

Sent to you

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Attachments: Letter to Premier - RCM Wagga.pdf (1.48 MB); ATT00001.txt (25 bytes)



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Ms Gladys Berejiklian,
Premier of NSW,
NSW State Government,
GPO Box 5341,
Sydney, NSW, 2001.

Dear Premier,

I write to you following receipt of a letter from the Executive Director, State Economy Branch, Mr Paul Myers. It regards the *Unsolicited Proposals to Government* completed by the Riverina Conservatorium of Music (RCM) on the advise of the Hon. Dominic Perrottet (as Minister for Finance; Services and Property in 2016). It relates to the acquisition and redevelopment of the surplus site at 1 Simmons Street, Wagga Wagga. This proposal was driven by the urgent need to find secure permanent accommodation for the RCM following the sale of the Charles Sturt University campus upon which the RCM has been housed since 1981. As you are aware, the proposal was very comprehensive, providing a detailed analysis of an innovative project that served the needs of the RCM and the wider Riverina and Wagga Wagga communities.

The RCM has had very strong support from Government in the development of the proposal, and we particularly commend the work of our local member, Mr Daryl Maguire. It also has strong local government support, as it is a very significant development for our community and for the future of our city. It is a much-needed development for our whole community.

The letter from Mr Myers is very concerning, as evident from the extract below:

I appreciate you taking the time and effort to make a submission under the Unsolicited Proposals process. Unfortunately, the submission has not met the very high requirements put in place under the *Unsolicited Proposals Guide for Submissions and Assessment* (February 2014).

Specifically, the assessment found that the proposal was not able to satisfy the 'uniqueness' criterion that is required to justify direct dealing. This was because the Riverina Conservatorium of Music does not have any unique rights to the property, and as such there would be other organisations who could potentially acquire the property in a standard procurement process.

Our concerns are twofold. Firstly, the notion of "unique rights to the property" is entirely outside the guidelines provided under this process. It is simply not within the guidelines as a determinant of *uniqueness*. Such a ruling could be applied to every property, and appears to diminish the process by which the government currently seeks to work in the public interest when surplus property is identified.

We were astonished by this ruling. We made no attempt to address this particular issue in the proposal from the RCM, as we directed attention to our *unique* ability to promote the agenda of government for music education and cultural development within rural and regional communities. The RCM assiduously followed the guidelines provided to us by government, as presented below:

The essential question to be addressed in any Unsolicited Proposal are:

- Can this proposal be readily delivered by competitors? If the answer is yes, then what, if any, justification would the Government have to the public for not seeking best value through a competitive tender process? What benefit(s) would the Government gain?

- Does the proponent own something that would limit the Government from contracting with other parities if the Government went to tender? This would include intellectual property, real property and other unique assets.
- Are there other attributes which may not necessarily stand alone as a unique but, when combined, create a 'unique' proposal? This may include genuinely innovative ideas, including financial arrangements or solutions that are otherwise unlikely to be defined and put to market (e.g. alternatives to providing a Government service or substantive processes, products or methods for delivering a service that is not offered by other service providers and constitute a significant departure from traditional service delivery).

There is more. We are concerned that the inference of the letter is that the site may well now go to an open market, or that a controversial and divisive process will be imposed to open the property to all proposals, and then finally go the highest bidder. It will not serve the functions that the community has identified. Further, it seems that this process may take an indeterminate time as all the other potential interested parties vie for the site. Why? The RCM proposal already has the considered support of local government and the local member in the best interests of our whole community. This proposal provides a much-needed addition to the infrastructure of the city and opens this site as an integrated part of the cultural landscape of the community. The site has been vacant for 12 months, and has been available to other groups in the community already.

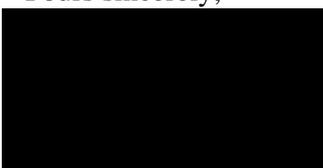
Mr Myers' ruling seems incongruent with the initiative developed by your government to support regional, rural and remote communities. We have documented in great detail how we have supported the range of initiatives developed under your government for rural and regional development (see section 2.4 of the proposal). We are also very concerned by the apparent extra time involved in these processes, given that we now only have eighteen months to find and establish a new site and then continue our vital work in schools and across the whole Riverina community.

We therefore seek your advice. How can we appeal this decision by Mr Myers, possibly on the grounds that the decision does not seem to fit within the guidelines; or does your government offer other ways that will allow us to move forward on this initiative? As already indicated, this decision does not seem to be in the best interests of the Riverina and our community. We are particularly concerned by the potential loss of the opportunity to keep this site as a public space into the distant future and to consolidate the place of the RCM within this community in a timely fashion.

Our second concern relates to funding. We learned after the *NSW Budget 2017-18* that the RCM project was to be referred to the *Regional Cultural Fund* for funding. We are very supportive of the *Regional Cultural Fund* as an initiative of your government, but it seems that this fund is insufficient to support a capital works program such as that in our proposal. I know that Mr Maguire has been working within government, and with Mr Barilaro in particular, to find alternative funds through the *Regional Growth Fund*, but no clear direction has emerged at this stage. Sound advice from your office would be most welcome, particularly if there is something more that we can do to support Mr Maguire in his work on our behalf.

We thank you for the advice and support you have already provided for this project, and we look forward to finding a pathway that supports our work and the greater good of our community.

Yours sincerely,



Dr Andrew R. Wallace.

Chair: Riverina Conservatorium of Music.

23rd July, 2017.