

OFFICERS REPORTS**8 FIT FOR THE FUTURE - CITY OF CANTERBURY SUBMISSION****FILE NO:** L-40-3 PT3**Attachments:** City of Canterbury Submission
Office of Local Government template**REPORT BY:** GENERAL MANAGER

Summary:

- This report provides our final submission to the NSW State Government's 'Fit for the Future' package.
- It provides an update on the public exhibition of our draft submission, which was adopted by Council on 9 June 2015 and made available immediately for public comment.
- It is recommended that this final submission be endorsed for lodgement with the Independent Pricing and Regulatory Tribunal (IPART) by the 30 June 2015 deadline.
- It is also recommended that a copy of the final submission be placed on public exhibition, with information provided as to how the community can make direct submissions to IPART.

Council Delivery Program and Budget Implications:

The outcome of this process will have ongoing impacts for our Community Strategic Plan and Budget.

Report:**Fit for the Future**

In September 2014, the NSW State Government released the Fit for the Future package - its response to the final recommendations of the Independent Local Government Review Panel (ILGRP).

As previously reported, councils have until 30 June 2015 to consult with their communities, undertake analysis of the most suitable options, prepare financial modelling, determine the way forward for their community and prepare their submission to the Independent Pricing and Regulatory Tribunal (IPART) who are assessing the submissions on behalf of the NSW State Government.

IPART released a consultation paper outlining their preliminary methodology on 27 April 2015. This was followed by a period of public consultation with submissions closing on 25 May 2015. IPART released their final methodology on 5 June 2015.

The Fit for the Future Package is the outcome of a long program of consultation with local government which commenced back in 2011. Council has been an active participant in this reform program and we have been well prepared and made extensive comment upon many of the proposals that have been outlined by both the ILGRP and the NSW State Government.

We have led the way in response to many of the proposals – best demonstrated by our initiative to establish the Sydney Metropolitan Mayors, which has provided a forum for metropolitan councils to discuss the reforms and to advocate collectively on behalf of their communities.

Crucially, the Government sees voluntary mergers as a necessary part of this reform process, and has tailored their Fit for the Future package so that councils must fully participate in the process in order to secure their financial future.

We have used this opportunity to conduct a detailed analysis of our current position and to compare a stand-alone option against mergers with both the three St George councils and with the City of Bankstown, as recommended in the ILGRP's report. We have also consulted extensively with our community regarding all of the options.

Following this analysis, we have pursued merger discussions with all of our potential merger partners, and taken a lead role in regional collaboration to explore the potential for Joint Organisations. We've made contact with our neighbours to ascertain their willingness to merge and despite these efforts, and following consultations with their communities, Bankstown, Hurstville, Kogarah and Rockdale councils have all resolved to stand-alone, leaving us with no option but to submit an Improvement Proposal for the City of Canterbury to also stand-alone.

In response, we've prepared a draft Improvement Program which will ensure we are well placed to respond to each of the Fit for the Future criteria now and into the future.

Canterbury has a reputation of capable leadership, able to adapt to the challenges of significant urban development and a diverse, growing community. In the 2007 Promoting Better Practice Program Review, the Department of Local Government noted that Council had *“strong, experienced leadership that is addressing service delivery within the city, implementing social planning to the benefit of the culturally diverse community and is focussed on implementing clear strategic directions to meet the challenging demands on the workplace.”*

Council's Position

The City of Canterbury has maintained a consistent approach to the local government reform process. We are of the view that local government in NSW is in need of reform, specifically financial reform, in order to ensure councils are well placed to address the needs of our growing community.

However, Council is opposed to the forced amalgamations of councils and can demonstrate our performance against all of the Fit for the Future benchmarks as our detailed submission outlines.

Council was represented at the recent 2015 National General Assembly (NGA) of Local Government held by the Australian Local Government Association in Canberra from 14 to 17 June 2015. The Assembly *“reflected the diverse role of local government in our communities and how important that role is strengthened, supported and highlighted during the current White Paper processes on Reform of the Federation and taxation.”*

FIT FOR THE FUTURE - CITY OF CANTERBURY SUBMISSION (CONT.)

The NGA endorsed a motion that stated as follows:

“That the ALGA confirms its opposition to forced amalgamations of Councils and calls on the Federal Government and all State Governments to also confirm their opposition to forced amalgamations. Further that where an amalgamation is proposed, there needs to be a referendum of all electors. In addition, ALGA will provide support and advocate for any of its member Councils threatened with a forced amalgamation.”

As previously outlined, we have maintained a policy of open discussion with our neighbouring councils and remain prepared to engage in discussion for a possible merger. At the same time, we continue to advocate for the benefits of strong regional cooperation.

Within the options for the City of Canterbury provided in ILGRP’s recommendations was to “combine to form a strong Joint Organisation (JO), including Sutherland.” We see JO’s as a comparable organisation to the many Regional Organisation of Councils (ROCs) which operate successfully across Sydney. Canterbury has been an active participant and key leader within the Southern Sydney Regional Organisation of Councils (SSROC) and enjoys the many benefits of joint procurement, shared projects and networking opportunities that this forum provides.

About the Submission

The submission in the Attachments has been prepared based upon the information provided by the Office of Local Government through the Fit for the Future website in late 2014 and the subsequent information provided by IPART regarding their methodology in assessing the applications.

The submission is based upon many months of staff and community consultation and includes the input of external consultations and experienced professional staff from across our organisation.

We recently presented our proposal to our local Members of Parliament, who unanimously supported our position. In coming weeks, we will continue to consult with our community, across a variety of forums, outlining our position, the details of our submission and the ways our community can comment upon the final submission to IPART.

RECOMMENDATION:

THAT the submission in the Attachments be endorsed for lodgement with the Independent Pricing and Regulatory Tribunal by 30 June 2015.

COUNCIL MEETING

RESOLUTION - 25 JUNE 2015

8 **FIT FOR THE FUTURE - CITY OF CANTERBURY SUBMISSION**
FILE NO: L-40-3 Pt3

Min. No. 232 RESOLVED (Councillors Hawatt/Vasiliades)

THAT

1. The submission in the Attachments be endorsed for lodgement with the Independent Pricing and Regulatory Tribunal by 30 June 2015.
2. The following text be included in the first section of the Executive Summary of the Improvement Proposal:

“Council resolved on 26 February 2016 that its preferred position was to continue its stand-alone existence and that if an amalgamation is the only available option this should be pursued with one or more of the St George councils, not Bankstown.”
3. The phrase in the third dot point of the Executive Summary of the Improvement Proposal be replaced by the words “An alternative for Canterbury Council be to amalgamate with Bankstown.”

During discussion of the above item, the following **ADDENDUM** was proposed and accepted by the mover and seconder of the original motion:

ADDENDUM (Councillor Adler)

2. The following text be included in the first section of the Executive Summary of the Improvement Proposal:

“Council resolved on 26 February 2016 that its preferred position was to continue its stand-alone existence and that if an amalgamation is the only available option this should be pursued with one or more of the St George councils, not Bankstown.”
3. The phrase in the third dot point of the Executive Summary of the Improvement Proposal be replaced by the words “An alternative for Canterbury Council be to amalgamate with Bankstown.”

Councillor Eisler requested that her name be recorded as having voted against the resolution.