

26 March 2014

Mr R Woodward  
Chief Executive  
Office of Local Government  
Locked Bag 3015  
NOWRA NSW 2541

Dear Mr Woodward

I refer to Circular 14-01 requesting Council feedback on the final report of the Independent Local Government Review Panel.

Council welcomes the opportunity to provide further feedback on this important and necessary initiative.

Council resolved at its meeting on 18 February 2014 to provide the attached table that details a response to each of the individual recommendations. The responses to the report and recommendations are in line with the following high level comments on each major area:

#### Part A – The Need for Sustainable Change

- The reform agenda appears to be largely driven by the “requirement” for local government to partner the State Government. There is a need to define the role of local government which is not necessarily to contribute significant resources to State Government projects. Whilst regional planning and development is important, local government provides a multitude of local services that it will need to continue to deliver for the foreseeable future.
- There is reference to the fact that local government needs to remain “fit for purpose”, however the panel does not anywhere identify the services that local government is required to provide now and into the future.
- The community consultation (on the whole) demonstrated that local government was performing well and better than the State and Federal Governments.

#### Part B – Finance and Governance

The majority of recommendations in this section are supported with the following caveats:

- The relevant reforms should be implemented immediately and should not be contingent on any proposed amalgamations.
- It is absolutely paramount that any rate increases should meet the underlying costs as well as the annual growth in expenditure.
- The proposal for the NSW Auditor General to oversee all audits needs to be considered in the context of the broader reform that is being undertaken in relation to the review of the *Local Government Act 1993* and the role and function of the Office of Local Government.
- Any consideration of the redistribution of Financial Assistance Grants is contingent on the relaxation of rate pegging.
- Any working groups that are established to progress sector wide proposals should include local government practitioners.

- Proposals to introduce mandatory annual general meetings and establishment of a sector wide innovation and best practice program could be considered duplication.
- Proposals regarding mandatory training and development for Councillors are not supported and there is concern with the proposal that training and development be linked to remuneration. The Council would support activities that promote and facilitate opportunities for Councillors in relation to training and development.
- Council strongly encourages further consideration and clarification regarding the role of the Mayor and General Manager.

#### Part C – Structures and Boundaries

- Mosman Council acknowledges the NSW Government's election commitment of no forced amalgamations and remains strongly opposed to amalgamations now and into the future. This position is supported by the fact that over 80% of the Mosman community, who voted, have consistently supported the retention of local autonomy and services.
- Proposals regarding the establishment of regional joint organisations with statutory recognition are broadly supported, on the condition that the detail for each regional joint organisation would be negotiated with all Councils during the development phase.
- The suggestion to defer the establishment of joint organisations for the Sydney Metropolitan region, pending further consideration of mergers is not supported. It is noted that Mosman Council is an active participant in the current work being undertaken on a potential merger of SHOROC and NSROC.
- The Panel suggests that affluent areas should increase revenue and thereby free up resources to support less affluent Council areas or those with significant infrastructure and service demands. This whole area of the report and the principle of local councils cross subsidising each other requires further analysis.
- Council has not taken a position on the recommendations that specifically relate to regional and rural Councils.

#### Part D – Implementation

It is noted that this section of the report on State-Local Government Relations is predicated on the following factors:

- The willingness and capacity of councils to work more closely with each other and with the State on a regional basis.
- Local government becoming a "real" partner that contributes substantial resources and expertise to joint programs and projects.

It should be acknowledged that Local Government already spends a significant amount of time expertly delivering State Government policies and priorities. The question of what are substantial resources needs to be clarified as local government needs to concentrate on meeting the needs of the local community, which more often than not, is not a regional project.

The substance of the recommendations relating to implementation are reasonable, noting that the commencement of the timetable will be necessarily amended to accommodate the revised consultation process.

Should you require any further information please do not hesitate to contact me on 9978 4001.

