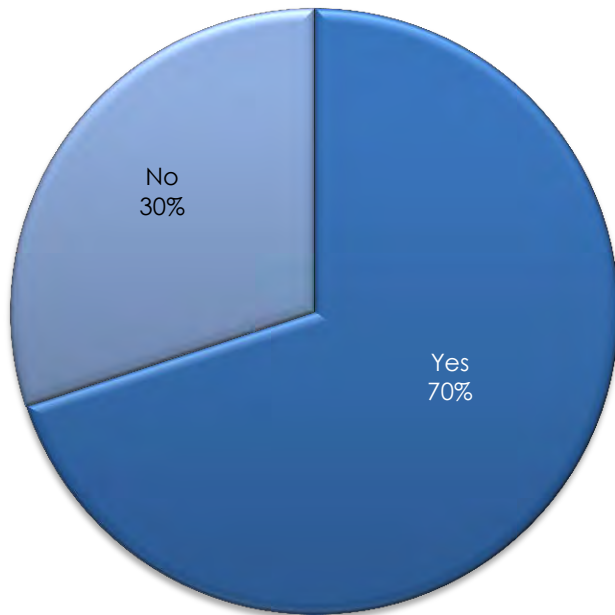
▲ ▼ = significantly higher/lower level compared by group

Base: Morisset n=203, Wyee n=200

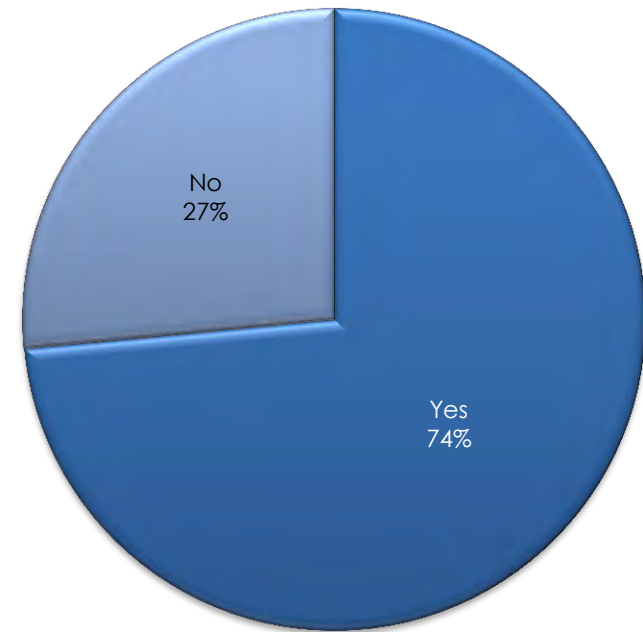
Morisset residents have a more positive view of Lake Macquarie City Council than did Wyee residents

A Majority Of Morisset And Wye Residents Are Aware That The State Government Is Reviewing The Local Government System

Morisset



Wye



Base: Morisset n=203, Wye n=200

Read statement:

The NSW State Government appointed an Independent Local Government Review Panel to review the NSW local government system. The Panel has proposed several options for sweeping changes, including reducing the number of Councils. This is to be achieved through merging/amalgamating Councils and making boundary changes.

