

Independent Pricing and Regulatory Tribunal (IPART) Submission on Local Government Reforms and Council Amalgamations

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This submission includes two subject areas:

- A. Background of State Review of Local Government
- B. Options of Councils Working Together and with the State

Executive Summary

Discussions and actions on the reform of local government in New South Wales commenced in 2009 and currently the State has asked the Independent Pricing and Regulatory Tribunal (IPART) to report to the State (by the end of 2015) on a range of issues around this reform, including proposals on council amalgamations. Conclusions reached in this submission by the author are based on working in town planning within NSW since 1969 and on completing research on various aspects of local government and 'sustainable urban planning' (SUP). IPART is welcome to examine three reference books on this subject (2014 and 2015) by the author on this subject, available under World Catalogue web). The background of the State review of local government (A.) provides a time line and progression of understanding this review from the perspective of the State, councils and the community. There is one clear message here from councils, among a number of issues, of 'no forced amalgamations of councils'. Secondly (B.) there appears a need for the State, councils and the community to be engaged in examining options for councils working together and with the State, especially in the area of 'urban planning and infrastructure provisions'. The submission concludes, "there is every possibility NSW councils and the State will be operating under different arrangements in the future. The options of councils working in partnership with other councils and the State presents an array of optional arrangements aimed at achieving best 'urban planning and infrastructure provisions' for the community."

A. Background of State Review of Local Government

The NSW State Government (overseeing councils) reviews on an ongoing basis the

operations and performance of councils. Commencing in 2009, the Minister for Local Government introduced the *Local Government Amendment (Planning and Reporting) Bill* to Parliament (NSW 2009) which requires all NSW councils to produce a long term Community Strategic Plan. This required all councils to produce four year delivery programs and annual operational plans linked to longer term planning outcomes for those councils. The new framework encouraged councils to integrate their various plans and prioritize their works and services based on community priorities identified through consultation and engagement. The State at the time noted:

[The clear goal is to turn community aspirations into reality, to ensure Council's priorities are set according: to residents' needs; to guarantee transparency in the decision-making process; and, to promote cooperation between all government levels, community groups and business.] (Source: NSW 2009)

By 2011, the State stepped up its rhetoric for changes in the way councils in the State operated. A review of steps and plans that emerged is useful in examining if councils can plan together, for example within metropolitan districts (containing a number of councils). Test case application suggestions within this submission of Sydney Inner West, Greater Parramatta and St George districts will be referred to. On the planning side in 2012, the NSW State Government's *Destination 2036* (NSW 2012a) (Information Box 1) was released, a strategic plan and delivery program for councils. This plan mirrors key elements of the integrated planning and reporting frameworks noted above. The Plan provides a process and a forum for councils to explore the issues of changing population, technologies and economies. In addition, the Plan considers and develops structures and approaches to councils in NSW that will allow councils to better meet the needs and expectations of communities. In 2011, the State called representatives from all 152 NSW councils to come together in Dubbo for the Destination 2036 workshop (NSW 2011). Looking at some of the conclusions reached, representatives at the workshop agreed that :

- a. existing communities of interest should be preserved
- b. there is no particular structural reform model that fits all Local Government areas
- c. resource and services should be shared where beneficial to local communities
- d. long term financial sustainability must be assured (funding reforms are essential)]

(Source: NSW 2011)

The workshop was organized by the Division of Local Government to commence the

process of developing the *Destination 2036* (NSW 2012a) plan. An Independent Steering Committee (ISC) was then established to build on the work of this workshop and to develop a specific Action Plan for implementation in 2012. Out of this Action Plan an Independent Review Commission was formed. In July 2012, under the Commission, an Independent Review Panel produced a paper (*Strengthening Your Community*) (NSW 2012b), asking for local government feedback. Leichhardt Council (selecting a sample council from Sydney Inner West district) responded in its paper *Leichhardt Council's Feedback to the Strengthening Your Community* (Leichhardt 2012a). In November 2012, the Independent Review Panel produced a second paper *The Case for Sustainable Change* (NSW 2012c) about reforms for local councils. Leichhardt Council again responded with a paper *Leichhardt Council's Feedback to the Case for Sustainable Change Paper* (Leichhardt 2012b).

