



**P.O. Box 222,
Bingara NSW 2404
20th July, 2015**

Local Government Expert Advisory Panel
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
NSW 1240

Dear Chair,

SUBMISSION ON BEHALF OF GWYDIR COMMUNITY

We write on behalf of our community progress association, Bingara & District Vision 2020 (Vision 2020) in respect to the option (significantly not a recommendation or preferred option) put forward by the Independent Local Government Review Panel (IGRP) in respect to Gwydir Shire Council (GSC). The option was to join a Namoi Joint Organisation, or to merge with Moree Plains Shire Council (Moree). Subsequent communication in respect to Fit for the Future strongly encouraged council to pursue the Moree option.

Bingara and District Vision 2020 has read and supports Gwydir Shire Council's Fit for the Future submission to stand alone.

We also believe we write on behalf of our broader community. During June eight community meetings were held throughout the Shire to gauge the mood of residents with regard to the option of the merger with Moree. Over 500 residents attended those meetings (including 200 in Bingara & Upper Horton). Each meeting was chaired by a member of the community, and each meeting unanimously and enthusiastically supported the following resolution:

“THIS MEETING DOES NOT SUPPORT ANY MERGER WITH MOREE PLAINS SHIRE COUNCIL OR ANY OTHER COUNCIL”.

From the time that residents have been made aware of the risk of amalgamation, there has been strong public support for GSC and opposition to any merger. Our residents have developed the “odd socks” campaign, a resident has written the theme song, and towns and villages are dressed in odd socks. The theme – GSC and Moree go together like a pair of odd socks – they are totally mismatched.

We are well aware of the capabilities and capacities of Moree and of our other two adjoining Councils, and rate them significantly below those of GSC, across all measures that are relevant to residents and ratepayers. We find the prospects of merging with Moree to be particularly horrifying – why merge a functional community and a functional council with one that appears to have many problems?

(1) Some History – Vision 2020 was formed in 2005, just after the amalgamation between Bingara & Yallaroi councils. From the outset we worked together with GSC to create a vision for our future – 12 months of community consultation lead to the Regeneration document – a vision for our future to 2020 that still makes fantastic reading

(www.bingara.com.au and follow the prompts to “our future”). This was followed by the development of a 5 -year Strategic Plan, again working with council – which defined goals, timelines and responsibilities, and this in turn has helped shape GSC annual management plans.

This process has proven enormously powerful, is unique throughout Australia and, we suggest, would not have been possible working with a larger LGA with differing attitudes.

Certainly the smaller towns in adjoining Shires are showing all the hallmarks of communities in decline. Bingara, by contrast, whilst still on a knife edge economically, is a busy, energetic and vibrant place. **This is due to a positive and proactive community working with a positive and proactive Council.**

The list of achievements by GSC and the community is extremely impressive, and most of the targets set in that 5-year Strategic Plan have been achieved. These achievements are set out later in this letter.

(2) The IGRP review and the Fit for the Future process:

This process has been as notable for the areas that it does not cover, as the areas that it does:

- IGRP makes the assumption that larger is better, and that smaller Councils are unable to fulfill their functions as well as larger ones. We suggest the evidence in the four northern Shires is clearly to the contrary. In rural and regional NSW the geography, culture and demographics of an area are the important determinants to ‘scale and capacity’ rather than simply the population of an area.

- IGRP barely addresses the adequacy of the funding formula as split between the three tiers of Government. Clearly, in the interests of greater control, progressive State and Federal governments have swung the financing formula towards grants based funding. For a Council to be successful in this environment, it needs to be proactive and to devote considerable resources to writing applications. GSC has done this – the list of achievements bears this out.

IGRP does not address the fact that this method of funding can be extremely inefficient.

For example, Vision 2020 has been involved in three applications for funding under the Regional Partnership program for one of our communities most exciting projects, The Living Classroom. The time and effort involved in these applications is enormous, and is replicated by all applicants. For two years our application was shortlisted by the Regional Development Board, and in 2013 we were rated the highest and **the only project that looked to the future and with regional and national significance.**

However, ultimately we were unsuccessful -the two successful applicants in the region were in the electorate of Tony Windsor.