Yours sincerely

Veronica Lee  
GENERAL MANAGER  
Att

# Revitalising Local Government - Comments

## Part A: The Need for Sustainable Change

Council is not convinced that the case for change supports the option of amalgamation and in many instances includes statements that are not necessarily supported by the evidence. Some examples include:

Page No:	Report Reference	Comment
13	The world is changing rapidly and the system of local government must also change if it is to remain "fit for purpose".	It is agreed that Councils must remain "fit for purpose" however the report does not articulate what the core functions are that Councils are required to perform now and into the future. It is acknowledged that the world is changing, however the report does not explicitly show (apart from population increase) how this is changing the role of Local Government.
13	There is a great deal of under achievement in local government.	The report does not detail what this means. Local government has managed, even without the capacity to raise rates in line with increasing costs, to continue to provide essential services to the community.
13	State agencies and councils must see themselves as partners in one public sector, not competitors	This statement is acknowledged, however the majority of services provided by local government are specific to local government and not in competition with any other sector. The report appears to focus solely on the relationship with the State government at the expense of other services provided and the relationship with the community.
14	Community attitudes <ul style="list-style-type: none"> <li>On the whole people are satisfied – more so than with the State and Federal Governments</li> <li>Broad acceptance that rates need to rise</li> <li>Significant minority are strongly opposed to amalgamation (<i>note 56.8 % strongly opposed and opposed</i>)</li> <li>Many people have little to no knowledge of Councillors etc</li> </ul>	The community consultation (on the whole) demonstrated that local government was performing well (better than State and Federal). Also, the fact that the community does not know who their Councillors are is not necessarily a concern as they may not need to have dealings with the Council and/or they have no complaints. I am not convinced the results of the survey have been presented fairly in the report.
15	Overarching imperative is to ensure sustainability	Agreed, however this needs to be in the context of the services that are required to be delivered by local government
15	The focus of policy should be on strategic capacity	The concept of "strategic capacity" remains unclear and has not been well defined in the

Page No:	Report Reference	Comment
		report
15	Structural reform is another essential component of reform	Only after the functions have been defined
17	If individual recommendations are “cherry picked” then at best the benefits of reform will only be partially realized, and at worst there will be no significant improvement at all.	This statement is not supported. Implementing the reforms outlined in section 6 in relation to Strengthening the Revenue Base will have an immediate positive impact for many Councils.
22	The Panel does not consider it feasible or appropriate to define ‘core’ responsibilities at this time, nor to try draw sharp distinctions between the respective roles of local, state and federal governments.	Form follows function and it is imperative that the core roles and function of local government are defined. It surely is not that difficult to ask Councils what they do and assess whether they should still be doing them. This assessment should have been the basis of this report.
23	The Panel states that a lot more needs to be done to increase community awareness of how better and stronger local government can contribute to the future of NSW.	Local government should be and does contribute to the future of NSW, however the report fails to identify what further role Council has to play in this area, apart from being a better partner with the State Government.
24	For its part, local government has failed to raise its sights and make itself a more attractive partner.	What is a more attractive partner?
30	Lists a number of functions that should be delivered by high capacity councils	What is the evidence that Councils are not delivering these functions successfully?
32	Quotes a report stating that strategic capacity can be increased by creating larger units of local government – the approach favoured in Queensland	This should be balanced with the recent de-amalgamations ie is strategic capacity what the community wanted or was it just effective services be provided to their community?

## Part B: Finance and Governance

### ***Fiscal Responsibility***

Council is generally supportive of the proposals put forward in this section and believes that the reforms outlined could be implemented immediately and should not be contingent on any proposed amalgamations. It is absolutely paramount that rate increases should meet the underlying costs as well as the annual growth in expenditure. It could be argued that many Councils today are under some financial pressure as the annual rate peg has never acknowledged underlying costs.

The proposal for the NSW Auditor General to oversee all audits need to be considered in the context of the broader reform that is being undertaken in relation to the review of the *Local Government Act 1993* and the role and function of the Division of Local Government.

Rec No:	Recommendation	Comment
1	Establish an integrated Fiscal Responsibility Program, coordinated by DLG and also involving TCorp, IPART and LGNSW to address the key findings and recommendations	Agree – also suggest that any working group to progress the program includes local government practitioners.

