

# KPMG documents could prevent council amalgamations of Hunters Hill and others

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Lady Justice. Picture: Thinkstock

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- [Ryde, Hunters Hill survive first merger announcement](#)

“EMBARRASSING” documents about the case for amalgamating NSW councils could form the centrepiece of Hunters Hill’s litigation against the NSW Government.

Lawyers for a number of Sydney councils suing the government over its forced amalgamations outlined the documents today in early hearings of the case at the Supreme Court.

Senior counsel Tim Robertson, representing the councils, said he had received KPMG documents which he wanted to introduce to the proceedings.

The Government hired the auditing firm to assess the financial impact of its proposed mergers.

The government said the KPMG report showed many proposals were feasible, although it has not released the report.

Mr Robertson said most important to the case would be a KPMG document from November 1 last year — “a proposal most pertinent to the mergers”.

This was a letter in which KPMG proposed to deliver the business case for the mergers to a Department of Local Government officer.

However, lawyers for the government told Mr Justice Timothy Moore they would object to the documents being used.

They said the material was embarrassing, and Mr Robertson’s team needed to make a specific allegation.

KPMG drafted the merger proposal, then amended it subsequent to publication, Mr Robertson said.

“Effectively what the government did was outsource this to KPMG, hence the importance of KPMG’s role,” he said.



*NSW Local Government Minister Paul Toole. Picture: AAP Image/Stefanie Menezes*

He cited Minister for Local Government Paul Toole referring to KPMG as independent in public announcements.

Lawyers for Mosman, North Sydney, Hunters Hill and Lane Cove were part of the hearing as they have common arguments.

However, the court is expected to consider each case separately.

Some Sydney councils, such as Woollahra, have already had their case against the government's mergers heard and await a decision.

Hunters Hill invited Ryde Council to join its legal proceedings. Ryde councillors voted not to do so, but have instructed its lawyers to maintain a watching brief.

The government earlier this month announced 19 merged councils. It said it would proceed with a further 12 mergers, including that of Hunters Hill, Lane Cove and Ryde, pending the outcome of the legal challenges.

The decision followed the Independent Pricing and Regulatory Tribunal assessing councils' financial positions, reports from the government-appointed delegates to held public hearings and other consultation.

The hearing continues tomorrow (Wednesday) at 10am at the Supreme Court at Queens Square, Sydney.

<http://www.dailytelegraph.com.au/newslocal/the-hills/kpmg-documents-could-prevent-council-amalgamations-of-hunters-hill-and-others/news-story/d5efd05b48b9864d3d97dda35fe9642a#load-story-comments>