



SHIRE OF CORRIGIN

**LOCAL GOVERNMENT REFORM
SUBMISSION**

AUGUST 2009

INDEX

1	BACKGROUND	2
1.1	Governance Overview.....	2
1.2	The SSS Report	3
1.3	Leadership	5
1.4	Existing Regional Cooperation	5
1.5	Statutory Role and Forward Planning	7
1.6	Public Interest.....	8
1.7	Lack of Direction and Supporting Evidence.....	8
2	AMALGAMATION.....	10
2.1	Neighbouring Shires.....	10
2.2	Regional Council Model	11
2.3	Problems with the Ministers Reform Process.....	11
2.4	Council Process and Due Diligence.....	13
2.5	Community Consultation	13
2.6	Check-list Concerns	15
2.7	Council Determination - Amalgamation	15
2.8	Significant Factors	16
3	REPRESENTATION.....	17
4	REGIONAL GROUPING	17
5	TRANSITIONARY MATTERS	18
5.1	Cost of Amalgamation	18

SHIRE OF CORRIGIN

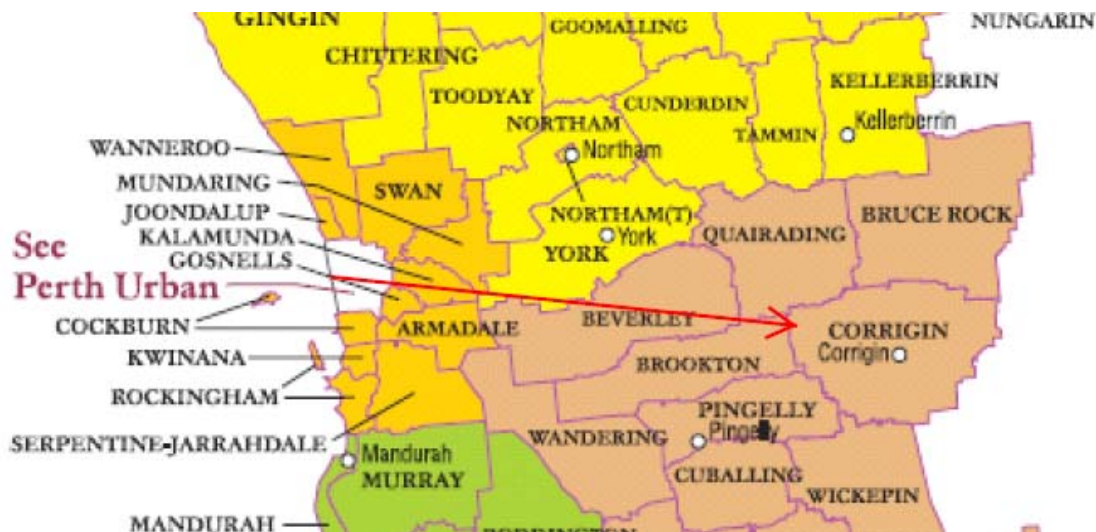
SUBMISSION

LOCAL GOVERNMENT REFORM 2009

1 Background

1.1 Governance Overview

The Shire of Corrigin provides sound governance and services to its community and is a viable, large local government with an area of 3095 square kilometres situated in the eastern wheatbelt approximately 234 kilometres from Perth.



The Council enjoys a strong level of community satisfaction and provides a range of facilities and services to the existing communities of Corrigin, Bilbarin, Bullaring, and Bulyee.

The Council has a statutory role to:

- direct and control the local government's affairs; and
- is responsible for the performance of the local government's functions.
- oversee the allocation of the local government's finances and resources; and
- determine the local government's policies.

The individual elected members have a statutory role to represent the interests of electors, ratepayers and residents of the district, and this responsibility has not, and is not taken lightly.

The over-riding obligation is to act in the public interest and to protect the best interests of the Shire and the people who reside in the district.

This submission represents the unanimous views of the Council and a significant number of the community. The Council has surveyed its community and held a series of local community meetings and it is clear the Shire enjoys a strong degree of community satisfaction.

The Shire opposes any forced amalgamation. Any merger that is not voluntary and supported by both or all local governments involved will not provide any net mutual benefit, and will result in division, mistrust and loss of community satisfaction.

1.2 The SSS Report

The Council has embraced the SSS Report focus on the need to review its structures and operations to ensure it continues to provide efficient and effective services and facilities required by the Shire.