Rec No:	Recommendation	Comment
	of TCorp's financial sustainability review and DLG's infrastructure audit (5.1 and 5.3)	
2	<p>As part of the program:</p> <ul style="list-style-type: none"> <li>• Adopt an agreed set of sustainability benchmarks (5.1)</li> <li>• Introduce more rigorous guidelines for Delivery Programs as proposed in Box 9 (5.2)</li> <li>• Commission TCorp to undertake regular follow-up sustainability assessments (5.3)</li> <li>• Provide additional training programs for councillors and staff (5.3)</li> <li>• Require all councils to employ an appropriately qualified Chief Financial Officer (5.3)</li> </ul>	<p>Agree</p> <p>Agree – subject to the guidelines being developed in consultation with local government practitioners</p> <p>Agree – on the condition that Tcorp in consultation with local government practitioners develops and agreed transparent framework</p> <p>Agree</p> <p>Agree</p>
3	Place local government audits under the aegis of the Auditor General (5.4)	Agree – subject to further clarification of the role of the Auditor General. Preference is for the role to be strategic rather than operational and not duplicate existing functions
4	Ensure that the provisions of the State-Local Government Agreement are used effectively to address cost-shifting (5.5)	Agree in principle, however how does local government ensure that the provisions are used effectively

### ***Strengthening the Revenue Base***

The majority of recommendations in this section are supported, particularly the relaxation of rate pegging. Council however has some reservations regarding the proposal to redistribute Federal Financial Assistance Grants (FAG) in the absence of agreement to relax rate pegging.

Rec No:	Recommendation	Comment
5	Require councils to prepare and publish more rigorous Revenue Policies (6.1)	Agree
6	<p>Commission IPART to undertake a further review of the rating system focused on:</p> <ul style="list-style-type: none"> <li>• Options to reduce or remove excessive exemptions and concessions that are contrary to sound fiscal policy and jeopardise councils' long term sustainability (6.2)</li> <li>• More equitable rating of apartments and other multi-unit dwellings, including giving councils the option of rating residential properties on Capital Improved Values, with a view to raising additional revenues where</li> </ul>	<p>Agree – should be a priority</p> <p>Agree – should be a priority</p>

Rec No:	Recommendation	Comment
	affordable (6.3)	
7	Either replace rate-pegging with a new system of 'rate benchmarking' or streamline current arrangements to remove unwarranted complexity, costs, and constraints to sound financial management (6.5)	Agree - should be a priority
8	Subject to any legal constraints, seek to redistribute federal Financial Assistance Grants and some State grants in order to channel additional support to councils and communities with the greatest needs (6.6)	Any consideration of this proposal would be subject to the relaxation of rate pegging, Council being able to introduce a commensurate increase in the rates and the development of criteria for the assessment of those Councils in need
9	Establish a State borrowing facility to encourage local government to make increased use of debt where appropriate by: <ul style="list-style-type: none"> <li>Reducing the level of interest rates paid by councils</li> <li>Providing low-cost financial and treasury management advisory services (6.7)</li> </ul>	Agree  Agree
10	Encourage councils to make increased use of fees and charges and remove restrictions on fees for statutory approvals and inspections, subject to monitoring and benchmarking by IPART (6.8)	Agree

### ***Meeting Infrastructure Needs***

The recommendations appear reasonable and it is clear that the challenges in this area are significant for the regional and rural Councils. Once again, the recommendation to redistribute Federal FAG grants (from the roads component) should be contingent on the changes to rate pegging.

Rec No:	Recommendation	Comment
11	Factor the need to address infrastructure backlogs into any future rate-pegging or local government cost index (7.1)	Agree
12	Maintain the Local Infrastructure Renewal Scheme (LIRS) for at least 5 years, with a focus on councils facing the most severe infrastructure problems (7.2)	Agree
13	Pool a proportion of funds from the roads component of federal Financial Assistance Grants and, if possible, the Roads to Recovery program in order to establish a Strategic Projects Fund for roads and bridges that would: <ul style="list-style-type: none"> <li>Provide supplementary support for councils facing severe infrastructure backlogs that</li> </ul>	Any consideration of these proposals would be subject to the relaxation of rate pegging, Council being able to introduce a commensurate increase in the rates and the development of criteria for the assessment of those Councils in need

