

## **PS BURNSTEIN: Submission to IPART Fit for the Future Proposals 31 July 2015**

Dear Premier Baird, Minister Toole & IPART *Fit for the Future* Proposals Reviewers

All residents- individual and businesses- deserve honest, effective, responsive, responsible, relevant and progressive government at all levels, but we are especially concerned to have those qualities where we live and work i.e. local government.

I, my family members and friends favour improvement proposals when they are achieved cooperatively and their outcomes are made available for public scrutiny. I applaud the leadership shown by the *Fit for the Future* initiative, but I find 6 key aspects of it worrying:

1. its overemphasis on using amalgamation to reduce the number of local government entities;
2. the negative cost and long term disruption of consolidation initiatives following amalgamations have on organizational infrastructure, staff morale and resident services;
3. jeopardizing of long term investments and plans that rely on continuity and efficacy of the regulations and services in force when the project was approved;
4. a larger-is-better bias strongly advantages candidates belonging to political parties over local independents who must fund their own campaigns. It further increases candidates' reliance on soliciting donations to be an undesirable side effect in light of recent donor scandals;
5. the fact that the final recommendations/outcomes of the Fit for the Future initiative will not be made available for public scrutiny and debate. These findings must be publically scrutinised in the public interest.
6. the proposal that the City of Sydney be amalgamated with its metro neighbours to create a "Mega-Council" despite overwhelming opposition by most of the affected councils and their residents.

The strongest theme arising from IPART's *Fit for the Future Proposals* is that amalgamation always achieves improved outcomes for cooperating Councils and their constituents. This assertion is not supported by authoritative evidence from past experience or from this present study.

Amalgamation is a brutal instrument that should be deployed only in cases which demonstrate overwhelming, cost-effective efficacy for all participants. It is particularly disruptive to infrastructure, base-line and back-room systems and services and employment stability, all of which will require huge new capital investments to consolidate.

In the case of the City of Sydney, It has clearly demonstrated that it is already fully *Fit for the Future* and exceeds the scale and operational excellence criteria set out in the report.

1. It provides effective services for 1.2 million people using it daily;
2. Its Independent Council has been endorsed by 80% of resident individuals and 70% of resident businesses; it has a well-established culture of self-improvement;
3. It generates \$108 billion of economic activity yearly- almost 25% of NSW gross domestic product;

4. Its planning, productivity and fiscal health are exceptionally strong – completing 250 major projects since 2004 and progressing its 10 year plan for 370 more;
5. It has approved and has oversight of \$24 billion in long term investments that depend upon governance continuity for success.
6. It has achieved these outstanding results while maintaining our commitment to sustainability, design quality, heritage and livability as Australia's first carbon neutral government;
7. It readily cooperates, shares expertise and mentors other government entities and officials.

These proven accomplishments clearly demonstrate that the independent City of Sydney Council is doing very well on its own and that subjecting it to amalgamation of any sort will put billions of dollars of long term projects and in-progress investments at risk. A decline in construction activity of just one per cent over the next decade due to disruption or delays would have a negative economic impact in excess of \$300 million. Hobbling an exemplary Council using the guise of improvement would be reprehensible and lead to questions of motives.

In closing, I urgently request that IPART, its reviewers and the NSW Parliament act to take the following actions:

1. Use the tool of amalgamation sparingly and voluntarily to achieve only cost and productivity-effective change welcomed by the relevant participating councils.
2. Ensure that election regulations and processes encourage local resident participation in local government, including measures to ensure that all candidates have a cap for campaign funding. I request that both Federal and State governments investigate public funding for elections.
3. Make the outcomes of the IPART review of the Fit for the Future public and provide a forum for meaningful public scrutiny prior to taking legislative action on any recommendations.
4. Leave the independent City of Sydney Council alone to continue its excellent work and example to all levels of government.

Again, thank you for giving me this opportunity to express my views. I look forward to the public release of the *Fit for the Future Proposals Review* reflecting genuine improvements for local governance.

Kind Regards,

PS Burnstein