The report included:

“A hidden feature of external intervention by State Governments to force structural change, usually through amalgamations of Local Governments, is their distraction value. The focus is upon Local Government but rarely upon the deficiencies in planning and funding of services by the State and Commonwealth Governments and the private sector. Repeatedly in this paper the fiscal imbalance impacting upon Local Government and associated increasing cost transfers and service demands are raised as key issues requiring debate and resolution.”

Significantly, the SSS report made the observation that:

“Forced amalgamation processes become useful distractions for those interested in avoiding the underlying chronic funding deficiencies which lie at the heart of the existing sustainability issues for Local Government.”

and

“The interstate experience of other Local Government jurisdictions should be enough motivation for WA Local Governments to pursue the voluntary path. There is no shortage of examples of State Governments acting to reform their Local Government sectors in the absence of timely, sector lead change.”

The SSS study process developed a new vision:

“Local Government will implement and maintain a governance model that integrates effective service delivery (on a regional basis) with appropriate political representation (on a local basis).”

and

“That the core strength of Local Government lies in its representational base for the aspirations and expectations of local communities. While for numerous and pressing reasons reform was absolutely necessary, measures which sacrificed this strength should not be advocated.”
Emphasis added.

The SSS Plan identified the following actions:

- increasing the legitimacy and recognition of the role of Local Government
- improving the capability of Local Government to play a more effective role
- maintaining focus on the core issues.

Significantly, the SSS report identified that local government must be proactive and take the initiative of reform. In particular this was necessary to bring the State and Federal governments to accept that they are missing opportunities by not embracing the local government sector more fully within the federation.

However, this is based upon local government acknowledging its role and responsibilities, including the requirement to proactively review its operations and functions with a view to achieving efficiencies through initiatives such as regional cooperation and resource sharing.

It is simply not in the interests of local government generally, or an individual local government, to not pursue change where benefits are identified, and this is a constant consideration.

The SSS Plan adopted an approach to *sustainability* which embraces social, environmental, economic, financial and cultural aspects. During the SSS process emphasis on other dimensions of *sustainability* were identified. Examples of the concerns held include:

- The potential deeply negative effect of poor infrastructure and asset management practices on intergenerational equity. Future generations should not be required to pay more than their fair share of infrastructure costs.
- The importance of many of the services offered by Local Government for social cohesion and community building.

- The increasing demands of climate change and the likelihood that Local Government will be expected to play its part in responding to these major challenges.
- The extent to which Local Government has over recent decades assumed increasing responsibility for the cultural vibrancy of their supporting communities.

The SSS Plan identified the diversity of the communities served by local governments, and that this diversity was both a source of great strength and an increasing challenge for local government and adopted great care to avoid a 'one size fits all' prescriptions.

1.3 Leadership

The SSS Plan challenged local government to examine its organizational structures for delivery of functions and services from a regional perspective.

The challenge to local government was to – 'Engage and Reform'.

The challenge is not to accept the status quo and to explore other structures and this is a challenge that had been taken up by the Council.

Significantly the report identifies that a failure to achieve a critical mass of engagement and active participation in the reform process, local government risks the State and Federal Governments not participating in the process and resorting to direct reform.

The SSS report provided an opportunity for local governments to proactively identify changes that will benefit their communities in the longer term. One of the key benefits will be to ensure local representation is retained.

1.4 Existing Regional Cooperation

The Shire has been proactively involved in the ROEROC group of local governments (Kondinin, Kulin and Narembeen) and had identified a regional council model as the possible potential best structure to meets its future needs. A significant aspect of this model is the ability to retain its local community representation and decision-making while gaining shared efficiencies and other benefits through selected resource sharing.

The establishment of a joint Waste Disposal facility located at Bendering in the Shire of Kondinin at a cost of \$220,000 has been a major achievement for the ROEROC group and a sound investment in the development of a local regional cooperation environment. The establishment of a single regional waste disposal site has clear economies of scale including a saving of some \$600,000 with the operation of one new site rather than maintaining or upgrading the previous four old sites. Further benefits have included a high level of compliance and the introduction of a regional recycling service.

A further significant positive from this joint project is the capacity for, and probability of attracting the use of the site by other Shires, providing additional usage of the site, reducing operational costs further and a new revenue stream.

