

Memo

Environment

To: All Councillors

From: Malcolm Ryan
Deputy General Manager Environment

Date: 3 July 2015

Subject: Request for Transcript - Item 8.10 Fit for the Future from Council Meeting held 23 June 2015

Record Number 2015/192029 and 2015/188147

I refer to a request from Cr Daley for a copy of the transcript relating to Item 8.10 – Fit for the Future from the Council Meeting held on 23 June 2015 and have attached the copy of the transcript.



Malcolm Ryan
Deputy General Manager Environment

Attach

[Commencement of audio]

ITEM 8.10 - Fit for the Future

5 **CR REGAN:** 8.10, Fit for the Future. Councillor Menano-Pires, are you moving the motion as is?

CR MENANO-PIRES: With a couple of additions. If I can have those on the screen, please.

10 **CR REGAN:** Sorry, what you had previously as E is now F. No, that stays as E but what was there previously as printed. I think that's it. Okay. I'll second that. Councillors, do you need any time to check those additions, or can I just ask maybe Councillor Menano-Pires just to say what additions you made? I don't think you deleted anything, I think it was just a couple of additions. Is that correct?

15 **CR MENANO-PIRES:** That's correct.

20 **CR REGAN:** What were they, please?

CR MENANO-PIRES: Look, the couple of additions I've made was on the last paragraph where we're going to write to the Premier and the Minister for Local Government. I suggest that we also write to our local members, being Rob Stokes, Brad Hazzard and Jonathan O'Dea. The other two additions I've made is on G to be noted that basically:

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30 "Council current scale and capacity allows for current levels of service and infrastructure investment to be maintained indefinitely, as identified by TI Corp."

35 I've added capital E which reads that:

40 "Council reiterates its willingness to engage in constructive dialogue with Manly and/or Pittwater Councils in order to achieve for Northern Beaches residents the stated objectives of lower rates, increased service levels and increased infrastructure investment."

45 I give the example that a merger between Manly Council and Warringah Local Government Areas would save around another \$23.5 million and most important, would attract the NSW Government incentive payment of 10.5 million to about 11 million. I think that this kind of thing is what would go a long, long way in achieving the stated objectives. That's my changes and I'm happy to speak to

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the motion.

CR REGAN:

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Yes, please. Can you now speak to the motion and then I'll ask for other councillors to speak. Can I just have on the screen though the first change that was made. I think it was under A, new point G, "Council current scale and capacity." There it is there. So on F it goes, "In the absence of general agreement, council is," and the new point G. Thank you. Just to make it clear, that's all. I just wanted to point that. The floor is yours, Councillor Menano-Pires.

CR MENANO-PIRES:

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Thank you, Mr Mayor. Look, I would like to start by basically thanking a number of people for all their extensive efforts in this exercise. This has been a very long exercise, very complex. I would like to thank first of all the staff. They have dedicated a huge amount of hours in preparing our submissions, in listening to our arguments, in standing out in the cold talking to the public and putting out the various options. So thank you to the staff.

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I would also like to thank some of my fellow councillors that have participated very intensively in this debate. We had some very different views. I think we had an extremely debate. We didn't agree on everything but basically I think we worked extremely well together on this. So to my fellow councillors, thank you as well. Finally and most important, I would like to thank all the residents that participated in this exercise and responded to our phone calls and responded to our questionnaires. So to all the 4500 residents that responded, a very big thank you.

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Look, I think this as I said was a major exercise. I have to comment that the consultative process that Warringah Council has engaged as far as the Fit for the Future process has been positively commented on by senior ministers of the current government and across the board basically. So to everybody involved in setting up the consultative process, congratulations and well done.

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Look, as I said about three years ago, I think this is what's going to determine our legacy, the legacy of the current administration of the various councils in New South Wales. This is what can shape the future of local government for the next 50 years maybe. Look, this government, the current government is giving local government a unique opportunity of shaping our own future, while the previous government used to dismiss councils by fax.

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So I think this government should be commended but most important, I don't think we should waste this opportunity. However, I think we have to be pragmatic as well, and while at this stage we don't really have a choice but submit an improvement package to IPART, I would like to note that our current scale and capacity does not really allow for extra services and for extra investment in infrastructure.

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I give you an example. As the biggest council in the peninsula, we do struggle when we have to maintain regional facilities such as Brookvale Oval, for instance, such as aquatic centre. Let me remind you that the aquatic centre we've got, as far as I know, the only Olympic 50 metre swimming pool in the peninsula and we maintain it. It's a unique thing. It's not for us, it's for the region.

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Even with our current size, we do struggle to maintain those facilities, let alone improve and have new facilities. I recall La Lune, for instance, which was an extremely successful event. We can't afford to run it every year. I recall that when we discussed the potential mountain bike facility in Belrose after the closing of the Belrose tip, we all agreed that was a great idea but the majority of us basically reached the conclusion that again we couldn't afford it.

