

FEBRUARY 2015

RANDWICK CITY'S future

HAVE
YOUR
SAY

Information pack (second edition)

The NSW State Government's Fit for the Future
program and what it means for Randwick City



www.yoursayrandwick.com.au/future 1300 722 542



MESSAGE FROM THE MAYOR

The NSW State Government has released its 'Fit for the Future' program which requires most NSW councils to consider amalgamation options with neighbouring councils.

Unfortunately, despite Randwick Council's excellent financial and asset management position, we do not satisfy the NSW Government's requirement for 'scale and capacity' (ie. population size).

The Government wants us to consider an amalgamation with City of Sydney, Woollahra, Waverley and Botany councils – building a global city with more than 500,000 residents.

We don't support amalgamation or the creation of a global city as we value our Randwick identity, local representation and existing quality services and facilities.

However, we are required to show the NSW Government that we can meet their scale and capacity (i.e. population

size considered to be above 200,000) requirements in some way, whether it be through their preferred global city option or a merger that is broadly consistent. The Government has made it clear that "doing nothing is not an option".

We want to know what our community wants for the future of your city. This Information Pack provides lots of details about amalgamation options as well information about how you can have your say.

I encourage you to read the information and have your say on this important issue. Your feedback is critical to help us formulate a submission to the NSW Government by 30 June 2015.



Ted Seng
Mayor of Randwick

HAVE YOUR SAY

We are inviting all Randwick City residents, ratepayers and business owners to tell us what you want for the future of the City of Randwick. There are multiple ways you can have your say.

Community survey

Every resident and ratepayer will receive a community survey in the mail. Please complete and return the survey to us using the reply paid envelope. Alternatively you may complete this survey online and take part in forums on our special consultation website www.yoursayrandwick.com.au/future.

Focus groups

Throughout February 2015 we'll be conducting consultation sessions with randomly chosen Randwick City residents. These focus groups help us understand the community's attitude and perception of local government reform.

Telephone survey

We have engaged an independent research firm to undertake a community telephone survey about amalgamations and the future of Randwick City. Survey participants are randomly chosen and represent the demographics of the Randwick City community. If you receive a phone call, please consider taking five minutes to tell us your view.

Information sessions

Chat with Council staff at one of our informal pop-up information stalls being held throughout February 2015. We are holding these information stalls at local beaches and shopping centres to make talking with Council more convenient.

Saturday 7 February
10am - midday Coogee Beach

Monday 9 February
midday - 2pm Kingsford, Southern Cross Close

Tuesday 10 February
7am-9am Coogee Beach

Thursday 17 February
3pm - 7pm Royal Randwick Shopping Centre

Tuesday 17 February
4pm - 6pm Clovelly Beach

Wednesday 18 February
4pm - 6pm Matraville Peninsula Shopping Centre

Thursday 19 February
midday - 2pm Pacific Square Shopping Centre, Maroubra

Friday 20 February
9am - 11am Maroubra Beach

For more information please contact us on **1300 722 542** or via email council@randwick.nsw.gov.au.

COUNCIL AMALGAMATIONS

Since 2011, the future of Local Government across NSW has been on the NSW Government's agenda. On 10 September 2014 the NSW Premier and NSW Local Government Minister announced a \$1 billion 'Fit for the Future' package to "give local councils the incentives needed to ensure they are in a position to provide the services and infrastructure their communities need and deserve".

Independent Local Government Review Panel position

The Fit for the Future announcement was in response to the Independent Local Government Review Panel's Final report released 12 months earlier. The Review Panel report included ideas for council mergers and reform and it recommended that Randwick City Council be amalgamated with Botany Bay, City of Sydney, Waverley and Woollahra Councils to form a "Global City".

Fit for the Future proposal

The NSW Government's Fit for the Future package requires all councils to use the recommendations of the Review Panel as their starting point in terms of 'scale and capacity'. For Randwick City Council, this means considering the global city option or a merger option that is 'broadly consistent'. The Government has indicated that only those councils that put in submissions will have a role in any proposed boundary changes that the Government may make.