Examples of other significant ROEROC projects or proposed projects are:

- A recent joint 5 year Waste Disposal Tender that resulted in a single waste collection contractor providing a uniform service over the four Shires at a mutually beneficial price and improved efficiency.
- The joint participation in major road construction projects on a contract basis including work on extensive lengths of the MRWA road network in the region and particularly Brookton Highway. Kondinin managed projects for some 14 kilometres to a value of \$7 million and Corrigin managed three projects on 13 kilometres to a value of some \$5.8 million.
- A joint Be Active Recreation Officer Scheme providing recreation activities and Club Development support to communities in the Roe District.
- A joint Environmental Health/Building Officer Scheme administered by Corrigin and providing environmental health and building control services to the four Shires.
- A joint Town Planning Consultant with the ROEROC Shires agreement to utilise the services of a single consultant for town planning to ensure continuity across the district.
- Numerous examples of sharing minor items of plant.
- The proposed appointment of a joint Natural Resource Management Officer.
- The development and implementation of a joint Asset Management Improvement Program.
- A proposal to coordinate the removal of scrap metal on a collaborative basis.
- A proposal to coordinate the removal of waste oil on a collaborative basis.

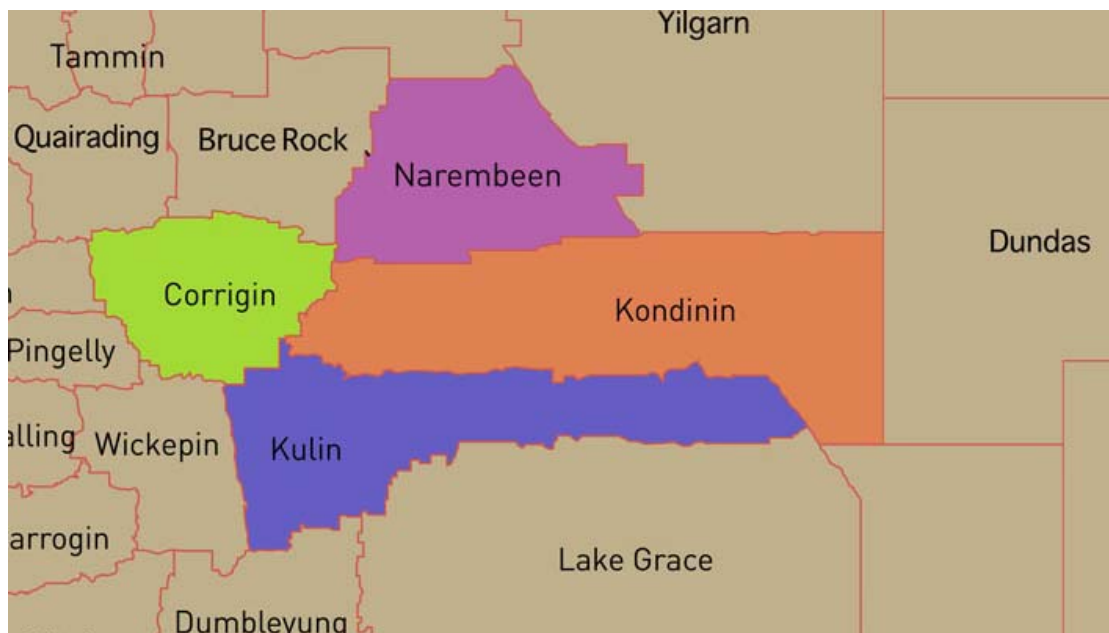
A noteworthy demonstration of the regional cooperation existing within ROEROC is the current initiative of a tender for the supply and installation of a \$200,000 100 tonne weighbridge at the Bending Waste Disposal site based on a \$50,000 contribution from each Shire from their Royalty for Regions

funding allocations. The provision of such a large, unique item of infrastructure would not be feasible on a single Shire basis and will have considerable benefits for the shires and their residents.

ROEROC is currently in the process of considering its project priorities for next round of regional funding under the Country Local Government Fund.

The activities of ROEROC have grown to the point that it will soon be employing a project officer as an initial stage of improving and expanding the groups activities and including greater coordination and cooperation of inter-shire operations, specific projects and a focus on achieving far greater compatibility of key management procedures and operational activities.

To further the concept of a regional approach to structural reform the ROEROC group initiated a study into a regional council model in late 2008 and the report "*Feasibility of a Regional Council for the Roe District Local Governments*" was received by the Council in early 2009.