Date	Document	Summary
2012	NSW 2012a <i>Destination 2036</i>	A State Government strategic plan and delivery program for local government
	NSW 2012b <i>Strengthening Your Community</i>	State Government suggestions on actions that could be taken by Local Government Councils to strengthen their performance.
	Leichhardt 2012a <i>Leichhardt Council's Feedback to the Strengthening Your Community</i>	Council feedback to the <i>Strengthening Your Community</i>
	NSW 2012c <i>The Case for Sustainable Change</i>	State Government suggestions on reforms for local councils.
	Leichhardt 2012b <i>Leichhardt Council's Feedback to the Case for Sustainable Change Paper</i>	A paper by Leichhardt Council commenting on the State's <i>The Case for Sustainable Change</i>
	NSW 2012d <i>Destination 2036 Outcomes Report</i>	State Independent Steering Committee (ISC) report on local government reform to 2036.
	NSW 2012e <i>Draft Vision for NSW Government</i>	State projections on its agenda to 2036.
	Leichhardt 2012c <i>Leichhardt Council's Outcomes Report Submission</i>	Submission to the <i>Destination 2036 Outcomes Report</i>
	NSW 2012f <i>Destination 2036 Draft Action Plan</i>	Actions for local government reform to 2036.
2014	NSW 2014a <i>Revitalizing Local Government</i>	Local Government Review Panel's State Government suggestions on revitalizing local government
	NSW 2014b Taskforce Report on a <i>New Local Government Act</i>	State review of the Local Government Act
	NSW 2014c <i>Fit for the Future</i>	State asked all councils to undertake a self-assessment and prepare a road map on possible amalgamations (with incentive funding for those Councils that merge).
	NSW 2014d <i>Future Directions for NSW Local Government</i>	State Report recommended Leichhardt, City of Sydney, Woollahra, Waverly, Randwick, Botany and Marrickville Councils be amalgamated. The Report also recommended Auburn, Holroyd, the western third of Ryde and the North Parramatta area of the Hills be amalgamated.
	Leichhardt 2014a <i>Leichhardt Council's Submission on the Future Directions Paper</i>	Leichhardt Council's submission objecting to the proposed amalgamation (above).
	NSW 2014e <i>Revitalising Local Government Final Report</i>	Local Government Review Panel's Report contained 65 recommendations around local government reform. One recommendation was that Leichhardt, Ashfield, Burwood, Canada Bay, Marrickville and Strathfield amalgamate.
	Leichhardt 2014b <i>Leichhardt Council's Submission to the Revitalizing Local Government Final Report</i>	Leichhardt Council's stated position on the 65 recommendations in the above report, with Council opposing any merger with another council.

Information Box 1 NSW Government and Leichhardt Council Reports on Local Government Reform.
(Sources Note report references here and end of chapter)

Moving further, the Independent Steering Committee released the *Destination 2036 Outcomes Report* (NSW 2012d), including a *Draft Vision for NSW Government* (NSW 2012e) for comment. To continue to follow the trend of councils see, as an example, the Leichhardt Council submission to the Outcomes Report (*Leichhardt Council's Outcomes Report Submission* (Leichhardt 2012c)). Finally, the Independent Steering Committee then produced the *Destination 2036 draft Action Plan* (NSW 2012f) for comment and again councils made submissions (accessible at the NSW Division of Local Government).

Reform Continues in 2014

Given these earlier documents on council reform, in 2014 there was considerable discussion in NSW (as generated by the State) about these reforms. Firstly, the Independent Local Government Review Panel's report *Revitalizing Local Government* (NSW 2014a) was released. In addition the *Taskforce Report on a New Local Government Act* (NSW 2014b) was released. In September 2014 NSW Premier Mike Baird and Minister for Local Government Paul Toole announced funding of \$153 million for Sydney councils to assist those who decide to merge. All NSW councils were requested to undertake a self-assessment and prepare a road map under the State's document *Fit for the Future* (NSW 2014c). Councils were asked to make submissions to the State by 30 June 2015. The Panel's recommendations and the final report, *Local Government Act Taskforce Report* (NSW 2014d), were provided to the State Government for consideration at the end of 2014.

The Independent Review Panel's paper (*Future Directions for NSW Local Government*) (NSW 2014d) recommended, for example, that Leichhardt Council be amalgamated with the City of Sydney, Woollahra, Waverly, Randwick, Botany and Marrickville Council. Leichhardt Council objected to this Panel's recommendations (*Leichhardt Council's Submission on the Future Directions Paper*) (Leichhardt 2014a). A subsequent proposal (Plate 1) recommended the City of Sydney be amalgamated with these councils, but without Leichhardt and Marrickville.