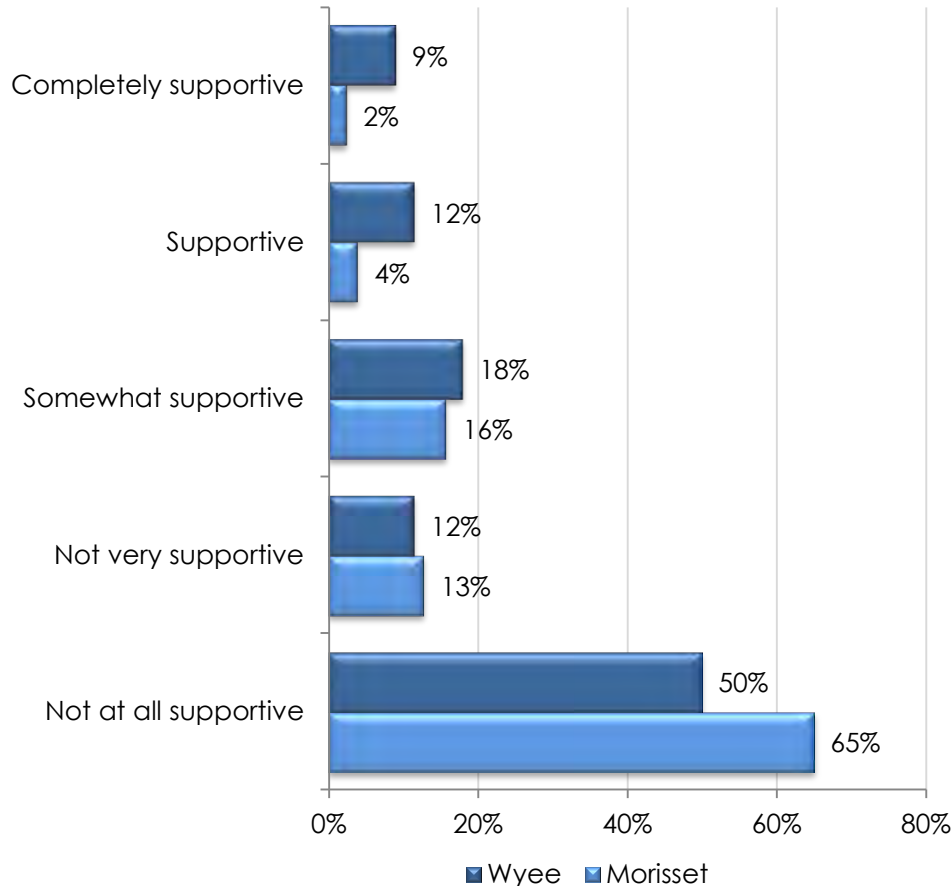
What affects you is that the Panel has proposed the option of a boundary change to the southern area of Lake Macquarie. They have suggested that Morisset and Wyee be added to Wyong Shire Council.

The longer term effect of this is that households in the Morisset and Wyee area may eventually become part of a greater Central Coast Council, if Wyong Shire and Gosford City Councils amalgamate.

The Panel has proposed this option, however there is also the option to oppose the boundary change, or to propose an alternative idea.

Very Few Residents Support Their Suburb Becoming Part Of The Wyong Shire

Q. In the short term, how supportive would you be of Morisset and Wyeec becoming part of Wyong Shire ?



Base: Morisset n=203, Wyeec n=200

Mean ratings	Wyeec	Morisset
	2.2▲	1.7▼

Supportive (Wyeec 21%, Morisset 6%)

Sewerage issues will be improved	2%
I live closer to the Wyong area	2%
Lake Macquarie does not give enough attention to my area	2%

Somewhat supportive (Wyeec 18%, Morisset 16%)

Need more information on benefits of being a part of Wyong Shire Council	4%
Do not have a preference for either Council	2%
There will be no difference if there is a change in Councils	1%

Not supportive (Wyeec 62%, Morisset 78%)

Happy with Lake Macquarie Council and their provision of services	20%
Do not like Wyong Shire Council and their provision of their services	19%
More associated with the Lake Macquarie area	11%
We do not have water restrictions	4%

▲ ▼ = significantly higher/lower level compared to overall rating
Comment base: n=559

There is a minority group in the Wyeec area that are quite positive towards a boundary change – but the overwhelming majority of households contacted do not support the boundary change

Very supportive/Supportive

"Could not be any worse than Lake Macquarie City Council"

"Closer to Wyong so would prefer to be part of their Council area"

"We need sewerage facilities"

"Currently I am underserved by the Lake Macquarie Council area"

"Have been promised sewerage for years and nothing has been done about it which everyone is angry about"

"Have been in Lake Macquarie for over 40 years and nothing has changed, which is a bad thing"

"Have to wait for weeks to get any responses from Lake Macquarie Council which is frustrating"

"Our area is neglected by Lake Macquarie City Council"

Somewhat supportive

"Wyong Council might not be responsive to the residents of Wyee"

"I cannot see how I will be worse or better off with either Council"

"Do not know enough to make an assessment regarding this"

"Happy with the boundaries at the moment but not really opposed either"