In addition to being extremely time consuming, we estimate the true cost of these three applications at around \$100,000 – for a potential return in grant money of \$500,000.

A further inefficiency of this system is the fact that councils and communities apply for funding because it is there (and presumably reflects a priority of federal or state governments), rather than it reflecting a priority of the local community.

The point is, should a smaller, faster on its feet Council be penalized in what is clearly an inefficient system imposed on it by other tiers of Government.

A part of this inefficiency is rate pegging, which has, over the period of 38 years since its inception, progressively squeezed local government, whilst at the same time it has been forced to contend with cost shifting from other levels of government.

- The economic and social impacts of merging Councils received very little attention from IGRP. Bingara and Warialda, in common with all smaller country towns, are on an economic knife- edge. The Council, in all these towns, is a significant employer. The effect of merging with Councils that have larger commercial centres is to accentuate the drift of employees to that larger centre.

We have a clear example of this on our Southern boundary, where Barraba has suffered within the enlarged Tamworth Council, as has Nundle in that Council's south. Vision 2020 and GSC have been working since 2005 to reverse population drift, with some significant success. In the last two censuses the populations of Bingara & Warialda have been stable, whilst the commercial activities have in fact improved considerably. The same cannot be said for most country towns within larger Shires.

- The cost/benefit of merging councils is not addressed at all by IGRP. In the case of GSC, the cost of the amalgamation which created the council was in excess of \$3.3 million (when a detailed accounting was kept of the costs for the first three years after the merger in 2004), the majority of which came from the financial resources of the merged councils, significantly weakening their financial position. The Council was then prohibited from redundancies – with the labor cost savings the salary of one General Manager at best. A component of these costs are ongoing due to

increased equalisation of employee salaries and wages.

- IGRP appears to ignore geography. Evidence in our adjoining Councils suggest that those towns and the supporting infrastructure which are on the perimeter of the larger Council area suffer reduced services – the town of Mungindi in the north of the Moree Shire, the state of the roads in the south of that shire, and the towns of Barraba and Nundle in the Tamworth Shire are examples of this phenomenon. If GSC was merged with any of its surrounding Councils, then Bingara and its surrounds would be on the perimeter, and disadvantaged.
- IGRP overlooks the impact of the uncertainty created in potentially affected communities by the perceived threat of amalgamations – threats which appear to be ongoing. This impacts on anyone considering investing. For example, one member of the Vision 2020 Executive made a substantial investment in accommodation in Bingara 3 years ago. He is on record as saying that investment would not have been made with the threat of amalgamation hanging. It was made at the time because of a strong belief in the future of the town, managed by a small but flexible and fast on its feet council.
- Whilst IGRP stated that a “one size fits all” approach is not appropriate, that is exactly what the Fit for the Future benchmark criteria seeks to impose. It is clear that a set of benchmarks which may be appropriate to a city based council (lets choose Woollahra, with the wealthiest population base and one of the smallest areas of land) will not be appropriate to a rural area like Gwydir (with one of the poorest population base spread over a very large area of land). The geography of many rural Councils reduces the ability to have any

genuine or meaningful comparison with regard to any economies of scale that may be generated through mergers. In fact it is quite possible that diseconomies of scale may be the more likely outcome, especially in terms of the social dislocation and other detrimental costs inflicted upon smaller local government authorities.

- When a rural council is tacked onto a council with a much larger urban area, democratic representation is severely affected. Within GSC local government means what it says. Within a larger shire, residents of our shire would be lucky to have one representative on Council.

(3) The major achievements of GSC :

Because Vision 2020 has been primarily focused on the southern end of the shire, this submission will focus on the achievements in Bingara and its district.

However, one of the strengths of GSC has been its overwhelming commitment to equity throughout the Shire, so that the achievements we mention below have been at least matched in the north of the shire.