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So without change, we can maintain our level of services like TI Corp commended. We are one of the only three strong financial councils in New South Wales but we can't really increase our level of services. We can't really do everything we want. We can't really finish mapping our stormwater drains, for instance. So look, bottom line is we have a unique opportunity. I think everybody involved in this project has done a fantastic job.

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I would like to keep the door open for positive negotiations with our neighbours but at this stage, this is the proposal I recommend to you. Thank you.

CR REGAN:

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Thank you, Councillor Menano-Pires. I'll now speak to the motion also and add my two cents worth or five minutes worth. Essentially, councillors, local government in New South Wales has been given a chance to take control of its own destiny, to be legitimate, credible and sustainable. We have been given a chance to take a real seat at the table, to partner with the State government for better results for our local communities.

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Even better, as I've said on many occasions, the State is offering to help set up new councils, new organisations that can better face the challenges for the next hundred years. It's as simple as creating new, more efficient and effective organisations with greater resources and capacity. Some also call it amalgamation.

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Take the area we represent on Sydney's Northern Beaches as an example. The peninsula has a population of just have a quarter of a million people, 250,000. Do we really need three mayors, three general managers, three IT teams, three HR managers, three different organisations trying to plan for one very distinct geographical region? I absolutely don't think so.

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I mean, three planning administrations alone but there's not enough planners. Look at the time it takes for DAs to get done in our neighbouring councils. A crazy imbalance this all is and if we have Northern Beaches Council, I just think it makes sense. The example is repeated dozens of times across the Sydney and maybe this is why our public transport is a patchwork. It might also explain why planning is ad hoc and our local roads vary in quality.

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But despite the obvious benefits of cutting duplication and red tape, saving money and giving local communities a stronger voice, there are less than a handful of councils opting to amalgamate. In fact, many councils have used the last few months as an opportunity to dig in and campaign for their own survival, rather than consider what is actually best for ratepayers and residents.

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Why? I believe it's fear. Fear of change, fear of losing representation, fear of losing jobs, fear of losing power. Many of these concerns are based on what has happened in the past, not what can happen in the future, and how many times do we have to hear that Warringah was sacked three times? I mean, crikey, can we please look forward and look at all the positives that have come out of the last seven years. Indeed, even under the administration, a lot of positives have happened.

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Let's consider the possibility that a new, bigger council could actually improve democracy. They've done it in Auckland. They've done a regional bureaucracy there, have seven councils and I think 14 different local boards all got together, now they're making decisions for local communities with local boards and other methods. It actually works with the one central bureaucracy.

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Queensland where you hear lots of stories and much of our neighbours and other councils saying it hasn't worked up there when they forced it. Well, when you force it, it's going to be tough. If you do it willingly, it can work very efficiently and effectively. Guess what? After a year or two, it's actually working really well. The staff and the councillors and the communities, you ask them. Majority of them say it's worked very, very well.

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Now, let's imagine things we could do in the Northern Beaches with more resources. A local BRT or even Light Rail but the East/West BRT which we've been fighting tooth and nail to get our heads around and try and get some traction for, we could actually do it and partner with the government to do it. Why not? We could even maybe give Brookvale Oval some funding that it needs. The aquatic centre, as Councillor Menano-Pires mentioned, absolutely in need of - it's a 30 year old asset that cost us a bomb.

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Warringah carries all these regional facilities and these liabilities. We could have better environment management of our area. Manly Lagoon is just one example I can give you. Current arrangements are inequitable and a bit of a joke, to be honest. Councils have until the end of this month to put their submissions to the State about how they're going to be fit for the future and I do still call on my fellow mayors and neighbouring councils to put their communities before their careers when considering their positions. They still have time.

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"Hope over fear," claimed Mike Baird in his victory speech earlier this year. Never a truer word spoken when you relate it to the current state of flux in local government. My challenge to my fellow mayors and their bureaucrats is vision over visibility, insisting on looking past what you can see in favour of what could be. I'll leave it at that and I'll flag that I'll be putting a supplementary motion forward subject to how this resolution goes. Are there any further speakers tonight? Councillor De Luca.

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CR DE LUCA:

Thank you, Mr Mayor. I speak against the motion and I have said in this place time and again that the only thing that will ever convince me on this is if there is a referendum actually undertaken and it is carried by majority of residents. Our report tonight reveals that \$190,000 has been spent on consulting a mere 5400 residents. We have heard from 5400 residents allegedly. That to me is not representative of the whole council area with a population of over 100,000 people.

