

COOLAMON SHIRE COUNCIL

**SUBMISSION TO THE NSW
INDEPENDENT LOCAL
GOVERNMENT REVIEW PANEL**

SUBMISSION TO THE REVIEW PANEL

INTRODUCTION

The comments in this report are made from the perspective of Rural Local Government. Whilst it is easy to cast a net over New South Wales and say that Local Government is the same the state over, the reality is that this is not the case. Parramatta, Wollongong, Wagga, Albury are not the same as Coolamon, Gundagai, Temora and Cootamundra. The main similarity is the Local Government Act and after that there is a different state of mind and purpose. The question that must be asked in the first instance I suppose is “are we talking about a governance model or are we talking about what is best for communities and service delivery”. Are we talking about a process or outcomes? If we are talking about governance and the process, then it is simple in that we could possibly exist with only a few Regional Councils and one or two in the City. If however, we are meaning outcomes which lead to the retention, improvement and vibrancy of rural communities, then it is an entirely different scenario.

1. BEST ASPECTS OF NEW SOUTH WALES LOCAL GOVERNMENT

The logo that the Coolamon Shire use “Big Enough to Serve, Small Enough to Care” embraces the best aspect of Rural Local Government. An analysis of the statement is a worthwhile exercise.

1.1 Big Enough to Serve

Coolamon Shire Council is of sufficient size to provide a full range of services to its communities. The definition of full range of services is a matter of question but it is one that allows for the full maintenance of existing assets and expansion of assets and services through a regular capital works programme. The other side of the question is “what is sufficient size”. Council does not believe there is a set answer to this question but rather it needs an analysis of existing Councils and their communities. Are the communities valuable enough to have a desire to determine their own future? Can the Council if appropriately managed and funded provide maintenance and asset and service improvements. If the answer is yes, then obviously a Council for those communities is vital.

Coolamon Shire Council is big enough to serve. Over the past few years Council has undertaken a considerable Capital Works Programme throughout all its towns. By Capital Works, I mean improvements to our communities that are over and above the normal roads, gutter, drainage etc. Some of these major projects have been:

- **A Health Complex** comprising:
 - 28 independent retirement living units
 - 33 bed Hostel, including a 10 bed Dementia Ward
 - Community Health Centre – Delivery of Meals on Wheels, Neighbour Aid, Community Transport
 - Doctors Surgery - Coolamon

- Dental Surgery - Coolamon
- Provision of funds to the State Government to provide more beds at the Coolamon-Ganmain Hospital
- Doctors Surgery – Ganmain

Council was assisted with significant contributions from the community for this development. A common theme from all the donors was that it was a local asset; it was owned locally and managed by the community's own Council.

- **Main Street Upgrades** to Coolamon, Ganmain and Ardlethan which cost in the order of \$3Million.
- **Construction of Aged Care Units** to complement the Health Care complex mentioned earlier in Ardlethan and Ganmain.
- **Development of a modern Cultural Centre** in Coolamon incorporating a Library, Heritage Exhibition area and two Museums. Council has also formed a partnership with the RSL where a local War Museum has been developed and this now forms part of the Cultural Centre.

1.2 Small Enough to Care

An analysis of this phrase is also important. In fact this is possibly one of the best aspects of New South Wales Rural Local Government. The words "Small Enough to Care" entails a lot of meanings including access to Councillors, access to Staff, and a Staff and Council that are concerned about their communities that live and work in those communities, and understand their needs.

Councils that are part of their community have the capacity to respond quickly to community demands. Coolamon Shire proves this in a number of ways:

- In 2007 the **ABC Childcare Centre in Coolamon** closed. Within a matter of two months Council were able to galvanise local tradesmen and transform a building previously used for a licensed Club into a fully functioning Childcare Centre. Without the Centre a number of families within the community would have experienced severe difficulties.

The Childcare Centre is now fully functional and provides childcare to 30 families. In addition Council has been able to incorporate Before and After School Care into the Complex, which again has enhanced the lifestyle of younger residents.