Rec No:	Recommendation	Comment
	cannot reasonably be funded from other available sources	
	<ul style="list-style-type: none"> <li>Fund regional projects of particular economic, social or environmental value (7.2)</li> </ul>	
14	Require councils applying for supplementary support from the Strategic Projects Fund to undergo independent assessments of their asset and financial management performance (7.2)	Agree in part, however this could appear to be duplication of effort if the recommendations related to Fiscal Responsibility are endorsed.
15	Carefully examine any changes to development (infrastructure) contributions to ensure there are no unwarranted impacts on council finances and ratepayers (7.3)	Agree
16	Adopt a similar model to Queensland's Regional Roads and Transport Groups in order to improve strategic network planning and foster ongoing improvement of asset management expertise in councils (7.4)	Agree, however may be more relevant to the rural Councils as opposed to metropolitan Sydney.
17	Establish Regional Water Alliances as part of new regional JOs proposed in section 11 (7.5).	N/A to Mosman

### ***Improvement, Productivity and Accountability***

A number of recommendations are sector wide and it is recommended that they be led by IPART and the DLG. It is paramount that local government practitioners are invited to contribute to this work as equal partners. Council is of the view that some of these proposals are not a priority in the context of the other significant reforms that have been identified.

Rec No:	Recommendation	Comment
18	Adopt a uniform core set of performance indicators for councils, linked to IPR requirements, and ensure ongoing performance monitoring is adequately resourced (8.1)	Agree on the condition that the performance indicators have practical use
19	Commission IPART to undertake a whole-of-government review of the regulatory, compliance and reporting burden on councils (8.2)	Agree – subject to consultation with local government practitioners
20	Establish a new sector-wide program to promote, capture and disseminate innovation and best practice (8.3)	Disagree – this is not a priority given the nature of the other reforms proposed.
21	Amend IPR Guidelines to require councils to incorporate regular service reviews in their Delivery Programs (8.4)	Disagree – the IPR Guidelines should include mandatory efficiency activities, however should not dictate how these efficiencies are achieved.
22	Strengthen requirements for internal and performance auditing as proposed in Box 17 (8.5)	Agree – noted that Mosman Council is well advanced in this area
23	Introduce legislative provisions for councils to hold Annual General Meetings (8.6)	Disagree – not required as all meetings are open to public scrutiny and the current legislation

Rec No:	Recommendation	Comment
		requires the presentation of all management and financial reports.
24	Develop a NSW Local Government Workforce Strategy (8.7)	Agree, however Terms of Reference should be developed in consultation with local government practitioners
25	Explore opportunities for the Local Government Award to continue to evolve to address future challenges facing the sector and changing operational needs.	Agree

### ***Political Leadership and Good Governance***

The concepts in the proposals in this area are broadly supported, however the Council does not support mandatory training and development for Councillors. Nor does it believe that professional development should be linked to remuneration. The Council would support activities that promote and facilitate opportunities for Councillors in relation to training and development.

Rec No:	Recommendation	Comment
26	<p>Amend the Local Government Act to strengthen political leadership:</p> <ul style="list-style-type: none"> <li>Require councils to undertake regular 'representation reviews' covering matters such as the number of Councillors, method of election and use of wards (9.1)</li> <li>Before their nomination is accepted, require all potential candidates for election to local government to attend an information session covering the roles and responsibilities of Councillors and mayors (9.1)</li> <li>Amend the legislated role of Councillors and mayors as proposed in Boxes 19 and 21, and introduce mandatory professional development programs (9.2 and 9.3)</li> <li>Provide for full-time mayors, and in some cases deputy mayors, in larger councils and major regional centres (9.3)</li> <li>Amend the provisions for election of mayors as proposed in Box 22 (9.3)</li> </ul>	<p>Agree</p> <p>Disagree – any course should be voluntary</p> <p>Agree in part – ant training and development should be voluntary and also the Mayor should not have the role of nominating the Deputy Mayor</p> <p>Agree in principle, however criteria should be developed and agreed by local government on when a full time Mayor is appropriate.</p> <p>Agree – subject to a community referendum</p>
27	Increase remuneration for councillors and mayors who successfully complete recognised professional development programs (9.2-9.4)	Disagree
28	Amend the legislated role and standard contract provisions of General Managers as proposed in Boxes 23 and 24 (9.5)	Agree
29	Amend the provisions for organisation reviews as proposed in section 9.6	Agree