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I again state that the State government cannot force amalgamations and that has been confirmed recently with the undertaking by the honourable Reverend Fred Nile MLC who will move disallowance motions and the like to ensure that there be no forced amalgamations across this State. As all councillors would be aware, the honourable Reverend Fred Nile has the balance of power in the Upper House, so I think it is fair to say that he will ensure that the community are properly consulted on this matter.

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The comments by you, Mr Mayor, in relation to adjoining councils with councillors wanting to keep their professions is not appropriate and indeed, not advantageous to the debate. Putting down fellow councillors, some of whom have served our community with distinction for decades, well before the Mayor has been involved, is an insult and unnecessary. You should not do that because it reflects poorly on Warringah and again, just gives further evidence that Warringah Council are the bullies in this situation and further evidence on why certain people at this council are not fit to govern a Northern Beaches Council.

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I support, if the government were to seek a change on the Northern Beaches, that a referendum be held on all aspects on whether there should be two councils, one council, or whether some parts of those council areas are sent to Mosman or sent to Ku-ring-gai or Hornsby. But we cannot ever presume and it is the people that must dictate this via referendum and not elected officials of Warringah, who most of you are not listening to your community.

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Very few people have come to me, indeed I can count three saying that they want Warringah to run the Northern Beaches, whereas hundreds - I was at a surf club presentation the other night saying, "Are you kidding?" That's the general feeling out there every day. The issue of Queensland was raised. Well, I think I'm probably one of the few councillors on this council that has actually had extensive involvement with Queensland Local Government.

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In particular, Toowoomba City Council which was merged I think with three other councils forcibly. Residents there again have told me it has not worked. A lot of what is in this report I think is spurious and not founded by genuine evidence. I think the only people showing ambition in this matter is not our adjoining members of council but certain people here who wish to dominate the Northern Beaches, which is not in the interests certainly of our community.

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I conclude, the only way this matter can be solved is by referendum and until that happens, I will not support any motions. In closing, I also have a question to Councillor Menano-Pires who said that Warringah Council's stance on this issue and its media, et cetera, consultation has been commended by senior ministers of the current government. Could you actually name those senior ministers?

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CR MENANO-PIRES: No, I won't. No.

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CR DE LUCA: Okay. So I take it that that is actually not the case because most senior ministers I've spoken to have actually said to the contrary.

CR MENANO-PIRES: You can take whichever you want.

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CR REGAN: Any further speakers for or against? No? Yes? Question? Councillor Gobert.

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CR GOBERT: Thank you very much, Mr Mayor. Yes, just following on from that. A question I have, it may be part of process. If we have a State government who are basically saying they have no commitment to drive this forcibly, if we have two neighbouring councils who say they're not going to be part of it and if our view is that most of the people want to go ahead with it, the question is what's the next step then?

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CR REGAN: The government is serious about it and they've said they're serious about it, and they've given us to the end of the month to put our submission forward. They have definitely not ruled out forced amalgamations. They've said that they will get on with it. They've asked councils to get on with putting their submissions forward. IPART will assess them. They'll come back to cabinet with the - well, I think the best way to describe IPART's role is to determine yes or no, "You're fit for the future," or, "You're not fit for the future."

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They'll look at the commentary of what part B is that these councils have put in and give commentary back to government to consider. The government will then do what the government will do. There is a difference of opinion indeed at this table even. One says that the Upper House can block it, one will say the Upper House can't block it. It depends on who you ask and who you speak to. So there's a difference of opinion, there was an example given around Bathurst when the two councils there were asked to merge and they had the public

hearings, the Boundaries Commission.

5 390 people spoke against, 10 people spoke for. Then the
Boundaries Commission made their recommendation.
They said, "Thanks very much, merge away." That's
again difference of opinion. So the government is serious
about it. Their rhetoric has not changed. In fact, it's
probably ramped up over the last few weeks since the
10 budget and you've been listening to various radio or in the
media, it's actually ramped up a bit.

15 We're trying to be proactive and positive about the change
and what could be. We've listened to our community. As I
said in that report, I think it's 150,000 people were
consulted, 55,000 households, et cetera, et cetera, and
5000-odd responded directly to us. Many of us were at
those drop in sessions and it was overwhelmingly positive
for change and we're listening I think to our community,
which is extra positive. I think that answers your question.
20 Have you got a follow up?

CR GOBERT: Yes. No, it certainly is clarified. I think from my personal
25 perspective, we've got to try and stick to what we know. I
guess it's difficult to talk about what may be, and so I just
wanted to be clear that the process we've gone through as
part of - I mean, we've got to accept the fact that
resistance to change is normal. It's not abhorrent. Most
people do. I understand why, they're used to what they're
used to. So the process has been one of building
30 awareness, understanding what may be in it for all of us.

