

NSROC 2008 ANNUAL CONFERENCE

Speech Notes

Opening Address;
**Clr Pat Reilly, President NSROC
Mayor, Willoughby Council**



Welcome special guests, Mayors, councillors, staff and members of the press to this, the fourth NSROC annual conference.

Its great to see so many of you here, representing your councils and your communities and taking this opportunity out of your busy schedules to discuss matters of regional importance and to continue the process of building regional policy.

With the local government elections only just around the corner there is no doubt that there will be some new faces in NSROC councils and, quite probably, on the NSROC Board as well.

While it is always sad to see councillors move on, particularly ones who have represented their communities for some time, it is also good to have an injection of new talent in the region, particularly if we can get younger councillors involved

– an age group which is sorely under-represented.

With the local government elections only weeks away, a new Federal Government starting to hit its straps, and a state government which is on the nose yet still willing to put the boot into local government, it is most appropriate now, that we get together and contemplate exactly what our future will be.

In some respects, these are troubling times, the sub-prime loan crisis and the high inflation rate here in Australia indicates we are in for tougher times than we have experienced in many years. As Australian families tighten their belts and look anxiously at their mortgages, it should be remembered that it is councils and the community services they offer, that are in the forefront of dealing with the consequences of a recession.

However it is a sad fact that following more than 10 years of untrammelled growth throughout the whole of Australia, councils are in a worse economic predicament than ever before.

It seems not a week goes past without a major report or inquiry releasing its findings which state that local government is stretched to breaking point, and many councils, not just one or two, are facing financial insolvency.

Fiscal Star, the Parry Report, the Productivity Commission, even the current IPART Inquiry, all come to the same conclusion, local government is chronically under-funded, has a massive infrastructure backlog and is in no



position to cater to the evolving needs of its communities.

I sense that the federal government has finally woken up to this fact, and the noises coming out of Canberra suggest we may receive some real funding from them for a change, and that would indeed be a welcome development.

But from the State Government there has been precious little. How ready Minister Costa or Minister Sartor are to criticise a non-performing council, send in an administrator, or claim that we are too old, too corrupt, to unable to adapt, too inefficient, too unwilling to work with developers to make the dollars flow.

This is the same government that finds itself in a state of political crisis – without direction, without leadership, without hope of re-election. Nonetheless they continue to turn the screws, using the media to beat up a campaign against councils while strangling our operations with rate-pegging, cost shifting and a raft of ill-conceived and rushed policies and legislation.

The recently releasing planning reforms further constrain our strategic planning role and reduce much needed developer contributions. The LEP template is forcing councils to invest millions in re-writing planning instruments, some only a few years old. The expanded powers of private companies and ministerial appointed boards in the planning process will in time see community discontent reach a fever pitch as they wither under the onslaught of short-term, unsustainable development.

The dramatic increase council costs is unable to be matched because we

remain constrained by rate-pegging. New codes of conduct for councillors and controls for our investment policies seem to be introduced daily. Rerouting of critical major infrastructure such as the North-West Metro line goes on without prior consultation or candid discussion at a regional level.

The bus reforms and the endless tunnels and toll roads have not, and never will be, the much need panacea for our transport woes. The state of our hospitals and public schools is a matter of national shame.

This government has made much of its State Plan and its Metropolitan Strategy but what does it actually offer us besides some fine words and some projects which may never be delivered? Setting housing and employment targets is all very well but only if matched with infrastructure and I fear we will see precious little of that.

Yet it is not all doom and gloom. In some senses life goes on and there is must to be enjoyed living and working here in Northern Sydney. The nation is turning its mind towards the massive environmental challenges we are facing and here, in the NSROC region, our councils and communities are leading the charge towards sustainability.

Our councils are also working hard to cater for population growth, and investing new effort in economic development – many of the councils have now appointed economic development officers and are working closely with their chambers and their local businesses to ensure the region remains the economic powerhouse within the state economy.



NSROC itself has been busy, moving forward on a wide range of fronts including land use planning, industrial relations, environmental reporting, regional purchasing, constitutional recognition, regional development funding and building alliances both within and outside of the region.

This afternoon we have a range of speakers around a central theme of infrastructure and sustainability.

We will be hearing from Ross Woodward, the Deputy Director General of the Department of Local Government, on the proposed changes to the local government strategic planning framework, an initiative which we hope will simplify local government's planning requirements and remove some of the onerous regulatory burden we face in trying to deliver much needed services to our communities.

We will also be hearing from Genia McCaffery, our Mayor for North Sydney and the President of the LGSA, speaking on the critical importance of infrastructure and sustainability as key components in creating a regional environment where the economy is strong and growth is managed appropriately.

