

A year on, state government's council merger policy remains 'a mess'

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The Berejiklian government is refusing to explain how it will implement its remaining council merger policy, leaving at least one Sydney council assuming the government has quietly dropped plans for more forced mergers.



Local government minister Gabrielle Upton is refusing outline the government's plans for its council mergers policy. Photo: Supplied

The prospect of the bungled council merger policy remaining unresolved for another year or more is unnerving government MPs, and leading to discussions about how to fix the issue prior to the 2019 state election.

The Minister for Local Government, Vaucluse MP Gabrielle Upton has, through media statements, repeatedly affirmed the government is "committed to the remaining mergers", which have been delayed due to legal action.

But the minister has refused to explain how this will occur, leaving councils shrouded in uncertainty as they prepare for elections in September.

For Ku-Ring-Gai and Hornsby councils, the government's silence has created a vacuum of confusion more than two months after the NSW Court of Appeal rejected the forced amalgamation between the two councils as flawed.

Ku-Ring-Gai mayor Jennifer Anderson said she had requested multiple meetings with Ms Upton seeking clarity over the government's intentions but had received no response.

"We haven't heard anything," Cr Anderson said. "There's been no word at all."

In March, the Court held that Ku-ring-gai Council had been denied procedural fairness by the government because it kept secret a KPMG report on which it based its amalgamations policy.

Both Ku-ring-gai and Hornsby council believe the court's verdict has left the government with no option but to re-start the merger process if it is to uphold its promise to implement the mergers.

Ms Upton declined an interview with Fairfax Media and her office refused to answer a series of written questions, including whether the government would re-do any flawed mergers struck down by the courts.

Instead, the government appears to be waiting for the final verdict of the High Court, which will hear Woollahra council's legal challenge to the proposed merger with Randwick and Waverley councils later this year.

"There are a series of matters before the courts which is why the government is not considering one merger in isolation," a spokesman for Ms Upton said.

However, with Woollahra case unlikely to be heard until September or October, and a judgment expected to take a number of months, the government is facing the prospect of beginning another year with the situation unresolved. The policy of forced mergers was announced over a year ago, in May 2016.

"It's certainly a mess," Hornsby mayor Steve Russell said. "I'm not confident about anything at the moment."

Cr Russell said Hornsby shire had been left with "one leg on either side of the amalgamation fence" with caretaker mode provisions preventing the council from making major financial decisions.

However, in a sign of deepening confusion and uncertainty, this protocol has been openly rejected by Ku-Ring-Gai council.

"Our position after the court judgement is that we are no longer under a merger proposal at this point in time," said Cr Anderson said. "We are operating as business as usual."

For the government, the sensitivity of its relationship with local councils was evident during its announcement of a housing affordability package last Thursday.

The government chose not to implement a policy that would have stripped councillors of their ability to decide development applications, with Premier Gladys Berejiklian stressing that she wanted to give power to local communities.

As well, Planning Minister Anthony Roberts said that councillors from individual wards would be given more power to develop local community and development plans.

But the changes have been criticised as further muddying the government's intention to streamline the planning system in favour of bigger picture planning than hyper-local decision-making.

"I think there is confusion coming out of the government at the moment on how to handle the planning system because of what's happening with council amalgamations," Chris Johnson, chief executive of developer lobby group Urban Taskforce said.

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