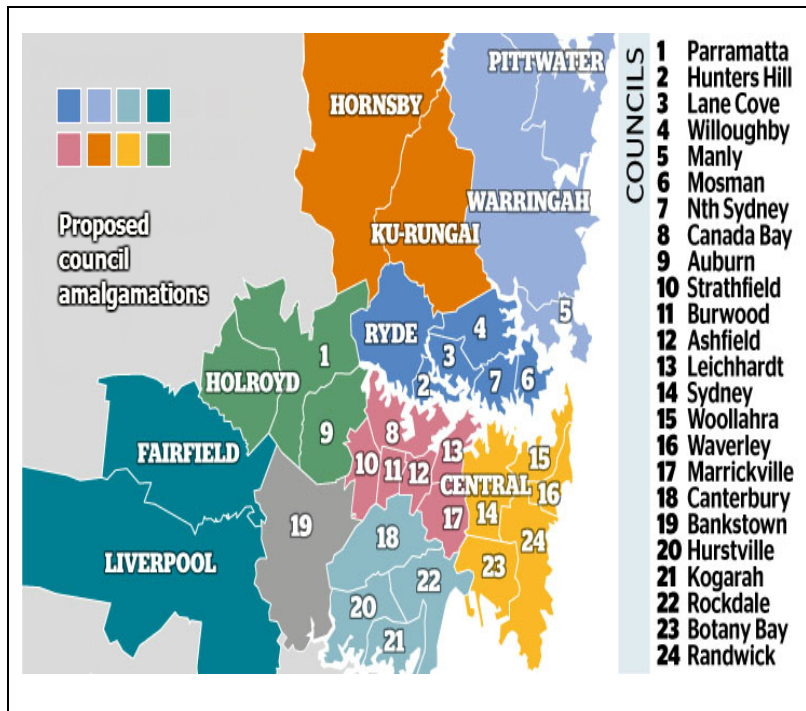


Plate 1 Local Government Review Panel Suggested Council Mergers.
(Source NSW 2014d)

The City of Sydney commented in May 2015 (Mayor Clover Moore Newsletter):

[The Government's preferred outcome — a mega-council the size of Tasmania, made up of the City, Randwick, Waverley, Woollahra and Botany — would be a shockingly wasteful and disruptive exercise. The City has a 10-year, \$1.95 billion plan to invest in new infrastructure. This includes \$220 million for light rail and \$440 for Green Square. This work would be put at risk by an amalgamation.]

(Source: City of Sydney Web May 2015)

The *Revitalising Local Government Final Report* (NSW 2014e) made 65 recommendations around local government reform. The Review Panel recommended, for example, that Leichhardt amalgamate with Ashfield, Burwood, Canada Bay, Marrickville and Strathfield (Plate 1). The Panel requested evidenced based responses to this proposal. Leichhardt Council response was very clear, in that it supported structured and systematic local government reform centered on resource sharing/strategic alliances. Council, however, firmly rejected any proposals involving a merger with neighbouring councils (a trend reflected in most council responses). A detailed response to both reports was considered by Leichhardt Council meeting (*Leichhardt Council's Submission to the Revitalising Local Government Report*) (Leichhardt 2014b).

Looking at Other Councils

Looking beyond Leichhardt (taken above as an case example) Strathfield Council (taking Sydney Inner West as case example district) argued that any amalgamation of Council with other councils would directly impact Strathfield residents. Council noted, for example, the lower residential rates in comparison to all other Sydney Inner West councils, estimating resident rates would rise by 16% with amalgamation. Other financial arguments Strathfield raised, if amalgamation proceeded, included:

- [1. Business rates are projected to increase by 57%.
2. Strathfield Council has NO debt, but Inner West councils have total debts of \$42.1 M.
3. Merger would transfer large debts and backlogs to Strathfield residents.
4. The Inner West council's combined backlog is \$243M compared to Strathfield's \$3.5M.
5. Council's expenditure on administration is the lowest in the Inner West and lower than many 'big' councils.]