Randwick City Council's position

Randwick City Council already has a balanced budget and remains debt-free, providing high

quality services for our community. Council is opposed to amalgamations. Unfortunately, despite Council's excellent financial and asset management position, the option to stand alone does not meet the requirements of the Government's Fit for the Future program.

Independent Eastern Sydney report

Randwick City Council, over the past several years, has been strenuous in its due diligence around Local Government reform. In June 2012, the Council commissioned a report by SGS Economics and Planning on potential options for structural change within eastern Sydney. Four options were tested based on combinations of merging Randwick, Waverley, Woollahra and Botany councils (pages 6 – 10).

The report used the same model in which Randwick Council currently operates its services across all four options of a merged council in the eastern suburbs. The report concluded that all options for structural change would result in a net surplus over 10 years of up to \$482 million. The options are presented on pages 6, 7, 8, 9 and 10 and use this SGS modelling to show the potential financial savings that could be achieved over a 10 year period.

"The starting point for all Fit for the Future proposals is therefore the Independent Panel's final report. You do not have to adopt the exact recommendations of the Panel but your proposal should demonstrate how your council has scale and capacity. If the Panel recommended a merger for your council, this should be the first option you consider."

Fit for the Future Guidance Material, Template 1, page 7.

This Information Pack will assist you in completing the Community Survey.

CURRENT SITUATION

This table shows the most up-to-date data available on the five councils as they currently operate independently.

	Randwick	Waverley	Woollahra	Botany	Sydney
Population	142,310	70,706	57,677	43,292	191,918
2031 forecast population	174,300	82,150	67,250	56,050	273,500
TCorp Assessment - Current financial sustainability	Sound	Moderate	Moderate	Moderate	Strong
TCorp Assessment - Financial sustainability outlook	Positive	Positive	Positive	Neutral	Positive
OLG - Infrastructure Management assessment	Very Strong	Strong	Strong	Moderate	Strong
Staff	522	601	376	322	1,773
Population per staff	273	118	153	134	108
Councillors	15	12	15	7	10
Population per Councillor	9,487	5,892	3,845	6,185	19,192
Budget	\$158M	\$144M	\$107M*	\$66M	\$761M
Cost per resident of providing services	\$879	\$1,405	\$1,443	\$1,316	\$2,664
Land size (km²)	36.3	9.2	12.3	21.7	26.7
Average residential rates	\$1,075	\$1,058	\$1,118	\$689	\$654
Residential rates	\$52M	\$30M	\$27M	\$10M	\$59M
Business rates	\$13M	\$12M	\$5M	\$16M	\$199M
Waste levy	\$511	\$469	\$452	\$458	\$380
Development applications determined	721	553	512	138	1,840
Development application mean gross processing days	77	101	101	129	67
Debt	\$0	\$3M	\$6M*	\$0	\$0
Infrastructure backlog	\$7M	\$12M	\$15M	\$11M	\$67M

* Excludes Kiaora Lands joint venture between Woollahra and Woolworths

RANDWICK

Despite Randwick Council's excellent financial and asset management position, the option to stand alone does not meet the requirements of the Government's Fit for the Future program.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

142,310

population

174,300

estimated 2031 population

522

council staff

273

residents per staff

9,487

residents per Councillor*

\$52M

residential rates

\$13M

business rates

\$879

council's cost per resident

60m²

green space per resident



57%
of Randwick City residents are not supportive of amalgamation
– Micromex telephone survey July 2013

“NO CHANGE IS NOT AN OPTION”

– Paul Toole,
Minister for Local Government
31 Oct 2014

Benefits

- Maintained operations and services
- Maintained level of Councillor representation – 15
- Status-quo
- Record capital works spend
- 95% of residents at least somewhat satisfied with Council performance
- No debt/borrowings
- Proud 155-year heritage
- Strong local representation

- Meets 6 of the 8 NSW Government Fit for the Future requirements (does not meet scale and debt requirements – Randwick has no debt)
- Very strong infrastructure management assessment
- Positive TCorp financial outlook assessment
- Sound TCorp financial sustainability assessment

