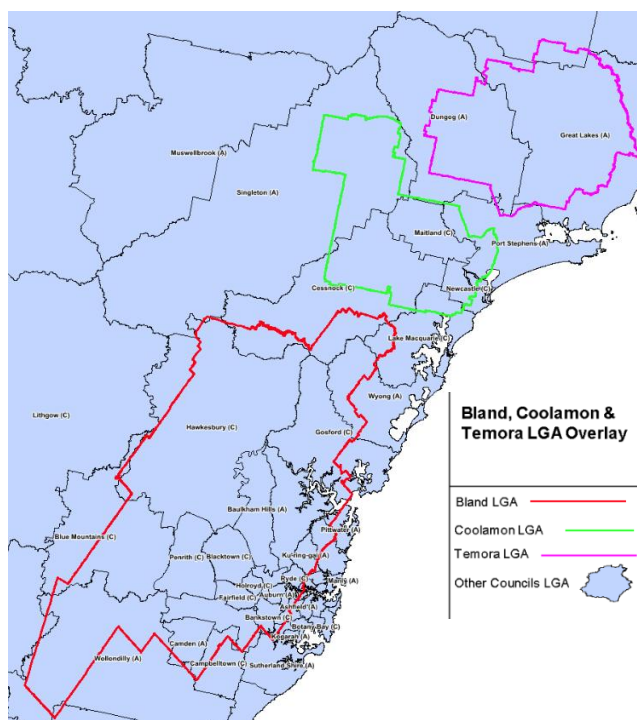


ATTACHMENT 6

Evaluations of Merger Options

Evaluation of Merger Options

Bland Shire/Temora Shire/Coolamon Shire Councils



Shire Details

Indicator	Coolamon Shire Council	Temora Shire Council	Bland Shire Council
Physical			
Area	2431 sq km	2802 sq km	8858 sq km
Length of Road	1200 km	1530 km	3237 km
Demographic			
Population	4308	6050	5994
Population Density	1.8	2.2	0.7
Population Movement Past Year	0.7%	0.9%	0.1%
Financial Sustainability			
TCorp FSR Rating	Sound	Sound	Weak
TCorp FSR Outlook	Negative	Neutral	Neutral
TCorp FSR Overlay	Moderate	Sound	Weak
OLG Infrastructure Audit	Very Weak	Strong	Strong
FTE Staff	63	86	115
Total Operating Income	\$11,682,000	\$17,064,000	\$22,674,000
Total Operating Expenses	\$11,626,000	\$16,591,000	\$25,363,000

SWOT Analysis

Strengths

- Service commonality between communities
- Significant population base (16,352)

Weaknesses

- Large difficult to service area (14,091 sq km)
- Lessening of representation from elected members
- Disjointed administrative arrangement
- Unmanageable road network (5,967 km)
- Approximately 70 km between major centres
- Approximately 200 km from one end of shire to the other
- Overall decrease in population density (1.16%)
- Static Rate Revenue Base

Opportunities

- Reduction in staffing (dependant on award conditions)

Threats

- Loss of identity for all Shires
- Potential loss of employment
- Difficulty in combining operations
- Potential for villages to become less relevant in a larger council
- Loss of business to local community, therefore loss of local jobs and potentially population
- Reduced services to outlying areas due to physical size of shire

The Local Government Review Panel's preferred recommendation for Bland Shire Council (Group D) was to be in the Riverina JO or merge with Coolamon and/or Temora; a medium recommendation with the merger reliant on Coolamon and/or Temora being receptive. As such, Council has held initial conversations with both Coolamon and Temora regarding potential merger options, however neither Council wished to merge, but are prepared to continue and strengthen current partnerships and collaborations and seek ways to further enhance and strengthen these.

To ensure due process was carried out, Bland Shire completed a SWOT analysis and financial comparison relating to the merged options. Overall there was no great benefit to any of the Shire's financially and the sheer size of a merged Council (14,091 sq km) and 5,967 km of roads, a major weakness and disincentive to merge.

The Council's main service centres would be approximately 60-70 km's apart with 15 small Villages requiring services. This would create a number of challenges including a cohesive workforce, disjointed services, combining of technology and IT systems, especially with a distance of nearly 200km's from one end of the shire to the other.

Bland Shire has a strong case for continuing as a standalone Council. The financial forecast shows that with current practices, service reviews and improving performance by adopting a proactive approach as indicated within the improvement action plan. This will not only achieve the desired benchmark results but importantly provide our community with services in a financially responsible manner.

