

The Elephant in the Room: Council Amalgamations

Stephen McMahon Director, Inspire Urban Design and Planning

If it's Broke ... Fix it

There is no doubt Local Government in NSW is broken. (There, I've said it ... and at this point I should note that the comments in this article are mine and don't represent the views of the NSW Division of the Institute).

However, the evidence is everywhere:

- The NSW Ombudsman has recorded a 20 percent increase in complaints about Councils in its 2009-2010 Report;
- Figures released by the Minister for Local Government show that many NSW Councils may be technically insolvent and bankrupt;
- Councils across the state are struggling with a \$1.0 Billion infrastructure backlog;
- Council offices are being burnt down by angry residents and Councillors threatened;
- The never ending cycle of Council sackings and investigations continues;
- The never ending cost shifting by State to Local government continues, placing particular burdens on Councils in new release areas to fund services for new residents, and forcing Councils to go on strike, refusing to approve subdivisions in new release areas;
- Corruption and unprofessional behaviour exhibited by Councillors appears rife and in many instances responsible decision making appears to be drowning in a culture empowered by interests that only know how to say no; and
- Oddly, green dominated Councils are objecting to public transport proposals, while Councils in Sydney's industrial heartland are objecting to investment in employment infrastructure.



The Elephant in the Room

It is no wonder we have Part 3A, Joint Regional Planning Panels, Housing Codes, Private Certifiers, infrastructure levies imposed on new home purchasers and continual legislative change. Yet these actions are not fixing the problem. They cannot, in fact, as they do not address the problem. They only make the situation worse.

The "A" Word

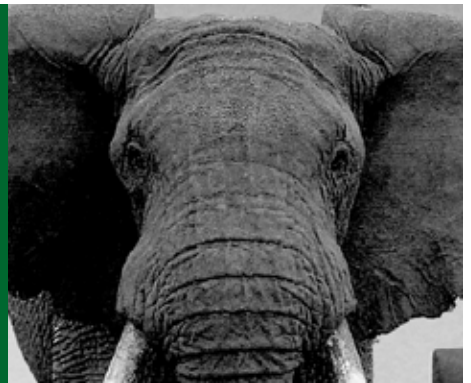
Have you noticed how the term Council "amalgamations" has been replaced by the terms "reforms" and "modernisation"? It is as if we are too scared to utter the "A" word anymore.

With such clear signs of illness, and the potential for a new State Government to be elected with a mandate for change, it is disappointing that no one is prepared to accept this challenge. Will a new Planning Act really fix local government planning, or will it be more of the same?

Of course State Government is not unique in running away from the "A" word. The report on the Summary of Submissions on the Review of the Metropolitan Strategy and Transport

Plan is noteworthy, not because of the ability of the consultants to convert a mere 220 submissions into 100 pages of text, but because no one appears to have suggested that strategic planning outcomes could be assisted by local government reform. Furthermore, in October, Mayors and Councillors gathered at Albury at the annual LGSA conference under the theme "Modernising Local Government." Alas, they appear to have focussed on issues such as the banning of brothels, restrictions to alcohol and gambling, opposition to whaling in the Southern Ocean and Sydney Airport landing fees.

Yet, the Local Government and Shires Associations (LGSA) has put the "A" word on the agenda. In its 2010 discussion paper - "Modernising Local Government" - it notes that there is acknowledgment that in Victoria, after the Kennett amalgamations in the 1990s (where 200 Councils were amalgamated into 78, now 79), Local Government is stronger, and operating more efficiently and better, than before. There has been no apparent loss of democratic representation. It also notes that while such reform was authoritarian



and lacked consultation (and was thus subject to significant protest at the time), it would not have occurred voluntarily.

On the topic of economies of scale, the Discussion Paper quotes the report of the Inquiry commissioned by the LGSA by Allan, Darlison and Gibbs, 2006, "Are Councils Sustainable?" The "Percy Report" (as it is known) reviews the assumption that larger councils with larger populations exhibit greater economic efficiencies. It finds a strong argument against it. However the Report is a narrow focussed review that looks purely at the potential economic savings to Local Government, and not at the broader costs to the community of having to deal with a fragmented local government system.

It is difficult to see how 38 groups of planners in 38 wealthy and not so wealthy Sydney Councils writing 38 LEPs, 38 Housing Strategies and 38 DCPs, together with numerous other planning groups in State Agencies writing their own planning policies, could be an efficient use of resources. Multiply that inefficiency and inequity throughout the state and you get the picture. Furthermore, the time, energy and resources required to lodge different development applications and the subsequent need by both private and public sector planners to deal with various State Government agencies to address often conflicting and contradictory requirements in development assessment, is rarely quantified.

I have a Dream

Last month I lodged an application with the Gold Coast City Council under Queensland's Integrated Development Assessment System for a development permit for a 'material change of use' for a property in Biggera Waters. Last year, I lodged an application with the

London Borough of Tower Hamlets for planning permission for additions to an East End terrace on behalf of my cousin.

Alas, however, neither of these projects resulted in a frequent flyer point bonanza. I never visited either Council or either site. The site analyses in my Supporting Information (for the Council) and my 'Design and Impact Statements' (for the Borough) were spot on thanks to Google Earth and StreetView. Both applications were lodged electronically and both applications were efficiently and promptly dealt with.

As a planner I dream of a Council environment where I sit in a room with officers from Council Departments that represent all areas of interest that affect a development proposal; a "one-stop shop" where all issues can be raised and conflicts addressed. I dream that my local government career is not limited by the constrained boundaries of a small local government area. I dream of a place where Part 3A, JRPPs and Housing Codes are simply not required, because my Council is efficient and professional in its decision making. I dream of a Sydney Council that stretches from Hornsby in the north to Camden in the south. It has access to a bigger rate base than the whole of New Zealand, and has responsibility for its own destiny in terms of infrastructure delivery (roads, transport, environment, planning, water, sewer etc). We do not need infrastructure



The Patchwork of Small Administrations

levies as everyone shares the burden and housing affordability is assisted. I dream of other large Councils in the Hunter, Illawarra and further afield.

NSW, and Sydney in particular, is fortunate in that its geography encourages the potential amalgamation of Council areas based on efficient geographical units and access. The various "ROCS" (Regional Organisations of Councils) illustrate the potential.

The question is ... will it happen in the next 4 years?