



SUPPLEMENTARY BUSINESS PAPER

GENERAL MEETING

**Wednesday 10 May 2017
at 6:30PM**



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15 LOCAL GOVERNMENT REFORM

On 27 March 2017, the NSW Supreme Court of Appeal upheld Ku-ring-gai Council's appeal against the proposed amalgamation with Hornsby Shire Council on the grounds that the former Minister for Local Government's decision to proceed with the amalgamation was fundamentally flawed. Part of that decision rested on the finding that the delegate responsible for reporting on the proposed amalgamation did not assess the merits or otherwise of the boundary change which shifted the part of the Hornsby Shire south of the M2 Motorway to the new City of Parramatta Council.

Although the NSW Government has chosen not to appeal the decision, it has indicated that it is still committed to a merger of Hornsby and Ku-ring-gai Councils. It is understood that this would require the development of a new proposal by the Government which would then need to be assessed according to the requirements of the Local Government Act. At this stage, no new proposal has been made by the Government.

In the absence of any new proposal for amalgamation, and in the knowledge of how long it has taken for previous proposals to be made, assessed and potentially challenged through the Courts, Council needs to seriously consider the consequences of it having to stand alone without the area south of the M2 Motorway. Although Council believes it is appropriate to make a case for regaining the area south of the M2 Motorway from the City of Parramatta, it cannot be assumed that this would occur. As such, it is prudent for Council to review its services and finances to ensure Hornsby Council is in a position to address the needs of its residents in a financially sustainable manner.

To commence this process, I believe it is appropriate for Council to request that an update of its Long Term Financial Plan be presented for consideration at the 8 June 2017 General Meeting. Such update should assume no amalgamation with Ku-ring-gai Council and also assume that Hornsby Council's current area will remain in place (i.e. without the area south of the M2 Motorway).

RECOMMENDATION

THAT:

1. The Chief Financial Officer provide an update on Council's Long Term Financial Plan at the 8 June 2017 General Meeting. Such update should assume that Council's current area (i.e. without the area south of the M2 Motorway) will be maintained in the immediate future.
2. Council write to the NSW Premier and Minister for Local Government requesting that if an amalgamation with Ku-ring-gai Council is not to be progressed, that the NSW Government:
 - a) reinstate the area south of the M2 Motorway to Hornsby Shire Council, or alternatively
 - b) provide compensation to the residents of Hornsby while this Council adjusts to the scale of a smaller council.

STEVE RUSSELL

Mayor

Attachments:

There are no attachments for this report.

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