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Sent: Friday, 31 July 2015 9:00 AM
To: Local Government Mailbox
Subject: local government amalgamation inquiry

Members
Independent Pricing and Regulatory Tribunal

30 July 2015

Submission on amalgamation of local government councils

I write to support the status quo in the City of Sydney coverage and against any proposal to expand the boundaries at this time by amalgamation.

The city is working well as is.

In my personal experience the City has never worked as well as it does now. A number of organisations international and local have noted this. The accounting firm PriceWaterhouseCoopers holds the current City administration up as an example for other Councils. The City of Sydney was the only NSW council to receive a rating of 'strong' with a 'positive outlook' in the latest assessments by the NSW Treasury Corporation

The City of Sydney works well as it is. It has exemplary planning processes which are corruption proof, consultative and timely. It is my personal experience that services cater well to the needs of the community. The staff appear happy and are very approachable and responsive, not something that exists universally in local government. As a resident, and someone who does business in the city, I do not want this to be disrupted by an inappropriate expansion.

Wrong time for a change in the city boundaries

The State Government and the City of Sydney are in the process of introducing new public transport hardware and organisation. They need help from the City to do this in the least disruptive fashion. The Council should not be distracted during this period by the internal focus that comes with a large amalgamation process.

There are rapidly growing residential areas in the city, particularly the new high rise developments in the former underdeveloped industrial corridor of Beaconsville, Zetland, Alexandria and Green Square. Council services to these new residents are being introduced right now and would be seriously disrupted by an amalgamation.

It is my experience and borne out by everything I have read on the subject that amalgamations inevitably involve a period of organisational introspection and functional freeze. Core business is dropped for the time being. Those in positions of power in an organisation lean toward their own self-interest even without realising it. A poorly planned and reluctant amalgamation of organisations often produces a dysfunctional compromise, with too many chiefs and not enough implementers, clashing cultures and internal competition and sniping. The City of Sydney cannot afford to have this happen right now and nor can the State Government.

Disproportionate size for function

I understand one proposition up before the State Government is to amalgamate the City of Sydney with Botany and the Eastern Suburbs Councils, resulting in a local government area with a population the same as the State of Tasmania.

To my mind this is moving away from local government to a form of regional government. It would be hard for the head office of such a large area to introduce and administer policies that are sensitive to the diversity of neighbourhoods in the expanded area: established and rapidly growing suburbs, low and high population intense areas, and areas dominated by major businesses, tourism and retail activities. It would not be local government any more it would be regional government – a fourth level of government unless the State Government were to go.

Larger local government areas need powers commensurate with their broader responsibilities. Greater powers have been given to local government in Queensland and Western Australia when large regional administrations have been introduced.

Arguments in favour of creating a mega council area often cite the Brisbane City Council. However the BCC is much smaller in terms of business and tourism than Sydney. Also, an evaluation of this merged Council by the University of New England found that the Brisbane City Council (population 500,000) '*compared poorly in the key areas of financial flexibility, liquidity and debt-serving ability*' with the City of Sydney (population 200,000 and other NSW and Queensland Councils with populations of about 125,000).

The City of Sydney already has good governance and financial efficiency. The City has worked through the systems and staffing changes needed after the major 2004 amalgamation with South Sydney Council and has reached, I think, a maximum size for local government efficiency. There are massive demographic and structural changes in progress currently within the current City of Sydney boundaries and the distraction of an amalgamation would be counterproductive to achieving the best results for business, residents and visitors.

As a resident and ratepayer, and as a user of the City's excellent community services, I would prefer that the City of Sydney retain its current boundaries.

Elaine Spicer

