

SAVE HUNTERS HILL MUNICIPALITY COALITION

A coalition of community and precinct groups and residents determined to save the historic Municipality of Hunters Hill
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SAVE HUNTERS HILL MUNICIPALITY COALITION SUBMISSION TO NSW GOVERNMENT AND RESPONSE TO THE REVIEW PANEL'S DISCUSSION PAPER (NOVEMBER 2012)

DATED 6 MARCH 2013

1. Summary

- There must be no forced amalgamation of councils, either in the city or country.
- State Government should honour its pre-election pledge not to force local government amalgamation.
- State Government and its agencies should partner with local government entities and where appropriate collaborate with Regional Organisations of Councils (ROCs).
- The State Government, in cooperation with local government, must reform 'rate-pegging' and meet its obligations re 'cost shifting' and infrastructure maintenance, in order for local government to have a sustainable economic base.
- Local decision-making by elected councillors, including on planning matters with full public participation, is an imperative.
- Hunters Hill is proven as a viable and efficient local government entity, with the strong support of its community.
- The historic Hunters Hill Municipality (1861), which is of national heritage significance, should be properly recognised, preserved and protected.

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3. Introduction

- This public document contains the response from the community group *Save Hunters Hill Municipality Coalition* to the 'Independent Local Government Review Panel' re its discussion paper 'The case for sustainable change' dated November 2012. The document is also directed as a submission to the NSW Government.

4. Save Hunters Hill Municipality Coalition (SHHMC)

- SHHMC is a coalition of community and precinct groups and residents determined to preserve and protect the historic Municipality of Hunters Hill in Sydney, Australia.
- The coalition is strongly opposed to any amalgamation or merger of Hunters Hill with any one or more of its surrounding councils now or in the future for reasons set out below.
- The coalition has wide support throughout the Municipality, with two convenors Emeritus Mayor Ross Williams and Phil Jenkyn OAM, sixteen coordinators (two for each of the eight precincts) and many supporters. It has created a special website www.savehuntershill.org The website and its contents form part of this response.

5. Hunters Hill Council and NSROC

- At the Local Government Election In 1999, in answer to a question put to residents, over 80% voted against amalgamation.
- In 2003 the Hunters Hill Council resolved to strongly and publicly oppose any boundary change.
- The popularly elected Mayor and all other Councillors elected in the September 2012 Election were elected by the community on policy pledges of no amalgamation, maintaining the integrity and independence of Council, and protecting its significant heritage, environmental and community values.
- Council on 10 December 2012 considered its position in relation to the Review Panel discussion paper November 2012, reaffirmed its opposition to amalgamation, and resolved on 25 February 2013 to finalise its detailed response to the Panel with a 'Position Paper' including the statement 'Hunters Hill Council holds the NSW Government to its pre-election promise of no forced amalgamations'.
- SHHMC strongly supports Council's response dated 6 March 2013 to the Panel's paper. This support applies not only to the Council's determined view about no amalgamation, but also to its other responses including what it says about 'NSW 2021', the importance of 'communities of interest', partnering with others and cooperation through NSROC, the soundness of its financial position, and generally about Hunters Hill and its community.
- Hunters Hill Council is a member of the Northern Sydney Regional Organisations of Councils (NSROC). Apart from Hunters Hill, the surrounding member councils are Ryde, Lane Cove,

Willoughby, North Sydney, Ku-ring-gai and Hornsby. On 14 February 2013 NSROC unanimously resolved 'Our Councils hold the NSW Government to its pre-election promise of no forced amalgamations'. SHHMC strongly supports the joint resolution of all those councils. The NSROC Press Release dated 15 February 2013 is attached.

