

In support of the **Community Bank[®]** model

Letters from **Community Bank[®]** Board Directors and other community representatives

Supporting Document to the Bendigo and Adelaide Bank Submission
to the Financial System Inquiry

March 2014

State	Respondent	Excerpted comments (full letters attached below)
NSW	Mike Baird State Member for Manly	<i>[The Bank] has been responsible for supporting and enabling a prosperous, sustainable and inclusive local economy – and the results can be seen firsthand.</i>
NSW	John Vaccaro Vice Chairman Harbord Financial Services (Freshwater Community Bank[®] Branch)	<i>[I]t's not just about providing banking services, the model allows the community to be part of its success, so all can benefit.</i>
NSW	Michael Regan Mayor Warringah Council (Freshwater Community Bank[®] Branch)	<i>Warringah Council and local government are advocates for this banking philosophy and the social and economic advantages it has brought to the local area.</i>
NSW	Margaret E Thompson Chairman Wentworth District Capital (Wentworth & District Community Bank[®] Branch)	<i>For a community to be empowered with the means to raise funding for themselves by just doing their banking with Community Bank is an extraordinary feeling. The whole community has a great sense of ownership of their bank.</i>
NT	Jan Young Chairman Coolalinga & Districts Community Bank[®] Branch	<i>[A]s our story gets around and community projects are realised, the more support, by way of banking with us, is becoming more popular. Already we are proud to say that nearly 75% of local business support our efforts.</i>

State	Respondent	Excerpted comments (full letters attached below)
QLD	<p>Gilbert Teitzel Chairman Mareeba & Dimbula Financial Services Ltd (Mareeba & Dimbula Community Bank[®] Branch)</p>	<p><i>[Our] project raised the profile of what can be achieved by Community Bank[®] Boards – they are neutral and have no hidden political agendas – and they have funds that can leverage Government investment to ultimately bring about better and greater outcomes.</i></p>
SA	<p>Dennis Cook Chairman Adelaide Plains Financial Services Ltd (Virginia & Districts Community Bank[®] Branch; Elizabeth Community Bank[®] Branch)</p>	<p><i>The Bank is very well respected for not only supplying financial services but for the social and tangible additions that it has been able to achieve over the last 15 years of operation.</i></p>
SA	<p>Carol Gaston Chair AlexInvest Community Services Ltd (Goolwa & District Community Bank[®] Branch)</p>	<p><i>Our increasing customer base is evidence that people in our community are recognising that Bendigo Bank is more than a bank. Through our community bank it provides a means of increasing, thereby strengthening our social and economic capacity.</i></p>
SA	<p>Pat Callaghan Chairman Port Lincoln Community Enterprises Ltd (Port Lincoln Community Bank[®] Branch)</p>	<p><i>The significance of the Community Bank model should not be underestimated in its ability to empower local communities. In this era of large corporate domination of commerce the Community Bank model offers a unique opportunity for local communities to reverse the drain of capital and become more self sufficient.</i></p>
VIC	<p>Gary Bourke Director, Rupanyup Minyip Finance Group (Rupanyup / Minyip Community Bank[®] Branch)</p>	<p><i>The community bank built on the resilience of the community, providing not only the finance but also the opportunity for the community to unite for a common purpose.</i></p>
WA	<p>Ian Miffling Chairman, Collie Community Bank[®] Branch</p>	<p><i>Our community bank was established with one of its prime considerations being a local business working for the improvement of our local community and to this time we believe we have succeeded immensely.</i></p>



MIKE BAIRD
STATE MEMBER FOR MANLY

Financial System Inquiry
C/- Harbord Financial Services Limited
Freshwater Community Bank
20 Albert Street
Freshwater NSW 2096

VIA EMAIL

24 March 2014

To the Financial System Inquiry Panel

I am writing in my capacity as Member for Manly to commend Freshwater Community Bank on its positive socio-economic contribution to our community.

In addition to being an integral part of our area and frequenting local events, Freshwater Community Bank's model has allowed it to play an important role in delivering required funds to local organisations and schools.

This financial support plays a pertinent role locally and supports services that otherwise may be compromised or negated.

Some of the benefits that have been derived from our community's association with Freshwater Community Bank include:

- Tertiary education scholarships
- School infrastructure and program funding
- Monetary support for surf clubs in the form of donations
- Funding for critical school projects and upgrades
- Sporting and community club sponsorship packages

As is evident, Freshwater Community Bank has been responsible for supporting and enabling a prosperous, sustainable and inclusive local economy - and the results can be seen firsthand.

Based on my association with Freshwater Community Bank, I have no hesitation in supporting their banking model; it is one which ultimately supports the local community.

Yours sincerely

Mike Baird MP



Harbord Financial Services Limited



21 March 2014

To the Financial System Inquiry Panel,

I am writing on behalf of the Freshwater Community Bank Branch of Bendigo Bank, in my capacity as Vice-Chairman of Harbord Financial Services Limited, to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our community's association with Bendigo Bank.

Background

Between 1993 and 2000, more than 2,050 bank branches closed across Australia. These closures represented a 29% reduction in branch numbers in just seven years, with many communities left without branch banking facilities thus creating hardships to many local communities. Freshwater/Harbord was one of those communities with many families, individuals and businesses being greatly affected by these closures and the loss of these services in the local area.

Bendigo Bank identified this trend and recognised the huge impact the reduction in branch numbers was having on communities. In the year 2000 after the last of the Banks withdrew its services from Freshwater, a group of dedicated community volunteers formed a steering committee to get banking services back into the local area. In 2002 Harbord Financial Services Limited was formed by just over 400 local residents in a joint partnership with Bendigo Bank and has now been successfully operating for 12 years.

The Directors of the Board (Harbord Financial Services Ltd) are all dedicated local people, many are business owners that volunteer their time, services and expertise for the benefit of our local community.