It is unfortunate that the Minister's Local Government Reform process announcement in February 2009 interrupted the positive initiatives that had been commenced. As a result the consideration of the regional council model implementation has been stalled or slowed while responding to the Minister's process. The potential exists for a loss of focus and local goodwill if a threat of forced amalgamation continues to dominate the reform process.

1.5 Statutory Role and Forward Planning

It is significant that the Council has continually considered the future of the Shire in its long term planning, and this has included taking into account previous initiatives such as the 1996 Report of the Local Government Structural Reform Advisory Committee "*Advancing Local Government in*

Western Australia” and other subsequent reports, culminating in the SSS Report in 2008.

It is also significant that throughout these processes over recent years the Council has maintained a firm belief that the Shire is efficient and effective and providing sound governance, and that any major restructure such as a merger would not be in the best interests of the Shire, and more likely to be a detriment.

1.6 Public Interest

The Council has a statutory role to:

- direct and control the local government’s affairs; and
- is responsible for the performance of the local government’s functions.
- oversee the allocation of the local government’s finances and resources; and
- determine the local government’s policies.

The individual elected members have a statutory role to represent the interests of electors, ratepayers and residents of the district.

The over-riding obligation of the Council is to act in the public interest and to protect the best interests of the Shire and the people who reside in the district.

In this regard the fundamental structure of the Shire is foremost in the minds of the Council throughout its normal forward planning and decision-making processes and at no time in the past has a merger been considered as warranted, necessary or desirable. Further, it is quite clear that the local community is satisfied with its current local government structure and service delivery, and significantly, has never agitated for a change, or had need to consider using the existing mechanisms for seeking voluntary change.

Any suggestion that the Council has or is being merely parochial or simply satisfied with the status quo is offensive and incorrect.

1.7 Lack of Direction and Supporting Evidence

It is noteworthy that throughout this process the Minister has failed to articulate any sound grounds to support his focus on amalgamation apart from a reduction in the total number of local governments. There has been no leadership or direction on his ideas for reform apart from a single obsession to achieve amalgamations. The lack of any rational argument or analytical data to support amalgamation, together with a shifting position and lack of credible process has meant there has been no new information or concepts to support that reform.

There is widespread information available on the negative aspects of amalgamation including the Queensland experience and recent WA mergers, particularly Geraldton/Greenough and the two Northam’s.

The lack of any overall State plan for local government reform and any solid justification for any merger is demonstrated by the government's failure to have any analytical supporting assessment of key factors such as:

- Social cohesion
- Community satisfaction and well-being
- Local economic factors
- Environmental factors
- Cultural factors
- Diversity within the State and regions
- Liabilities including financial, legal and unknown
- Creating division between communities
- Creating political instability
- The total cost of local government reform and who will pay.

The Government has not made any attempt to manage change for the major reform of the local government sector in a cooperative, informed or cohesive manner. Instead, it has relied upon bluster and an atmosphere of confusion, mistrust, lack of information and thinly veiled threats as a blunt instrument to try and force reform, and therefore doomed to have any level of community support or acceptance.

The Council has and is prepared to investigate and consider options that may lead towards further structural reform where that is mutual and developed cautiously to ensure that there are net mutual benefits, community support and demonstrated benefits. The Council is not prepared to gamble with the future of the Shire without a comprehensive due diligence process and an analytical assessment of all the relevant factors, including cost, benefit and risk at a State and local level.

The development of the ROEROC concept was a positive initiative to commence a process that had the potential to lead to efficiencies through shared resources and potential for an eventual regional council model, once the parties are satisfied of the merit.

It is quite clear that both the Council's and the communities position on any merger is that it must be voluntary, and that any forced amalgamation would not be acceptable, and would result in division and bad government.

2 Amalgamation

The Shire opposes any forced amalgamation. Any merger that is not voluntary and supported by both or all local governments involved will not provide any net mutual benefit, and will result in division, mistrust and loss of community satisfaction.

2.1 Neighbouring Shires

As required by the Minister the Council has again carefully considered the question of amalgamation, and this has included communication with all the local governments which share a boundary as shown below.

Local Government	Area	Community of Interest
Corrigin	3095	
Kondinin	7340	Yes
Kulin	4790	Yes
Bruce Rock	2772	Yes
Quairading	2000	No
Wickepin	1989	No
Pingelly	1223	No
Brookton	1626	No
Narembeen	3821	Yes

There is a section of shared boundary with Narembeen in the extreme eastern corner of the Shire.