35 The next stage then comes in as to what takes place next.
But I think the point about if we seriously move to the
change, I think certainly there would have to be much
wider community, whatever that process is would follow.
But just so we're clear, my question is that our focus over
the last process has been to understand from the
community what they're looking for and where we may go
40 the next stage and our principles around it.

CR REGAN: That is correct and I think - - -

CR MENANO-PIRES: Well, it's not only us that did that, Councillor Gobert.
45 Very briefly, I'll go back to square 1. This was an initiative
that the Local Governments Association of NSW asked
then just elected O'Farrell government to conduct
basically. So it was the Local Governments Association
that went to the new government and said, "We're not
sustainable. We need change. Can you do something
50 about it?"

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What the government then did was they basically set up the independent panel headed by Professor Sampson and they gave them a couple of years to go away, have a look at 152 councils in New South Wales, come back with some recommendations. In parallel, they asked Steve Blackadder, an ex-general manager of Warringah, to set up the legal structure for it. So that process took about two years.

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The independent commission went to every council in New South Wales. They talked to the community and so on. So this has been a consultative process. It has not been done exclusively by councils but also by the panels.

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CR REGAN:

Just to finish with that, I understand that the government will be doing further consultation after this has completed. So I think the government is doing even more consultation after that. Any further speakers for or against? Questions? Councillor Moskal.

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CR MOSKAL:

I'd just like to perhaps propose an addition, just for item E, "Lower rates, increased service levels, increased infrastructure investment." Perhaps we could also add improved management of our common environmental assets. Because a huge benefit I see and when we've had the drop in sessions, whether it's at the libraries or when we've been at Forestway or down here in Dee Why, up around Narrabeen Lagoon.

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A lot of people have brought up what a significant benefit it is, particularly in regards to flood mitigation. It's a really important issue for our whole region considering our four lagoons, our coastline of beaches. So it's strong feedback that I've certainly heard from the community and it would just be great to add that in. Is that consideration?

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CR REGAN:

Yes, I've got no problems with that. Happy with that wording?

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CR MENANO-PIRES:

I'll accept that.

CR REGAN:

Questions? Further speakers? Right of reply, Councillor Menano-Pires.

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CR MENANO-PIRES:

Thank you, Mr Mayor. Look, I'll be brief but I do want to address a few points that Councillor De Luca made. First of all, Fred Nile in the Upper House, look, that's information and legal information I've got is that (indistinct) to either dismiss councils or merge councils.

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That has happened in the past. We have been, Warringah Council almost 30 years ago, I understand, been dismissed. The latest council mergers in New South Wales was done by the Labor Government, Bathurst and Blue Mountains, and they were done by basically sending a fax at 5 o'clock on a Friday afternoon saying, "You don't exist anymore and the new council starts on Monday," and that's the way they did it.

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So there's no need to introduce legislation that has to be approved by the Upper House to do that. It's an executive decision basically. Finally, as far as the consultation process is concerned, just a small correction. We did not consult 5000. We did consult 150,000 Warringah residents and actually a phone survey went across borders to 400 residents in Pittwater, another 400 in Manly.

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Interesting and I note to actually get 5000 respondents, I honestly don't recall from memory any other survey we've done on any other issue that got percentage terms so many residents. So I make no apologies at all for the consultative process that I supported and you all did and we engaged on, I think was extremely responsible and was actually cost effective.

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If you look at a table that you've got in your business papers that actually compares our per capita cost with some of the other councils, I think it was done in a very efficient way. I make no apologies for that. I also remind you that the consultation process was actually mandated by the State government. We didn't really have an option, we had to do it. In my view, we did it to the best of our abilities.

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I also want to touch base on a phrase that Councillor De Luca mentioned. He said something along the lines of Warringah running the Northern Beaches. Well, I'm not sure about that one. I certainly don't run anything and we're certainly not proposing that Warringah runs anything. What this resolution actually proposed and what I've always supported is that there is a new council in the Northern Beaches.

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It's not the takeover of Warringah. I mean, if I supported the takeover of Warringah, I would definitely support the split Warringah option. Think about this. We are 155,000. Manly is 40,000. Half of 150,000, it's still a lot bigger than 40,000 and also it's a lot bigger than 60,000 they've got in Pittwater. So if we wanted to take over anything, let's split

Warringah. We'll take over both of them at the same time. That is not the intention and I think when people say, "Warringah is taking over, Warringah wants to run this," it couldn't be further from the truth.

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What we want is a unified, strong Northern Beaches Council. A new entity, that's what we want. Not anybody running anybody else. Finally, I would like to reiterate that I definitely would like to leave the door open to our colleagues, both south and north, to have constructive dialogue. Although I do note that we are now at one minute to midnight and by midnight, the decision will be taken out of our hands. I commend the motion to you.