Community Investment

Our point of difference from mainstream banks is that a large percentage of the local branch profits are injected back into the local community, something that is written into our constitution. Since commencement Harbord Financial Services Ltd (Freshwater Community Bank Branch of Bendigo Bank) has returned to the community over \$1,800,000 in contributions, sponsorship, donations and assistance to some 80 organisations across a

huge diverse range including local schools, tertiary scholarships, community groups and organisations, local government, cultural events, environmental events, and sporting groups. This is as you can imagine has provided a great benefit to the local Community and a wonderful achievement for a small Branch.

Some of the assets built or enabled through working with the Bank include;

Description	FWCB Bendigo Bank Contributions to date	Comments
Harbord Park New change rooms and canteen facilities	\$54,400	Facilities are used by several thousand people
Jacka Park New Children Playground equipment Joint Venture with Warringah Council	\$27,500	Facilities are used by 2 local schools and general public
Manly Warringah Netball Assoc	\$100,000+	Several thousand members, Facilities upgrade
Northern Sydney Symphony Wind Ensemble (NSSWE)	\$80,000	Purchase of percussion instruments and ongoing sponsorship
Club Weldon Project	\$33,000+	Plus interest free loan \$50,000
North Curl Curl Surf Life Saving Club	\$110,000	New life rescue equipment including IRB, boards, Nippers etc
South Curl Curl Surf Life Saving Club	\$100,000	New life rescue equipment including IRB, boards, Nippers etc
Freshwater Surf Life Saving Club	\$100,000	New life rescue equipment including IRB, boards, Nippers etc
Annual Freshwater Fair	\$33,000	Community Fair attended by several thousand people.
Tertiary Scholarship Program	\$100,000	9 Secondary High Schools participating.
Harbord Public School	\$50,000	Over 1,000 students
Sydney Annual Multicultural Festival	\$33,000	Over 3 years major sponsor
Manly Warringah Youth Orchestra	\$10,000	Developing local talent
Freshwater Chamber Music Festival	\$20,000	Local music festival
Manly Warringah Football Assoc (Youth development)	\$80,000	17,000 members with biggest support base in the district.
Freshwater Senior Campus	\$15,000	End of year Academic Excellence presentations
North Curl Curl Public School	\$20,000	New Equipment
St John The Baptist Public School Freshwater	\$50,000	New Equipment
Marquis (Tents) Bendigo Bank Branded x 30	\$30,000	Lent out to sporting groups and organisations throughout the community

In a time where the banks are portrayed as "All take and very little give", The Community Bank model has stood the test of a Global Financial Crisis and in its 14 years since inception, this unique model started by the community and owned by the community, have seen Freshwater and other communities around the country benefit greatly.

The Freshwater Community Bank Branch of Bendigo Bank has also been instrumental in re-establishing for the business community a Chamber of Commerce. This in turn has seen an increase to local businesses of nearly 23% in only a short time. Where businesses and local shops looking tired with trading well down on historical figures, we have seen a sharp increase in customers with people returning to the area giving local business a huge boost.

Freshwater has now been named for two years consecutively as the most desirable place in Sydney to live. (www.realestate.com.au) We would like to feel that we had a small part in this occurring.

One of the central goals of the assets created by the model is to provide stronger ties between institutions and the residents in a locality (the community). This investment in the community has seen the bank branch as a "Community Hub" it's not just about providing bank services, the model allows the community to be part of its success, so all can benefit.

Other Partnerships

The Freshwater Community bank Branch of Bendigo Bank has worked closely with local and State Governments in developing infrastructure and instrumental in bringing together local projects and or services for the benefit of community. Some examples include;

- Joint venture with local government (Warringah Council) Equipment and Park upgrade and refurbishment of the play equipment and facilities at Jacka Park, Oliver Street Freshwater, in June 2007, valued at \$27,500;
- Ongoing annual support, Warringah Council Art Exhibition since 2010, valued at \$4,000;
- Contribution towards Harbord Park Clubhouse and facilities (Warringah Council ground), valued at \$50,000;
- Contribution towards the (Warringah Council) Club Weldon Sports facility building upgrade at Weldon Oval valued at over \$33,000 not including a \$50,000 interest free loan;
- Joint venture with Local Government for the funding of the Freshwater Village Plaza shade structure and outdoor furniture installed in 2013, valued at \$7,000;
- Hosting Celebrate Freshwater, a community festival to commemorate Freshwater Community Bank Branch's 10 years of service to the local area, valued at over \$42,500.
- Warringah Council and the Freshwater Community Bank Branch of Bendigo Bank support of the Sydney Multi-Cultural Festival. Valued at over \$50,000

- Warringah Netball Association, “Local Government Project Collaboration” refurbished Netball clubhouse and court resurfacing. Several thousand participants directly benefit from these facility upgrades.
- These contributions have enriched the local community of Freshwater and surrounding suburbs with safe and enjoyable public facilities, encouraged cultural and sporting participation and helped shape community inclusiveness and diversity amongst local businesses, residents and the many community groups that fall within the Warringah LGA.
- Freshwater Community Bank Branch also makes ongoing financial contributions to the three local Surf Life Saving Clubs, Freshwater, South Curl Curl and North Curl Curl, and to date has donated over \$300,000 which has been used towards the purchase of Inflatable Rescue Boats, safety boards and first aid equipment, defibrillators, CPR manikins and development of nippers programs, which is inherent as part of our beach side culture.
- As well as this funding, over the last three years, Freshwater Community Bank Branch has also initiated, in conjunction with volunteers of all three surf clubs, Community CPR and First Aid Training program.
- The investment Freshwater Community Bank Branch has made in local education is unmatched by any other single business within Warringah. With four local primary schools receiving combined funding of over \$100,000 to upgrade audio visual equipment, install smart boards, build shade structures and outdoor furniture and provide additional sporting and health programs amongst other initiatives.

Perception of the Bank and its Approach

The Directors and staff of the Community Bank Branch are greatly respected within the community and are considered leaders of their community. They both freely volunteer their time to support any one of the many ongoing community events or organisation knowing that their input has helped their community in some way. In return the staff has gained the communities trust and respect.