(Source Strathfield Council Web 2015)

Further, looking beyond Strathfield, Canada Bay City Council (also in Sydney Inner West district) noted on the subject of amalgamations in 2014:

[Five inner west Councils are united in their fight against forced amalgamations and have banded together to ensure their communities understand the full impact of the State Government's proposed 'Fit for the Future' program. The Mayors and General Managers of the City of Canada Bay, Ashfield, Burwood, Leichhardt and Marrickville councils have signed a Memorandum of Understanding (MOU) to work together to prepare responses for the State Government and to voice their concerns about the potential of forced amalgamations. The five councils have been grouped together, along with Strathfield Council, as part of the State Government's plans to overhaul local government in NSW. Strathfield Council has not signed the MOU. "We are doing all that has been asked of us by the State Government in terms of talking to each other, assessing our credentials and talking to our community as best we can – with the limited information we have," the Mayors said in a joint statement. "We are asking our local members in our council areas to also talk to their community and let them know what evidence-based facts the State Government has to indicate why amalgamation is the way to go. Our community deserves to be fully informed as this process unfolds. "Our communities deserve to know why this is considered the best option. What will the benefits be? Will their rates rise? Will they lose contact with local representation? Will they lose access to many of the current community facilities and services the Councils offer? We simply do not know as the State Government has not provided this information.]

(Canada Bay Council Meeting 9 Feb 2014)

The Council continued:

[All the Inner West councils are concerned about the lack of information provided to date and the lack of

community involvement in the decision-making process. "We do not believe a super council will service the needs of our communities and there does not appear to be evidence that such a drastic change will bring cheaper rates and better services," they said. The proposed amalgamation will see a council looking after 342,000 residents, equating to an average increase of around 300 per cent in the current populations of the inner west council areas. It will also take in areas stretching from Sydney Airport to Bankstown and Glebe. The five inner west councils that are working together strongly oppose forced amalgamations but are undertaking joint research on the economic and social impacts on any move to bring the councils together. The five councils have also agreed to develop shared modeling, to answer the Government's criteria, with additional analysis on advocacy, representation, good governance and social and environmental issues, as well as developing an education and community engagement program.]

(Canada Bay Council Meeting 9 Feb 2014)

By 30 Jun 2015 (deadline for submissions to the State) the Sydney Inner West councils of Burwood, Canada Bay and Auburn indicated a willingness to consider an amalgamation. Strathfield, in response, continued to argue for no amalgamation of that Council with any neighbouring council.

Looking beyond Sydney Inner West to the Greater Parramatta district (further case example district), the Panel recommended merging Parramatta with Auburn, Holroyd, the western third of Ryde and the North Parramatta area of the Hills. At the end of the submission date (30 June 2015) Parramatta Council agreed to discuss a potential merger arrangement, partly reflecting the above Panel suggestion. However, neither Auburn or Holroyd councils were interested in that merger arrangement. Both Auburn and Holroyd councils have subsequently been conducting strong campaigns opposing above amalgamation. A statement by Holroyd Council endorsed the State members opposition to any forced amalgamation of that council, noting:

[At the first 'Hands Off Holroyd' Public Meeting last month, Mr Rohan, the current Member for Smithfield, said he 'will cross the floor' to vote against his own Government if Holroyd is forced to merge with Parramatta, Auburn, and parts of Ryde and The Hills Councils. Mr Rohan said: "Nobody wants forced amalgamations. I will stand up and support Holroyd and the community against amalgamations. Holroyd is a good Council ... Holroyd is a great Council"]

(Source Holroyd Council Meeting May 2015)

Looking beyond Greater Parramatta, the councils in the St George district (further case example district) offered no plans to the State to amalgamate. Rockdale Council did indicate (by deadline of submissions to the State) a willingness to discuss the prospects of amalgamation with Kogarah and Hurstville councils. Neither of these two councils,

however, indicated a wish to entertain that prospect amalgamating with Rockdale.