Costs

- Does not meet the NSW Government's requirements for scale and capacity under the Fit for the Future program (population size)

* Based on the current maximum number of Councillors allowed – 15

All longterm cost savings are compared to Randwick stand alone option as modelled in SGS Economics & Planning Eastern Sydney Local Government Review

† As a result of amalgamation

RANDWICK + BOTANY BAY

A modest size council with some common interests including Port Botany, though the option does not meet the requirements of the Government's Fit for the Future program.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

185,602

population

230,350

estimated 2031 population

844

council staff

220

residents per staff

12,373

residents per Councillor*

\$62M

residential rates

\$30M

business rates

\$981

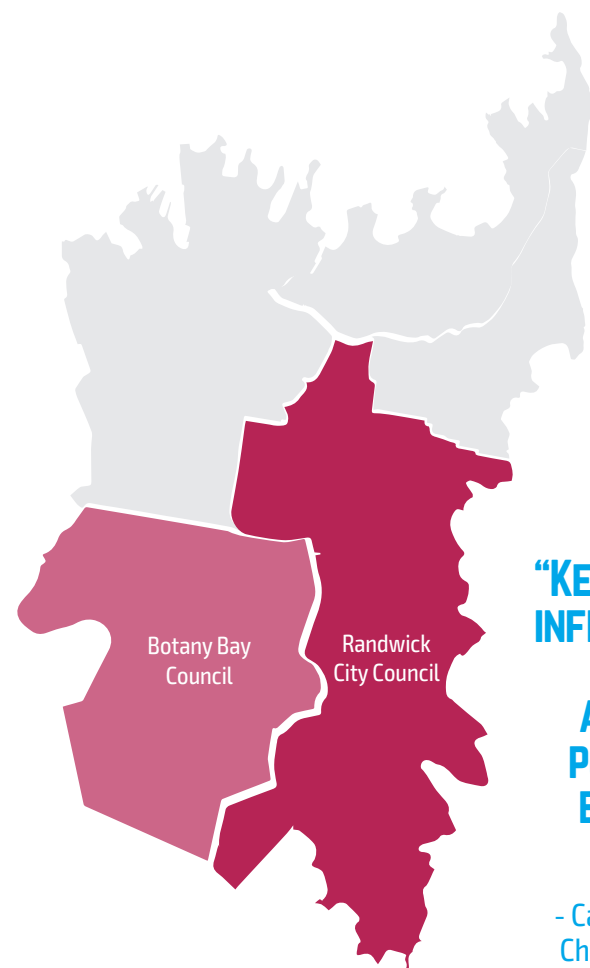
council's cost per resident

51m²

green space per resident

\$90M[#]

projected savings over 10 years



"KEY TRANSPORT INFRASTRUCTURE SUCH AS AIRPORTS AND PORTS, SHOULD BE WITHIN THE SAME LGA"

- Case for Sustainable Change, ILGRP report, Nov 2012, pg 29.

Benefits

- No increase in rates for Randwick residents
- No increase in waste charges for Randwick residents
- Maintained operations and services
- Greater funding available for capital works projects
- \$90M in cost savings over 10 years
- Debt-free council

Costs

- Not consistent with State Government's scale and capacity requirements
- Fewer Councillors for local representation
- Initial and short-term disruptions
- Loss of Randwick identity

* Based on the current maximum number of Councillors allowed - 15

Based on data publicly available.

† As a result of amalgamation

RANDWICK + WAVERLEY

A modest council size with common interests including beaches, ocean pools and coastal communities in the eastern suburbs.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