As mentioned the model has given the community the ability to provide banking services to local businesses and its residents, but also the ability to direct some of those profits into areas that require funding, this investment in the community has seen the bank branch as a “Community Hub” it’s not just about providing bank services, the model allows the community to be part of its success, so all can benefit.

Thank you for your consideration.

John Vaccaro
Vice Chairman
Harbord Financial Services Limited
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ABN 31 565 068 406

To the Financial Service Inquiry Panel

I am writing on behalf of Warringah Council, located on Sydney's Northern Beaches, in my capacity as Mayor, to support Bendigo Bank's submission to the Financial Services Inquiry and outline the benefits that have been derived from our community's association with Bendigo Bank.

Warringah Council has witnessed firsthand the advantages of having a Community Bank branch of Bendigo Bank within its region since 2000, when the last branch of Commonwealth Bank Australia removed its services from the Freshwater community. The local business community and residents rallied together to develop and invest in a franchise Branch of Bendigo Bank's Community Banking network.

At the time, the Community Bank concept was still in its early years, but it was evident by the support behind the development of the Freshwater Community Bank Branch, this type of viable, financial services company, which had the capacity to contribute profits back into the local area was much needed and well received.

Since 2002, when Prime Minister Tony Abbott, who at the time was the local MP for Warringah, opened the branch in June 2002, Warringah Council has been working closely with the Freshwater Community Bank Branch via joint funded community programs and infrastructure; community and cultural organisations and events and not-for-profit organisations that make up the Warringah community.

Some highlights throughout this partnership with Council and community organisations include:

- Contribution towards the upgrade and refurbishment of the play equipment and facilities at **Jacka Park**, Oliver Street Freshwater, in June 2007, valued at \$27,500;
- Ongoing annual support, as the Youth Category Sponsor, of the **Warringah Art Exhibition** since 2010, valued at \$4,000;
- Contribution towards Harbord Park Clubhouse and facilities, valued at \$50,000;
- Contribution towards the **Club Weldon** Sports facility building upgrade at Weldon Oval valued at over \$33,000 not including a \$50,000 interest free loan;
- Joint venture for the funding of the **Freshwater Village** shade structure and outdoor furniture installed in 2013, valued at \$7,000;
- Hosting **Celebrate Freshwater**, a community festival to commemorate Freshwater Community Bank Branch's 10 years of service to the local area, valued at over \$42,500.
- Support of the **Sydney Multicultural Festival** valued at \$33,000.
- **Warringah Netball Association** "Project Collaboration" refurbished Netball clubhouse and court resurfacing. Several thousand participants directly benefit from these facility upgrades.

These contributions have enriched the local community of Freshwater and surrounding suburbs with safe and enjoyable public facilities. They have promoted cultural and sporting participation and helped shape community inclusiveness and diversity amongst local businesses, residents and the many community groups that fall within the Warringah LGA.

Freshwater Community Bank Branch also makes ongoing financial contributions to the three local **Surf Life Saving Clubs**, Freshwater, South Curl Curl and North Curl Curl, and to date has donated over **\$300,000**. These funds have been used towards the purchase of Inflatable Rescue Boats, safety boards and first aid equipment, defibrillators, CPR manikins and development of nippers programs, which are an integral part of our beach side culture.

In addition to this funding, Freshwater Community Bank Branch has over the past three years initiated, in conjunction with volunteers of all three surf clubs, a **FREE Community CPR and First Aid Training program**.

The investment Freshwater Community Bank Branch has made in local education is unmatched by any other single business within Warringah. With **four local primary schools** receiving combined funding of over **\$100,000** to upgrade audio visual equipment, install smart boards, build shade structures and outdoor furniture and provide additional sporting and health programs amongst other initiatives.

In addition to this support, the recent introduction of the annual **Tertiary Scholarship Awards Program** in 2013, which encompasses nine local high schools within the Warringah Shire provides much needed financial assistance towards university costs, and is awarded to a nominated student from each high school who has not only achieved academic success, but has also demonstrated active service within the community.

This program to date has seen \$100,000 (\$50,000 each year for 2013 and 2014) awarded to these outstanding young adults, who will go on to make positive changes both within our community and beyond.

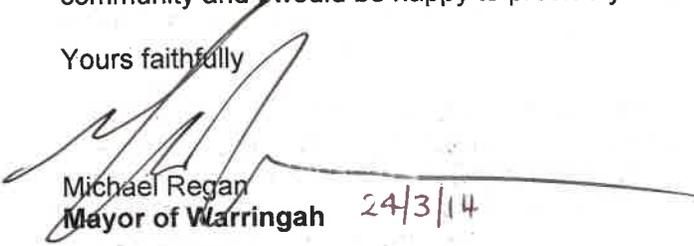
Freshwater Community Bank Branch has also been instrumental in the development of the Freshwater Chamber of Commerce, which has now been in operation for 6 months and has 33 members. In collaboration with Council, the Chamber plan to support and invigorate business at a local level, sustaining the local economy. This is another shining example of the Community Bank's investment in the local area.

Based on this firsthand experience on the benefit a Community Bank Branch of Bendigo Bank has within a community, Warringah Council and local government are advocates for this banking philosophy and the social and economic advantages it has brought to the local area.

Council hopes to continue to work with the volunteer Board of Directors of Harbord Financial Services Limited to support our local community through positive and enriching projects.

I trust this information highlights Freshwater Community Bank's invaluable contribution to our community and I would be happy to provide you with further information if required.

Yours faithfully



Michael Regan
Mayor of Warringah

24/3/14

20 March 2014

To the Financial Services Inquiry Panel

I am writing on behalf of the Wentworth & District **Community Bank**[®] branch to support the Bendigo Bank's submission to the Financial Services Inquiry.