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CR REGAN:

I put that forward. Those in favour? All councillors bar Councillor De Luca and Councillor Giltinan. Declare that carried. I now move my supplementary motion, please. I think I sent that onto you this evening. No, you didn't get a copy of it? Here's one I prepared earlier. Councillors, tonight I propose on the back of Councillor Menano-Pires' addition there in relation to our neighbours, specifically Manly, who last night adopted their resolution to go Fit for the Future, yay, yay, punch above our weight, et cetera.

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They also proposed in the end to again put forward a submission to split Warringah in half and put that as their plan B. They note also that Pittwater did the other night resolve purely to make a submission that they are fit for the future and they will not entertain anything else. Well, might that change before the deadline? However, their position is not to do that. So tonight, whilst this motion has been put on the screen I'll read the intention.

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Essentially it's proposing to Manly Council a Manly and Warringah Council joint merger, joint venture, a merger of the two councils within their existing boundaries. It's basically saying that a merger of Manly and Warringah would be so strong that the new organisation could guarantee no rate rise for three years. We could save up to \$123.5 million over ten years, as well as receiving a \$10.5 million incentive untied from the State government and which we could put to more infrastructure and increased services. That goes a long way to achieving the objectives as stated - - -

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CR DE LUCA:

Sorry, just a point of order. Could the motion actually please be on the screen before you commence speaking to it?

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CR REGAN:

I thought I'd save you time, Councillor De Luca, and that's

not a problem.

CR DE LUCA: No, I'd like to see the actual supplementary motion, which is usual protocol, and then - - -

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CR REGAN: I'm aware of the usual protocol. As I said, I wanted to save time. If you'd like me to - - -

CR DE LUCA: Then once you have a seconder and everything else, then we go into debate, please.

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CR REGAN: Not a problem. Sorry, councillors, I was trying to save time as mentioned earlier. Councillors, might I suggest perhaps I move a procedural - well, maybe I'll just adjourn the meeting for five minutes while this gets put on the screen. Would that be appropriate for you all or are you happy to sit here? Okay. I'll ask that we adjourn the meeting whilst the staff put this and we'll adjourn for five minutes. We'll return here at 25 minutes past seven.

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[Short adjournment]

CR REGAN: Councillors, staff, your first and final boarding call. Could we go back to the top, please. No, that's the original. Just to the supplementary. Thank you. Councillors, I now note that we're out of adjournment. I think this is now typed up, apologies for that. Thank you for your patience. I will move the supplementary motion and it reads. The council notes that in March this year, Manly Council voted to hold round table discussions to look at reforms and discuss the best way forward for the future, and at this meeting last night, voted to put in a proposal to split the Northern Beaches Council into two councils.

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The Manly residents, when asked, 'Do you support having one single council in the Northern Beaches incorporating Pittwater, Warringah and Manly Councils?' the results were yes 43% to no 57%. That's their research (indistinct) research 2014. Almost 74% of Warringah residents voted for a Northern Beaches Council. C, noting that splitting Warringah will greatly disadvantage the Warringah property owners who will likely have higher rates in line with those currently paid by Manly and Pittwater ratepayers.

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The cost of splitting a council, in addition to creating two new councils, will likely be in the order of \$179 million over ten years. D, under a model where the Northern Beaches are split, the revenue generating assets such as Kimbriki would go to Pittwater in the north, with liabilities going to

Manly in the south, significantly disadvantaging at least half Warringah ratepayers.

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That council in addition to submitting a proposal to IPART also offer to merge with Manly Council to deliver improved services and infrastructure and reduced rates. The proposed offer to form a new council includes no rate rise for a minimum three years, savings of up to \$123 million be invested into more services and local infrastructure, access to New South Wales government incentive payment of \$10.5 million to increase services and infrastructure.

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One parking sticker for all beaches between Shelley Beach and North Narrabeen, as well as Fisherman's Beach, Narrabeen Lagoon and Manly Dam. E, improved management of our joint environmental assets, such as Manly Lagoon catchment. New council to form within existing local government boundaries of Manly and Warringah and that the offer - and councillors, I'm not a hundred per cent sure about G and I'll maybe seek some advice from both yourselves and the General Manager, but the offer to expire on 30 June to ensure eligibility for State government's incentive payment.

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I'll just on that last point say that the current offer does expire at that time. There's no suggestion publicly or otherwise that that offer may be extended if it was to come in July, for example, or later. I'm happy to leave it off or happy to put it on there, so I'm not really fussed on that one. Do I have a seconder? Thank you, Councillor Menano-Pires.

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CR MENANO-PIRES: Happy to second that but there's one small correction on A, if we can go back to A. Where it says, "For the future at this meeting last night," it should be at their meeting last night, I would suggest.

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CR REGAN: At their meeting last night, yes.

CR MENANO-PIRES: Thank you. That's it. I'm happy to second that.