- **Banking Services** – When the Banks commenced their withdrawal from Country towns, Coolamon Shire formed a relationship with Wagga Mutual Credit Union. The Council entered into a Subordinated Debt arrangement and Wagga Mutual Credit Union was able to open branches in Ganmain, Coolamon, as well as two ATM's. In addition to banking services this arrangement has significantly benefited the community. Wagga Mutual Credit Union has supplied over \$500,000 in sponsorship to a multitude of community groups and organisations.

- **Community Benefit Fund** – Council has established the Coolamon Shire Community Benefit Fund which is run independently of Council by Council appointed Trustees. This Benefit Fund allows the Trustees to make grants to individuals and families that are suffering personal or financial disadvantage. In past years funds have been provided to families who have suffered illnesses and required to attend Metropolitan Hospitals, house fires and various family tragedies. The Benefit Fund receives income through a Community Sponsorship Account established at Wagga Mutual Credit Union and supported by local businesses.
- **New Year’s Eve Party** – Council runs a New Year’s Eve Party in Coolamon for all residents throughout the Shire. This is a family based activity with fireworks, children’s activities and is run by the Shire for the Shire communities.
- **Festivals, Events etc** - Council works closely with all community organisations and allows Council Staff and the Officers to become a resource for citizens that are conducting festivals, sporting events, cultural activities, thus making it significantly easier for those events to take place.
- Council utilizes **Section 355** of the Local Government Act quite extensively. This allows it to assist many community bodies to continue to function without the burden of administrative and other expenditures.
- Formation of a **Coolamon Shire Business Unit** whereby all business throughout the Shire come together to discuss needs and activities in order to enhance and encourage further commercialism.
- **School Holiday Programmes** – Council’s Community Development Officer works with all Schools throughout the Shire and encourages all students to actively participate in the School Holiday Programmes that are run every School Vacation period.
- During its **Budgetary Processes**, Council meets with representatives of all community ratepayer groups to discuss its budget programmes. Following that meeting Council then takes those representatives on a bus tour of the Shire and on the tour are the Mayor, General Manager and Senior Staff. Ratepayers through their organisations have direct contact with the Councillors, the Mayor and the Senior Management Team during the formation of the Budget.

All points raised in the above tour are then brought back to Council and a further tour is arranged within the next few days to enable the full Council to be aware of the concerns expressed by ratepayers. Those reports and issues raised are then brought to Council during the course of the budget discussions.

Our communities are important, they are independent and they need nurturing. The communities of the Coolamon Shire are vibrant because there is what Council likes to refer to “concentration of effort”. This concentration of effort is a group of Councillors and a group of Senior Staff that live and work within the communities and have their interest at heart. One of the main aspects therefore, that Coolamon Shire

considers the best aspect of New South Wales Local Government is its ability to be accessible and to be sufficiently capable of responding to its community demands.

1.3 Flexibility

Rural Councils are able to be flexible in their operations. They have control of their budgets, they are able to respond to community demands and they can change direction according to those demands or the policies of State and Federal Government. It is also their choice as to how they work with other Councils and to achieve savings or an increase in service delivery by working with other Councils in those areas that suit their particular needs. Council's in the Riverina are able to give examples in many ways of how this can work in a very practical manner.

As an aside it is the view of this writer that in his 45 years in Local Government that Local Government in the Riverina has never been as strong or more focused on local and regional service delivery than it is at the present.

Local Government is able to form many relationships that are based on outcome and service delivery. There are numerous examples of Coolamon Shire Council working with other Councils to deliver services thus achieving economies of scale whilst maintaining their independence as a Council unit. Some of these are:

- Internal Audit
- Mapping
- Tourism
- Purchasing
- Library
- Insurance

Formal Association – REROC

The history of REROC and its successes are well known. Before exploring the opportunities that it provides, it is worthwhile to look at the reasons and the history of the organisation. In the years 1993-97 it was purely a meeting of the Mayors. The Organisation became a talk fest with nothing being achieved.

The format adopted in 1997 to employ a CEO and to make the Mayors and General Managers the delegates of each Council was the start of the success of the Organisation. The voluntary nature of the projects undertaken was also a significant factor.

