

Droughtmaster Water Association Inc
C/O Post Office Ardlethan NSW 2665
Registered Association Number 1401514



28 July 2015

To Whom It May Concern
NSW Independent Pricing and Regulatory Tribunal
Sydney NSW

Droughtmaster Water Association Inc response to NSW Local Government Fit for the Future Assessment

The Droughtmaster Water Association Inc (DWAI) is a community stakeholder body formed to represent community interests in the Droughtmaster project being developed to provide high-value permanent and secure water to meet increasing demand for water security from rural properties, towns, agribusiness, industry and other markets in the northern Riverina region of New South Wales that otherwise do not have a permanent secure supply of water. The project region has been identified as disadvantaged where new water infrastructure can be shown to overcome that disadvantage on a comparative basis.

The project brings private sector innovation, competition, skills and funding to a sector government has previously been required to fund on its own. Meeting government objectives for major new water infrastructure development requires collaboration and co-investment with government.

Collaboration with local government is central to achieving the project outcomes and the project is designed to extend across three local government areas (LGAs) Narrandera, Bland and Coolamon.

The DWAI supports the submissions of all of the three local governments to stand-alone as Improving Councils. The DWAI makes the following submissions:

- All Councils are well managed, with two of the three having Sound TCorp outlooks.
- Two of the three do not supply water with that function being carried out by a County Council. The third, Narrandera Shire Council, only supplies its main town and it ranks in the top 2% of all local water utilities in terms of economic performance.
- The risks associated with amalgamations are greater than the projected positive outcomes and amalgamated entities will not have a higher economic sustainability than they do as stand-alone entities.

Narrandera Shire Council has a clearly defined plan as an Improving Council that includes cross border cooperation, participation in economic development and seeking to reverse population decline. All of these objectives are central to successful collaboration with the private sector for the provision of major new infrastructure across the region.

Typically these local government entities have highly developed skills and capability in a particular area and all three are complementary. One has a particularly successful business development function, another has experienced strategic planning expertise and the third has an elevated level of engineering skills and experience.

The DWAI's overall submission is to allow time for these general purpose councils to implement their improvement plans, in particular for voluntary collaboration with each other and the private sector, before amalgamations are required.

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T Hackney – DWAI Member

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A Wheaton – DWAI Member