Rec No:	Recommendation	Comment
30	Develop a Good Governance Guide as a basis for 'performance improvement orders' and to provide additional guidance on building effective working relationships between the governing body, councillors, mayors and General Managers (9.7)	Agree

## Part C: Structures and Boundaries

### *Advancing Structural Reform*

Notwithstanding the merits of the debate regarding amalgamations some of the recommendations presented in this section are reasonable subject to the following:

- Mosman Council acknowledges the NSW Government's election commitment of no forced amalgamations and remains strongly opposed to amalgamations now and into the future. This position is supported by the fact that over 80% of the Mosman Community, who voted, have consistently supported the retention of local autonomy and services.
- Proposals regarding the establishment of regional joint organisations with statutory recognition are broadly supported, on the condition that the detail for each regional joint organisation would be negotiated with all Councils during the development phase.
- The suggestion to defer the establishment of joint organisations for the Sydney Metropolitan region, pending further consideration of mergers is not supported. It is noted that Mosman Council is an active participant in the current work being undertaken on a potential merger of SHOROC and NSROC and has resolved its intention to form the Northern Metropolitan Council of Mayors.
- The Panel suggests that affluent areas should increase revenue and thereby free up resources to support less affluent Council areas or those with significant infrastructure and services demands. This whole area of the report and the principal of local councils cross subsidising each other requires more analysis.
- Council has not taken a position on the recommendations that specifically relate to regional and rural Councils.

Rec No:	Recommendation	Comment
31	Introduce additional options for local government structures, including regional Joint Organisations, 'Rural Councils' and Community Boards, to facilitate a better response to the needs and circumstances of different regions (10.1)	Agree in part – Mosman supports the establishment of regional Joint Organisations
32	Legislate a revised process for considering potential amalgamations and boundary changes through a re-constituted and more independent Boundaries Commission (10.3)	Disagree
33	Encourage voluntary mergers of councils through measures to lower barriers and provide professional and financial support (10.4)	Disagree
34	Provide and promote a range of options to	Agree

Rec No:	Recommendation	Comment
	maintain local identity and representation in local government areas with large populations and/or diverse localities (10.5)	

### **Regional Joint Organisations**

Proposals regarding the establishment of regional joint organisations with statutory recognition are broadly supported, noting that the detail for each regional joint organisation would be negotiated with all Councils during the development phase. Council sees the role of joint organisations primarily being focused on strategic planning with any activities relating to joint procurement being of a voluntary nature. The suggestion to defer the establishment of joint organisations for the Sydney Metropolitan region, pending further consideration of mergers is not supported.

Council has concerns regarding some of the commentary on inter-governmental relations and strategic planning. The report states:

*“...that for local government to become a real partner in regional planning and development, provided it is organised appropriately, adopts a professional approach to inter-government relations, and is willing and able to commit significant resources to joint activities.”*

It appears that the reform agenda is being solely driven by the “requirement” for local government to partner the State Government. Once again, there is a need to define the role of local government which is not necessarily to contribute significant resources to State Government projects. Whilst regional planning and development is important, Local government provides a multitude of local services that it will need to continue to deliver for the foreseeable future.

There is also some reservations regarding the suggestion that Councils be required to include regional strategies and proposed joint projects with other regional councils in both the Community Strategic Plans and 4-year Delivery Program and to prepare the content in consultation with other regional councils and state agencies. Whilst this is acknowledged as potentially a good idea the coordination and commitment of all agencies within the non-negotiable public consultation requirements detailed within the IPR Framework could be practically difficult to achieve.

