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Date of submission: Friday, July 31, 2015

Submission: Strathfield Council's submission states its reasons for opposing the proposal in the Bankstown Council Fit for Future Submission to takeover land from Strathfield Council through a boundary change.



BANKSTOWN COUNCIL FIT FOR THE FUTURE SUBMISSION
COMMENTS REGARDING THE PROPOSAL TO ALTER STRATHFIELD COUNCIL
BOUNDARIES

31 July 2015

Strathfield Council is opposed to the proposal contained in Bankstown Council's Fit for the Future submission to IPART to transfer a substantial part of Strathfield Council located 'south of Cooks River' to Bankstown Council.

The Independent Local Government Panel report did not recommend merger options for Bankstown Council. The terms of reference for assessment of the Fit for the Future process did not involve consideration of boundary claims.

The proposal concerns transfer of the land 'south of Cooks River' from Strathfield Council to Bankstown Council. The proposal is not a minor boundary adjustment but involves transfer of 29.5% of Strathfield Council's land to Bankstown Council, substantial Strathfield community assets, land and facilities, and over \$5 million per annum in rate revenue.

The proposed boundary change involves transfer of land comprising:

- Total land size (including roads): 4,162,549.86m².
- Part or all of the suburbs of Strathfield, Strathfield South, Belfield and Chullora.
- Land zoned for multiple purposes eg residential, commercial, industrial, enterprise corridor, open space (public and private) and environmental conservation.
- Substantial Strathfield Council physical and land infrastructure assets including roads, footpaths, drainage, path/cycleway (part of the Cooks River Bay to Bay) and major open space, sportsgrounds and parks (Cooke Park, Begnell Field, Bark Huts Reserve, Elliott Reserve, Freshwater Park, Chain of Ponds Reserve, Coxs Creek Reserve)

Bankstown Council has not provided any justification to alter the existing Council boundaries. There is no proven benefit for the affected residents or businesses nor has the impact on Strathfield Council's services, functions and assets been considered.

Access and use of facilities such as parks and sportsgrounds in the affected area will impact on all residents, businesses, schools and organisations in the Strathfield Council area and loss of rate revenue would have a considerable impact on Strathfield Council and services and facilities provided to its community.

Under this proposal, Strathfield Council residents would have diminished access to councillors. Strathfield Council currently has a ratio of 1 councillor to 5,900 residents (based



on 7 councillor positions). If these residents were transferred under Bankstown Council, this would increase to about 1 councillor to 17,000 residents (based on 12 councillor positions).

Size of Council

According to Bankstown Council's submission:

"Council notes that the relative population intake would be low, impacting only 3,337 residents across a limited number of residential property blocks. Culturally, the bloc identified by Council is of a similar demographic to those areas in Northern Bankstown, each with similar needs surrounding facilities, open spaces and infrastructure."

Bankstown Council is not obliged to consider merger proposals in the ILGP report as the Panel were satisfied with the size of the Council. Bankstown Council claims in their submission that they may be disadvantaged if other councils in the region seek mergers and become larger than Bankstown. However, Bankstown Council has claimed in its submission that the boundary change would involve 3,337 residents, but this would have an insignificant impact on the total residential population and size of Bankstown Council.

A large portion of the Strathfield land is industrial (employment lands) which under State Government regional planning strategies is not permitted to be rezoned for residential purposes. Therefore, the likelihood of significant increases in population are low. This boundary change would not substantially increase Bankstown's population.

Community

The proposal to transfer this area of Strathfield Council is not supported by the local community.

In May-June 2015, Council engaged independent research company IRIS research to poll the community in regard the options under the Fit for the Future Program for Strathfield Council. 81% of the community supported a stand alone proposal for Strathfield Council, which did not include changes to council boundaries. At the time of the polling, the Bankstown Council proposal was not known.