213,016

population

256,450

estimated 2031 population

1,123

council staff

190

residents per staff

14,201

residents per Councillor*

\$82M

residential rates

\$25M

business rates

\$1,054

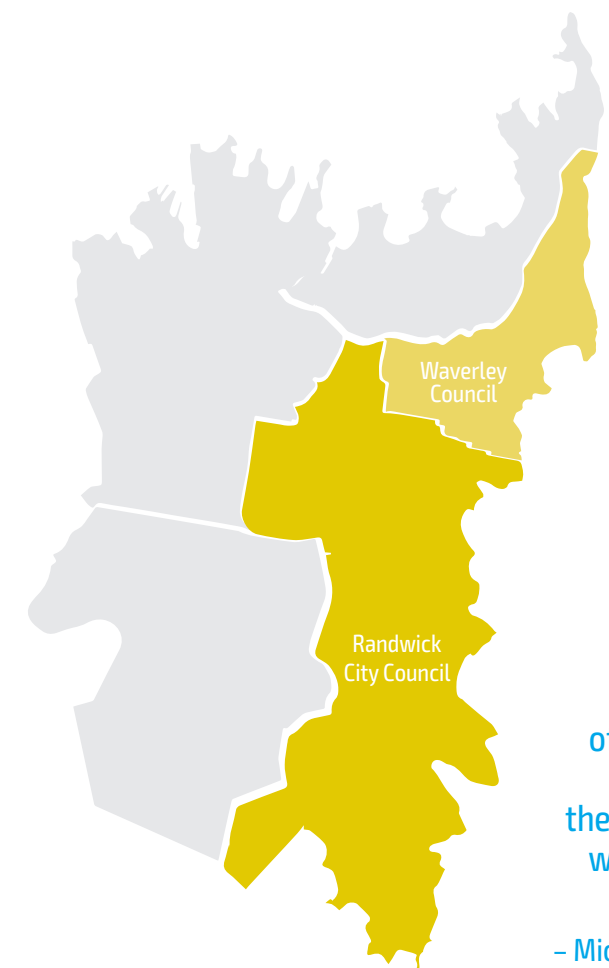
council's cost per resident

44m²

green space per resident

\$241M[#]

projected savings over 10 years



46%
of Randwick City residents said they most identify with the Eastern Suburbs

- Micromex telephone survey October 2013

Benefits

- No increase in rates for Randwick residents
- No increase in waste charges for Randwick residents
- Maintained operations and services
- Greater funding available for capital works projects
- \$241M in cost savings over 10 years
- Debt-free council
- Broadly consistent with State Government's scale and capacity requirements

Costs

- Fewer Councillors for local representation
- Initial short-term disruptions
- Loss of Randwick identity

* Based on the current maximum number of Councillors allowed - 15

SGS Economics & Planning Eastern Sydney Local Government Review

† As a result of amalgamation

RANDWICK + WAVERLEY + BOTANY BAY

A population of more than 250,000 residents and commonality including eastern suburbs beaches. This option includes Botany growth areas, industrial areas around Port Botany and Sydney Airport in one council.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