Wentworth & District **Community Bank**[®] branch started working with Bendigo Bank 15 years ago, the ninth community bank. The community had been left without banking services in the town when Westpac Bank closed and the effect was dramatic with people having to go out of town to do their banking. Whilst they were in the other town they undertook all their shopping which further decimated our community and businesses.

A small committee of community leaders engaged with Bendigo Bank to explore a very new concept. Residents readily agreed to provide start-up funding.

The rest is history with the community having received over \$2.2million in grants. A list of the more substantial grants is attached. The grants given to our community whether they are big or small amounts, are greatly appreciated and really adds to the sense of pride in our towns.

It is very difficult for small communities to obtain funding from Governments and philanthropic trusts. For a community to be empowered with the means to raise funding themselves by just doing their banking with our **Community Bank**[®] is an extraordinary feeling. The whole community has a great sense of ownership of their bank.

Some years ago Wentworth District Capital Limited received test case funding to challenge the Australian Taxation Office on their ruling that we were liable to pay tax. We subsequently won the case as we were deemed to have been established for community benefit only. We do not have shareholders and are accountable to our members. Our Board Members received no payments and all profits are put into the community.

To support this statement I attach an example of our latest big completed project – our own Ambulance Station.

Thank you for your consideration.

Yours faithfully



Margaret E Thomson
Chairman'
Wentworth District Capital Limited

Wentworth District Capital Limited ABN 76 085 989 804
Franchisee of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879
36-38 Darling Street, Wentworth NSW 2648 Phone 03 5027 3362 Fax 03 5027 3799

	Event or Purpose	Donation Or Sponsorship
1st Dareton Scout Group	Hall Upgrade Heating, Lighting, Safety & Camping Resources	\$3,000.00
Alcheringa Tennis Club	Tennis Court Lighting, Kitchen & Cupboard Upgrade	\$7,000.00
Australian Inland Botanic Gardens Incorporated	Apprentice Training, Construction of Artificial Stream, Irrigation, Youth Employment Program	\$78,000.00
Chances for Children	Annual Donation, Annual Scholarship	\$30,500.00
Coomealla High School	Construct & Purchase Performing Arts Studio	\$17,000.00
Coomealla/Wentworth Cricket Club	Bowling Machine, Pitch Roller, Practice Net, Junior Cricket Program, wicket development	\$16,782.00
Dareton Pre School Incorporated	Play Furniture & Cubbyhouse, Upgrade children's bathroom, kitchen upgrade	\$9,500.00
George Gordon Oval User Group Dareton	Netball/Umpires Change Room facility	
Gol Gol Public School	Shade Sails for Playground, Teaching/Conference Building, Safety First School, Stephanie Alexander Kitchen Garden Project	\$39,500.00
Mildura Country Music Festival Incorporated	Sound Equipment, Country Music Festival	\$11,000.00
Mildura Specialist School	Learning Resources & Kitchen Garden	\$12,000.00
Mildura Wentworth Arts Festival Incorporated	Mildura Wentworth Arts Festival	\$62,500.00
Paddle Steamer Ruby Wentworth Incorporated	Fire Fighting & Safety Equipment, plumbing, refit, safety equipment, protection cladding	\$41,672.00
Rotary Club of Wentworth Incorporated	Notebook Computer, repairs lights at museum, replica dinosaur	\$15,000.00

Sunraysia Cancer Support Group Incorporated	Resource Centre, Webpage design	\$15,000.00
Wentworth 150th Committee	How Long Has It Been Since You Visited Wentworth? - Television Advertising Campaign For 150th Campaign	\$5,500.00
Wentworth Arts	Funding - Event Co-ordinator Art Prize & Sweatbox Art	\$8,250.00
Wentworth District Football & Netball Club Incorporated	Junior Program, Air Conditioner, Canteen & Bar, Tables, Goal Post Protectors, new football jumpers, junior netball uniforms	\$65,276.00
Wentworth District Hospital Health Service	Dementia Walk, mower and watering system, curtains for day care building, shower trolley/bath	\$13,095.00
Wentworth District Hostel Society Incorporated	Re-Carpeting Murray House, Solar Power Generation, electric beds, furnishing 2 respite rooms, room airconditioners	\$136,553.50
Wentworth District Pre School Playcentre Incorporated	Extend Premises, softball, shade sails, kitchen upgrade, airconditioner	\$24,000.00
Wentworth District Racing Club Incorporated	Infrastructure Upgrade, Racing Festival, W&DCB Cup	\$32,000.00
Wentworth District Rowing Club Incorporated	Lighting Upgrade, double scull boat, gym upgrade, airconditioner and carpet	\$31,765.00
Wentworth Girl Guides Support Group	Fencing for Guide Hall, Security grills, replacement kitchen cupboards	\$6,700.00
Wentworth Historical Society	Newsletter, computer and camera, Sydney research trip	\$7,727.50
Wentworth Pioneer Homes Committee Incorporated	Build two new Units, develop Whyte's residences, new meeting room/office/bedroom	\$85,000.00

Wentworth Public School P & C Association Incorporated	Sun Shade & Shelter, computers, fridges for classrooms, outdoor kitchen, computer equipment	\$44,210.00
Wentworth Services Bowling Club	Shade Area, shade structures, synthetic green, upgrade auto irrigation	\$33,203.00
Wentworth Services Golf Club	Replace Pump Equip & Winners Gridders Day, irrigation upgrade, pipeline for waste water, replacement of greens	\$24,291.00
Wentworth Rural Women's Gathering Incorporated	Promotional Package for the June Handover, Gold sponsorship, promotional flags	\$6,980.00
Wentworth Services Tennis Club Incorporated	Resurfacing of Courts 9-14, resurface supergrass court, resurfacing courts 1&2, 3&4	\$60,936.00
Wentworth Show Society Incorporated	Display Structures & Marquee Taste Of Our Community, Food & Wine Marquee	\$45,492.00

In 2012 our bank demonstrated commitment to the well-being of our community with the largest grant yet of \$220,000 towards the construction of an Ambulance Station.