Rec No:	Recommendation	Comment
35	<p>Establish new Joint Organisations for each of the regions shown on Maps 2 by means of individual proclamations negotiated under new provisions of the Local Government Act that replace those for County Councils(11.5)</p> <ul style="list-style-type: none"> <li>Defer establishment of JOs in the Sydney metropolitan region, except for sub-regional strategic planning, pending further consideration of options for council mergers (11.5)</li> <li>Enter into discussions with 2-3 regions to establish ‘pilot’ JOs (11.5)</li> <li>Re-constitute existing County Councils as subsidiaries of new regional Joint Organisations, as indicated in Table 5 (11.2)</li> </ul>	<p>Agree – the proposed region incorporating Mosman accords with current negotiations between SHOROC and NSROC and their constituent Councils.</p> <p>Disagree – this should be implemented immediately</p> <p>Refer comment above</p> <p>N/A</p>

Rec No:	Recommendation	Comment
	<ul style="list-style-type: none"> <li>Establish Regional Water Alliances in each JO along the lines proposed in the 2009 Armstrong-Gellatly report (11.3)</li> <li>Set the core functions of Joint Organisations by means of Ministerial Guidelines (11.6)</li> </ul>	<p>N/A</p> <p>Agree – subject to the role of joint organisations primarily being focused on strategic planning with any activities relating to joint procurement being of a voluntary nature</p>
	<ul style="list-style-type: none"> <li>Seek federal government agreement to make JOs eligible for general-purpose FAGs (11.6)</li> </ul>	Refer previous comments regarding the distribution of FAGS
36	<p>Identify one or more regional centres within each Joint Organisation and:</p> <ul style="list-style-type: none"> <li>Create a network of those centres to drive development across regional NSW (11.7)</li> <li>Consider potential mergers of councils to consolidate regional centres, as indicated in Table 6 (11.7)</li> </ul>	<p>N/A</p> <p>N/A</p>
37	<p>Develop close working partnerships between Joint Organisations and State agencies for strategic planning, infrastructure development and regional service delivery (11.8), and :</p> <ul style="list-style-type: none"> <li>Add representatives of Joint Organisations to State agency Regional Leadership Groups (11.8)</li> <li>Give particular attention to cross-border issues and relationships in the operations of Joint Organisations and in future regional strategies (11.9)</li> </ul>	<p>Agree</p> <p>Agree</p> <p>Agree</p>

### ***Rural Council and Community Boards***

Clarification is sought as to whether the establishment of community boards is an option that is being proposed for larger metropolitan councils.

Rec No:	Recommendation	Comment
38	Establish a working party as part of the Ministerial Advisory Group proposed in section 18 to further develop the concept of 'Rural Councils' for inclusion in the re-written Local Government Act (12.1)	N/A
39	Include provisions for optional Community Boards in the re-written Act, based on the New Zealand model, but also enabling the setting of a supplementary 'community rate' with the approval of the 'parent' council (12.2)	Disagree

## ***Metropolitan Sydney***

The panel states that its objectives are to:

- Create high capacity Council's that can better represent and serve their local communities on metropolitan issues and be true partners of State and federal agencies
- Establish a more equitable pattern of local government across the metropolitan area, taking into account planned development
- Underpin Sydney's status as a global city
- Support implementation of the Metropolitan Strategy

These are acknowledged as important areas for consideration, however surely one of the primary objectives should be to ensure that local government meets the needs of the local community. Local community issues do not appear in any of the objectives. There are many issues that a Council deals with on a day to day basis that are not metropolitan issues. Elsewhere in the report (p 59) the Panel states that the primary role of local government is caring for communities and places however there is no mention of either caring, communities or places in the objectives. It should be reiterated that Local Government doesn't just exist to deliver State Government policies and plans and that it has significant responsibilities that it delivers very well.

The Panel suggests that affluent areas should increase revenue and thereby free up resources to support less affluent Council areas or those with significant infrastructure and services demands. This whole area of the report and the principal of local governments cross subsidising other areas requires more analysis.