Dominic Johnson, our Executive Director, will then guide us through some higher order questions we have been considering in the preparation of our own NSROC strategy which we are developing to direct the ROC over the next five years, before we hear some thoughts from Garry Glazebrook, a transport expert, on sustainable transport options for Sydney. We finish up the afternoon session with a presentation of

our draft Regional Sustainability Plan from Julian Crawford and Brent Couper, the two consultants from EcoSTEPS who helped us put it together.

I hope you are then all staying for dinner and will use that time to get to know your fellow councillors and council staff, as well as some of our other regional representatives, a little better. We will also be reviewing what we achieved this year as a ROC in more detail.

The vision of NSROC is that it brings together all the individual councils so they can work together for a better region. We have come together in the shadow of the Olympic Games to do just that. Now let's make that vision a reality.

**Mr Ross Woodward,
Deputy Director General,
Department of Local Government.**

Provided a detailed power point presentation on a 'Strong and Sustainable Local Government'.

Refer Presentation

**Cr Genia McCaffery,
President of the Local Government
Association of NSW and
Mayor of North Sydney**

Thanks Ross – challenges to local government's financial sustainability, and our increasing dedication to environment sustainability, has, and continues to be, critical issues for NSW councils.

I'm sure I speak for all of us when I say we appreciate your openness and dedication to local government.



It is a great pleasure to attend and take part in this year's NSROC Conference.

I have been invited to give you a summary of local government over the past year. Where do I begin?

It has been an extraordinary year – indeed, it has been one of the most testing for local government in some 30 years.

I'm sure you won't be surprised when I describe the year as challenging and even disheartening.

It may surprise you to know that I also consider this year has been strengthening and, yes, successful.

There have been many hurdles – and fights we have lost that we would have liked to have won. But I believe this has strengthened our backbone.

The local government sector is now determined to take on, and rise above, its detractors.

We have proven our steadfast commitment to our communities.

Sustainability has been a key focus – in some cases trying to achieve it and in others trying to maintain it. Indications of the shape the year was going to take, unfolded in July 2007.

That was when the planning minister made it easier to replace councils with planning administrators, used the annual planning monitoring report to claim councils were dropping the ball on handling of DAs, and, with precision timing, formally set in motion a

dedication to overhauling the NSW planning system.

It was also the month that councils across the state were slapped with astronomical quotes for the 2008 local government elections. In some cases, this has translated to costs four times higher than for the 2004 election.

We began to feel like the kid in the corner with the runny nose – the one that the bullies ganged up on and blamed for everything they didn't like.

Little did we know that it was just the beginning.

The US sub-prime crisis hit and some councils lost money through the collapse of CDOs.

Although this affected other spheres of government, superannuation schemes and private companies, including top market performers such as banks – it was the relatively minor Council losses that hit and stayed in the headlines.

The Government announced a review of our investment guidelines and placed a number of restrictions on us. We graciously supported the review.

But on the 12th of October, the gloves came off.

That was the day the Treasurer and Premier announced the Government was going to slash, and take control of, councils' developer levies - in order to address housing affordability.

Councils in growth centres were singled out, and losses from CDOs used as an



indication that councils couldn't manage their finances.

The rental crisis and interest rates were starting to pinch about then, and the State Government's 'mums and dads' - were looking for answers.

The announcement did two things. It reminded NSW local government that the State Government had no intention of ceasing its relentless practice of deflecting attention on issues.

And it gave us the message loud and clear from Belmore to Bourke to Byron to that we were facing one of the biggest, and toughest, fights on our hands in the history of local government.

The sector wasn't really prepared for such a fight.

We had been focusing on our communities. Fighting local battles, trying to keep our heads financially above water, and working out how to continue building communities where people want to live despite dwindling funds, population and ageing pressures, increasing costs, and; an increased commitment to maintaining the environment.

It became clear that local government's sheer existence was under threat.

And NSW communities stood to suffer.

The Associations' initial reaction was to set about educating our communities that less developer levies meant less parks, playgrounds and libraries.

We challenged the electoral commission and the state government to come clean on the inflated election costs.

We publicised council projects that protected the environment and challenged other spheres of government to do the same.

Our views received substantial coverage in media and support from various commentators and stakeholders.

But in December – right before Christmas, the Discussion Paper on the Planning Reform Agenda was released.

In it were the specifics of how the Government intended to strip planning powers from councils, take away the rights of residents to have a say on what is built in their community and put extra strain on hard earned ratepayer funds.

At that point it became clear that we needed back up. We were simply attempting to fight a fire we didn't have the resources to fight.

Even though councils were getting on board, we needed to increase our reserves. And so in January at a leadership forum organised by the Associations, and at which some of you attended, councils voted to hire a communications firm to help us with a grass roots campaign against many of the changes.