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CR REGAN: Councillors, I will now speak to that motion and again I'm comfortable in leaving off G, expiry date as an example. I'll just say this. Look, no rates rise for three years within a new Manly Warringah Council. Merged councils does mean more infrastructure, more services and our one beach parking sticker. Tonight I think we should put forward a genuine offer to our friends at Manly, noting that we would be a strong council.

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The new organisation could guarantee things such as no rate rise for three years. Our report, including their KPMG report, shows savings of up to \$123 million over ten years. Then you throw in the \$10.5 million in incentive payments from the NSW Government which is untied, which means you can spend that \$10.5 million on anything. It could be put into more infrastructure and increased services.

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As I stated time and time again, one parking sticker for every resident could mean free parking from Shelley Beach to North Narrabeen, as well as access to Manly Dam and Narrabeen Lagoon and Fisherman's Beach. This, councillors, to me is a once in a lifetime opportunity for the people of both Manly and Warringah to reunite. The new Manly Warringah Council would be a financially stronger, more efficient council and have no rate rises for three years, so therefore a win-win for all.

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Manly Council, I believe, should be listening to its own residents because in its own survey, nearly half said they wanted to merge with the rest of the Northern Beaches. What a great first step this would be. Splitting Warringah, which came up last night and divided their own council last night, I might add, splitting Warringah will create the haves and the have nots. Splitting Warringah to form two new councils is a losing proposition for both Manly and Warringah ratepayers.

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People in the south, for example, will have all the expenses such as the tourism precinct, Warringah Aquatic Centre, Brookvale Oval. People in Pittwater will have the revenue raising facilities such as Kimbriki, which gives them control over waste in the region as well as the revenues. It will create the haves and the have nots, haves in the north, have nots in the south. In addition, current Warringah residents will likely see their rates go up to pay off Manly's ever-increasing debts.

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I think \$25 million loan at the moment on that pool and goodness knows what the estimates are at 40 million just on the car park and it depends on what story you read in the Manly Daily. Warringah Council has endorsed and favours the creation of one Northern Beaches Council.

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However, Manly and Pittwater have supported the option of splitting the peninsula into two councils, although Pittwater did move away from that in their recent meeting but they have one more meeting to go.

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Now, this would cost more than it saves over ten years

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and fails to attract NSW Government incentives and it also goes against every independent report, theirs, ours, the government's, and it's just crazy. That's what all of our residents, who you talk to, and I talk to hundreds of them every week, say that's just not an option. Our results came back overwhelmingly less than 3%.

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As I said, it goes against the recommendations of the independent local government panel and their own reports. The people of the Northern Beaches just want the government to get on with this. If we split the Northern Beaches, we'll be having a debate again for the next 40 years. Let us unite for a stronger future and look forward instead of backwards.

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43% of Manly residents alone said one council was their preferred option and that was despite their very negative and biased disingenuous campaign. What would the result have been if a positive case for change was put out, balanced with the negatives? That to me I would like to have seen. That, councillors, the motion forward here today is to make sure that we keep alive the option of and promote the positive benefits of a Manly Warringah amalgamation and creating a new organisation.

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It's not a takeover, as has been pointed out tonight. This is simply an opportunity for us to take control of our destiny with the State government, partner with and get on with what is right for our community. If you've been listening to the community, they agree and they've said this and they like the fact that we have been communicating and consulting and putting our balanced facts for and against. So I think it's important that we go to our neighbours again and say one last time, "Would you like to take these benefits and create a new organisation?" So I put that forward. Are there any further speakers for or against? Councillor De Luca.

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CR DE LUCA:

Thank you, Mr Mayor. Again, I feel that your remarks are offensive in saying that other councils have run a disingenuous campaign. When residents have levelled that accusation against Warringah Council as late as last week in the Manly Daily, where one correspondent accused Warringah Council of actually encouraging their staff to complete surveys. Now, can we please just keep the debate on a civil level and not attack fellow councils. It is ridiculous.

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The supplementary motion is not actually a supplementary motion and I don't intend to go into meeting procedure

because I know that Councillor Regan will of course rule for himself. What this motion is, is an immature and disingenuous proposal of opaque words which once again - - -

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CR MENANO-PIRES: I've got a point of order, Mr Mayor.

CR REGAN: Councillor Menano-Pires, your point of order?

10 **CR MENANO-PIRES:** About what Councillor De Luca was saying about keeping the debate civil. I think he should withdraw that last remark.

15 **CR REGAN:** Thank you, Councillor Menano-Pires. I'm a big boy, I'm happy, and if he wishes to pursue, that's fine.