<b>Rec No:</b>	<b>Recommendation</b>	<b>Comment</b>
40	Strengthen arrangements within State government for coordinated metropolitan planning and governance, and to ensure more effective collaboration with local government (13.1)	Agree
41	Seek evidence-based responses from metropolitan councils to the Panel's proposals for mergers and major boundary changes, and refer both the proposals and responses to the proposed Ministerial Advisory Group (section 18.1) for review, with the possibility of subsequent referrals to the Boundaries Commission (13.3)	Disagree as Mosman Council does not support amalgamations.
42	Prioritise assessments of potential changes to the boundaries of the Cities of Sydney and Parramatta, and: <ul style="list-style-type: none"><li>• Retain a separate City of Sydney Act to recognise its Capital City role</li><li>• Establish State-local City Partnership Committees for Sydney and Parramatta along the lines of Adelaide's Capital City Committee (13.4)</li></ul>	N/A
43	Pending any future action on mergers, establish Joint organisations of councils for the purposes	Agree – refer previous comments

Rec No:	Recommendation	Comment
	of strategic sub-regional planning (13.5)	
44	Maximise utilisation of the available local government revenue base in order to free-up State resources for support to councils in less advantaged areas (13.6)	Disagree – it is not the role of local government to fund State Government responsibilities. Any potential to raise additional revenue should contribute to the sustainability of local government and specifically address the infrastructure backlog.
45	Continue to monitor the sustainability and appropriateness in their current form of the Hawkesbury, Blue Mountains and Wollondilly local government areas (13.7)	N/A
46	Promote the establishment of a Metropolitan Council of Mayors (13.8)	Agree – noting that Mosman Council is a member of the Sydney Metropolitan Mayors

### ***Hunter, Central Coast and Illawarra, Non-Metropolitan Regions and The Far West***

Recommendations 47- 52 are not applicable to Mosman Council.

## **Part D: Implementation**

### ***State-Local Government Relations***

This whole section is predicated on the following factors:

- The willingness and capacity of councils to work more closely with each other and with the State on a regional basis
- Local government becoming a “real” partner that contributes substantial resources and expertise to joint programs and projects

Local Government already spends a significant amount of time expertly delivering State Government policies and priorities. The question of what are substantial resources needs to be clarified as local government needs to concentrate on meeting the needs of the local community, which more often than not, is not a regional project.

Rec No:	Recommendation	Comment
56	Use the State-Local Agreement as the basis and framework for a range of actions to build a lasting partnership, and negotiate supplementary agreements as appropriate (17.2)	Agree
57	Introduce new arrangements for collaborative, whole-of-government strategic planning at a regional level (17.3)	Agree
58	Amend the State Constitution to strengthen recognition of elected local government (17.4)	Agree
59	Seek advice from LGNSW on the measures it proposes to take to meet its obligations under the State-Local Agreement (17.5)	Agree

Rec No:	Recommendation	Comment
60	Strengthen the focus of DLG on sector development and seek to reduce its workload in regulation and compliance (17.6)	Agree

### ***Driving and Monitoring Reform***

These recommendations appear reasonable, noting that the detailed timetables provided are no longer relevant in relation to timing.

Rec No:	Recommendation	Comment
61	Establish a Ministerial Advisory Group and Project Management Office (18.1 and 18.2)	Agree – it is recommended that staff who currently work in local government are seconded to the Project Management Office
62	Refer outstanding elements of the Destination 2036 Action Plan to the Ministerial Advisory Group (18.1)	Agree
63	Adopt in principle the proposed priority initial implementation package set out in Box 42, as a basis for discussions with LGNSW under the State-Local Government Agreement (18.3)	The development of a timetable is supported, however should be determined following the Government' response and should be the first task of the proposed Ministerial Advisory Group.
64	Further develop the proposals for legislative changes detailed in Boxes 43 and 44, and seek to introduce the amendments listed in Box 43 in early 2014 (18.5)	This should be determined following the Government' response and should be coordinated by the proposed Ministerial Advisory Group.
65	Adopt in principle the proposed implementation timeline (18.6)	The development of a timetable is supported, however should be determined following the Government' response and should be the first task of the proposed Ministerial Advisory Group.