As mentioned earlier, the accomplishments of the Gwydir Shire (many achieved by community and council working together) are considerable:

- (a) A focus on the future.** GSC is well aware of rapid change impacting on all communities throughout Australia, but in particular on smaller rural communities. It recognizes that with change comes opportunity, and rather than be threatened by change, it has been an active partner in seeking out those opportunities. The Vision process engaged the

community, and gave them the opportunity to define the future that they want. The Strategic Planning process put that into effect. The process envisaged a future where the community plays to its strengths, and where the current heavy dependence on agriculture gradually becomes weighted more heavily towards tourism, regional conferencing and education. This is a more relevant definition of “Fit for the Future” than any series of financial benchmarks. Many of the projects undertaken over the last 8 years reflect this Vision

- (b) Community consultation:** GSC has put an extraordinary effort into engaging with the community. Public meetings have been held on a quarterly basis in each of the towns and villages throughout the Shire, giving members of the community many opportunities to engage with Councilors and senior staff. Council is now proactively addressing how to further improve this consultation process.
- (c) Road upgrade & maintenance:** Despite the obvious shortage of resources for rural roads, GSC has done a great job of fulfilling the Vision for connecting roads, as well as maintaining existing roads. **The contrast when reaching the Shire boundaries is marked.** Bingara has achieved its objective of having all its major access roads sealed and in first class condition. Particularly noteworthy are the sealing of the road to Narrabri (Killarney Gap Road) opening an alternative north/south route to the Newell Highway and resulting in a substantial increase in tourism (this is now the shortest route to Brisbane and the north coast), the sealing of the road to Moree, and substantial upgrades to the northern route through Warialda and Yetman.

It is worth noting that merging of councils does not make roads go away, and that efficiency of road building and maintenance can be just as easily achieved (and in the experience of GSC better achieved) within smaller Councils operating with flexibility in such areas as equipment sharing, contractual arrangements etc.

Gwydir Shire is an active participant, in fact the initiators together with Moree Plains Shire, in the [Australian Rural Roads Group](#). The Council has co-ordinated several reports to highlight the need for better and more appropriately directed funding to the rural road network including [Going Nowhere: The Rural Local Road Crisis, Its National Significance and Proposed Reforms](#) and [Worth Feeding](#).

The community applauds these initiatives of GSC, in particular the focus on the economic return from having functioning rural roads.

- (d) Hospital & medical facilities:** Both Bingara and Warialda have excellent medical facilities, and this is largely due to the efforts of GSC. Both medical centres are owned by GSC and are operated by Rural & Remote Medical Services. In contrast with many smaller rural centres, access to medical practitioners is in many ways superior to that in the surrounding major centres. Bingara and Warialda also have new multi purpose hospital facilities, largely due to the efforts of GSC.
- (e) Aged care:** The community managed age care facility, Touriandi in Bingara has just completed a \$2 million upgrade (with support from GSC), whilst the GSC owned facility in Warialda, Naroo has just completed a \$3.6 million upgrade. It is strongly arguable that smaller rural communities do a much

better job of caring for the aged within the communities than do larger centres (and in particular the major cities in Australia).

- (f) Water quality and quantity:** GSC has recently completed a \$4 million upgrade to the Bingara water supply system, changing water of ordinary quality into a first rate water supply.
- (g) Education:** Council has been at the forefront of developing the Gwydir Learning Region, an alternative pathway of education which has achieved national recognition. Three school- based Trade Training Centres have recently been built and are operating (for Primary Industries, Hospitality and Vehicle Maintenance). These facilities complement the already excellent facilities of the two High Schools, and offer the opportunity for developing Centres of Excellence, optimizing educational opportunities within the Shire. Bingara is on the way to achieving its Vision, to turn the education of its residents from one of the lowest levels in the State, to one of the highest.
- (h) Focus on Youth Employment:** GSC has been very proactive (building on the GLR education) in providing apprenticeships to the young, and engaging them on meaningful projects. For example, the buildings on The Living Classroom (see below) engaged a wide range of young people, opening career pathways to them that may not have otherwise existed.
- (i) The Living Classroom:** This extraordinary project is testament to the vision of GSC and the community – and builds on the synergy between the four major targeted industries – agriculture, tourism, regional conferencing and education. The project is turning 200 ha of degraded town common into an agricultural research and education centre focused on regenerating agriculture, whilst at the same time developing it into a major tourist facility. A recently

completed Business Plan shows this initiative could generate directly \$4.2 million in income and indirectly (based on average daily visitor spend) a further \$22 million in its first 5 years of operation. The site has been consolidated, and \$1.4 million already spent in building the Primary Industries Trade Training Centre, accommodation for 24 students and two teachers, major associated infrastructure and a system of swales and water storages which provide water security to the site (and in the process flood proof part of the town).