20 **CR DE LUCA:** Thank you. Which once again lacks any civility and lacks any substantive information. It is political spin. As I said, the only way to solve this issue is to have referendums. Now, for some reason certain people around this table aren't prepared to have that and that tells me a lot. Indeed, it tells me a great deal. So I think that this supplementary motion and particularly the offer to expire on 30 June to ensure eligibility for the State government's incentive payment and the proposal indeed is not genuine and I feel is a waste yet again of Warringah rates, time and resources.

30 If you were serious about this matter, you would put out a referendum but no, you continue to knock it back. That I think is the answer to everyone's questions.

CR REGAN: Councillor Gobert.

35 **CR GOBERT:** Thank you, Mr Mayor. I was wondering if we could just move it down. Can we move the screen down. Look, the concern I have with the supplementary is this. If we're talking about the creation of a new entity, my concern is that, well, if we start by saying this is the offer on the table now, to me it almost sounds like we're trying to sell a car. My concern simply comes down to this. If we're talking about these will be the conditions for the future for the new entity, then there's about a third of the people in the new entity that haven't even been asked their views.

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I understand that what this is trying to do is draw attention to what the advantage in the future could be but I'm just concerned that if we say - and if there was, for example, a view from Manly, "Good idea," suddenly we've committed to a whole raft of stuff for the future. So I'm just concerned

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personally about the motion as I read it. I think that we shouldn't start on a view of saying, "Here's an offer, it's on the table. You'd better sign up in the next few days." We're committing to some big ticket items without really understanding the substance. That's my concern.

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CR REGAN:

Councillor Gobert, could I allay those concerns by putting in there "could include" rather than saying? Because I accept your point, it's a very valid point in terms of saying it's very demanding or could be perceived that way. But if we say at point B, I'm not comfortable really with that last one. I've noted about the deadline anyway at the bottom. That on point B, "That council addition to submitting a proposal to IPART also offer to merge with Manly Council to deliver improved services and infrastructure and that the offer to form a new council could include"?

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I can just add too that consultation has to happen, will happen irrespective. It's part and parcel of what we do and it's what the government does and they would expect this to be consulted further. But I think softening it to "could include", you're exactly right, rather than being demanding and putting it to try and sell a car. It's a good point and I think unless you've got any other suggested changes.

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CR GOBERT:

I think certainly the bit about the one time only offer, I think that's like selling a Figari rug. Really, truly, I don't - - -

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CR REGAN:

No, I accept that point, that's what I'm saying.

CR GOBERT:

I think that's got to disappear and I must admit, part of what Councillor De Luca is saying, I actually agree. We have to be very careful here that we're not coming across as the big boy on the block who's telling everyone what to do, "You're all incompetent." At the end of the day, if the people of Manly choose to - they can merge with Taronga Zoo for all I care.

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I don't mean it that way but it's their decision, it's up to them. I mean, it is up to them, it's not our choice. So I think it's important we keep it grounded and we focus on our own backyard, which has a pretty clear direction and I think we take it a step at a time as we can. I think we've got to be careful about the words.

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CR REGAN:

Yes, let's take out point G which takes that point of one time offer, the offer to expire. So get rid of G. As I said, I wasn't comfortable when I put it forward, so I was open for suggestions. Any further comments? Councillor Moskal.

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CR MOSKAL:

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I might just make the comment that when we were going through the consultation on the five different options, it did come through that there was some sentiment for a Manly Warringah identity. There's some associations, for instance, the Manly Warringah Sea Eagles. But in general but there was far greater support for a sense of identity with the Northern Beaches.

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I mean, to say, "I'm from the Northern Beaches," has always been a community identity. It has not come from a line drawn on a map or a bureaucratic border. It's come from us, from us living here. So I do see us as a peninsula that you can plainly see and we're also a united community. You can just feel that. You just experience that and I think our community groups function in that way.

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So the most positive outcome would be to have a council that can function in that way too and has the structure to step up to that. So yes, I'm glad that we removed point G. I see benefits but I do see it as falling short from what we could really step up to considering this is a once in a generation change.

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CR REGAN:

Thank you, Councillor Moskal. Councillor Menano-Pires.

CR MENANO-PIRES:

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Thank you, Mr Mayor. I'm happy to speak for the motion. I'm very comfortable with the motion as it stands. Look, Manly Warringah, does that ring a bell. Manly Warringah Sea Eagles, Manly Warringah Bicycle Club, Manly Warringah. How many community organisations and how many clubs and so on do we have that are called Manly Warringah? It does ring a bell and it does make sense.

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As I said I think on the public record a number of times, my preferred option is still very much a Northern Beaches Council, I think that's what makes sense. But having said that, we do have to be pragmatic and I think a Manly Warringah merger would go a long way to achieve what the State government has basically told us to try to achieve and I think we all want to.

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I mean, let's face it, even our daily newspaper is called the Manly Daily and that goes across the peninsula, so Manly Warringah sounds good. So I have no objection in actually extending this offer to Manly and asking them to enter into some constructive dialogue with us. As far as the split Warringah option which some of you have touched upon, again let's be pragmatic. Let's look at it.