We had agreed that our only shot was to make our communities understand the many, and severe, impacts of the changes.



I would like to mention here that the next six months didn't revolve around the planning changes.

Planning was just one of many issues we focused on. In true form, councils continued to do what they do best.

They fixed footpaths and maintained playgrounds.

Weighed in on the debate about alcohol abuse and anti social behaviour.

Increased how much they recycled and suggested new ways of reducing landfill. Suggested interest free loans to support communities impacted by the drought.

Worked in partnership with the government to come up with new and tighter food safety laws, which struck a balance between the rights of consumers and local businesses.

Got involved in the review of local water utilities and came up with their own models for making systems more efficient while maintaining rightful local control.

Continued to negotiate on an Inter-Governmental Agreement. Signed the mayor's agreement on climate change.

But through it all, the overhanging dark cloud was the planning laws and what they would do to NSW communities.

I think the Government, and particularly the Minister for Planning, wondered what all the fuss was about.

It all depends on whether you think planning is black and white – a simple

matter of applying the law. In practice, as you know, it is all the shades of grey in between. The complexity of planning is its fascination - but also its downfall.

We use planning controls to ensure we have the right mix of housing that attracts a balanced community.

We use them to maintain the unique character of different areas and to protect the things that people value – the small things around us that add to our quality of life without our really being aware of them.

It was these values and objectives – do hard to define but so essential for creating safe and attractive places to live and work - that were under threat.

I believe the Minister for Planning had good intentions.

Cutting red tape is a good idea. Undertaking a home renovation *shouldn't* be difficult. And from time to time, some councils do need to lift their performance.

Councils, including yours, acknowledged the need for reform during the Keep It Local Campaign, and evenhandedly pointed out that the new laws will address some of the current problems with the system.

I don't believe the State Government was willing to acknowledge our valid points in quite the same way.

I have to thank Dominic Johnson and NSROC in particular for their commitment to the cause.



Your enthusiasm and determination was an inspiration to the rest of the state. And the hard work wasn't in vain.

We did get some concessions:

The ability to levy for regional facilities;

The release of some of the building codes before the laws were passed; and most councils retaining control of their levies.

We welcome the simplification of LEPs and the new Planning Assessment Commission as a result of the laws.

But we are now in a situation where councils planning powers are to be vastly reduced. Neighbours will lose their right to have a say on what gets built next door,

We have several new layers of red tape and appeals and panels. And it is councils – specifically ratepayers – that will have to foot the bills and wear the consequences of many of the changes.

This decision was made despite widespread recognition of a steadily increasing infrastructure backlog – it's at around \$8 billion now.

We have hard data indicating that the practice of cost shifting is continuing and could escalate if IPART's recommendations on payroll and the fire services levy are swallowed.

So what now?

We've taken down the Keep It Local Banners and given up negotiating with upper House MPs.

We've called on IPART to review the skyrocketing election costs.

And we've given an undertaking to NSW communities that we will monitor the implementation of the laws and where possible, minimise the impacts.

We've also given an undertaking to hold the State Government accountable. And that's what we will do.

The Associations are in the process of coordinating a reference group of councils, so we can keep a record of how the changes are tracking and bring to light the many expected problems as they happen.

The Government recently announced a review of the planning legislation by the State Development Committee of the Upper House.

And while I am not confident it will result in any substantive changes to the whole Act, we will put in our submissions and wait for the outcome.

History teaches us that communities can fight for what they value when they need to. Some of North Sydney's best community assets exist because a few individuals with vision and perseverance were willing to challenge the status quo.

Laws can be made and laws can be changed. When the State Government is willing to talk about full reform and negotiate to protect the rights of local communities to self determine, local government will be at the table, ready and waiting.



And that's the attitude we should all take into the coming year. We need to show leadership.

Put solutions on the table to some of the problems facing the sector, and continue to prove that we are the strongest and most trustworthy voice communities have.

Our bid for constitutional recognition will certainly be a key focus, although in what form is still under discussion.

We are calling on councils to publicise all the good things they do for their communities and to continue to look for ways to work together – through strategic alliances and other means.

We are certainly going to attempt to strengthen our working relationship with other spheres of government, and hopefully that will mean the signing of an Inter-Governmental- Agreement.

And we will await the outcome of the review of water utilities, and react accordingly.

The annual conference in October presents an opportunity for us to demonstrate a strategic approach to issues affecting our communities and to prove that we are not the least of the three spheres of government.

The ROCS ongoing support will be crucial to us maintaining the strength and credibility we have developed.

Thank You.

Garry Glazebrook
UTS
Sustainable Transport for Sydney

Gave a detailed power point presentation of Sustainable Transport for Sydney.