6. Hunters Hill Council and Community highly valued

- Hunters Hill Municipality is an historic council in Sydney, Australia which was established in 1861. It retains its original boundaries, and is Australia's oldest 'garden suburb' and a place of national heritage significance. See www.savehuntershill.org - 'Hunters Hill History and Heritage' under tab 'Important links'.
- The Council is supported by a caring and committed community who values the Municipality's history and heritage. There is a strong sense of belonging to this place and to its institutions and organisations. It has elected its representatives to the council for over 150 years. The community contributes significant 'social capital' to the local government area.
- The Council is in a sound position as supported recently by the IPART Determination re special rate variation and by the NSW Treasury Corporation's financial review. It achieves economies of scale through outsourcing and collaboration, including with surrounding councils through the Northern Sydney Regional Organisation of Councils (NSROC). The Panel in its paper (page 22) states that in NSW Regional Organisations of Councils (ROCs) "are in fact the primary form of multi-purpose shared services provision by local government. Furthermore, their role in regional advocacy is not only an important form of collaborative delivery in its own right but also supports their activities in developing shared services in operational areas".
- Local government exists for the benefit of local communities, not as a servant to State Governments. Hunters Hill Council and its community illustrate what is best about local government, a democratically elected council well run with a strong and committed community.
- The local State member Anthony Roberts MP has recently publicly stated that he is strongly opposed to any amalgamation of Hunters Hill, that it is a National Treasure and its Council and community highly valued, and that economies of scale can be achieved through the ROCs structure.
- The Federal member for North Sydney and Shadow Treasurer, The Hon Joe Hockey MP, lives in the Municipality of Hunters Hill and knows it well. In a [Media Release](#) dated 28 February 2013, which is attached on the SHHMC website under 'Statements by Political Parties and members', he states "Hunters Hill Council must remain as an independent historic local government area not only for its strong local community but also to protect an important part of our nation's history".
- The Review Panel in its paper states (page 4) "Councils must be able to decide how best to respond to the particular needs of their local communities", (page 23) "local identity is important and needs to be maintained", (page 10) "local government is the democratic representative of communities", (page 30) "the importance of the councillors' representational and decision-making roles", (page 30) "local government needs to be kept 'local' to the maximum possible extent", and (page 23) "a 'one size fits all' approach is untenable". These are all key features of local government as embodied in Hunters Hill Council's approach and scale in delivering financial, planning and services outcomes for the local Hunters Hill community.

- ‘NSW 2021’, the State Plan adopted in 2011 by the Government, states that ‘communities know best what works for them’, and that the NSW Government will ‘work to strengthen community relationships’ and ‘give local communities more control on planning issues and the quality of the built and natural environment’ and ‘encourage stronger communities’. See ‘NSW 2021’ – ‘Strengthen our local environment and communities’. Also see ‘Restore Accountability to Government’ - ‘talk honestly with the community, return planning powers to the community and give people a say on decisions that affect them’. Again these outcomes are best delivered at a scale appropriate to the community of interest such as articulated in Hunters Hill.
- Amalgamation of Hunters Hill into a bigger local government area would have a severe adverse impact on its community and community groups, its strong ‘sense of belonging’ to place, its local democracy which it has had for over 150 years, its identity as Australia’s oldest ‘garden suburb’ and one of the very few early councils with its original boundaries, its ability to protect its heritage and history – the list goes on. It is just not true to say that all this could be protected somehow if Hunters Hill no longer survived as a Municipality and its community of interest disconnected.
- The Review Panel and the State Government must value efficient and historic local government areas, preserve and protect them for they are an important part of our heritage. There is no better example in the nation than the Hunters Hill Municipality. As ‘NSW 2021’ states (Goal 27) ‘Recognising and protecting the State’s most significant heritage places and values will ensure future generations can enjoy them’.

7. Review Panel’s Discussion Paper (Nov 2012) seriously flawed

- The Review Panel is not independent or impartial. It was appointed and is paid by the State Government. It is pushing an amalgamation agenda, particularly in the Sydney region. (Discussion paper: page 23 “NSW has too many local councils”, page 5 ‘The Panel will formulate proposals for amalgamations’, page 35 “change has to be driven hard” and page 36 one should ‘set aside some of the running sores’, like rate-pegging and cost shifting.) The Review Panel provides no evidence to support these statements. What is broken and how would new boundaries solve these issues? No Benefit/Cost analysis is provided to justify these and many other misguided comments made by the Review Panel.
- There is little support for amalgamation amongst councils and less amongst communities. This is for very good reason. Forced amalgamations were a dismal failure in Victoria and recently in Queensland, and would be a disaster if tried now in NSW. The attempt to do so in 2003/2004 in NSW had many adverse impacts on communities and imposed substantial costs. The planning and implementation were poor. The recent ‘desktop review’ carried out for the Panel (Jeff Tate Consulting January 2013) is clearly deficient and involved no analysis of amalgamations or attempted amalgamations in Sydney.
- The report for the Panel by Elton Consulting December 2012 reviewing community surveys/polling is also clearly flawed. It relies on polls commissioned by the Property Council of Australia (NSW) with acknowledged ‘leading questions’ and an online poll taken by the Daily Telegraph underneath a positive article for amalgamation. It apparently was unaware that specific questions asked of electors at Local Council elections in relation to amalgamation have been held, with results in areas like Hunters Hill and Mosman of over 80% against.