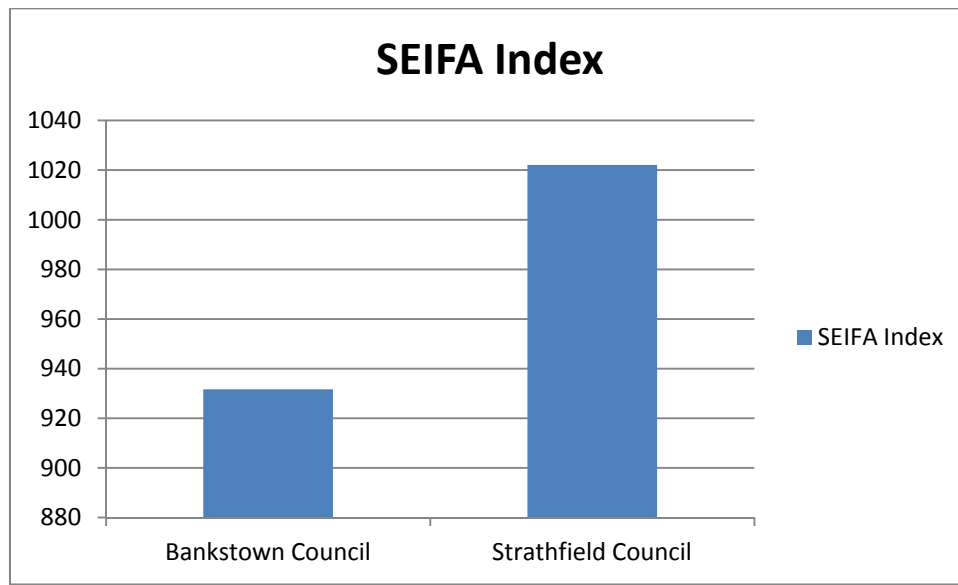
Since the Bankstown proposal became known, Council has notified affected areas and has been overwhelmed by the community opposition to this proposal. These submissions have been forwarded to IPART. Council has not received one submission or petition in support of the Bankstown Council proposal.

Communities of interest

The SEIFA Index of Disadvantage measures the relative level of socio-economic disadvantage based on a range of census characteristics. The index provides a general view of the relative level of disadvantage in one area compared to others and is used to advocate for an area based on disadvantage. Lower scores on the index reflect

disadvantage such as low income, low educational attainment, high unemployment and jobs in relatively unskilled occupations.

Lower scores on the index reflect higher levels of disadvantage, where higher scores indicate greater advantage. The table below compares the SEIFA index between Bankstown and Strathfield Councils.



The Strathfield Council area is in the top 20% on the SEIFA index, which indicates high levels of socio-economic advantage.

Impacts of rates on residents and businesses

There are considerable differences in Council rates and land values between Strathfield and Bankstown. Strathfield Council generally has higher land values but its Council rates are lower relative to unimproved land values.

If land transferred, rates would significantly increase for those businesses and residential properties from the Strathfield Council area. By comparing of rating methodologies adopted by both councils and their unimproved land values, it is estimated that many residential properties would experience an increase up to \$500 per year if land transferred to Bankstown Council.

Rates would also dramatically increase for any business property transferred from Strathfield to Bankstown Council as business land, especially in the South Strathfield industrial precinct, has high land values and land lots of significant size.

Services to the community

There have been claims made that Strathfield Council residents are utilising Bankstown's schools, shops and services, which would support a boundary change.



Strathfield Council provides and pays for services such as roads, footpaths, streetlighting, parks, sportsgrounds, drainage, kerbs and guttering, children's playgrounds etc. None of these are provided by Bankstown Council. Many Council facilities such as libraries are open to any member of the public under NSW legislation, regardless of which Council provides the service.

Schools are not provided by Councils. Schools are a State Government service and the catchment area for schools is not based on Council boundaries, school catchments shift proportionate to demand. Similarly State and Federal electorates are redistributed regularly based on shifts in population.

Shops are not operated by Councils. They are privately owned and operated.

Assets, public land and facilities

A change in boundary change would result in the loss of large amounts of parks, sportsgrounds, community facilities, shopping centres and employment lands from Strathfield residents and ratepayers such as Cooke Park, Begnell Field, Bark Huts Reserve, Elliott Reserve, Freshwater Park, Chain of Ponds Reserve, Cave Road Shopping Centre, Strathfield South industrial and commercial areas.

This involves millions of dollars of assets and infrastructure which have been acquired, built, maintained and resourced by Strathfield residents and ratepayers. Change of management could result in changed uses and access arrangements to community facilities and land.

Infrastructure

The Bankstown submission states that the boundary change would:

"...absorb major key infrastructure including Strathfield Golf Club, Greenacre Bowling and Recreation Club, the Enfield Intermodal Terminal and the Greenacre Industrial Area. The area also included five open space reserves."

Bankstown Council has claimed that they would absorb major key infrastructure such as the Greenacre Bowling and Recreation Club from Strathfield, when in fact, this land is already located in the Bankstown Council area and has been since 1953.