Local Government Act Changes 2015

Moving to the Panel's recommendations on the Local Government Act (NSW Government Taskforce Report) (NSW 2014b), these were with the State Government in early 2015 to consider. The State asked the Independent Pricing and Regulatory Tribunal (IPART) to make recommendations to the State by the end of 2015 on the 'capacity of each council to deal with a number of future challenges likely to face local government councils' (SMH 12 May 2015). In the article the State noted "that of the forty-one (41) councils there were twenty three (23) that had populations less than 100,000 people. Within the Sydney Inner West for example, Ashfield and Strathfield councils had populations less than 50,000 people.' The SMH continued noting that 'the State pushes ahead with *Fit for the Future* program to reduce councils from 42 to 15'. The paper then notes 'in an earlier report by the Office of Local Government it was recommended that 250,000 be the minimum size for a council.' Writing further, the paper notes that 'joint organisations' as strategic alliances could be considered by some councils. Shared services would include, for example, child care, road making and waste collection. The SMH editorial that day commented 'councils need capacity to deal with multi-story developments, urban infill, future transport needs, or else developers will go to the State'. The SMH was thus encouraging reform and amalgamations. Section B of this submission will address this further.

Under current NSW legislation any amalgamations and boundary changes (voluntary or otherwise) must be referred to the Boundaries Commission for examination via a public inquiry. It is understood the Minister for Local Government could seek amendments to the act to give the minister power to approve amalgamations without the need for a full Boundaries Commission report. With council elections scheduled for September 2016 there is additional pressure on the State to get new boundaries drawn before that date. Overall, by the closing on submissions only a handful of Sydney's 41 councils put forward amalgamations, hence most wanting to continue as is. Looking beyond NSW and Australia on the issue of local government changes, the SMH editorial (29 June 2015) encouraged Greater Sydney councils to consider the Auckland City model. The paper indicated with Auckland's population of 1.4m, had one council (commenced in 2010 replacing seven city and district councils). The SMH continued noting 'with the one city

administration there were also created 21 local boards with 149 elected members. These members make local decisions and take them to Auckland Council for funding. The local boards also identify the views of their communities, develop their own local plans, co-ordinate with community organization and special interest groups and identify by-laws for their local government area.' The SMH noted 'that this Auckland model suggested amalgamation fo councils did not mean that local governments become more detached from their communities'. The SMH concluded 'the amalgamation process is necessary, as 41 local governments for one metropolis is simply too many'. Many other writers argue that strong local government councils contribute in total to an effective metropolis. Looking beyond the amalgamations debate, other models of councils working with each other and the State to achieve sustainable metropolitan districts is needed.

In addition to the subject of amalgamations, the State is examining other reforms of local government as noted above. The NSW Department of Planning and Environment's (NSW 2015) *A Plan for Sydney Growth* reflects aspects of local government reform the State already has in place within 'urban planning and infrastructure provisions'. This Plan contains an underlying structural basis of local councils working together to meet the achievements of the State's urban planning agenda (including a Sydney population increase of 1.6m by 2036). Under this Plan, there appears a range of administrative arrangements for councils to work together with the State (given also the State local government reform reports noted above). The area of 'urban planning and infrastructure provision' is one of the most significant areas of councils and the State interacting (i.e. planning policies and funding of infrastructure). While there are other issues related to 'efficiency of local government' (i.e. finances as argued by councils above in the amalgamation debate and central to IPART review) it can be concluded that the area of 'sustainable urban planning' is an important key to councils showing the State that councils can either: a. stand alone; b. work in partnership; or, c. work within a voluntary amalgamated arrangement. The question of councils considering the range of options to meet future needs, such as in 'urban planning and infrastructure provisions', by working together and with the State (including the option of council amalgamations) is now looked at further.

B. Options of Councils Working Together and with the State

There are many options for councils working in partnership with other councils and the State (i.e. at the metropolitan district level). These options recognize the parameters of local government reform and position of the State and local councils on the question of council amalgamations as summarized above (A). It can be concluded from the examination of documents to date (Table 1) that there is a wide range of views on local government reform expressed by the State and councils. The overall voice of councils is that they welcome reforms and improved partnerships with the State, but oppose forced amalgamations (vs voluntary amalgamations). Given the suggested reforms are currently before the State (and awaiting the IPART report by late 2015), it is opportune to look at a range of options to improve the effectiveness of councils taking as an example the area of 'urban planning and infrastructure provision'. These options are examined in the context of the State adopting *A Plan for Growing Sydney* (2015) as noted above. Highlights of this Plan, in terms of planning for Greater Sydney, are: a. designation of sub-regions; and, b. the creation of the *Greater Sydney Commission*. The Plan will be referred to further in examining options as noted above. There are six options put forward as follows.