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Where do you want to split Warringah? I mean, basically there's only two axes, one is Mona Vale Road, the other one is Warringah Road. Somewhere in the middle, there's a lot of bush and the Narrabeen Lagoon catchment. Are we going to split Narrabeen Lagoon catchment? The problems we've got already, does that make sense?

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If we do split in Mona Vale Road, what's Pittwater going to gain? Not a lot. There's really not a lot on the north side of Mona Vale Road that belongs to us anyway, apart from Cottage Point, Terrey Hills, Duffys Forest. If we split on Warringah Road, let me just remind you of the intensive exercise we're now going through in working with a number of government departments as far as planning for Northern Beaches Hospital.

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Can you imagine how difficult it would be if the north side of Warringah would be one council, the south side would be one council and you're trying to come up with a planning proposal to satisfy the residents up there. That would just be a nightmare. I honestly don't think that the Manly Warringah option should be seriously considered. I mean, there's just too many problems. No, sorry, I mean the split Warringah option. Thank you very much, Councillor Gobert.

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CR REGAN:

Point of order. He was just checking if you were listening. Well done.

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CR MENANO-PIRES:

Well done, you're paying attention. Finally, I just want to touch on one point which is the referendum. I mean, for the record I would have no objection at all in having a referendum across Northern Beaches. I'm actually quite convinced by empiric evidence and looking at (indistinct) that the one council would be the winner by a mile. But having said that, the option of a referendum is not on this table. The option of a referendum is not for us to take or drop. It's not our choice. It's not our decision.

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I remind you all that - yes, Councillor De Luca, I do remind you that this local government reform process has been mandated and has been oriented by the State government on a step by step basis. Referendum is not on the table. It's not up to us to say we'll have a referendum. If you want to make some submissions to the State government and ask for the referendum, more than welcome to do so, but as far as I'm concerned, it's not an option that we can even consider. I do commend this motion to you.

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CR REGAN:

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Right of reply. There's no further speakers for or against. Councillors, the supplementary motion I guess that I'm putting forward picks up from our submission to IPART. Specifically to you, Councillor Moskal, I agree it's falling short because we agree one Northern Beaches Council and we've endorsed that time and time again here. Our residents, 74% of have endorsed it. I guess what we're seeking here to do tonight is pick up that point from that resolution to IPART that says:

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“Warringah Council reiterates its willingness to engage in constructive dialogue with Manly and/or Pittwater in order to achieve for the Northern Beaches residents the stated objectives of lower rates, increased service levels, increased infrastructure investment and environmental management, such as our lagoons.”

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I guess that Manly Warringah is a good first step in doing that and it starts to achieve that capacity and scale that we all want. Now, I think it's a wise thing for council to keep this open. I take on board your comments, Councillor Gobert, in particular about pulling out and not be seen to be dictating and putting in conditions. I couldn't agree more, that's why I wanted to remove that thing. I wasn't comfortable, as I said right up front. I don't really like it but I'll put it there just in case. Thank you for contributing.

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There is substantial and substantive information. The SGS Economics report, the KPMG report that Manly and Warringah did, all supported one council, all supported versions of a Manly Warringah or a Warringah Pittwater. None of them talked about takeover, they talked about creating new organisations, doing what the government wants us to do and creates scale and capacity, lower the rates, increase service levels and increase infrastructure investment, partner with them.

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You had an independent local government report which was quite substantive and quite informative. It's there for all to read. The government is not giving us really an option. They are saying, “Do this, get on with it.” I think this motion is keeping that dialogue alive. I think it is saying to Manly in particular, “Hey, we're still here. We accept you had a thing last night. Don't like it but hey, we're still willing to look at sitting down with you and partnering with you and going to step 1 to reunite the Northern Beaches.”

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I think it would be a great legacy for Mayor Hay who has done a tremendous community service and she, as I understand, is retiring at the next election. I think it's great that she could secure her council's financial future. I think she could do a great deal with this motion in terms of what we could do together. I know she loves the Manly Warringah Sea Eagles and she reminds me often that she'd love to have Brookvale Oval in her asset collection.

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The reality is I just think this motion just keeps that dialogue positively alive and it tells the government that we're serious about this and we support their reform agenda and we're not going to put our heads in the sand. This is what's right for our community. So I ask you to support this as a good first step and see it as what it is, and that is simply saying to the rest of the Northern Beaches we are still willing to join.

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I'll now put that motion forward. Those in favour: all councillors bar Councillor De Luca and Councillor Giltinan. Sorry, Councillor Giltinan voting in favour? My apologies. Those against, Councillor De Luca. I declare it carried.

[End of audio]