"Worried either way that I may be left out"

"Wyee should go to Wyong and Morisset should stay with Lake Macquarie"

"Prefer to stay with what I am familiar with"

"Do not know a lot about Wyong Council, however I am not happy with Lake Macquarie Council"

Not very supportive/Not at all supportive

"Happy with Lake Macquarie Council so I don't see the need for a change"

"Don't want our water usage to change"

"Morisset gets forgotten about by Council and this would be worse under Wyong Council"

"Better the devil you know than the one you don't"

"If it's not broke don't fix it"

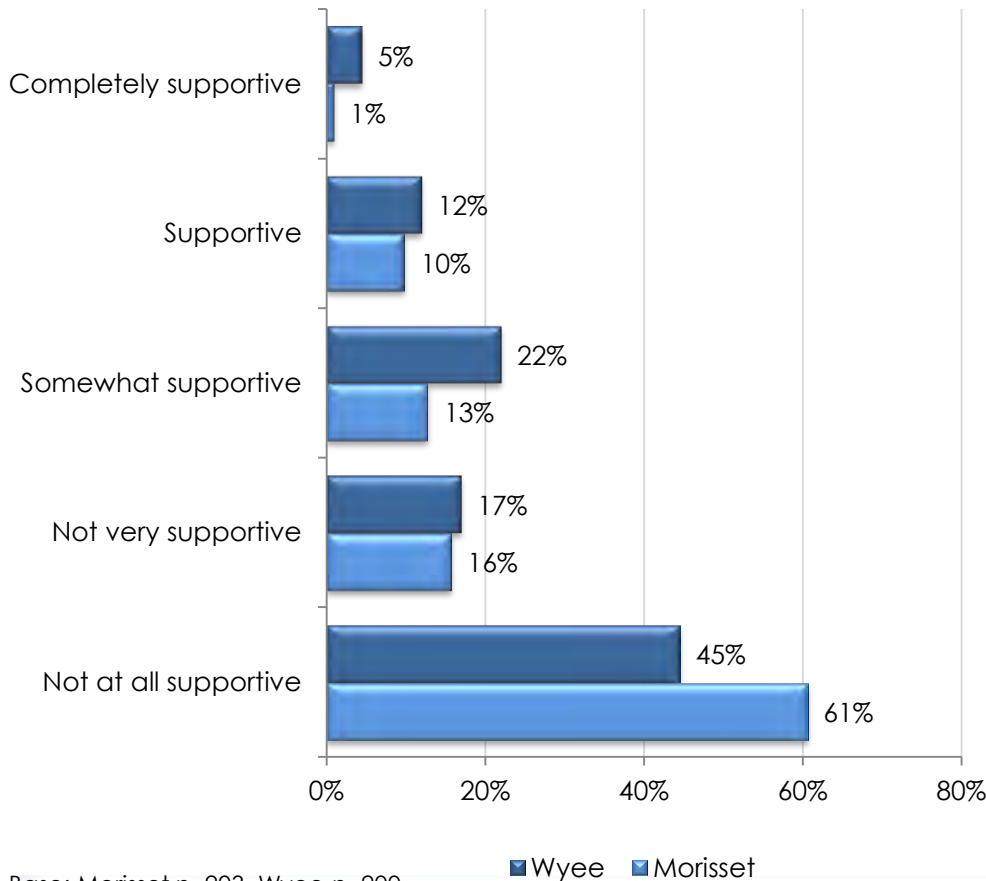
"Have had no problems with Lake Macquarie"

"Rates are much higher in Wyong Shire"

"I don't think the change would be for the better"

Very Few Residents Support Their Suburb Becoming Part Of The Of A New Central Coast Council

Q. In the longer term, how supportive would you be of Morisset and Wyeec potentially becoming part of a new Central Coast Council?