Socially the communities are similar collaborating on services such as Riverina Regional Library, REROC, Rural Fire Service, Road Safety Officer and GIS to name a few. These collaborations, equal in their nature,

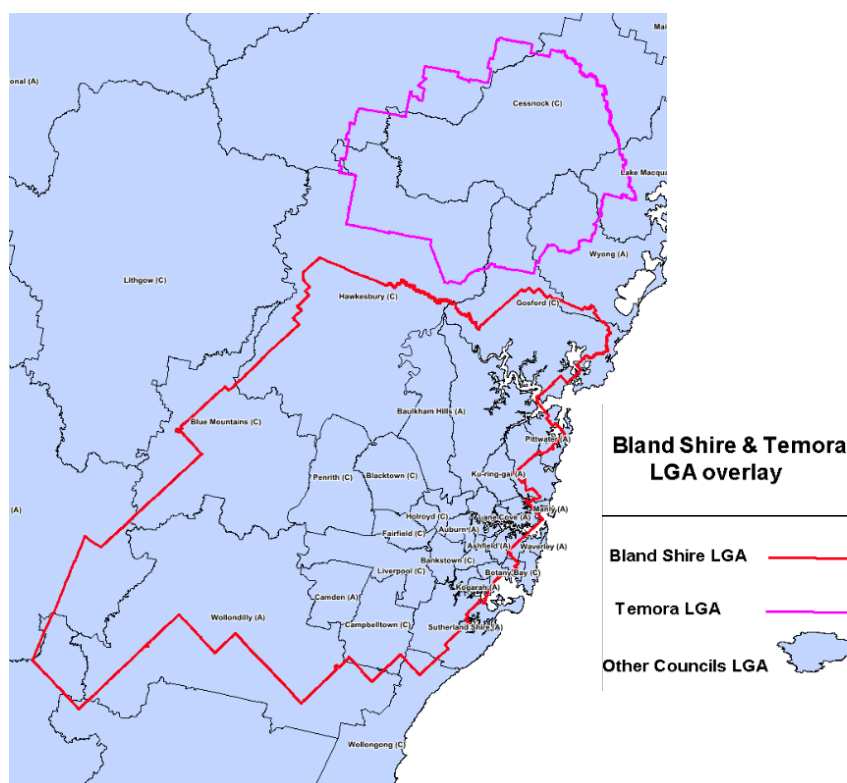
are not just based around Coolamon, Temora and Bland Shires, but encompass other neighbouring and REROC councils.

Council believes community consultation is an important part of process, and therefore conducted a survey of the Shire's residents with a 9.3% return rate (over 15 years) within the community. Of the respondents, a staggering 84% opposed a merger. This result is consistent with both Coolamon and Temora Shires, with their communities also passionate about remaining a standalone entity.

The financial analysis, and the summary above clearly shows that a merge between the Council's would not result in a greater revenue or income streams across the board, nor improve the TCORP ratings (mixture of weak and sound) or TCORP Outlooks (mixture of Neutral and negative). Therefore as there is no clear evidence that a merged option would significantly improve the Bland Shire, Council has chosen to follow the preferred option of being part of the Riverina JO.

Evaluation of Merger Options

Bland Shire/Temora Shire Councils



Shire Details

Indicator	Temora Shire Council	Bland Shire Council
Physical		
Area	2802 sq km	8858 sq km
Length of Road	1530 km	3237 km
Demographic		
Population	6050	5994
Population Density	2.2	0.7
Population Movement Past Year	0.9%	0.1
Financial Sustainability		
TCorp FSR Rating	Sound	Weak
TCorp FSR Outlook	Neutral	Neutral
TCorp FSR Overlay	Sound	Weak
OLG Infrastructure Audit	Strong	Strong
FTE Staff	86	115
Total Operating Income	\$17,064,000	\$22,674,000

Total Operating Expenses	\$16,591,000	\$25,363,000
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SWOT Analysis

Strengths

- Service commonality between communities
- Significant population base (12,044)
- Improved population density (+0.3)

Weaknesses

- Large difficult to service area (11,660 sq km)
- Lessening of representation from elected members
- Disjointed administrative arrangement
- Unmanageable road network (4,767 km)
- 68 km between major centres
- 189 km from one end of shire to the other
- Static Rate Revenue Base

Opportunities

- Reduction in staffing (dependant on award conditions)
- Improve community service within the Temora Shire