- The Panel starts its paper by saying ‘Local government in NSW must change’. What it really should have said was ‘The NSW Government must change’ - both its desire to control and its attitude to local government’.
- There is a considerable body of evidence to support the proposition that bigger councils are not better, nor are they more efficient and they do not have lower rates. Amalgamation does not bring greater economies of scale. This can be achieved through what happens now, namely councils outsourcing and collaborating including through the voluntary Regional Organisations of Councils (ROCs).
- Councils should not and cannot act as large corporations or companies motivated by the pursuit of profit. Councils exist to provide services, local governance, guidance and assistance to communities. Communities vary greatly as to their needs and expectations. The idea that councils should act as a big corporation just doesn’t get what local government is all about. The Review Panel is wrong when it states that an essential element for local government should be “councils that are managed like multi-million dollar companies” (page 11).
- The discussion paper does not appreciate how important communities are for the successful operation of local government and government generally. The Panel paper at page 29 states “There is still no definitive approach to the concept of communities of interest” The paper does not grasp what it is that makes communities value their local area and council. It does not understand the importance of ‘social capital’, namely the goodwill that can flow from a community to its local area.
- SHHMC on 20 December 2012 emailed our ‘Position Statement’ to the Review Panel, and sought then and again by email and letter dated 12 February 2013 to meet with the Review Panel to help them understand what makes communities successful. Unfortunately SHHMC received no acknowledgement or response to those offers. See attached letter.
- The Panel seeks to justify bigger councils on the basis this would somehow allow them more easily to engage with State governments – to have greater strategic capacity. This is a fallacious argument. State government mainly deals with local government through its various agencies – including Planning, Transport, Infrastructure, Environment, Community Services and Catchment Authorities. They all have different regional groupings depending on their functions and what their problem is at the time. When they need to they deal with individual councils and where appropriate with Regional Organisations of Councils (ROCs). This is what happens now and it is effective, being flexible and responsive to particular issues and needs. However it could be improved by the State agencies and Government working more respectfully and in a true partnership with Councils and ROCs. As the Panel paper states (page 34) “the State lacks a ‘whole of government’ approach to the role of local government”.
- The Review Panel does not adequately deal with the elephant in the room, namely the State Government. It does identify (page 34) “the ‘running sores’ such as the land use planning system, rate-pegging and cost-shifting” but does not appear to have the will to tackle the Government on these issues, (page 14) “local government cannot expect increases in total state and federal funding”. The real problem frankly is the State Government. It has maintained for over 30 years a system of rate-pegging that is discredited and has not even kept pace with cost increases. It is the only State that has such a system.

- The State also requires local government to take on many additional responsibilities without monetary support. Local government needs to be able to raise sufficient monies to be able to carry out its requirements, and the State needs to pay the costs of its tasks that it now gets local government to do. It needs to partner with local government, not treat it as a plaything. If the Review Panel is not the captive of State government, then these are the areas for it to suggest meaningful reform.
- “Local government is generally a capable and efficient deliverer of services” (page 20) Panel report. If the State Government paid local government for carrying out its requirements, allocated more State funds to infrastructure and allowed more flexibility in relation to rates and revenue raising, then clearly local government would be sustainable, as well as efficient and viable.
- The Review Panel has not put up on its website any of the submissions that have been received in relation to this paper ‘The case for sustainable change’. Why not? It did in relation to its earlier paper. The Panel is not being transparent in relation to its dealings with the public and communities. SHHMC states that this submission and that of the Council should both be placed under submissions on the Panel’s website.
- Since the beginning of December 2012 the main media has often simply been regurgitating handouts from Ministers offices, large property interests and business chambers, and of course the Review Panel. It must be said that much of the material has either involved self-interest or hidden agendas. It is of little surprise therefore that the most insightful and objective article written from that time to now has been from the genuinely independent media - an article by Pat Garcia called [‘Councils Aren’t One Size Fits All’](#). Also of note is the article by Professor Brian Dollery in the SMH 12 February 2013 [‘Amalgamation not the path to real reform’](#). An example of an article fed by large property developer and business interests and lobbyists appears as an exclusive in the Daily Telegraph on 4 March 2013. It was headed in the hard copy edition [‘Put councils to the sword’](#) and is now online. It is an example of blatant self-interest, with no concern for the public interest nor for communities or for what local government is all about.