1. *District Task Force Groups*
2. *District Planning Boards*
3. *ROC Planning Committees*
4. *Planning under Amalgamated Councils*
5. *State Planning Units*
6. *No Change to Current Structures*

District Task Force Groups

Councils often form 'task groups' to cooperate on specific planning or infrastructure provisions in their local government areas. There is an opportunity here for local government and the State to partner 'urban planning and infrastructure provisions' (at district or regional levels) under *District Planning Task Groups*. The State could encourage these groups around issues likely to affect a group of councils. Where a *District Planning Task Group* was established the State could resource such a group (i.e. costs in liaising on State initiated 'urban plans or infrastructure provisions'). Many of the district level projects outlined in Chapters 9 and 17 would be the type of projects the State

and local councils could agree on within a *District Planning Task Group*. Such a group, in being created, would be responsible for engaging the participating councils (and thus the communities within those council areas).

As noted earlier, the State's adoption of *A Plan for Growing Sydney* (NSW 2015) designates sub-regions and notes the proposed creation under the State of the *Greater Sydney Commission*. It is likely the State in urban planning (and related delivery of infrastructure) within the subregions would welcome *District Planning Task Groups* as outlined above. A second option of Councils' *District Planning Boards* is examined next.

District Planning Boards

District Planning Boards (i.e. within metropolitan districts for example) is another option to fulfill councils and the State working together, especially in areas such as 'urban planning and infrastructure provision'. The Sydney Inner West district could be taken here as a case example *District Planning Board* (municipalities of Leichhardt, Marrickville, Ashfield, Burwood, Strathfield and city of Canada Bay). Under this option a *District Planning Board* would be permissible were the State to incorporate these boards within its local government reform proposals (outlined earlier). The objective of a *District Planning Board* would be to guide district level 'urban planning and infrastructure provision' as a partnership between the State and participating councils. The Board could operate under a sun-set timed agreement as written within (and in consultation with councils) the State local government reforms. A municipality participating within a *District Planning Board* would still maintain its integrity in municipal level 'urban planning and infrastructure provision' as defined under current State acts (or incorporated within new or amended acts). Finally, the functions of a *District Planning Board* would need to be defined in the State local government reforms in cooperation with local government councils. The 'urban planning and infrastructure provisions' at a district level could include (not exhaustive) for example: a. environmental projects; b. climate change measures; c. alternative energy projects; d. waterways protection; and, e. sustainable transport initiatives. In general, those participating councils within a *District Planning Board* would continue to deliver current local services across the usual wide spectrum of council duties. Examples of these local services (not exhaustive) include: traffic management; environmental works; planning and public works; and, parks and open spaces.

The administration of a *District Planning Board* could come under the responsibility of the State's Minister for Planning. The composition of the *District Planning Board* could consist of the general managers and mayors of each participating council and an appointee (with appropriate expertise) from each of the following State Departments: Planning and Environment; Public Works, and Premiers (executive secretary to Board). The meeting place of the *District Planning Board* could be a location within the one of the participating councils (to be agreed upon by all participating councils). The budget of the *District Planning Board* could be under the Premier's Department. A rolling four year *District Planning Board* 'urban planning and infrastructure provision' program could be adopted by the *District Planning Board* and State. This program could be updated annually to enable participating councils to note designated works and incorporate these within councils' annual reports to ratepayers. The Premier's Office could arbitrate any disputes (with the right of any participating council to ask that disputed items go to an independent appointed arbitrator).

As noted earlier, the State's *A Plan for Growing Sydney* (NSW 2015) designates sub-regions and notes the proposed creation by the State of the *Greater Sydney Commission*. It may be that the State would see the arrangement as outlined in the Plan for sufficient local government representation for 'urban planning and infrastructure provisions' within the subregions noted earlier. It is likely the role of State in planning the subregions (including the role of the councils within that subregions) will be scrutinized by the nominated councils, possibly within *District Planning Boards*. These boards could compliment the State's subregional planning proposals, thus (for example) giving districts such as Sydney Inner West, Greater Parramatta and St George some autonomy in 'urban planning and infrastructure provision'. Having examined *District Planning Boards*, the third option for councils and State to consider is partnerships under Regional Organisation of Councils' (ROCs) as currently exist.

