

Tuesday 2 February, 2016
Hunters Hill Sailing Club

Good evening, my name is Deborah Hutchens and I am proud to be the Mayor of Lane Cove Council.

As Mayor it is my responsibility to represent the best interests of the Lane Cove community and provide a voice for those who cannot be here today.

That includes

- those who are hard at work and will enjoy coming home to a well-maintained, safe neighbourhood;
- those that will be preparing to use one of our numerous high-quality recreational facilities;
- those young families and elderly members of the community that appreciate the village atmosphere and hub of our community, the Plaza;
- as well as the local business operators, employees and volunteers who help make Lane Cove such a fantastic place to live, work and play.

Afterall, the impact of the proposed merger will be far-reaching and I want to be able to look each of these community members in the eye and tell them I tried.

I tried to make their voice heard and their interests known.

I tried to keep their hard-earned rates local and I tried to keep them from going up in four years time when we know that Lane Cove residents will be worse-off in a merged Council.

So, I intend to take a few minutes of your time today to convey what will be taken from our community over the weeks, months and years that a merged council would be established.

I would like to begin by making it known that the Lane Cove community is well-informed on the local government reform process and the issues affecting their community's future.

We were one of the few, if only, councils to write to ratepayers at the commencement of the reform process in 2013.

Council has continued an informed conversation with the community about Fit for the Future and as a result we feel confident that the concerns raised via public meetings and other consultations comes from a community educated on the issues at hand.

The main community concerns include:

- potential loss of democracy
- reduced sense of community
- as well as potential impacts on the quality and diversity of facilities and services.

In response to the community's concerns, Council has maintained a firm position of opposing any forced amalgamation of councils and retaining our autonomy.

This reflects the community's understanding of local democracy and its important role in shaping a strong, responsive and agile Council.

Lane Cove Council has a 94% customer satisfaction rate and a strong sense of community. This has been strengthened by significant investment in social capital and community wellbeing which helps to maintain the sense of identity for existing and new residents.

With a 29% increase in residents in Lane Cove over the next 10 years, our sense of community identity is very important. To help meet the 2030 growth targets set by the State government, Lane Cove is already delivering infrastructure for the new population since our infrastructure backlog has already been addressed.

Lane Cove's building and infrastructure asset renewal ratio has averaged 181% over the past three years which has contributed to our infrastructure backlog ratio being only 1.7% against the benchmark of 2%. Very few councils have achieved this.

I am pleased to say that our Major Projects Strategy self-funds new infrastructure projects and in the past two years we have been involved in initiating over \$220 million of Major Projects including a \$55 million bus/rail interchange for St Leonards – an initiative normally funded by the State government – as well as new car parks and recreation and community spaces to meet the demands of an increasing population.

Our strong financial situation will be outlined in some detail in our written submission however I would like to share some of the significant achievements of Lane Cove Council with you today.

Lane Cove is one of a handful of councils that already meets every financial benchmark for Fit for the Future and we do not require any rate increases.

Our strong financial sustainability, infrastructure and efficiency results demonstrate our ability to meet the Fit for the Future criteria, an achievement undoubtedly strengthened by budget surpluses for the past 10 years.

Furthermore our Long Term Financial Plan shows that for the next 10 years we will continue to meet all financial benchmarks set under Fit for the Future.

By comparison, initial analysis by Morrison Low shows that the proposed merged entity will not meet all Fit for the Future financial benchmarks by 2020.

Further, PWC has been Council's auditor for more than 20 years and is best-placed to understand our true financial position. They have stated that every financial KPI for Lane Cove is better than the accepted industry standards and Council is financially sustainable without being merged.

With studies undertaken by Professor Dollery on the outcome of mergers in Queensland showing many operating under dis-economies of scale, Lane Cove has demonstrated its ability to balance scale by initiating high-value, innovative projects that suit our community while still remaining agile enough to respond to the high levels of service expected by our community.

In fact, only this week Council was approached by a South Australian Council to come and study our model.

Additionally, we have continued to build capacity to provide a robust revenue base and attract and retain skilled staff, foster a culture of innovation, creativity and flexibility in the face of change.

Lane Cove has demonstrated its capacity to lead the way when it comes to implementing new legislation and overcoming local challenges.

For example, we were one of the first councils to produce a Local Environmental Plan/LEP utilising the State government's standard template and we won the LGSA's R.H Dougherty Excellence in Communication Award for our LEP community consultation process which attracted over 1,400 submissions.

10 years ago we were the first council in NSW to produce a Cultural Plan which has resulted in a new Gallery, Library and a 200% increase in public art.

More recently Lane Cove was one of the first councils in NSW to implement an Independent Hearing and Assessment Panel with full decision-making powers.

With this strong base to consider innovative approaches and build strategic capacity, Lane Cove is keen to become a founding member of a pioneering metropolitan Joint Regional Authority, known as a JRA.

Our community surveys show 82% of our community are open to exploring a Joint Regional Authority with Ryde and Hunters Hill councils which focuses on regional strategic planning and advocacy, intergovernmental collaboration and shared services delivery.

The key advantage of this model is that it maintains local democracy and avoids upfront merger costs.

Our submission will go into more detail on the merger proposal documents and KPMG reports which clearly overstate the perceived financial benefits of a merger.

Conversely, the submission will highlight the significant understatement of the high cost of the merger in transitioning systems and services of three councils into one – not to mention redundancies of staff and merging of salary systems. This would not be necessary under a JRA.

With a forced merger, significant sums of money will be wasted aligning systems, services, payroll and the like – not to mention the impact on our staff, many whose skills, experiences and commitment to our communities will be lost through this unnecessary process.

Rates modelling shows that the majority of Lane Cove's residents will be worse off under the merged entity with their rates set to increase in four years time.

I ask the State government to be transparent about eventual rate rises as the current figures show that Lane Cove residents will be worse off after four years.

Lane Cove knows the JRA will work as Council is already involved in a number of partnerships that provide community benefit without impacting on democracy.

This includes our long history of resource-sharing including insurance pooling, the SHORELINK Library service, internal auditing, SES funding, Family Day Care, NSROC and joint procurement.

Lane Cove also encourages community involvement and volunteering through partner organisations such as Lane Cove and Northside Community Services as well as our own volunteer Bushcare program which is one of the longest-running programs in NSW.

To support these much-needed services we have the largest community grants program in the region totalling \$463,000 - of which \$160,000 goes to small community groups and projects of \$5,000 or less.

This does not include the range of in-kind support services that community groups have come to rely on. These groups are the fabric of our community and they have come to enjoy the benefits of working with an agile, approachable Council that works together on projects big and small.

I believe that under a large Council the very essence of local government – namely, our close connection with, and responsiveness to our community will be lost. Or perhaps more accurately – it will be taken from us.

I am proud to represent the people of Lane Cove and stand here today to affirm their right to an agile and responsive Council that helps to protect their local interests.

I urge the State government to consider the results of our high-performing, innovative Council and to listen to the feedback from our community.

Local democracy is more about the give than the take and it is my concern that if we are forced to merge then all that will happen for the Lane Cove community is take, take, take.

A merged entity will be taking more money in rates; taking away local representation; and taking away our strong sense of community.