For 40 years the Ambulance service, supported by Ambulance Victoria, was run by passionate and persistent volunteers who raised significant funds towards a station. No member of Wentworth District Ambulance Service Inc ever took wages-instead all remuneration was donated back to the organization with the aim of one day building a proper ambulance station for the town. Although professional paramedics were eventually appointed in 2006 by Ambulance NSW, the ambulance was parked in a shed at the back of the hospital and the paramedics worked out of a pokey little office in the old nurses quarters at the hospital. But the same community minded passion that started our Bank was set to change all that.

The process that led to the opening of this wonderful new station took six years of planning, negotiating with Local and State Government requirements and regulations, finding builders and finally overseeing construction. WDAS had accumulated \$260,000 - a huge sum by any standards, but not enough to build an Ambulance Station. WDAS submitted an application to the Wentworth & District Community Bank(R) Branch for a grant of \$220,000 and was successful, meaning that funding was secure and the project could commence.

A tripartite agreement between the Wentworth Shire Council, the Health Services Commission of NSW and WDAS covered the legalities, and the Shire donated the land on which the Station now stands.

The station was designed by the Station Officer Paul Riordan whose input was invaluable and also WDAS committee members. This design now has become a template across NSW for new and similar sized Stations. The completed station, fully funded by the Wentworth community features a four-bay garage, kitchen/dining area, training room, quarters for relief staff and a station officer's office. Wentworth now has 5 highly qualified Ambulance Officers living in the community. The Wentworth community built and paid for its own Ambulance Station and are now assured of a top quality Ambulance Service into the future.

COOLALINGA & DISTRICTS COMMUNITY BANK

COOLALINGA, NT 0838

To: The Financial System Inquiry Panel

I am writing on behalf of the Coolalinga & Districts Community Bank, in my capacity as Chairman of the Board, to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our Community's association with Bendigo Bank.

Our Community ten years ago had no banking facilities available. We did have a Rural Business Association and this group approached all the major Banks and credit unions operating in the Darwin/Palmerston area to see if they were interested in opening a branch in our fast growing Community. None of them were interested in opening an supporting our area.

We then investigated alternatives and keenly followed up the Bendigo Bank Community Bank concept which offered and encouraged smaller Australian Communities to involve themselves in the future of their own areas. We thought this concept was a great idea that not only offered us banking services but also put profits back into developing our community.

A great deal of hard work was then carried out to put the concept to our local population and gain their support in buying shares in our local company. We had a great response and after being fully subscribed, we opened our doors to the public in September 2006.

The Northern Territory Government fully supported our project from its initial formation of a steering committee, in fact a number of NT Ministers, politicians and public servants showed their support by purchasing shares. Some NT shareholders supported the project even though they did not live in the area as they could see that it could be possible that in the future, a Community Bank may be feasible in their area.

We have been trading now for just over seven years and already we have injected over \$220,000 into community projects in our area. We have supported rural first aid posts, volunteer fire brigades, local sporting groups, a bus for local pensioners, many various school projects and many other non for profit organisations achieve their goals in fundraising. A number of our funded activities have also included partnerships with our local councils, our Territory Government and national support organisations where we have worked together to provide funding for larger rural community projects.

Being the first Community Bank to open in the Northern Territory, it has taken a while for the community as a whole to understand the concept but I am pleased to report that as our story gets around and community projects are realised, the more support, by way of banking with us, is becoming more popular. Already we are proud to say that nearly 75% of local business support our efforts. Prior to our opening, there was little funding available for the smaller local projects, grant applications were periodic, small in quantity and often the larger city projects were the benefactors.

Our Board, Branch Manager and staff work tirelessly in supporting our Branch and the Community. The Board offers their services on a voluntary basis for the benefit of all rural residents. This in itself is recognized by our rural residents, our shareholders and the local Councils and Territory Government. Darwin will be welcoming over 1100 delegates to the Community Bank National Conference this September. Already, the NT Government and local organisations are working together to support this important event.

In summary, the community bank concept I think speaks for itself. There are now well over 300 community banks throughout Australia and I am sure that this will continue to grow.

Thank you for your consideration.

Jan Young

Chairman

Coolalinga & Districts Community Bank

20 March 2014

20 March 2014

Financial System Enquiry
Co Bendigo Bank
172 Edward Street
Brisbane Queensland 4000

To Whom it may concern:

I am writing on behalf of the Mareeba and Dimbulah **Community Bank**[®] Board, in my capacity as Chairman, to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our community's association with Bendigo Bank.

In 2009 we hosted our first Community Forums in both Dimbulah and Mareeba to identify key projects for our communities. A variety of projects came forth, some of which appeared to be out of the scope and capacity of our Board. However what took place over the coming months were outcomes that far exceeded expectations and highlighted the credibility of the **Community Bank**[®] Board and what can be achieved through facilitation and working with our community.

MAREEBA HOMELESSNESS PROJECT:

At the time of this project Mareeba was experiencing significant anti-social behaviour due to alcohol abuse and violence in the main CBD area, youth crime that was targeting businesses, issues from the release of prisoners from Lotus Glen in the main street, poor school attendance, and rough sleeping in park areas of the town.

The extent of the problems saw 'Crisis Housing' identified as a project at the 2009 Community Consultation Workshop in Mareeba.

To undertake the project the Board invited a wide range of Community Service Providers who worked in the field including Police, Lotus Glen Prison, Corrective Services, Centrelink, Council Social Services Department, Indigenous Organisations and other Not for Profit Service Providers from the community. The Board was encouraged by the stakeholders to also invite various Government Departments from Cairns to ensure Government was a participant in searching for a solution. The first meeting saw at least 25 representatives attend the meeting.

The meeting identified that this was the first time everyone involved in the issue (including Government) were seated at the same table.