Mean ratings	Wyeec	Morisset
	2.2▲	1.7▼

Supportive (Wyeec 17%, Morisset 11%)	
Larger Council might be more efficient	2%
I am supportive as long as services are beneficial	2%
Somewhat supportive (Wyeec 22%, Morisset 13%)	
Require more information about Council	3%
I am supportive as long as services are beneficial	2%
Not supportive (Wyeec 62%, Morisset 77%)	
Unsure large Council will be equipped to manage all areas	18%
Happy with Lake Macquarie and the services they provide	17%
Do not want to be a part of Central Coast Councils	13%

▲ ▼ = significantly higher/lower level compared to overall rating

Residents are either not convinced that a large Council will be able to manage all areas, are happy with current services, or don't want to become part of a Central Coast Council

Very supportive/Supportive

"Amalgamation may increase visibility of the area"

"A new Council will mean a new Mayor"

"New blood in the Council may create new and potentially younger ideas for the community"

"Central Coast Council would provide better infrastructure to the community than is currently provided"

"Amalgamation will provide better services"

"Larger Council might get more done as far as seeing improvements to all the suburbs"

"They would have more resources to cater for our needs"

"We are stuck in the middle at the moment and it would be good to be a part of a larger Council"

"There are too many people looking after one area, we are over governed"

Somewhat supportive

"Depends if it was efficient enough"

"Central Coast Council makes sense geographically"

"I don't have enough information to make a decision"

"If we were going to benefit from it I would support it but if nothing is going to change then there is no point in doing it"

"Would like to see what they have to offer"

"Would not form a strong opinion until I knew the financial situation of the other Councils"

"Would need to know more about the other Councils before supporting it"

"Doesn't make a difference to me unless the rates are going to change"

"Depends on how big of an area the new Council area would be"

Not very supportive/Not at all supportive

"A small little area like Wyee would be forgotten in such a large Council area"

"Area would be too big to manage effectively"

"As a larger Council we would get less service"

"Becoming a big Council would not necessarily make things better"

"Concerned that the area would be too large to serve its residents properly"

"Do not wish to be associated with either Wyong or Gosford Council"

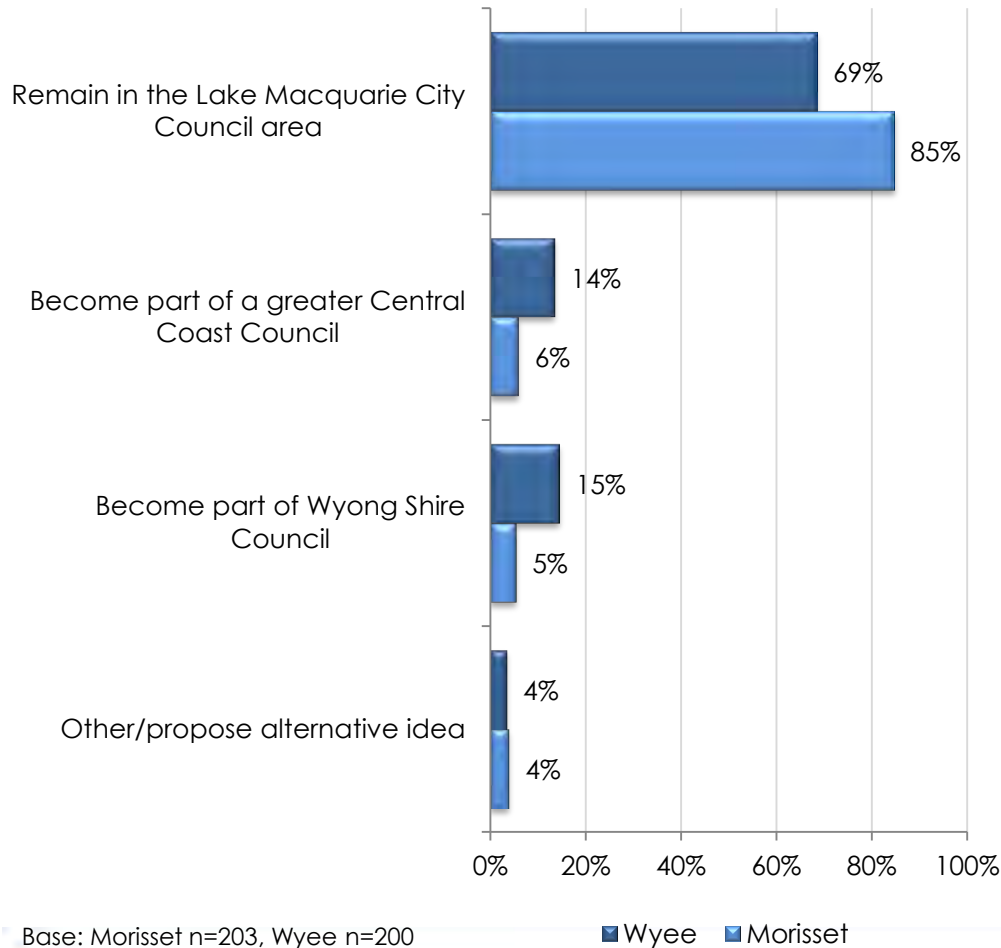
"Do not identify with the Central Coast area"