It is fair to say that if Bingara had been part of a larger Shire, then this initiative would not have happened. It has and will require an extraordinary level of cooperation between the community and council.

(j) Culture & the Arts: GSC has built on the initiative of the previous Bingara Shire Council to complete the restoration of the Roxy complex. This complex is of Regional and National significance – it boasts a magnificent art deco theatre, a fully restored Greek art deco restaurant, a beautiful smaller conference room and a museum celebrating the Greek legacy in rural Australia (with particular reference to the island of Kythera – there are some 70,000 people in Australia who have Kytheran heritage). The complex also includes the fully restored Tourist Information Centre. The complex is a major tourist attraction, is widely used as a conference facility, and has opened to the residents of the shire a range of cultural experiences not matched in rural Australia.

(k) Tourism: In the last 6 years new Tourist Information centres have been completed in both Bingara and Warialda, substantially upgrading our Tourism presence. Tourism information is first class, including websites, brochures and a whole range of information. GSC has been active in supporting major

events – the Orange Festival, “Wings & Things” (building on the area’s extraordinary bird population), and the NW Film Festival are examples. GSC has also been very proactive in encouraging visitation from specialist groups (car clubs for example) and from grey nomads (in 2010 Bingara hosted the national motor home convention – and has received substantially increased visitation ever since). GSC has substantially upgraded the facilities of the caravan parks in both of its towns, allows free camping along sections of the river, and has supported improved facilities for camping in some of the smaller villages.

(l) Community Facilities: GSC is an active participant and supporter in a range of community managed facilities – the first rate golf course and other sporting facilities, the excellent horse facilities (which enable the hosting of national events across a wide range of modalities), the historical society, child care – the list goes on. This provides a social fabric which simply makes the shire a great place to live and to visit. One by-product of this community approach is a very safe community and a very low level of crime – and this can definitely not be said about our surrounding shires.

(m) Town planning: For the last four years GSC has been working with award winning landscape architect, John Mongard to plan the towns so that they fit the “Regeneration” theme of the Vision. Work undertaken as a result of this planning has already substantially improved livability and made already attractive towns that much more appealing to visitors. John has also been involved in The Living Classroom, and last year won the National Planning Award for his work in the Shire, with particular mention for The Living Classroom.

- (n) Efficiency:** Every organization has scope to improve efficiency, and GSC is no exception. As part of the recent series of meetings GSC has presented to the community a series of efficiency measures, and these have been well received. GSC will shortly be undertaking another series of community meetings seeking support for rate increases, and it is our belief that the community will support those increases when balanced against the efficiency measures, and the imperative to remain independent.
- (o) Infrastructure:** The towns and villages throughout the Gwydir Shire have an efficient and effective infrastructure capable of handling significantly larger population. This includes extraordinary water security. In contrast, the infrastructure of virtually every major urban centre in Australia is being stretched. This disparity offers extraordinary opportunity, and government policy could be directed towards taking advantage of this, rather than by facilitating an on-going process of rural decline.

Conclusion

Bingara & District Vision 2020 strongly supports the continuing independence of Gwydir Shire Council.

As a very active progress association, we know that the interests of our community are best served by a smaller, positive and proactive Council, and we believe the evidence of the last 10 years overwhelmingly confirms this position.

Vision 2020 is now working with our counterparts in the north of the Shire, with GSC and with the community to extend our Vision to 2030.

We are looking ahead, anticipating change, and looking for the opportunities in change. This, we believe, is what being “Fit for the Future” is really about.

Thank you for the opportunity to submit the views of our community.

Yours faithfully,

John Bishton
President

cc Hon. Paul Toole, Minister for Local Government

Adam Marshall MP, Member for Northern Tablelands

Mr Max Eastcott, General Manager Gwydir Shire Council

| The Hon. Paul Green MLC, The Director, General Purpose Standing
Committee No 6 [REDACTED]