256,308
population

312,500
estimated 2031 population

1,445
council staff

177
residents per staff

17,087
residents per Councillor*

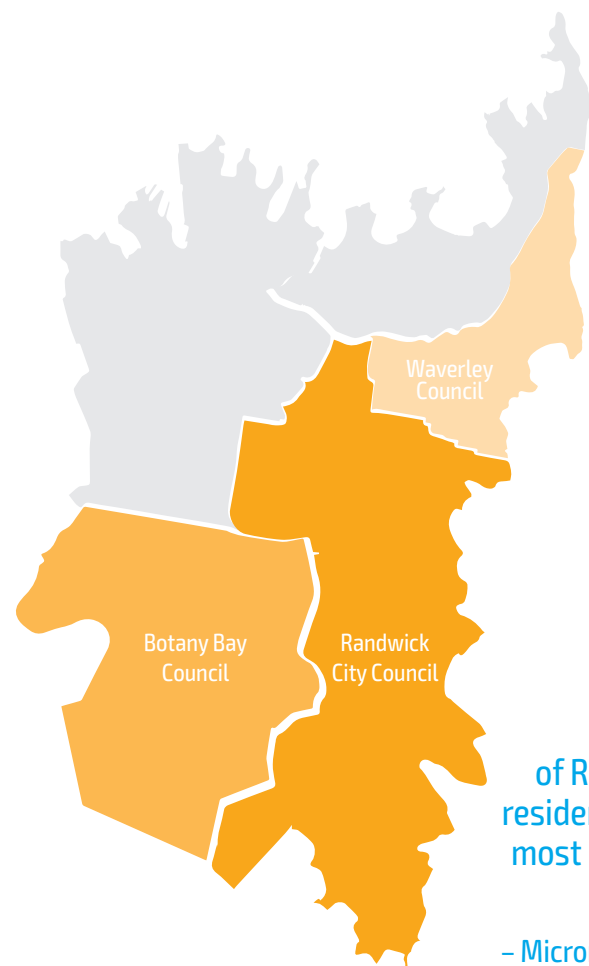
\$92M
residential rates

\$41M
business rates

\$1,098
council's cost per resident

41m²
green space per resident

\$338M[#]
projected savings over 10 years



38%
of Randwick City residents said they most identify with their suburb

– Micromex telephone survey October 2013

Benefits

- No increase in rates for Randwick residents
- No increase in waste charges for Randwick residents
- Maintained operations and services
- Greater funding available for capital works projects
- \$338M in cost savings over 10 years
- Debt-free council
- Broadly consistent with State Government's scale and capacity requirements

Costs

- Fewer Councillors for local representation
- Initial short-term disruptions
- Loss of Randwick identity

* Based on the current maximum number of Councillors allowed – 15
SGS Economics & Planning Eastern Sydney Local Government Review
† As a result of amalgamation

RANDWICK + WAVERLEY + WOOLLAHRA

A population of more than 270,000 residents with common interests including beaches, ocean and harbour pools and coastal and harbourside communities in the eastern suburbs.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

270,693
population

323,700
estimated 2031 population

1,499
council staff

181
residents per staff

18,046
residents per Councillor*

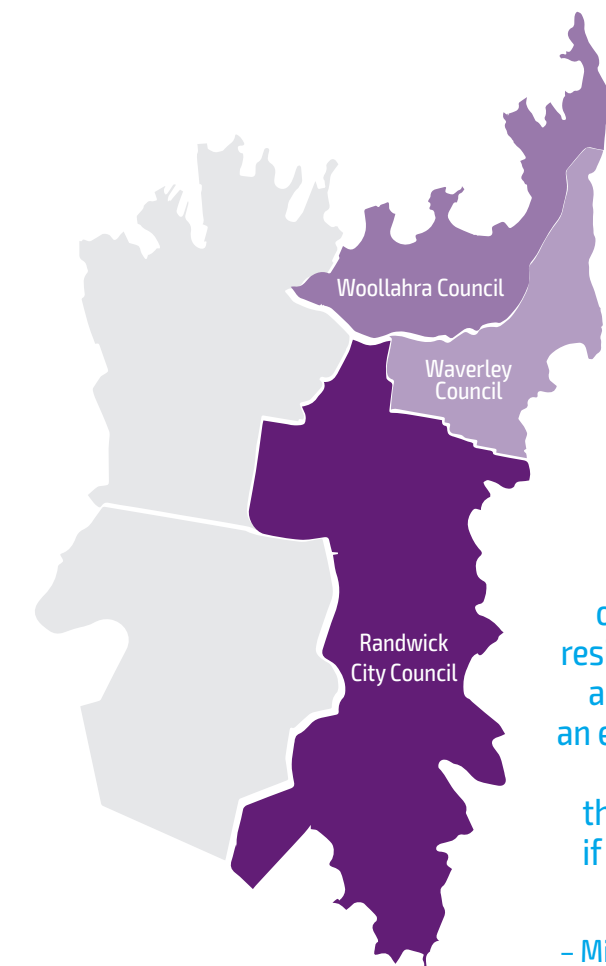
\$109M
residential rates

\$30M
business rates

\$1,137
council's cost per resident

39m²
green space per resident

\$393M[#]
projected savings over 10 years



89%
of Randwick City residents prefer an amalgamation of an eastern suburbs council rather than a Global City if amalgamations occur

– Micromex telephone survey October 2013

Benefits

- No increase in rates for Randwick residents
- No increase in waste charges for Randwick residents
- Maintained operations and services
- \$393M in cost savings over 10 years
- Debt-free council
- Broadly consistent with State Government's scale and capacity requirements

Costs

- Fewer Councillors for local representation
- Initial short-term disruptions
- Loss of Randwick identity

* Based on the current maximum number of Councillors allowed – 15
SGS Economics & Planning Eastern Sydney Local Government Review
† As a result of amalgamation

RANDWICK + WAVERLEY + BOTANY BAY + WOOLLAHRA

A population of more than 300,000 residents taking in the extended eastern suburbs from Sydney Harbour to Port Botany. Includes communities of interest such as coastal communities, beaches, ocean and harbour pools as well as industrial areas, ports and airports.