"I don't like change when it's not needed"

"Lake Macquarie services our needs to a standard that is acceptable"

Ultimately Residents Would Prefer To Remain In The Lake Macquarie City Council Area

Q. Which of the following outcomes would be your option?



Other/propose alternative idea (Wye 4%, Morisset 4%)

- Abolish state governments and operate with federal and local organisations
- Amalgamate Lake Macquarie and Wyong Council
- Any solution which will decrease Councils' bureaucracy through a merger
- Boundary change between Wye and Morisset
- Create another Council of its own including areas Dora Creek, Wye, Morisset, Doyalson
- Have a breakaway Council in between Lake Macquarie and Wyong Shire Council
- Lake Macquarie and Newcastle Council merger
- Morisset, Cooranbong and Wye becoming its own LGA with its own Council
- Only southern parts of Wye to join Wyong Shire Council
- Prefer to not have a Council but have a manager
- Will stay with Lake Macquarie if i got sewerage
- Wye to go to Wyong, Morisset to go to Lake Macquarie

Residents of the suburbs in question reject the IGLRP's proposal

Remain in the Lake Macquarie City Council area

"We as a community would be lost if we were to be amalgamated with other Councils"

"Better the Devil you know than the one you don't"

"Don't see any reason to change away from a Council with no big problems"

"At the moment I don't see much benefit of moving to another Council"

"Happy being associated with the LMCC"

"I am happy with how Lake Macquarie Council runs"

"I identify with Lake Macquarie as I live on the Lake"

"Fear being lost in the numbers in a bigger council"

"Lake Macquarie council consult with the community and are far more community minded than Wyong Council"

"Geographically, symbolically and historically Morisset is very closely connected to Lake Macquarie"

"We need to keep things small so that things don't get overlooked"

"We feel more a part of the Lake Macquarie area than we do the Central Coast"

Become part of greater Central Coast Council

"Would need to know more about it first but think that a large Council would benefit everyone as there is more money and more ideas involved"

"Think that a large Council will have more money which means we will see more improvements such as bin collection, sewerage and fixing the roads"

"Preferable to eliminate smaller Councils to expedite Council work"

"New Council would hopefully create new fresh ideas"

"Central Coast Council would still be small enough to deal with local issues"

Become part of Wyong Shire Council

"Don't know much about Wyong Shire Council but we are closer to that area so it makes sense that we are part of that Council"

"Dislike Macquarie Council because they never do anything for us and dealing with them is a waste of time"