ROC Planning Committees

Regional Organisations of Councils (ROCs) were established by the Whitlam Government in 1973, with ROCs currently operating in all States of Australia. The Southern Sydney Regional Organisation of Councils (SSROC), for example, represents more than 1.4 million residents in the districts of Sydney Inner West and Sydney South. This ROC represents sixteen councils. The role of SSROC is defined as:

[To provide a forum for the exchange of ideas between our member councils, and an interface between governments, other councils and key bodies on issues of common interest. The organization acts as a facilitator of joint activities between councils which provide benefits through economies of scale. Member councils can reduce the costs of procurement, share the costs of engaging external assistance if needed, and can expose their staff and councillors to a wide network of expertise and views. SSROC is also a means of resolving issues and challenges that cross our municipal boundaries, such as the environment and transport. SSROC's work is structured to respond to the priorities identified and agreed by the members in the annual work plan, and ultimately to contribute to the social, environmental and economic improvement of the southern Sydney region.]

(Source: SSROC 2015 Web)

A Regional Organization of Council could establish district (or subregional) *ROC Planning Committees* to undertake, for example, 'urban planning and infrastructure provision' in cooperation with the State. This would be similar to *District Planning Boards* as discussed above, but would be under the ROC. The councils, for example, of the Sydney Inner West (Marrickville, Ashfield, Leichhardt, Burwood, Strathfield and Canada Bay), Greater Parramatta (Parramatta, Auburn and Holroyd) or St George (Hurstville, Kogarah and Rockdale) could participate in *ROC Planning Committees*. The budget of these committees could operate similar to the *District Planning Boards*, and with a rolling four year 'urban planning and infrastructure provision' program as agreed by the State. The program would be based on a four year projection and updated annually for endorsement by each participating Council within the *ROC Planning Committee*. The Premier's Office would arbitrate any disputes (with the right of a participating council to ask disputed items to go to an independent arbitrator) as noted above. Having examined three options for councils and State partnerships, a fourth option *Planning under Amalgamated Councils* is examined next.

Planning under Amalgamated Councils

It is expected that some councils (after due process of community referendums on any amalgamation proposal) may agree to amalgamate with one or more other councils. Two or more amalgamated councils would continue all current functions, and may also provide increased 'urban planning and infrastructure provision' in partnership with the State. In this instance the State would likely work directly with the newly amalgamated council on district or subregional levels. The issue here remains (as reviewed earlier under A) that most councils appear satisfied with their current status and the work they perform. The fifth option of the State expanding its planning role in cooperation with councils is examined next.

State Planning Units

Having outlined four options for councils working together and with the State, the option of the State expanding its 'urban planning and infrastructure provision' role is now examined. Under this option *State Planning Units* (possibly under the Department of Planning and Environment) could be created for district or subregional planning in implementing for example *A Plan for Growing Sydney* (NSW 2015). Currently, under the Department of Planning and Environment strategic plans have been completed in major centres in Greater Sydney. This centre planning assistance has also been provided to regional councils outside Greater Sydney, such as Gosford City (on the Central Coast), Wollongong City (on the South Coast) and Newcastle City (in the Hunter Valley). The district (or regional) planning work of the Dept (in conjunction with other State departments) could be expanded within designated districts or subregions. District and subregional plans and infrastructure provision could be undertaken within a *State Planning Unit*. The proposed changes to the *EPA Act (1979)* and the final recommendations of the State 'local government reform' (outlined above in A) could include the structural arrangements for incorporating *State Planning Units* (still complimenting the other options as outlined above). Within a *State Planning Unit*, councils could be given greater certainty, for example, in matters of 'urban planning and infrastructure'. Also, under this option there could be greater State commitment (including budgeting) to planning and infrastructure commitment within districts or subregions. *State Planning Units* could also be a model for regions outside Greater Sydney. The current work of State bodies engaged in 'urban planning and infrastructure' under the State (i.e. NSW UrbanLand or State development corporations) could tie their work within respective *State Planning Units*. Finally, under this option, councils could be more closely engaged with the State in other partnerships at the district or subregional levels. The current work of NSW appointed 'planning panels' (created to make recommendations on designated developments beyond the decision making of a council) could be reviewed to give local councils (and communities) more say in planning within a district, subregional or regional (beyond Greater Sydney). Finally, as noted earlier, the State's *A Plan for Growing Sydney* (2015) designates sub-regions and refers to the creation of the *Greater Sydney Commission*. The plan notes the role of the Commission (Plate 2) in overseeing: action delivery; subregional planning; infrastructure investment; and, local planning. Thus the creation of any *State Planning Units* would need the

cooperation of local councils (representing their communities).