The main substantial length of shared boundary is with Bruce Rock to the north, with which there is some inter-action and some degree of community of interest. There is no significant community of interest with Wickepin, Pingelly or Brookton and the Shire does not recognise any potential for a merger or any net mutual benefit.

All seven neighbouring local governments have rejected amalgamation as an option.

The Shires of Kulin, Kondinin and Narembeen are considered to be districts that share a degree of community of interest with Corrigin and that have been the basis for the ROEROC focus.

The timing of the Minister's reform process has interfered with the ROEROC initiative. The regional council study was completed in early 2009 and considered by the member councils, but the focus was shifted towards amalgamation and all of the other relevant matters and timelines imposed by the Minister.

2.2 Regional Council Model

The Council has accepted the report on “*Feasibility of a Regional Council for the Roe District Local Governments*” and considers it to be the way forward, but at its own pace. This underlines the statutory responsibility of the Council to conduct adequate due diligence on any significant change that may effect the Shire, and to move forward when satisfied with the efficiencies or effectiveness of a proposal and after weighing up all the relevant factors and risks involved.

It is also necessary to work closely and carefully with the other participant councils to achieve a mutual objective.

The Council has resolved to continue with ROEROC and with support to pursuing the regional council model if required in the future.

The formation of a regional council will be considered but not forced upon the Shire. The first major project, a regional Waste Disposal Site with the three other Roe District Shires, has recently been completed. The success of this project will lead towards greater emphasis on regional cooperation and a possible regional council structure, if the due diligence supports that move.

A noteworthy hindrance to a regional council structure is the current statutory compliance requirements of that arrangement, and the added costs and other negative aspects which lessen the attractiveness of that model.

It is also noteworthy that currently there is no other statutory acceptable model for encouraging regional cooperation and this is a significant weakness in the current legislative environment, and as identified in the Douglas “*Feasibility Study of Regional Collaborative Models for SEAVROC Local Governments*”.

2.3 Problems with the Ministers Reform Process

The Minister’s reform process has been conducted in an unsatisfactory environment as outlined below:

1. It hamstrung the implementation of the SSS Report recommendations and has ruined the focus on that initiative.
2. It was announced without consultation with the local government sector.
3. It resulted in a focus on forced amalgamation rather than other reform options and voluntary change.
4. It has dominated local government time and effort in a negative manner and imposed a very tight timeline with detrimental impacts on other local government priority matters.

5. It has created a climate of mistrust and a loss of confidence in government.
6. The process has not been open and accountable and the assessment rankings of the check lists cannot be accepted as a result of the failure to provide the methodology within a reasonable timeframe and the inaccuracies in the assessments.
7. The lack of effective consultation with the sector and the community.
8. The expectation that any suggestion of a voluntary process is only a smokescreen for a hidden agenda.
9. The lack of direction and lack of any reasonable information on the pros and cons of amalgamation, regional councils, representation and other options to promote informed discussion.
10. The lack of any case to support the concept that amalgamation will provide any benefit to a community.
11. The lack of any knowledge of the total cost of an amalgamation and the degree of any government support (if any).
12. The apparent lack of any considered process including the work of various committees being carried out concurrently with the local government consideration and not reporting before the final submission deadline, denying the sector any knowledge of what is being developed.
13. The fact that the reform process is being driven from the top down, and not by the people most affected – the local residents.
14. The State Government focus on amalgamation ignores the social and economic future of local communities – which is the prime focus of local councils, and lacks any adequate plan.

There is no doubt that there is a considerable cost associated with any amalgamation and the failure to provide any details of the level of State government funding means that the community is expected to sign up with a blank cheque. The Queensland experience has demonstrated the detrimental outcome from that aspect.

The total overall cost to the State and local government is likely to be prohibitive, and without any cost/benefit study or analysis on the impact on the State (taxpayer) or local government (ratepayer).

The lack of knowledge of the outcomes from the various ministerial working groups means that the Council is expected to make significant decisions

without that essential awareness and based on a level of trust that has been absent throughout the process.

2.4 Council Process and Due Diligence

Regardless of the above negative factors, the Council has proactively participated in the process and on the basis that the locally elected Councillors are best placed to determine what is the best future direction of the Shire. It is this over-riding local knowledge and understanding of local circumstances that support and dominates the commitment of the Council to pursue the best possible outcome for its community.