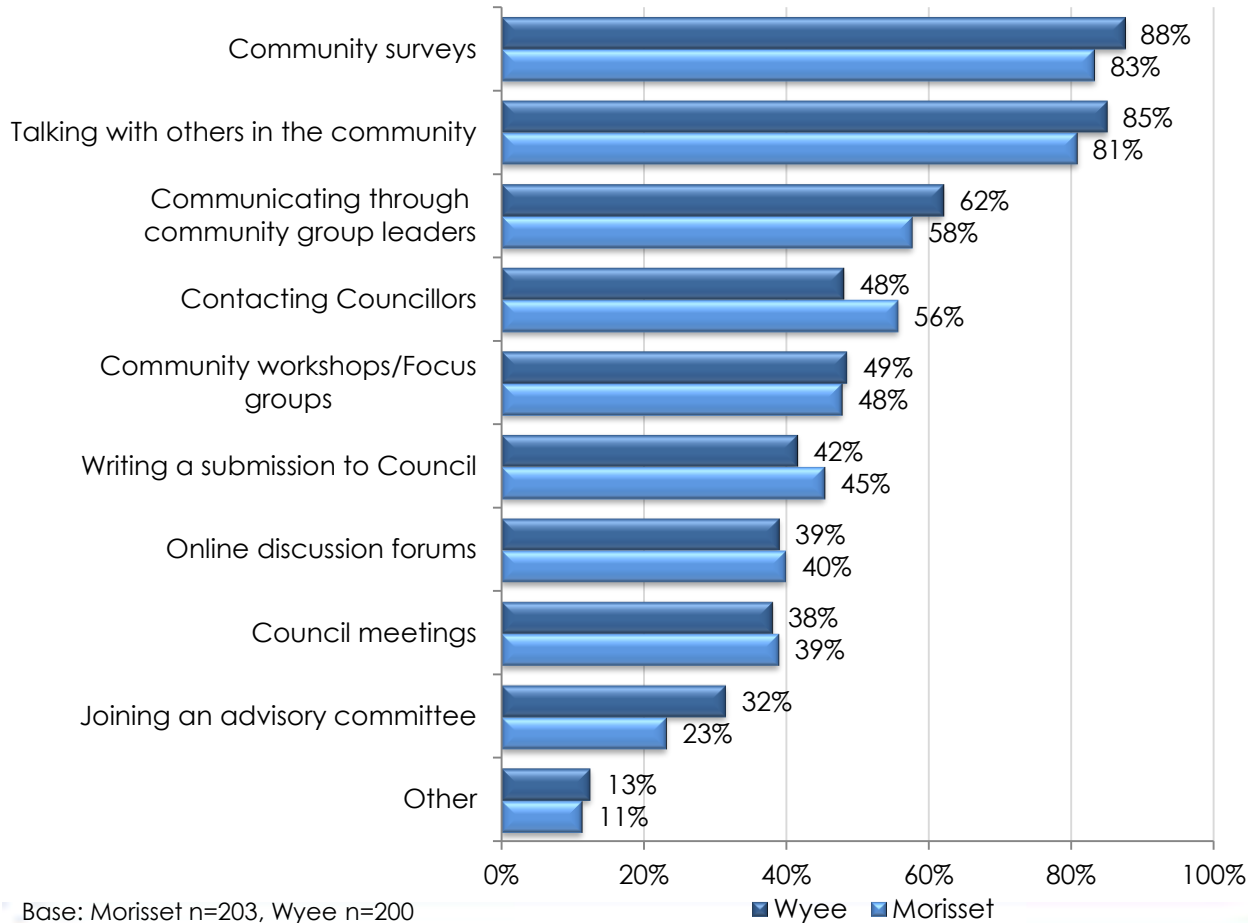
"Looking to improve on current services, particularly sewerage, which may be more likely to occur under Wyong Council"

"Wyong is more of a local council that is in tune with local needs"

"Wyong Shire Council is progressive and are seeing lots of good results in their community"

Residents Would Most Prefer To Be Consulted Via Community Surveys And Talking With Others In The Community

Q. How would you prefer to be consulted about this issue?



Other:	
Direct mail	9
Local paper	9
Brochures/Newsletter	8
Email	7
Community meeting in Wye	4
Referendum	4
Online feedback system	3
Direct phone call	2
Social media	2
Community meeting	1
Community meeting in Wye Point	1
Community meeting where all residents are notified	1
Hold meetings at times that workers can attend	1
Listen to people in the community	1
Postal survey	1

Base: Morisset n=203, Wye n=200

The number of different options nominated indicate that this is an issue that residents want to be consulted on