Threats

- Loss of identity for Bland Shire
- Potential loss of employment
- Difficulty in combining operations
- Potential for villages to become less relevant in a larger council
- Loss of business to local community, therefore loss of local jobs and potentially population
- Reduced services to outlying areas due to physical size of shire

The Local Government Review Panel's preferred recommendation for Bland Shire Council (Group D) was to be in the Riverina JO **or** merge with Coolamon and/or Temora; a medium recommendation with the merger reliant on Coolamon and/or **Temora** being receptive. As such, Council has held initial conversations with both Coolamon and Temora regarding potential merger options, however neither Council wished to merge, but are prepared to continue and strengthen current partnerships and collaborations and seek ways to further enhance and strengthen these.

To ensure due process was carried out, Bland Shire completed a SWOT analysis and financial comparison relating to the merged options. Overall there was no great benefit to either Temora or Bland Shires financially and the sheer size of a merged Council (11,660 sq km) and 4767 km of roads, a major weakness and disincentive to merge.

Temora's population (approximately 70%) is based in the township of Temora with the balance of the population spread over the smaller Villages of Springdale and Aria Park however the Bland Shire has approximately 60% of the population based in West Wyalong and the remaining 40% spread over the Villages of Barmedman, Tallimba, Ungarie, Weethalle, Wyalong, Kikoira, Naradhan and Mirrool. This would create a number of challenges if a merger were to occur with the distance from one end of the shire to other being nearly 200km's.

Bland Shire has a strong case for continuing as a standalone Council. The financial forecast shows that with current practices, service reviews and improving performance by adopting a proactive approach as indicated within the improvement action plan. This will not only achieve the desired benchmark results but importantly provide our community with services in a financially responsible manner.

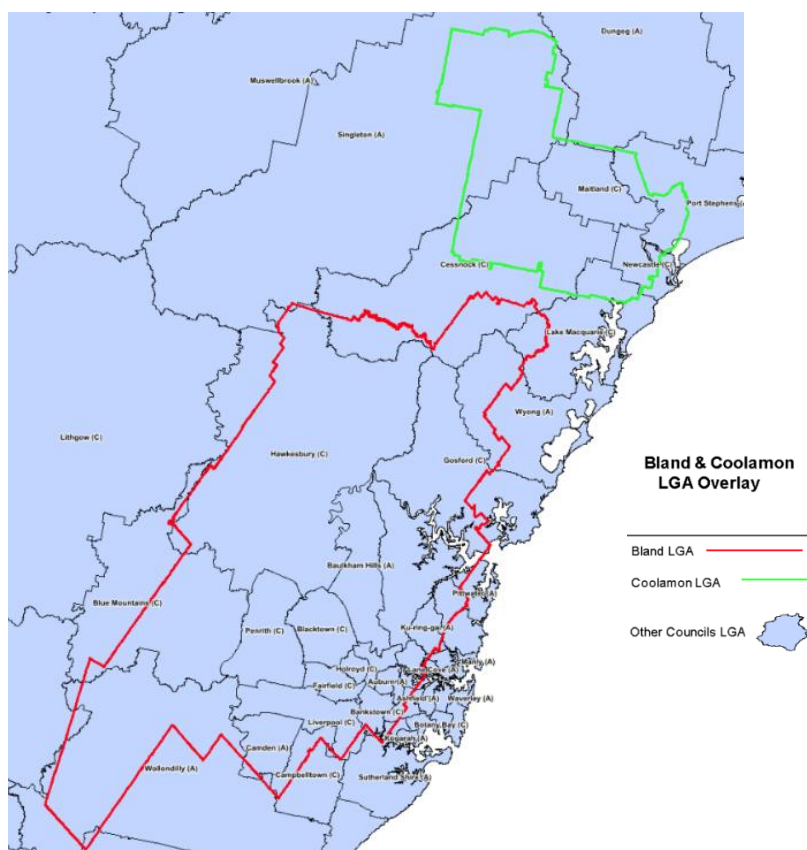
Socially the communities are similar; a similar size with similar interests. The Bland Shire provides Family Day Care services to the Temora Shire and collaborates on projects and services such as Rural Fire Service, Riverina Regional Library, REROC and the Road Safety Officer to name a few. These

collaborations are not just based around Temora and Bland Shires, but encompass other neighbouring and REROC councils.

Council believes community consultation is an important part of process, and therefore conducted a survey of the Shire's residents with a 9.3% return rate (over 15 years) within the community. Of the respondents, a staggering 84% opposed a merger. This result is consistent with both Coolamon and Temora Shires, with their communities also passionate about remaining a standalone entity.