The unique position of the Bank representatives was that we had no experience or knowledge of the industry or even of the many representatives who sat at the table. It was a huge learning curve however the lack of experience on our behalf became the positive as it enabled neutral facilitation and input. There was no history with the Bank, we were not representing one side or the other. We were there to try to address a concerning issue in our community that was becoming increasingly worse. We were as new to them as they were to us and this enabled constructive and open conversation about difficult issues. And without the Bank as the facilitator, this group would never have been established.

The initiative also provided a great opportunity for the Government agencies to address the Mareeba Service Providers in one group and really make progress from their perspective. It enabled open communication between local Service Providers and Government Agencies who often had to deal with the unfavourable outcomes of Government Policy – housing shortages, staffing shortages and funding cuts.

Quite early on in the process the Department of Communities advised of an upcoming trial project for the 'Street to Home' program that was the new way forward for Government to deal with homelessness. It was not about providing dormitory style accommodation – it was about placing people into homes and wrapping services around them that taught life skills – cooking, cleaning, paying the rent, budgeting and parenting.

It became evident that to be successful in applying for Mareeba to be chosen as the pilot location that statistics were needed to support the application. Many other rural towns across Queensland were going to apply for the program, and without hard evidence of the issues confronting Mareeba, we would not have been capable of lodging a successful proposal.

It was agreed by the group to approach the Board for \$15,000 to contract a professional consultant to prepare a Feasibility Study that would provide the statistics and investigate the issues that were impacting the community, the Service Providers and those caught in the homelessness cycle.

This process involved advertising for a consultant, preparing a scope of works, and working closely with the Department of Communities to ensure content of the study would meet the requirements of the pilot program. This saw very strong linkages develop between the **Community Bank**[®] and Government Departments. Everyone was doing their utmost to ensure Mareeba was chosen – as this would have positive outcomes for the Department of Communities in Cairns and the local Service Providers. The Bank provided their Assistant Secretary to co-ordinate and organise the project which involved considerable time and it was due to this initiative that the project was able to meet the application deadlines.

It also saw strong linkages develop with the local Council – as they were nominated to administer the project due to the amount of money involved. The Government process was not in favour of a Not for Profit entity being responsible for such a large sum, and were looking for a sound governance structure.

The outcome of the process was that Mareeba was the successful applicant chosen as the rural location for the pilot 'Street to Home' program that attracted \$1.4 million over two years to our town. We were euphoric. It was such an achievement against all odds and the result did not come from just the provision of funding – but of the process that the Board undertook to facilitate all involved.

To date the program has seen over 500 people participate in the program, which involves 280 families. The success of long term tenancy is still being determined, but certainly the violent alcoholic incidences in town, the youth crime against business and rough sleeping have been significantly reduced. Local Service Providers are now working together with clients to improve outcomes.

Once the final agreements were signed with the Government the Board took a step back. They had achieved the objective and it was not up to the Agencies to pick up the Street to Home program and make it work. The Board continues to support the Mareeba Homelessness Reference Group through lobbying for continued funding and attending occasional meetings to keep abreast of what is happening in this area.

Homelessness Project Outcome Summary:

- The capacity of the **Community Bank**[®] Board to address an overwhelming and serious community issue.
- The establishment of a Mareeba Homelessness Reference Group that brought Government Agencies and Service Providers together to find a solution to a serious community issue.
- This group still meets to this day and have now developed a Homelessness Strategic Direction Action Plan.

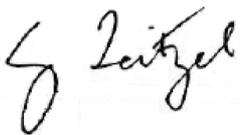
- The relationship that developed between Government Agencies and local Service Providers was significantly strengthened through this project enabling a more conducive partnership that will continue to deliver outcomes into the future
- The collaboration of local Service Providers to work together with clients to achieve better outcomes which continue to grow today.
- The Bank promoted the project within the Community as one of its key outcomes for that year which raised awareness of the issue in our community.
- The project raised the profile of what can be achieved by **Community Bank**[®] Boards – they are neutral and have no hidden political agendas – and they have funds that can leverage Government investment to ultimately bring about better and greater outcomes.
- The project raised the profile of the **Community Bank**[®] model in sectors that the Bank had not previously associated with. This also led to improved business outcomes at the branch.

In summary I would like to reinforce that Community Banks are not just about sponsorships and grants. Homelessness Project required only \$15,000 for the Feasibility Study and administrative support through the Assistant Secretary

Our **Community Bank**[®] Board was very pleasantly surprised at the outcomes that we were able to achieve through this project and the partnerships that have been established. Our involvement has opened opportunities for the Board, for those working in these sectors, and for the community at large.

Additionally these projects show that **Community Bank**[®] Boards and branches can also provide support for Governments to work in partnership with communities.

Yours sincerely,



Gilbert Teitzel
Chairman
Mareeba and Dimbulah Financial Services Ltd



All correspondence addressed to:-

Adelaide Plains Financial Services Ltd

PO Box 942, Virginia, SA, 5120

Virginia & Districts Community Bank

Phone - 08 8380 8491

Elizabeth Community Bank

Phone - 08 8255 7713

To the Financial System Inquiry Panel,

I am writing on behalf of the *Adelaide Plains Financial Services Ltd*, in my capacity as *Chairman*, to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our community's association with Bendigo Bank.

Adelaide Plains Financial Services Ltd started its operation with Bendigo Bank® in July 1999 when all banking services were withdrawn from our town. The withdrawing of financial services threatened the viability of our community as our stores and services would struggle with lost clientele, as customers used services elsewhere. It was at this point the community engaged the services of Bendigo Bank® to establish a Bendigo Community Bank in our town.

Since the opening of this Bendigo Community Bank we have returned **\$1.2 M** to the community in sponsorships, grants and major building projects. These include infrastructure projects such as commercial kitchen for a local sporting complex, a complete change rooms and sporting complex with social meeting rooms for combined sporting groups. These facilities have enabled the community to remain in our town for all their sporting needs and it is great to see these memberships increasing because we have the facilities to attract sporting bodies to remain in our community. These facilities have been able to be established because of the relationship between the Bendigo Community Bank and the community associations, local councils and government.