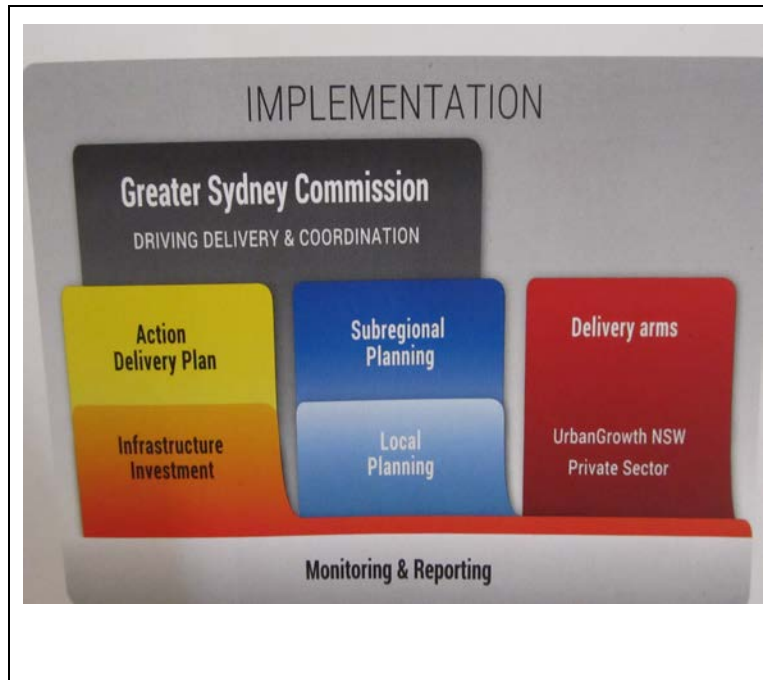


Plate 2 Greater Sydney Commission. (Source NSW 2014)

The question arises how councils will be engaged in the operations of the *Greater Sydney Commission*, especially in 'urban planning and infrastructure provisions' within a district or subregion. What mechanisms, for instance, will be created by the State to enable councils to scrutinize proposals affecting a council area? Will the State look at a range of partnership options such as noted above? Stepping back to examine one scenario on the implementation of *A Plan for Sydney's Growth* (NSW 2015), Chris Johnson, writing in the *Sydney Morning Herald* (SMH 19 May 2005) takes up implementation under 'sub-regional planning'. Johnson makes these points (in summary) commenting on this plan:

- a. The Greater Sydney Commission could run metropolitan planning and governance (of that planning)
- b. The State's nomination of six (6) sub-regions is clearly the governance structure for the City
- c. Greater Sydney Commission will be responsible for driving planning at the sub-region

level.

d. As there are 41 councils there is likely to be six (6) clusters for planning (that is subregions)

e. Local government planning staff could be moved into the sub-regional offices

f. The sub-regional office could provide other planning services such as legal, road planning and maintenance and training back to the councils

g. The above (a-f) could take place without the need for mergers (councils however could decide to merge within a sub-region)

h. Greater Sydney Commission could take over the big (planning) picture of metropolitan Sydney and local councils would (then) focus on local issues

i. Councils would have representatives on the Greater Sydney Commission Board

j. Fit for the Future has focused councils to fit into the future at the current size (assuming here there are questions remaining beyond the size and efficiency of councils (a-i above).

All these above points need examination and debate at council, community and State levels. The no change to councils working together and with the State option is examined next.

No Change to Councils Planning

A range of options (1-5) have been addressed above for councils working in partnership with other councils and the State. Examples of how these options could be taken up, as case studies, by councils in metropolitan districts (for example Sydney Inner West, Greater Parramatta and St George) and in subregions were reviewed. Finally, there is also the option of 'no change' to current local council and State working arrangements. Given the extent of issues canvassed and the options outlined above, the 'no change' option is unlikely to be attractive to most parties. These parties want expanded opportunities, for example, in better 'urban planning and infrastructure provision' at all levels of government.

In summary, there is every possibility NSW councils and the State will be operating under different arrangements in the future. The options of councils working in partnership with other councils and the State presents an array of optional arrangements aimed at

achieving best 'urban planning and infrastructure provisions' for the community.

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