

Willoughby City Council - Fit for the Future?
Council Improvement Proposal

Submission to IPART

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In response to the State Government's Fit for the Future program, Willoughby City Council, based on an evaluation of its capacity and performance, submitted a proposal to remain an independent Council for the foreseeable future.

However, many of the assumptions and assertions made by Council in its Council Improvement Proposal are contestable.

As an independent ratepayer of Willoughby Council, I do not have the resources to fully analyse the financial position of Willoughby Council (either as a stand-alone entity or in concert with surrounding Councils). However, as a former Councillor of Willoughby Council (four continuous terms totaling 17 years until 2012) I am qualified to comment on many of the other facets of Council's submission.

3.3 Efficiency

"Council is undertaking and completing a review of its organisational structure. The organisational restructure is anticipated to result in savings to full time equivalent staff costs, salary and associated overheads of \$2 million per annum."

This organisational structure review will bite deeply into the senior levels of management within Council. Whilst it may be cost effective there is no guarantee that it will not adversely affect the culture and capacity of Council going forward. Given that in other parts of this submission, Council relies on past performance as an indicator of future performance, this may not in fact be so.

3.5 Other actions considered

ESTABLISHMENT OF JOINT ORGANISATION

Willoughby Council has given scant regard to the consideration of forming a Joint Organisation (JO). Also, by qualifying its interest in a JO (*"Willoughby supports a model in which the JO has significant planning powers delegated from the member councils"*) it flies in the face of the Government's key objectives: *"councils are missing out on opportunities to take a more active role in regional and State planning because they lack the scale and structures to engage"* (Fit for the Future - A roadmap for Stronger, Smarter Councils September 2014).

The existing Northern Region Organisation of Councils (NSROC), given its current limited funding model, has been reasonably successful in responding to State Government policy and directions. Formalising this organization as a Joint Organisation would create an appropriate model of governance going forward.

A Joint Organisation can potentially offer the opportunity to respond robustly to the Governments policy and directions (particularly at a strategic level), as well as the negotiation of service contracts, whilst at the same time continuing the practice of local representation. It is my view that Willoughby Council should have more comprehensively considered this option (rather than retreating in the face of neighbouring Councils preferences).

ATTACHMENT 1 – STRATEGIC CAPACITY

As stated earlier, a number of tenants that Council has based its assessment on are contestable.

Whilst delivering The Concourse on time and under budget was a stellar achievement, it was undertaken by two former General Managers and their staff (as well as four previous sets of Councillors). It may be optimistic to believe that with reduced levels of management that a similar project could be achieved.

The delivery of the refurbished Willoughby Incinerator Art Space went excessively over time and a significant budget

Council put considerable effort and resources into developing strategic plans for the Chatswood CBD and St Leonards. However, over the past five years, these codes have been considerably eroded by decisions by Planning Assessment Commissions, Joint Regional Planning Panels and spot rezonings. In particular, the conversion of planned employment areas (commercial development) has been turned over to residential, jeopardizing Councils ability to meet State Government employment (job) targets.

Whilst Council has been able to negotiate significant developer contributions this has typically been at the expense of violating existing planning codes (particularly in relation to Floor Space Ratios and height restrictions). The Willoughby community has consistently expressed its desire that once planning codes are gazetted that they be adhered to. It could be argued that Council has failed dismally in enacting appropriate strategic planning objectives.

Given its quick departure from consideration of a Joint Organisation model, Council really can't claim a leading role on regional collaboration and advocacy.

In relation to the provision of diverse social, cultural and recreational services, whilst Council has done a sterling job in the past, it has failed to appropriately respond to new and emerging demands. Fundamentally, existing services are maintained (with little

consideration for relative need) whilst new demands remain unmet, due to limited budgets.

UNDERTAKING REVENUE GENERATING ACTIVITIES

The majority of cases cited relate to the performance of previous management and governing bodies and do not necessarily reflect capability going forward.

Revenue from Advertising on bus shelters has been in place for decades. However, even in the face of the need for increased revenue, the current Council recently decided not to pursue significant advertising revenue from street bollards.

Review of all services. It is claimed that the review of services will result in savings of \$1.9 million. However, project quantum details of how this will actually be achieved have never been provided to Councillors or the community. Also, it is not stated if this is a one-off saving or what any on-going savings will be.

Negotiating significant developer contributions. It would be interesting to see the percentage of contributions arising from Section 94 and 94A compared to Voluntary Planning Agreements (VPAs). The expectation is that most contributions have come from Section 94 and 94A.

ATTACHMENT 4 – CONSULTATION FEEDBACK

Council decided to propose a ‘stand-alone’ option in the face of considerable community opposition to such a stance.

Based on combined preferences, 62.3% of community responses favoured some form of amalgamation. The preference being for a merger between Willoughby, North Sydney and Lane Cove.

Only 32% of community responses supported the ‘stand-alone’ option.