I believe that the establishment of the Bendigo Community Bank has strengthened the community by bringing a culture of collective involvement and compassion to help each other and reinforces the attitude that as a community combining together we can achieve great outcomes.

The Bank is very well respected for not only supplying financial services but for the social and tangible additions that it has been able to achieve over the last 15 years of operation. Staff and board members are very proud of the achievements and acknowledge that it is all only possible because of the partnership with Bendigo and Adelaide Bank.

Thank you for your consideration.

A handwritten signature in blue ink, appearing to read "Dennis Cook", with a horizontal line underneath.

Dennis Cook
Chairman

To the Financial System Inquiry Panel

I am writing on behalf of the *Goolwa & District Community Bank*, in my capacity as *Chair of the Board of Directors* to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our community's association with Bendigo Bank.

Our community bank opened in May 2012 after approximately 3 years spent in establishing the community enterprise. Goolwa was experiencing, like everyone else, the impact of the GFC and more importantly 10 years of drought. The consequences of the latter resulted in the drying up of the lower lakes, marinas and jetties high and dry, small business decline and a general loss of spirit amongst the community. The sense of powerlessness was palpable.

The establishment of a community bank with the assistance of Bendigo Bank and Alexandrina Council was seen as a significant means of reinstalling a sense of pride and ownership in the community as well as providing a means of investment in community activities.

In the 3 years of operation we have reinvested over \$90K into the community and after the local council we are the major investor in the community. The Community Strengthening Index (developed by an independent body for community bank use) modelling indicates that approximately \$40K of our investment is returning more than \$2 for every \$1 invested.

Examples of some of our funded activities include:

- Major sponsor of our local Football, Netball & Tennis Clubs
- Major sponsor of our Community Radio
- Providing fresh fruit and vegetables weekly to our pre-school children
- Contributing to fuel and maintenance costs of:
 - A community bus for 2 small towns which don't have public transport
 - Vehicle for the transport of cancer patients for cancer treatment

We have also partnered with the local:

- Rotary Club to provide a trailer and equipment for our St John's ambulance service
- Business Association in providing a seminar series for our local businesses in "How to grow your business by....."

We are currently in discussion with Alexandrina Council with a view to jointly providing a seminar series for community groups on "How to improve your governance practices by.....".

Evidence that our community bank is assisting to meet the needs can be seen in the number of requests for sponsorship and grants we receive. We are looking forward to the time when our customer base is such that we can respond favourably to all the requests.

Our increasing customer base is evidence that people in our community are recognising that Bendigo Bank is more than a bank. Through our community bank it provides a means of increasing, thereby strengthening our social and economic capacity.

Thank you for your consideration.



Carol Gaston AM
Chair, AlexInvest Community Services Limited
T/A Goolwa & District Community Bank

17/03/2014

To whom it concerns re:

Port Lincoln Community Bank Branch of Bendigo Bank

Port Lincoln is an important regional city of 14,000 residents and is perhaps the nations biggest combined agricultural and fishing centre. Traditionally locally owned businesses have been the backbone of commerce in our city but in recent years large corporations have come to dominate this aspect of our society. The prosperity of our community has been seriously affected as locally owned small businesses have found it difficult to compete.

The instigation of a Community Bank has been an incredibly successful means of empowering the local community to not only retain some of these otherwise lost funds but more importantly to have a say in how those funds can be used to best support the community.

We raised \$900,000 from 265 local investors 6 years ago to set up a company that has the franchise with Bendigo Bank Limited to conduct banking business.

As half of all banking profits are returned to the community we have attracted considerable business away from the large banks whose profits exported.

We estimate that our community is already well over \$1million better off and as our business is growing rapidly we expect to be returning considerably more in the future. Our community forum and our grants processes have ensured that locals make the decision on how our profits are invested.

Some of our contributions include:

- * A community vehicle for use by the local red cross.
 - * A vehicle for use in training young learner drivers.
 - * \$50,000 towards a palliative care facility.
 - * A new digital projector to enable West Coast Youth Support Services to continue to run our only picture theatre.
 - * We have a very harmonious relationship with our local council and have provided \$20,000 towards a feasibility study for a new swimming pool. We have also set up a pledge process to raise funds for this project and promised \$100,000 towards it.
- There are many other beneficiaries of our grants and sponsorships too numerous to mention here.

The significance of the Community Bank model should not be underestimated in its ability to empower local communities.

In this era of large corporate domination of commerce the Community Bank model offers a unique opportunity for local communities to reverse the drain of capital and become more self sufficient.

Pat Callaghan

Chairman, Port Lincoln Community Enterprises limited



rupanyup minyip
finance group

Mr David Murray AO

Chairman

Financial System Inquiry Panel

Canberra ACT

March 21 2014

To the Financial System Inquiry Panel,

I am writing on behalf of the Rupanyup / Minyip Community Bank Branches of the Bendigo Bank in my capacity as Director, to support Bendigo Bank's submission to the Financial System Inquiry, and outline the benefits that have been derived from our community's association with Bendigo Bank.

As the first Community Bank in Australia in 1998, Rupanyup and Minyip communities have a strong and lasting relationship with Bendigo Bank.

As the major banks closed branches and transferred account to Horsham 45 kilometres away, the community felt betrayed and devalued. Bendigo Bank and the community bank concept provided them with hope and banking services.

The two communities of Rupanyup and Minyip pledged over \$400,000 to establish the first community bank branches in their respective towns.

With over \$800,000 invested in the local area our local community bank branches have supported the communities since inception. This support (sponsorship and project funding) has provided a range of programs, equipment and facilities to our community that would otherwise not have been forthcoming.

Major projects include the Rupanyup Community Centre (jointly funded with State and Federal Government funding) and the Dunmunkle Health Services Community Bus. We have provided our local health services with funding for equipment purchases and volunteer recognition programs.