No increase in rates[†]



Significant long-term cost savings[#]



Protects local eastern suburbs identity



Same level of services provided

313,985

population

379,750

estimated 2031 population

1821

council staff

172

residents per staff

20,932

residents per Councillor*

\$119M

residential rates

\$46M

business rates

\$1,162

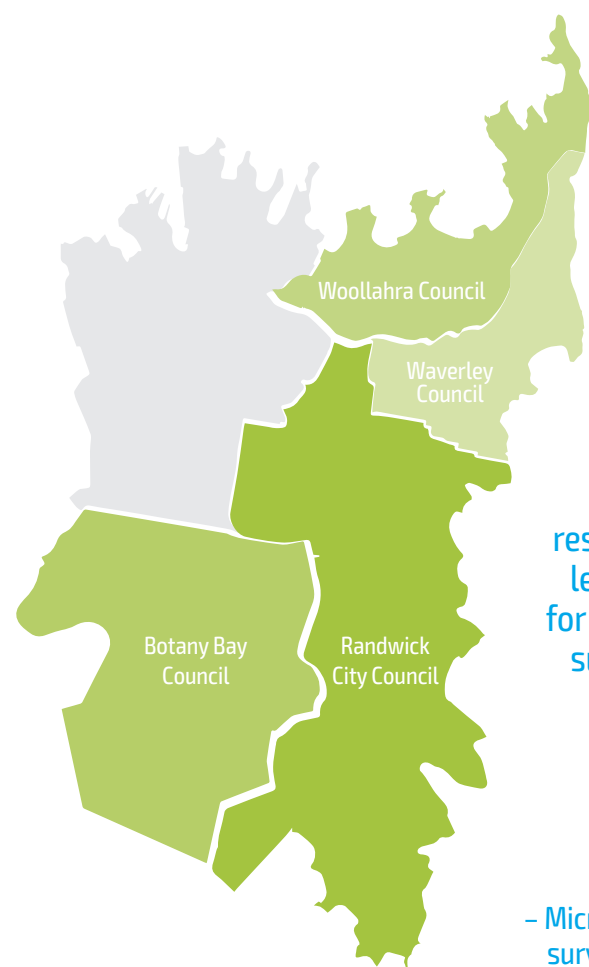
council's cost per resident

36m²

green space per resident

\$482M[#]

projected savings over 10 years



76%
of Randwick residents show a level of support for a new eastern suburbs council combining Randwick, Woollahra, Waverley and Botany

– Micromex telephone survey October 2013

Benefits

- No increase in rates
- No increase in waste charges
- Maintained operations and services
- \$482M in cost savings over 10 years
- Debt-free council
- Eastern suburbs community of interest
- Broadly consistent with State Government's scale and capacity requirements

Costs

- Fewer Councillors for local representation
- Initial short-term disruptions
- Loss of Randwick identity

RANDWICK + WAVERLEY + WOOLLAHRA + BOTANY BAY + SYDNEY

A very large global city with divergent communities across city centre, inner city, beachside and suburban areas. Councils of this size are by nature less representative but have financial capacity.