The Strathfield Golf Club is located on land owned by the club as well as land licenced by Strathfield Council (Freshwater Park). The Bankstown Council proposal would split Freshwater Park between Strathfield Council and Bankstown Council as Freshwater Park is located on both sides of Cooks River.

"(Bankstown) Council has also investigated the potential for a boundary adjustment taking in a southern portion of Strathfield Council. This adjustment would result in an increased ability for effective regional planning through the observance of more natural boundaries, including the intake of the remaining portion of the suburb of Greenacre. Moreover, it would allow Council to plan more effectively for asset



maintenance in the areas surrounding the Enfield Intermodal, where high load traffic frequently travels.

It should be noted that the entire South Strathfield industrial area, which includes the Enfield Intermodal Terminal, is located in Strathfield Council. This area is identified in the Central Sydney Sub-Regional Plan as one of the largest area of employment lands in the Inner West. The Enfield Intermodal Logistics Centre being also identified at the Sydney Metropolitan Plan level.

Much of the employment land is also located in this precinct and Council has developed its Local Environmental Plan controls to protect employment land from fragmentation which is significant to supplement the planned Enfield Intermodal Logistics Centre.

There is no evidence that more effective regional planning or infrastructure management would result by transference of this area to Bankstown Council, which is not part of Sydney's Inner West region.

Revenue shortfalls

Bankstown Council has identified the need to increase their rates to cover revenue shortfalls ranging from \$17 to \$25 million dollars. Their Fit for the Future submission states that their asset backlog for 2015-2016 is over \$61 million.

“Asset Backlog. Council’s size, relative to its ratepayer’s particular disadvantage (on the SEIFA index) means that asset management occurs on an “as required” basis for the majority of major projects. Although renewal works do frequently take place, they are often overshadowed by maintenance works required on Council’s wide asset base. Council also finds itself in a unique position where a number of its assets are currently either approaching the end of their useful life, or transitioning towards a period where substantial maintenance will be required. Post World War II, the Bankstown area entered a period of rejuvenation and construction of major assets. These post-war assets are now drawing towards the end of their useful life, requiring further substantial investment to keep them within Council’s and the community’s standards”.

“As at 2017/2018, Council will not be in a position to meet the required 2% infrastructure backlog ratio”.

“Council’s approach to meeting the fit for the future benchmark is to embark on an asset maintenance and renewal acceleration program, fostered by an uplift in rateable income. In short, Council will look to increase rates”

“Simply put, although Council’s position following the implementation of its (rate increase) plan will allow it to appropriately manage all existing infrastructure, it will not be in the position to fund major asset construction, such as its recent funding of the new Bankstown Learning and Knowledge Centre (BlaKc).



The motivation to obtain revenue from Strathfield Council is stated in their Fit for the Future submission:

*“Without access to its rating data, Council is not able to prepare impact projections for Strathfield Council. That said, applying Bankstown’s model would result in an additional \$2,500,000 (approx.) in rateable income. **This would assist in reducing the need for the full 1.5% uplift to Bankstown’s ratepayers, albeit, not to a significant extent.**”*

This statement clearly demonstrates that the driving objective of the proposal is to obtain revenue and assets from Strathfield Council. Based on rating estimates (factoring annual rate peg of 2.4%), anticipated rate revenue for the Strathfield Council area over the benchmark period for Fit for the Future is:

Year	Residential	Business	Totals
Annual 2015/2016	\$2,290,139.78	\$2,846,400.50	\$5,136,540.28
Annual 2016/2017	\$2,345,103.13	\$2,914,714.11	\$5,259,817.25
Annual 2017/2018	\$2,401,385.61	\$2,984,667.25	\$5,386,052.86
Annual 2018/2019	\$2,459,018.86	\$3,056,299.26	\$5,515,318.13
Annual 2019/2020	\$2,518,035.32	\$3,129,650.45	\$5,647,685.76

The potential loss of income to Strathfield Council would be significant.

“Natural Boundaries”

The claim that the Cooks River in Strathfield Council is a “natural boundary” for a local government area is refuted. There is no open river in Strathfield, the river was historically described as a ‘chain of ponds’. This system was canalised in the 1930s-1950s and the canal also diverts in two different areas. The canal is not wide and in some areas the river is below ground or almost non-existent except during rainfall incidents. There are multiple road and pedestrian access points across the River including state roads such as Liverpool Road (Hume Highway). There are no significant obstacles of access across the River.

In fact, management and coordination of both sides of the Cooks River corridor is consistent with the planning for the Green Grid currently under development by the NSW Department of Planning.