Conclusion

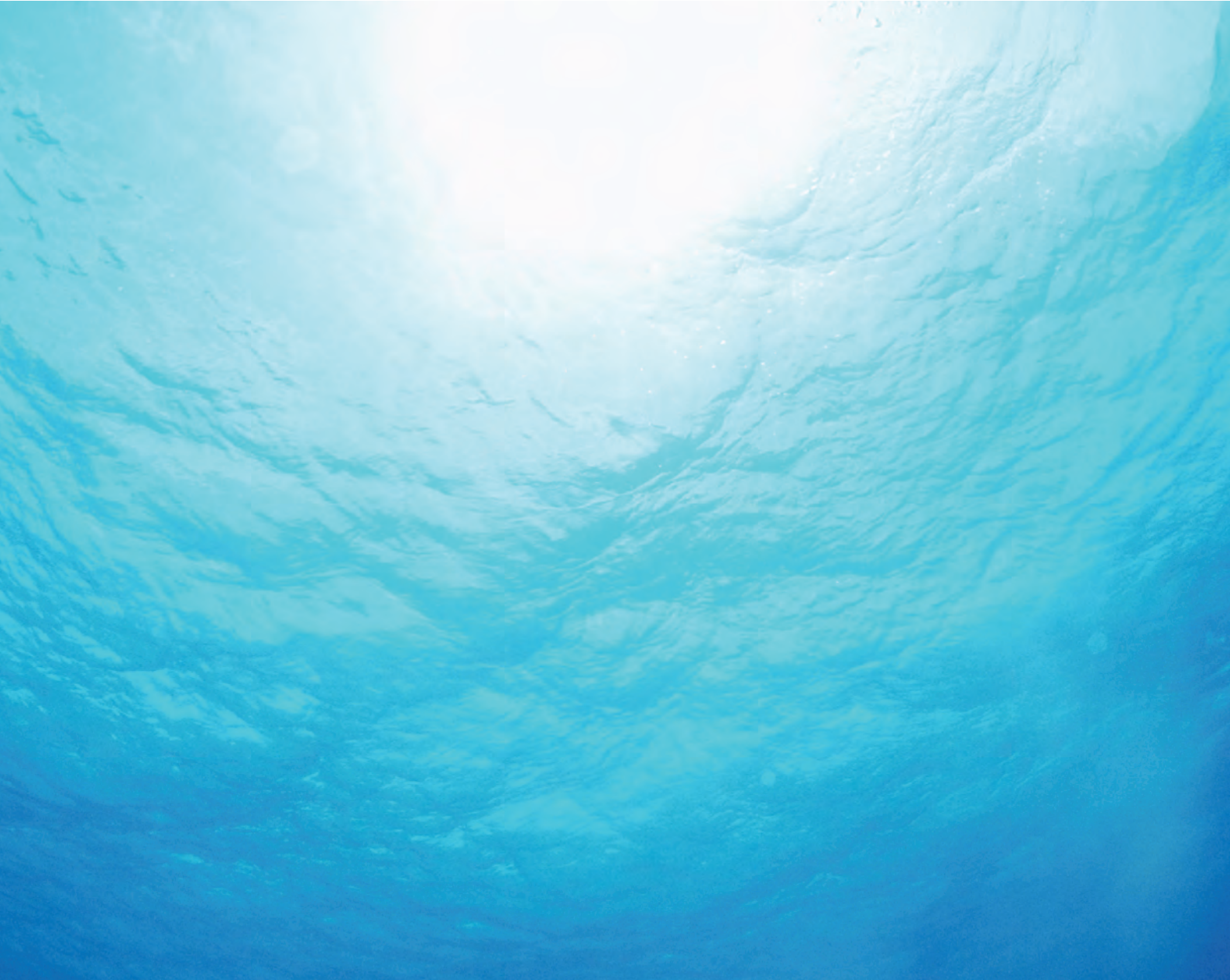
1. Residents of both Wyee and Morisset are opposed to the proposed boundary change
 - Resident do not support becoming part of Wyong Shire Council
 - Residents do not support becoming part of a new Central Coast Council

2. The majority of residents when polled would prefer to remain in the Lake Macquarie LGA
 - 85% Of residents from Morisset indicated that this would be there preferred outcome
 - 69% of resident of Wyee and Wyee Point indicated that this would be there preferred outcome

micromex research

The logo features the word "micromex" in a bold, black, sans-serif font. A stylized compass rose is superimposed over the letter "o". The compass rose has a white center with black lines extending outwards. The top point of the compass rose is a red triangle pointing upwards. Below "micromex", the word "research" is written in a smaller, grey, sans-serif font.

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