8. Recommendations to the Review Panel and to Government

- There must be no forced amalgamations either in the city or country. This would be a serious mistake. To do so would fly also in the face of what is happening overseas where best practice now is ‘devolution’, that is going back to manageable local government or decision-making, where communities can really have a meaningful say in their own affairs.
- ‘No forced amalgamations’ was one of the State Government’s pre-election policies and has been repeated since the election. It is a material matter that the Review Panel is obliged to consider. If councils seek to voluntarily merge and after proper consultation their communities overwhelmingly agree, then if certain requirements including viability and sustainability are satisfied, such a merger might be considered. But not otherwise in any circumstances.
- The State Government needs to remove the present system of rate-pegging and enter into discussions with local government as to how it may best finance its operations and how the State government will meet the cost of services it now requires local government to perform. The Review

Panel should offer advice setting out a number of suggested reforms in this area to ensure the financial viability of councils and a fair distribution of funds between State and local government.

- The Review Panel should advise the Government that it really needs to genuinely partner with councils and where appropriate Regional Organisations of Councils (ROCs). ROCs must remain autonomous of government and be a collaborative model not legislative driven.
- Nothing should be recommended by the Review Panel that in any way decreases local independence and decision making, community cohesion and a sense of belonging to a particular area. Nothing should be done that diminishes a community's motivation to protect and preserve the character and heritage of a place. Communities are in fact the heart of what makes this country tick. Volunteerism would be at risk if 'local' was to be removed from 'Local Government'.
- Hunters Hill Municipality must be respected and retained as a separate efficient and historic local government area. Its heritage and community values must be properly preserved and protected. This is a requirement of 'NSW 2021' - the State's own plan.

9. Attachments

- The SHHMC Submission includes the following attachments. They can be found on the SHHMC website www.savehuntershill.org under the second tab 'Important links', except where otherwise indicated.
- SHHMC [Position Statement](#) 'Hunters Hill Threat of Amalgamation December 2012'.
- SHHMC [Report to Council Meeting](#) 11 February 2013.
- SHHMC [A Community Perspective](#) on Proposed Changes to the NSW Planning System 3 Oct 12.
- SHHMC [History and Heritage](#) of Hunters Hill.
- SHHMC [Statements by Political Parties](#) and members re amalgamation.
- SHHMC [Letter](#) to Review Panel 12 February 2013.
- SHHMC [Response to Review Panel](#) and Submission to Government 6 March 2013.
- Hunters Hill Council [Submission on Green Paper](#) 11 October 2012 See Hunters Hill Council website.
- Hunters Hill Council [Position Paper](#) to Review Panel 24 February 2013
- NSROC [Press Release](#) 15 February 2013 See NSROC website.
- LGSA NSW [The Impact](#) of Cost Shifting on NSW Local Government: 2010/11 See LGSA website.
- Better Planning Network [Website](#) of affiliated community groups concerned re planning changes.

This document has been emailed to the Premier The Hon. Barry O'Farrell, MP at office@premier.nsw.gov.au and to the Local Government Review Panel at info@localgovernmentreview.nsw.gov.au - both emails sent 6 March 2013.

This document has also been mailed to the Premier The Hon. Barry O'Farrell, MP at Level 40 Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000, and to the Local Government Review Panel c/- Locked Bag 3015, Nowra NSW 2541, both posted 7 March 2013.

Cc

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