

THE FUTURE OF LOCAL GOVERNMENT IN GUNDAGAI: "FIT FOR THE FUTURE" (FFTF)

Background

The NSW Local Government and Shires Association commissioned a study into the sustainability of councils throughout the State. A review of local government has been on the agenda of successive state governments for many years.

The study was undertaken by a panel known as the Independent Review Panel, headed by Professor Graham Sansom. The Panel handed down its report in 2013 and in the report made recommendations for the future of all councils throughout NSW.

In short three "sustainable" options were identified by the Panel:-

- merge with one of more councils
- stay the same but with "improvement" or
- become a rural council

and in addition recognition was made for joint organisations of councils, somewhat like REROC.

The title given to the overall project by the Office of Local Government (OLG) is Fit For The Future.

Information in these options is available on the NSW Office of Local Government website www.fitforthefuture.nsw.gov.au

Brief details of the options follow:-

Merger (i.e. amalgamation)

- one council merging with one or more, principally with its neighbours;
- all participants in any proposed merger must support the concept;

Stay the same but with "Improvement"

- the council continues in its present form however it must demonstrate improvement in performance over time;

Rural Council

- The OLG recognizes that rural councils face additional challenges to their city counterparts (low population, large geographical areas to manage) and this fact will be taken into account in the assessment of these councils. These councils must still demonstrate they are sustainable with an "improvement" plan.

Being "sustainable" means a couple of things but most importantly it means the council being financially secure. In short the council, overtime, must generate an ongoing profit from its operations after taking depreciation into account. In 2013/14 depreciation for Gundagai totaled \$2.5m.

To determine if councils are fit, they must submit responses to a series of questions generated by the OLG by 30 June 2015, to a review panel, known as the Expert Panel. This body will in turn access the responses and make a decision / recommendation by 31 October 2015. The timeframe is short. The consequences of being determined "not fit" are not fully known.

Gundagai's Case

In Gundagai's case the recommendation of the Independent Panel is either:-

- merge with Tumut Shire Council (and Tumbarumba), or
- become a rural council.

The OLG has offered financial assistance to councils to merge however it is believed the offering will be entirely used establishing the mergers, with no money being left over for works such as infrastructure improvements. Council is also concerned that mergers will limit representation for the smaller councils in a merger body.

History suggests financial benefits flowing from an amalgamation are unlikely to be equal for all parties involved. It also suggests that there is a drift in services and employment towards the largest of the merging councils.

Finally, Council questions any claims of a merger between Tumut, Tumbarumba and Gundagai producing sizeable efficiencies when the distance from Muttama in the north to the Murray River in the south is approximately 200 km as the crow flies with a travel time in the order of 2½ - 3 hours.

Community View / Thoughts

Council is of the view its preferred position is as a "rural council", nevertheless, its final position will be greatly influenced by the views of its residents and ratepayers. With this in mind Council has prepared a brief questionnaire which covers the FFTF program to assist in its decision making.

Council encourages both ratepayers and residents to complete a questionnaire either on-line at www.gundagai.nsw.gov.au or by completing the attached "hard copy" survey, to be returned to Council at 255 Sheridan Street, Gundagai, by Thursday 16 April 2015.

Conclusion

Council urges ratepayers and residents to contact it on 0269 440 200 should you have any questions on this important subject.

Yours Faithfully

Phillip McMurray
General Manager

NOTE: 2,000 printed
On Council's website

Council is seeking community feedback in preparing its submission on Fit for the Future

1. Are you a resident and/or ratepayer in Gundagai Shire?

☐ Yes ☐ No

2. Do you support the idea of Gundagai Shire Council merging with one or more neighbouring Councils, that is, amalgamating?

☐ Yes ☐ No

3. If yes, which Council or Councils?

☐ Tumut (may include Tumbarumba)

☐ Junee

☐ Cootamundra (may include Harden)

☐ Wagga Wagga

☐ Harden (may include Cootamundra)

4. If Council was to merge with another, which key factors from Gundagai's Community Plan do you believe would **IMPROVE**:

☐ Economic Growth;

☐ Strong sense of community;

☐ Developing programs to support the community in particular, youth and the aged;

☐ Infrastructure and Service levels;

☐ Financial Planning & Community Leadership;

☐ None of the above.

5. If Council was to merge with another, which key factors from Gundagai's Community Plan do you believe would **DECLINE**:

☐ Economic Growth;

☐ Strong sense of community;

☐ Developing programs to support the community in particular, youth and the aged;

☐ Infrastructure and Service levels;

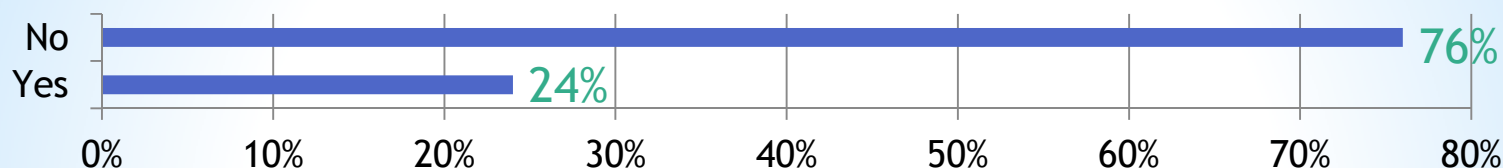
☐ Financial Planning & Community Leadership;

☐ None of the above.