No increase in rates[†]



Significant long-term cost savings



Protects local eastern suburbs identity



Same level of services provided

505,903

population

653,250

estimated 2031 population

3594

council staff

141

residents per staff

33,727

residents per Councillor*

\$178M

residential rates

\$245M

business rates

\$1,731

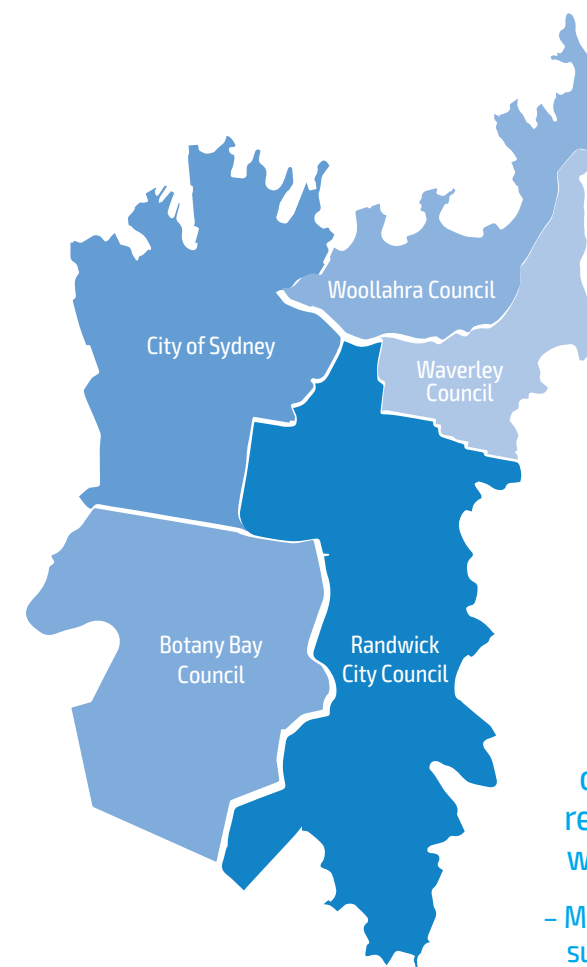
council's cost per resident

27m²

green space per resident

\$not available

diseconomies of scale due to different communities of interest



3%
of Randwick City residents identify with a Global City

– Micromex telephone survey October 2013

Benefits¹

- Projected 2031 population of 653,250
- Close functional interaction and economic/social links between these areas
- Ability for high-level strategic capacity to promote and support Sydney's ongoing development as Australia's premier global city
- Scope to bring together Sydney's international icons and key infrastructure under a single council

Costs

- Loss of eastern suburbs identity
- Fewer Councillors for local representation
- Initial short-term disruptions
- Diseconomies of scale – the requirements of a metropolitan CBD are distinctly different to those of other Council areas and would require multiple types of services operating parallel
- Loss of Randwick identity
- Loss of 'local' in local government

* Based on the current maximum number of Councillors allowed - 15
SCS Economics & Planning Eastern Sydney Local Government Review
† As a result of amalgamation

* Based on the current maximum number of Councillors allowed - 15
1 As defined in the Independent Local Government Review Panel's Final Report, October 2013
† As a result of amalgamation

RANDWICK CITY'S future

Timeline information

The following information shows how Randwick City Council is responding to the NSW Government's Fit for the Future program requirements.

NOVEMBER 2011

Calls for local government reform at Destination 2036 conference

JUNE 2012

Randwick City Council commissions independent report on potential options for structural reform within eastern suburbs

SEPTEMBER 2014

Randwick City Council resolves to oppose amalgamation

DECEMBER 2014 - APRIL 2015

Randwick City Council community consultation

MAY 2015

Council to exhibit response to Fit for the Future for 28 days

OCTOBER 2015

New boundaries determined by Independent Panel and Transitional Committee established

MARCH 2012

NSW Government appoints the Independent Local Government Review Panel to review council boundaries, operations and structures

OCTOBER 2013

Independent Review Panel recommends Randwick, Woollahra, Waverley, City of Sydney and Botany amalgamate into a global city council.

OCTOBER 2014

NSW Government announce Fit for the Future criteria

APRIL 2015

A preferred option be considered by Randwick City Council

JUNE 2015

Council required to respond to State Government deadline for Fit for the Future

SEPTEMBER 2016

Local Government elections based on new Council boundaries



Randwick City Council
a sense of community

www.yoursayrandwick.com.au/future 1300 722 542