

Woollahra Council loses legal challenge against NSW Government over forced amalgamation

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A legal challenge launched by Woollahra Council against the New South Wales Government over forced council mergers has been lost in the Land and Environment Court.

Chief judge Brian Preston said the council was not successful in challenging the legality of the process of amalgamations and ordered it to pay the Government's costs.

Woollahra Council said it would consider appealing against the decision, having been given three working days to do so.

Local Government Minister Paul Toole welcomed the ruling and said it demonstrated the Government followed correct processes when it examined the proposed amalgamation between Woollahra, Randwick and Waverly councils.

Premier Mike Baird echoed his sentiment and said it was time for those councils to get on board with amalgamations.

"My encouragement to the councils on the back of the judgement today is look at the benefits we're already delivering and it's time they joined in," he said.

"Whilst councils continue to be racking up the credit card in terms of legal fees, the councils that have come together are actually doing the opposite.

"They've found \$10 million worth of savings already."

Mr Baird added such savings could be used by individual councils to deliver more services and extra infrastructure.

'Abhorrent' to force councils to merge: Mayor

The ABC understands the Government has given an undertaking not to move to abolish the councils until Woollahra has had a chance to lodge an appeal.

Mayor Toni Zeltzer told 702 ABC Sydney Woollahra Council was devastated at the decision which would see it merged with Randwick and Waverly councils.

"We've found this an abhorrent thing for us to be forced to merge, it will have a huge impact on our community both in cost and in the loss of our community's interest," Councillor Zeltzer said.

"We were obliged to challenge this forced merger on behalf of our community for whom we've been elected to represent.

"We're a sustainable council, we're 156 years old, we're a council with an unblemished history - financially and otherwise - which is more than we can say for some of our state governments - [and] I'm not suggesting this one."

Woollahra ratepayers to foot bill of challenge

The ratepayers of Woollahra will have to foot the bill of costs ordered by the court, but Cr Zeltzer said that amount paled in comparison to the cost of the rate hike under the new council.

She said modelling done by Randwick Council showed Woollahra ratepayers would pay an extra 22 to 56 per cent in rates each year, after an initial rate freeze would be lifted.

"If you talk about the cost of the court challenge, that'd insignificant and it's a one-off payment when you consider those rates, the rate impact is a continuous annual, impact on our community."

In May, [Premier Mike Baird sacked 42 councils, forcing them to merge into 19](#). NSW Greens MP David Shoebridge said Woollahra Council's fight was a long way from over.

"This is just the first stage of what will inevitably a series of appeals and it may well be that the High Court ultimately determines the outcome," he said.

"There are many councils around the state that are deeply grieved about what Mike Baird has done with his forced amalgamations and inevitably every legal avenue will be tried."

Save Our Councils spokesman Phil Jenkyn said he was confident a number of other councils would have successful legal outcomes, pointing to Strathfield.

"But we still have to read the judgment as to how Woollahra did not win, and that's disappointing," he said, "I concede that."

<http://www.abc.net.au/news/2016-07-20/woollahra-council-loses-legal-challenge-over-forced-amalgamation/7643776>