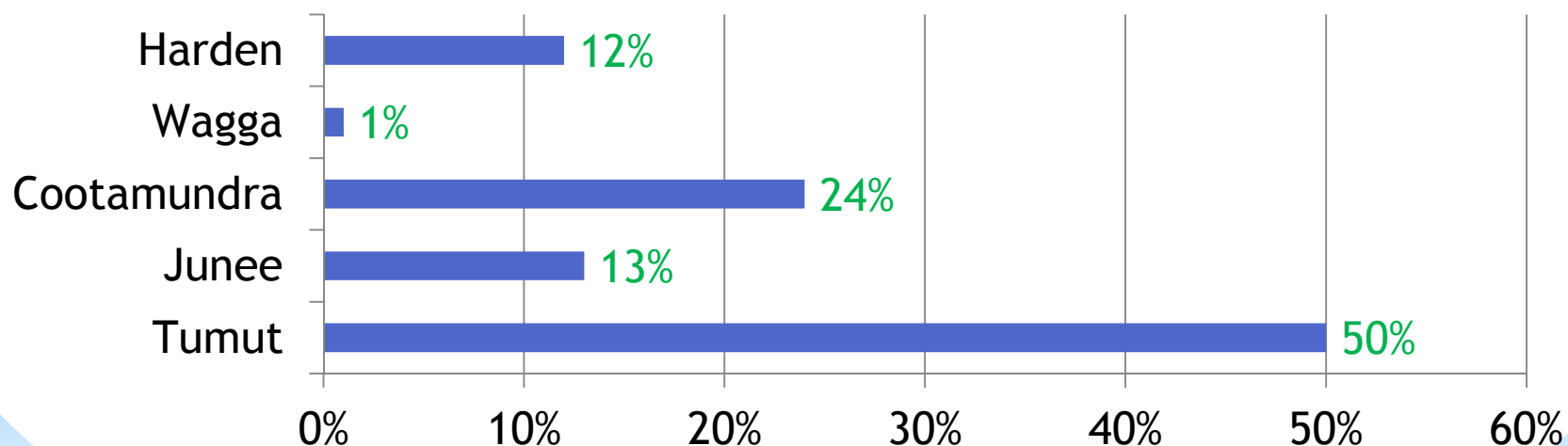
Council's Community Plan can be viewed at Council's office or website www.gundagai.nsw.gov.au

If you wish to make further comment regarding Council's Fit for the Future submission, please do so on the reverse side of this survey and return this survey to Council's office by **Thursday 22nd April 2015**.

* Do you support the idea of Gundagai merging with one or more neighbouring Councils, that is, amalgamating?

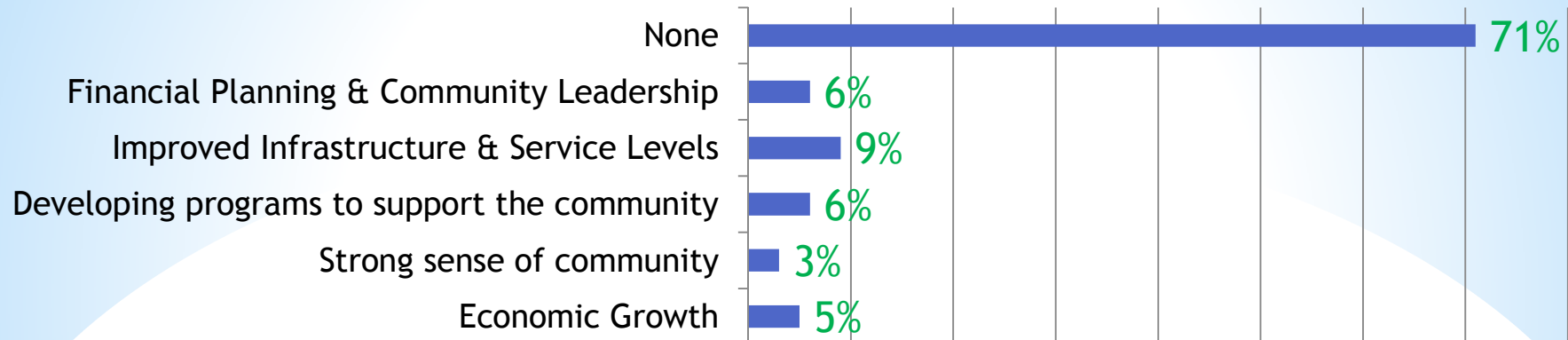


* Of the 24% who want to merge, they had the following preferences:



* **Community Survey Results**
Total Responses 181

* If Council was to merge with another, which key factors do you believe would **IMPROVE**?



* If Council was to merge with another, which key factors do you believe would **DECLINE**?



* **Community Survey Results**
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