The Shire has participated in this process in good faith but the timeline and restrictive process based upon the original “pick a partner” has not enabled any form of substantial due process based upon an adequate cost benefit analysis or any social benefit study or risk assessment. The significant change in direction announced by the Minister at the State Conference in August 2009 towards a larger regional local government model not only came late in this process but further demonstrated the lack of any clear direction or strategic government objective.

No adequate due diligence process has been possible due to the tight timelines imposed by the Minister.

The Council will continue to consider its options. It views local government reform as an on-going process and may revise its position as circumstances change and current unknown Government policy and working group outcomes becomes clearer.

Simply, the Council has, and will continue to administer the Shire in a positive, pro-active manner. There has been nothing in the past or current situation that would justify the Council to consider an amalgamation option as being critical for the Shire’s survival or for any medium or long term benefit for its community.

The only immediate threat to the Shire is a forced amalgamation based on spurious grounds.

2.5 Community Consultation

The Council has consulted the community throughout this process and this has included four Council meetings and two community consultation forums.

A community consultation forum was held on the 16 July 2009. Some of the issues raised by the community included:

- The voluntary process is not voluntary, more like a shotgun wedding.

- No faith in government to do what is best for rural communities.
- Larger local government areas with less elected member representation will not encourage people to become Councillors, and elected member payments will have to rise to meet higher workloads.
- Concern over being amalgamated with a large population centre such as Merredin – fear of loss of local services in a larger local government.
- No benefit to the Corrigin community to amalgamate with neighbouring Councils.
- Concern about poor amalgamation outcomes in other States e.g. Loxton Waikerie District Council.
- A call for the Shire to challenge what the majority at the meeting considered a flawed reform process.

The community forum considered three options:

1. Maintain the current Shire district.
2. Pursue resource sharing and minimal reform
3. Pursue amalgamation with neighbouring councils.

The meeting supported option 1 and option 2 and rejected option 3.

A second community forum was held on 17 August 2009 with similar concerns being raised to those raised by the community at the July community forum.

In general the community supported the retention of the Shire of Corrigin in its current form working cooperatively with the ROEROC councils. Concerns raised included:

- The physical size of an amalgamated Council and the distance between communities.
- The reduced representation and the impost of travel on a small number of elected members representing a large geographical area.
- The future of current community projects including the planned recreation precinct upgrade in Corrigin.
- The future of Council employees in an amalgamated Council.
- The cost to the community of amalgamation.
- The poor outcomes experienced by communities involved in amalgamations in the eastern states.
- The lack of direction from government about the preferred size and shape of local government in the Wheatbelt.

The meeting reaffirmed the community view that the Shire of Corrigin should work towards retaining an independent Shire of Corrigin. When asked to indicate by a show of hands the preference for regional grouping and cooperation the meeting overwhelmingly supported ROEROC and the inclusion of Bruce Rock in a regional grouping.

Amalgamation with the ROEROC group of Councils was considered preferable to any other amalgamation scenario.

2.6 Check-list Concerns

The Council has no confidence in the check-list classification of 3. The assessment contains factual errors and other statements that are debateable or irrelevant, and which, without the methodology used in the assessment process, are unacceptable. It is entirely relevant that the Shire is not alone in its criticism of the check-list problems, and these exemplify the lack of confidence in the reform process imposed on local government.

The relevant issues are:

1. The blatant errors of fact that were made by those assessing the Checklists.
2. That assessment outcome comments did not relate to the information provided by Council nor did they relate to the original questions posed.
3. The supposed "methodology" marked councils down for not having Long Term Financial Plans and Asset Management Plans. Whilst these Plans are considered best practice, they are not statutory requirements. The Department of Local Government should be encouraging councils to implement these Plans in accordance with Best Practice principles, but not be using them as a measure of inefficiency of the councils operations

The Shire is committed to progress the relevant recommendations of the SSS Report, which was only adopted in August 2008, and which has not been allowed to develop to achieve its agreed objectives.

2.7 Council Determination - Amalgamation

1. The Shire of Corrigin does not support the forced amalgamation of Councils. The preference is for the retention of the Shire of Corrigin in its current form, underpinned by local representation and regional cooperation.
2. The Shire will continue as a member of ROEROC and strengthen that model.
3. The Shire will continue working towards a Regional Council or similar regional model and carry out the necessary due diligence with the view to forming a statutory Regional Council established under Part Three Division Four of the *Local Government Act 1995* by the 1st July 2010.
4. The Council acknowledges and concurs with the community position that the Shire is viable and providing good government and services and the lack of any community support for a voluntary merger with any neighbouring local government.

