

General Manager's Report No. GM37/12



Subject: **Better, Stronger Local Government -
The Case for Change - Discussion
Paper**

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Introduction

On 22 November 2012 the Independent Local Government Review Panel unveiled its discussion paper on the case for sustainable change in NSW local government. This discussion paper examines a range of issues, including more responsibilities for local Mayors, significant consolidation of Sydney councils, new regional groupings to deliver joint services and streamlining rate-pegging.

A copy of the discussion paper is available electronically on Councillor's dashboard application.

Issues

The paper calls for sweeping changes within the local government sector and has a strong message for councils that there is no "pot of gold" to fix their problems. The paper identifies signposts for future reform, including proposed changes to council structures, financial management, service provision and governance. It focuses strongly on declining populations in the State's far west and the expected impacts of Sydney's continued growth, while also addressing the State-wide problem of increasing infrastructure backlogs

The population of the Sydney region is expected to grow to 7 million people by the middle of the 21st Century and the Review Panel believes there is a case to consider significant consolidation to enhance the strategic capacity of local government across the Sydney metropolitan area and other major urban regions, such as the Lower Hunter, Central Coast and Illawarra.

The paper discusses the opportunity for rating reform, but does not propose an end to rate-pegging at this stage, rather a further streamlining of the rate-pegging arrangements. The paper also considers the need to review the current distribution of Financial Assistance Grants to local councils to provide increased support to those smaller rural councils that are struggling to survive.

The future role of Councillors and Mayors also comes under the spotlight in the Discussion Paper, including ideas to strengthen Mayoral powers and improve relationships between elected representatives and council staff. A number of options are being considered to increase Councillor capacity, including giving the Mayor more powers to deal with code of conduct issues, assigning responsibility for leadership of strategic planning and community engagement to the Mayor and making the Mayoral role a full-time paid position in larger councils. The Panel also believes popularly elected Mayors should become the norm for larger urban and rural councils.

Relationship to City Plan

The relationship with the City Plan is as follows:

Outcome 1: Leadership in sustainability.
Direction 1a: Council has a long-term vision based on sustainability.
Direction 1c: Continuous improvement in service delivery based on accountability, transparency and good governance.

Financial impact statement

There is no direct financial impact to Council for making submissions on this discussion paper.

Conclusion

The Review Panel is not at the stage of recommending specific proposals for amalgamations or new sub-regional groupings. These options would be explored over coming months and discussed in detail with any of the councils concerned. The discussion paper will be open for public comment until March 2013. As this is an issue of vital importance, all Councillors are strongly encouraged to make individual submissions by the due date. In addition it is proposed that an official submission be made on Randwick Council's behalf.

Recommendation

That Randwick City Council makes an official submission in response to the Independent Local Government Review Panel's discussion paper on the case for sustainable change in NSW local government.

Attachment/s:

Nil