Our community banks have provided financial support to schools and kindergartens for capital works, purchase of equipment and the conducting of training programs including student leadership and driver education. We have provided scholarships to support our young people attending university as well as recognising academic achievements at the local college. School sporting teams have received funding for uniforms and equipment.

We have provided local sporting groups with funding for facility improvements and upgrades including resurfacing of playing surfaces. We have provided funding for local junior football and netball clubs as well as jointly sponsoring with other community banks, the major regional football /netball league.

Community events including music festivals, local agricultural shows and sporting carnivals have been sponsored. Community assets such as local halls and the RSL sub-branch have been funded for capital works and improvements.

The inception of community banking in 1998 and then our growth phase saw the beginnings of an extended and enduring drought in our region lasting over 10 years until mid 2010.

During this drought, farm incomes were drastically lowered and community fundraising severely hampered. The community bank and its sponsorship and project funding provided significant financial injection into our community. This support gave impetus to community groups to consider and begin community projects and events. The community bank built on the resilience of the community, providing not only the finance but also the opportunity for the community to unite for a common purpose. I believe that the community bank in its support of the community organisations during this time helped the community cope with the impact of the drought on the mental and physical wellbeing of our community.

Bendigo Bank is viewed in our community as our bank. The community have ownership of the local community bank branches and having been in existence for nearly 16 years, we are an integral piece of the community fabric.

The community bank provides employment and training for local people who may not otherwise have had the opportunity. This training and employment has a positive flow on effect into community organisations.

Roadside signs entering the township of Rupanyup proudly identify the town being the first community bank in Australia. The two towns of Rupanyup and Minyip are immensely proud of their community bank branches. They are an essential and major entity in the towns.

Thank you for your consideration.



Gary Bourke

Director : Rupanyup Minyip Finance Group

Rupanyup / Minyip Community Bank Branches of the Bendigo Bank

14th March 2014

Mr David Murray AO
Chairman
Financial System Inquiry Panel
CANBERRA ACT

Dear Mr Murray and Panel

I am writing on behalf of the Collie Community (Bendigo) Bank in Western Australia, in my capacity as Chairman of the Board of Directors, to support Bendigo Bank's submission to the Financial Service Inquiry, and outline the benefits that have been derived from our Collie community's association with Bendigo Bank.

Our Community Bank commenced operations in Collie in 2001 simply due to dissatisfaction at that time with the performance and attitude of the other major banks operating in our town. Those other banks were not 'tuned' to the needs of our community of over 9,500 residents in areas, for example, access to a bank manager and operating hours suitable to the needs of our community. Our Community Bank brought back into the Collie community a resident and readily available bank manager and introduced operating hours on Saturday mornings to attend to the needs of a community operating with changing work/shift patterns in an industrial town. Our community appreciated this 'fresh' approach and said so loudly and clearly by providing great support to what the founding Directors had established - account numbers grew steadily (and continue to grow today), and businesses had, at last, the opportunity to sit down face-to-face with a bank manager who could discuss their needs (as opposed to the alternative of having to conduct their business needs in Bunbury or perhaps even Perth which is both time and distance challenging for busy business proprietors). The community bank model has been hugely successful in Collie and mainly for the reasons that it is viewed as local, engaging and empathetic to community needs, and has the ability to assess and decide locally.

The Collie Community (Bendigo) Bank has since its inception invested over \$2.5 million back into the Collie and surrounding districts with these investments assisting : our local hospital to purchase much needed medical equipment, our recently opened new 64 bed aged care residential facility with its furniture fit-out, sporting and community groups to purchase equipment, counselling services to deliver their much needed services locally, investment in our youth by way of tertiary scholarships and read/write programs in primary schools to help children struggling in this area, regionally in providing funding towards the new heart and cancer medical facilities in the regional city of Bunbury, the provision of funding towards a wonderful new Ronald McDonald House in Perth for families of sick children needing medical attention only available in our capital city, investment in community and business infrastructure in our town, and so our list could go on!

What has all this meant to Collie? We have helped to build both our social capital and our community infrastructure which otherwise may not have been possible. We have provided the opportunity for others to leverage off of our financial input and to illustrate in but two significant projects, our community bank's contribution of \$40,000 towards the Collie Chamber of Commerce and Industry proposal to purchase (at a cost of \$240,000) their own property has now provided a premise where other service businesses (accountants, financial planners, alumina company, etc) have established offices – we have helped to grow our business service industry base. Our local Shire of Collie had 'earmarked' funds towards a new Art Gallery for the express purpose of

promoting arts and culture within our community but the allocated funds were not sufficient to bring the project to fruition. Our community bank recognised that arts and culture have sadly lacked for a long time in Collie and stepped in with a contribution of \$500,000 and this will now make this much needed facility a reality for our town. Our partnerships with business and local government have helped our community to grow and it would be fair to say that without such help and financial support from our community bank these projects would not have materialised.

The Collie Community (Bendigo) Bank has not only concentrated its activities within the boundaries of the Shire of Collie, it has expanded its financial contributions into our neighbouring areas of the Shire of West Arthur and Shire of Boyup Brook. We have provided financial assistance to these small communities which has enabled them to develop new sporting facilities, provide vital equipment for their ambulance services, and engage in community festivals and events – all being essential to the well-being of these small rural communities.

Our community bank was established with one of its prime considerations being a local business working for the improvement of our local community and to this time we believe we have succeeded immensely. Without the financial contributions injected into our community the results that we see today simply would not have occurred. The Collie community appreciates what the community bank has provided and demonstrates this support by way of the increasing business moving through our local bank and this in turn can only provide more opportunities to grow and empower our community at the grass-roots level.

On behalf of my Board of Directors I thank you for the opportunity to demonstrate the value and importance our community bank has brought to the community of Collie and to our other surrounding rural communities as well.

Yours sincerely

Ian Miffling
BOARD CHAIRMAN