Refer Presentation

Speaker Biographies:

**Mr Ross Woodward,
Deputy Director General,
Department of Local Government.**



Ross Woodward has been the Deputy Director General in the NSW Department of Local Government since March 2004. In a public sector career spanning over 30 years, Ross has held a number of senior positions with responsibilities for planning, public housing, infrastructure and now local government.

Ross has a Masters Degree in Town Planning. He is currently focussing on a number of reform initiatives in local government, including governance, strategic planning, resource sharing, professional skills shortages, asset management and public private partnerships.

**Cr Genia McCaffery,
Mayor of North Sydney and
President of the Local Government
Association of NSW**



Genia McCaffery began work as a researcher with the National Trust, and

then moved to the Australian Department of Labour and Immigration before working with independents Ted Mack and Robyn Read in their election campaigns.

Genia was elected as full-time Mayor of North Sydney by popular vote in 1995 and was re-elected in 1999 and 2004.

In October 2004, Ms McCaffery was elected President of the NSW Local Government Association and re-elected unopposed for a second term in October 2006.

Genia McCaffery holds a Bachelor of Economics degree with Honours in government from the University of Sydney.

**Garry Glazebrook
UTS
Sustainable Transport for Sydney**



Garry has over 14 years' experience in consulting and 15 years in government and currently teaches in urban planning at the University of Technology, Sydney. His qualifications include a PhD and masters degrees in Urban Planning and Operations Research, and he has published widely in the fields of transport and planning.

Garry is a member of the Planning Institute of Australia, the International Union of Public Transport, and the Association for the Study of Peak Oil. He has a particular interest in how to make our cities more sustainable.

Julian Crawford
Director EcoSTEPS



Julian is the founding director of EcoSTEPS and has worked with a wide range of councils and other clients in the delivery of environmental and sustainability plans, strategies and projects.

Julian has a Masters in Zoology from Oxford University, is a co-author of the Sustainability Framework for the future of Australia's Infrastructure handbook and has been a director of the Futures Foundation and Environs Australia.

Brent Couper
Director EcoSTEPS



Brent is a director of EcoSTEPS and has qualifications in science, engineering and business. Brent has worked for international consulting firms helping clients make sustainable performance improvements. He specialises in assisting clients to design and implement major change programs to improve business performance and develop organisational capability and culture.



ATTENDEES

Hornsby	Clr Nick Berman	North Sydney	Clr Nick Ritten
Hornsby	Clr Felicity Findlay	North Sydney	Ms Penny Holloway, GM
Hornsby	Mr Robert Ball, GM	North Sydney	Mr Martin Ellis
Hornsby	Mr Max Woodward	North Sydney	Mr Rob Emerson
Hornsby	Mr Bob Stephens	Ryde	Clr Gabrielle O'Donnell
Hunter's Hill	Clr Sue Hoopmann	Ryde	Clr Ivan Petch
Hunter's Hill	Clr Simon Frame	Ryde	Clr Sarkis Yedelian
Hunter's Hill	Clr Jason Lin	Ryde	Mr Sam Cappelli
Hunter's Hill	Mr Barry Smith, GM	Ryde	Mr Stuart Robson
Hunter's Hill	Mr David Innes	Ryde	Mr Paul Graham
Hunter's Hill	Mr Michael Druitt	Ryde	M/s Lyndel Melrose
Ku-ring-gai	Clr Nick Ebbeck	Willoughby	Clr Pat Reilly
Ku-ring-gai	Clr Elaine Malicki	Willoughby	Clr Terry Fogarty
Ku-ring-gai	Mr John McKee, GM	Willoughby	Clr Kate Lamb
Lane Cove	Clr Ian Longbottom	Willoughby	Clr Wendy Norton
Lane Cove	Clr Rick D'Amico	Willoughby	Clr Barry Thompson
Lane Cove	Clr Kay Freedman	Willoughby	Mr Nick Tobin, GM
Lane Cove	Clr Win Gaffney		
Lane Cove	Clr Ann Smith	Member for Davidson	Mr J O'Dea MP
Lane Cove	Clr Fran Teirney		
Lane Cove	Clr Rod Tudge		
Lane Cove	Mr Peter Brown, GM	Member for Lane Cove	Mr A Roberts MP
Lane Cove	Mr Michael Mason		
Lane Cove	Mr Wayne Rylands		
Lane Cove	Mr Craig Wrightson	Member for Berowra	Mr Phillip Ruddock MP
Lane Cove	Mr Ian Naylor		
Lane Cove	Ms Crystal Cudilla		
North Sydney	Clr Genia McCaffery		
North Sydney	Clr Veronique Marchandeaueau		
North Sydney	Clr Michel Reymond		