2.8 Significant Factors

The Shire already consists of 3095 sq.kms or nearly three quarters of the total metropolitan area of 4500 sq.kms. The addition of an extra 1223 sq.kms with a merger with Pingelly, the smallest neighbour would increase the area to 4318 sq.kms. A merger with the largest, Kondinin, would result in an area of 10435 sq. km.



The Shire already services the communities of Corrigin, Bilbarin, Bullaring and Bulyee. An amalgamation that increased the size of the district by a further one third or more, and reduced representation, would considerably magnify the tyranny of distance that affects residents of these districts, and would negatively impact on the local government.

Significantly, all local neighbouring communities have identified that there is no benefit from a voluntary merger.

Any suggestion of a forced or predatory take-over would terminally damage trust between local communities, and any potential for a mutual merger based on goodwill and shared benefits. Of greater relevance, any forced amalgamation would irreparably damage the local communities and local governments' relationship with the State Government.

3 Representation

The Council's preference is for the Shire of Corrigin to reduce the number of elected members from 9 to 7. A two year timeframe is required to allow for a reduction in elected members for the local government election cycle in 2011.

The Shire of Corrigin currently has nine elected members and no wards. The Council most recently reviewed its wards and representation in 2006 at which time it dispensed with its ward system. After a review of wards and representation in 1999, the Council reduced the number of elected members from eleven to nine.

The Council will review its representation requirements following the 2009 election process, and after it is aware of the implications of the Minister's Local Government Reform process, and specifically after the potential unknown outcomes and legislative changes arising from the work of the various ministerial working groups has been made known to local government.

4 Regional Grouping

The Council's preference is to maintain cooperation with the Shires in the Roe Regional Organisation of Councils, namely the Shires of Kondinin, Kulin and Narembeen and work towards the establishment of a formal Regional Council in the near future.

The Shire of Corrigin supports changes to legislation to allow for a model with less statutory compliance and formal structure which may have potential benefits over a current formal regional council model.

A noteworthy hindrance to a formal regional council structure is the current statutory compliance requirements of that arrangement, and the added costs and other negative aspects which lessen the attractiveness of that model.

This underlines the requirement for a possible State legislative response based on the "*Feasibility Study of Regional Collaborative Models*" for the SEAVROC Local Governments in 2009, which offers the benefit of regional cooperation while retaining all the strengths of the current local governments including local representation.

The Shire is a member of the Central Country Zone of the West Australian Local Government Association.

5 Transitional Matters

The Council's position is that a two year timeframe is required to allow for a reduction in elected members for the local government election cycle (2011) as well to implement the key strategies of the SSS Report and consider the formation of a Roe Regional Council with the concerned neighbouring local governments.

The Council and the community have identified that a voluntary merger is not in the best interests of the district at this time. The Council will continue to consider the implementation of the SSS Report where relevant and will continue to cooperate with the ROEROC Council group on regional cooperation and a potential regional council model.

However, it is the Council's intent to ensure that any significant structural reform is subject to a vigorous due diligence process including the identification of the risks and benefits, and with community consultation before making any significant change.

The Council and the community, as well as the neighbouring local governments, reject any threat of forced amalgamation as being undemocratic and anti good local government. A forced amalgamation will create division, anger and frustration in the community and not result in good government either in the short or long term.

5.1 Cost of Amalgamation

It is estimated that the cost of an amalgamation would be in the order of a minimum \$750,000, although anecdotal reports from Queensland indicate that the actual cost of the merger process, plus on-going costs is far greater.

The Council is not aware of any commitment by the State to meet this cost or of any level of contribution at all. However, it is quite clear that it is the State that is pushing for local government reform and therefore it is expected that the total cost should be met from State resources and not the local ratepayer – particularly in the case of forced mergers.

This lack of any information concerning costs and the level of State funding adds to the policy vacuum in which the local government reform process has proceeded.

The Council believes that cost is a significant detriment to the Shire (and State) and that adds to the overall negative factors associated with an amalgamation proposal and highlights the lack of any cost benefit analysis at both the State and local levels.

This Local Government Reform Submission was approved by the Council at its meeting held on Tuesday 15 September 2009.

**Nola Forbes
Shire President**

**Julian Murphy
Chief Executive Officer**