The new programme “**Local Government Without Borders**” encompassing the following themes is exciting and seen as the way forward.

- Infrastructure – Transport Corridors
- Resource Sharing
- Workforce Development
- Community Planning and Culture
- Economic Development

- Environment
- Advocacy and Lobbying

In taking Local Government forward in the region. Councils will still undertake the local community work but under the REROC banner will work together on regional issues. REROC does not see itself as a separate body but only as a co-ordinating vehicle for Councils to work together.

Summary

I note the community satisfaction with the capacity of Coolamon Shire Council to provide a level of service suitable to their needs. The recent research undertaken externally by IRIS Research indicated a level of satisfaction of 81.8% by residents of this Shire with the services being provided by Council. This then reflects on the aspects of service, caring and flexibility as indicated above.

2. WHAT CHALLENGES WILL THE COMMUNITY MEET IN THE NEXT 25 YEARS?

The most important challenge that all of our communities will face over the next 25 years is to remain not only as a viable community, but to improve on the current level of services. Surely it cannot be good for our country if rural communities are allowed to wither on the line.

If Australia is serious about the need to redistribute the increase of population density along the eastern seaboard, then decentralization is a must. The most important factor in achieving population decentralization is to ensure that these rural and regional communities are viable, prosperous and populated.

At the centre of these local communities is Local Government. At the outset it must be remembered that Local Government is the biggest decentralized industry in the country. In addition, Local Governments are in touch with their community's needs and have the ability to provide services that reflect these existing needs and potential opportunities.

Local Councils are constantly under threat and are constantly seeking to justify their existence. There appears to be a lack of respect from other levels of Government in regard to the work undertaken and the infrastructure and services provided by local Councils. The energies and finance that Councils put into maintaining their communities can be negatively affected by compliance with a one size fits all policy that is developed to suit the highly populated eastern seaboard and does not reflect the needs of rural communities throughout New South Wales. Over the past 15 years Councils have been required to manage dwindling financial resources as a result of State and Federal Governments imposing responsibilities in Local Government. This combined with the ever increasing reporting requirements across all aspects of Council's work environment, mean that Councils are being squeezed of money and time to carry out functions that in some cases have very little to do with helping or securing the local community.

Councils need access to untied revenue. Currently the Federal Assistance Grants have not kept track of Council's expenditure patterns and Councils acceptance of additional responsibilities. There is a need to secure Council's access to untied revenue and to ensure that it is a continuing increasing grant tied to a fixed amount of taxation revenue. In addition, whilst Councils may receive grants from State or Federal Government, these are generally aligned with the policies of those particular governments. The needs expressed within those policies might not be relevant to what's needed in our communities. Yet we are held accountable for implementing the policies of higher levels of government by accepting and expending those grants within our communities.

Whilst it is acknowledged that there are some underperforming Local Government areas within the State, it should be remembered that there are far more Councils providing cost effective and efficient services to their community. For too long we are focused on non performing regions and a theoretical ideal size of Councils. We should be looking at efficiencies and how well those Councils are providing services. We should not seek the easy solution of an amalgamation which in turn ladders debt across the region through the amalgamation process. Surely it would be better to encourage those that are performing well to drag other performing Councils up to a standard that is expected. Incentives to those Councils would see those operating as mediocre Councils striving towards improvement and gaining incentives in order to provide prosperity to their regions.

3. WHAT ARE THE FIVE TOP CHANGES THAT SHOULD BE MADE TO LOCAL GOVERNMENT TO MEET YOUR COMMUNITIES FUTURE NEEDS?

The top five changes to Local Government would include:

- 1) Finances
- 2) Planning
- 3) Politics/Code of Conduct
- 4) State Government – Constant change
- 5) Judgemental views of Local Government based on Operating Results and Size

3.1 Finance

This has been mentioned earlier in this Review Paper. Councils need a guaranteed access to untied revenue. Local Government of the 2012 era is totally different to that of the 1980's. There is a whole new range of legal compliance regimes and service delivery functions that didn't exist 30 years ago.