The financial analysis, and the summary above clearly shows that a merge between the Council's would not result in a greater revenue or income streams across the board, nor improve the TCORP ratings (mixture of weak and sound) or TCORP Outlooks (mixture of Neutral and negative). Therefore as there is no clear evidence that a merged option would significantly improve the Bland Shire, Council has chosen to follow the preferred option of being part of the Riverina JO.

Evaluation of Merger Options



Shire Details

Indicator	Coolamon Shire Council	Bland Shire Council
Physical		
Area	2431 sq km	8858 sq km
Length of Road	1200 km	3237 km
Demographic		
Population	4308	5994
Population Density	1.8	0.7
Population Movement Past Year	0.7%	0.1
Financial Sustainability		
TCorp FSR Rating	Sound	Weak
TCorp FSR Outlook	Negative	Neutral
TCorp FSR Overlay	Moderate	Weak
OLG Infrastructure Audit	Very Weak	Strong
FTE Staff	63	115
Total Operating Income	\$11,682,000	\$22,674,000

Total Operating Expenses	\$11,626,000	\$25,363,000
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SWOT Analysis

Strengths

- Improved population base (10,302)
- Improved population density (+0.2)

Weaknesses

- Lessening of representation from elected members
- Disjointed administrative arrangements
- Large difficult area to service (11,289 sq km)
- Unmanageable road network (4,437 km)
- 13 Village communities requiring service dispersed across the entire area
- 117 km between major centres
- 185 km from one end of Shire to other
- Static Rate Revenue Base

Opportunities

- Reduction on staffing (dependant on award conditions)
- Improve community service within Coolamon Shire

Threats

- Loss of identity for Bland Shire
- Potential loss of employment
- Difficulty in combining operations
- Potential for villages to become less relevant in a larger council
- Loss of business to local community, therefore loss of local jobs and potentially population
- Reduced services to outlying areas due to physical size of shire

The Local Government Review Panel's preferred recommendation for Bland Shire Council (Group D) was to be in the Riverina JO **or** merge with **Coolamon** and/or Temora; a medium recommendation with the merger reliant on Coolamon and/or Temora being receptive. As such, Council has held initial conversations with both Coolamon and Temora regarding potential merger options, however neither Council wished to merge, but are prepared to continue and strengthen current partnerships and collaborations and seek ways to further enhance and strengthen these.

To ensure due process was carried out, Bland Shire completed a SWOT analysis and financial comparison relating to the merged options. Overall there was no great benefit to either Coolamon or Bland Shires financially and the sheer size of a merged Council (11,289 sq km) and 4437 km of roads, a major weakness and disincentive to merge.

Coolamon's population is spread across the shire and smaller villages of Ardlethan, Ganmain, Marrar, Matong and Beckom with approximately 37% based in the township of Coolamon. The Bland Shire has approximately 60% of its population based in West Wyalong and the remaining 40% spread over the Villages of Barmedman, Tallimba, Ungarie, Weethalle, Wyalong, Kikora, Naradhan and Mirrool. This situation would create a number of challenges if a merger were to occur with the distance from one end of the shire to other being nearly 200 km's with 13 villages requiring servicing across the shire

Bland Shire has a strong case for continuing as a standalone Council. The financial forecast shows that with current practices, service reviews and improving performance by adopting a proactive approach as indicated within the improvement action plan. This will not only achieve the desired benchmark results but importantly provide our community with services in a financially responsible manner.

Socially the communities are similar and both councils collaborate on projects and services such as Riverina Regional Library, REROC, and GIS to name a few. These collaborations, equal in their nature, are

not just based around Coolamon and Bland Shires, but encompass other neighbouring and REROC councils.

Council believes community consultation is an important part of process, and therefore conducted a survey of the Shire's residents with a 9.3% return rate (over 15 years) within the community. Of the respondents, a staggering 84% opposed a merger. This result is consistent with both Coolamon and Temora Shires, with their communities also passionate about remaining a standalone entity.

The financial analysis, and the summary above clearly shows that a merge between the Council's would not result in a greater revenue or income streams across the board, nor improve the TCORP ratings (mixture of weak and sound) or TCORP Outlooks (mixture of Neutral and negative). Therefore as there is no clear evidence that a merged option would significantly improve the Bland Shire, Council has chosen to follow the preferred option of being part of the Riverina JO.