3.2 Planning

I note the recent (10 years) experience that Coolamon Shire Council has had with the Department of Planning. Council was one of the first Local Government Authorities in New South Wales to commence the process to review its LEP under what was then the Plan First Proposal. Since then there have been constant changes to legislation and not to mention the bureaucratic hurdles that has eventually resulted in the LEP

being approved just 10 years since work commenced. Even the most ardent supporter of the Department of Planning would agree that this situation is ridiculous. Furthermore, the detailed involvement by the bureaucrats from the Department is overly excessive. Surely it is the staff and the Councillors at the Council that best know planning needs for their areas. The intrusion by people from Metropolitan based departments who have absolutely no idea as to the onground situation providing advice and direction as to how the plan should look, is not satisfactory.

3.3 Politics/Code of Conduct

Local Government operates best in a non political environment.

Above the line voting helps create the alliances and other groups that lead to disenchantment and arguments at the Council table. Candidates being elected on merit as opposed to affiliations are able to provide a better service to Local Government.

The Code of Conduct assists in creating further disenchantment. It is being used by affected Councillors as a sword rather than a shield and as such has lost its effectiveness. It is far too detailed and convoluted. A sensible statement of expected ethical behaviour would be more than satisfactory.

It would be an interesting exercise to review all the Code of Conduct issues/breaches that have been raised in the past five years and document the Councils concerned. Perhaps it might become obvious then that the larger Councils do not have a mortgage on efficiency.

3.4 State Government/Constant Change

The issue of Constant Change in respect of Local Government's management and operations is disconcerting. Local Government in its purest format is quite simple. Yet the State Government's since the enactment of the new Local Government Act in 1993 has been in constant change mode. This has also been highlighted recently by the Sydney Morning Herald who reflected on some of those changes. These have included:

- Industrial Relations
- Emergency Management, including SES and Rural Fire Service
- Workplace Health and Safety
- Planning
- Financial Accounting Systems, as well as Budgeting, Community Consultation and future planning.

A consolidation of systems and a period of allowing Councils and their Staff to actually do what Local Government does best would be appreciated.

3.5 Judgement Calls on Local Government

Local Government appears to be the whipping boy for Politicians, former Politicians, Bureaucrats, Journalists and Public Sector financial experts.

- **Judgement Call No. 1 – Operating Results**

In the first instance assessments are made on operating results and asset management issues. Under the current accounting processes, operating results become a meaningless result. Any result that has one of its components the depreciation of roads is meaningless. In short, it fails the “man in the street” test. If roads deteriorate they are fixed. If the other assets need repair, they are repaired, yet Councils are still obliged to apply a depreciation expense irrespective of their maintenance expenditure.

Councils are then judged on an operating result that has no reflection on reality.

- **Judgement Calls No. 2 – Size**

Numerous calls are made on Councils because of their size. It seems as if there is a mystical figure at which efficiency kicks in. This is erroneous and shows a lack of understanding of Local Government, especially Rural Local Government. I refer to earlier comments re governance/ process as opposed to outcomes and results. Any review of Local Government should be looking at how to remain expedient and efficient.

- **Judgement Call No. 3 – Development Application Processing**

Councils are often lumped into the one basket of criticism when commentaries being made in respect of their attitude to Development Applications and the time taken to process development. I note the following regarding Coolamon Shire’s Planning processes:

- The percentage of Complying Development to Development Application equals 79%. (Ranked 1st in New South Wales).
- The average time taken for Development Applications is 18 days. (Ranked 3rd in New South Wales).
- 98% of Complying Development Certificates were issued within the prescribed 10 day approval period.

Other matters that need noting are:

The size of the communities within the Coolamon Shire and the distance between locations has meant that private certification is inefficient. All building work is assessed, approved and inspected by Council Officers.

Council manage Complying Development based on the assumption that what should normally be expected in a zone can and should be considered to comply with its land use and is therefore permissible.

At all stages during the development process, applicants are actively encouraged to speak with staff and hold meetings to ensure that the paperwork provided reflects the work to be done and meets the requirement of the Planning Legislation.

Any development that does not fit into this model is provided to Council for a decision where they are informed of the relevant planning legislation in order to assist them with their decision making processes.