

FIT FOR THE FUTURE COMMUNICATIONS STRATEGY

PROPOSAL

Cootamundra and Harden councils have been in discussion and working together for the past six months to respond to the NSW Government's 'Fit for the Future' local government reform agenda. This has resulted in a joint decision to prepare a merger proposal to create a new council incorporating the present Cootamundra and Harden councils. The Communications Strategy used throughout this process was as detailed below.

Cootamundra's Community Vision:

*It is 2023 ... Cootamundra is a thriving, lively Shire of around 8,000 set within a **picturesque rural environment**. Its **people have chosen to live** here because of the **community spirit**, the **prosperous economy**, **the affordable lifestyle**, **the rural setting**, **the different choices of lifestyle**, **the health, education, cultural and retail services**, and the easy access to Canberra, Sydney, Melbourne, the mountains, the outback and the coast.*

See

Harden's Community Vision:

*Harden Shire will remain a **great place to live**, with **caring, safe and secure communities** supported by a **vibrant economy**, where residents continue to experience a **satisfying quality of life** in an **attractive and sustainable environment**.*

STAKEHOLDERS

Cootamundra Shire Council – 9 Councillors, Executive and Staff

Harden Shire Council – 7 Councillors, Executive and Staff

Regional Partnerships

Cootamundra Shire and Harden Shire Council Communities

SCOPE

This document will be developed as a living entity through inception to proposed new Council. Alterations will be completed as necessary throughout the process.

OBJECTIVES

1. Our communication is planned and pro-active
2. Our messages are clear, concise and easy to understand
3. We provide our community with opportunity to express their views and have input into our strategies
4. Our internal communications are open and engender trust amongst employees and Councillors
5. Quality communications with Regional Partners to foster continued strong relationships

COMMUNICATIONS STRATEGIES AND TIMELINES

Councillors and Council senior staff are fully briefed on the proposal and are well equipped to speak with members of the community on the issue.

COUNCIL MEETING REPORTS

Council conducts its business and decision-making in formal Council meetings held monthly. Reports on Fit for the Future proposal will be reported and moved at these meetings held in open session.

INTERNAL STAFF MEETINGS

Periodic Staff meetings are to be held to keep all members of staff informed of the progression of the Fit for the Future process. Staff members are encouraged to voice opinions during these meetings.

The Consultative Committee is designed to provide a forum to meaningfully discuss issues where staff and their representatives have a voice that ensures effective involvement through consultation, participation and discussion of significant organisational change.

MEDIA RELEASES DISTRIBUTION

Media releases will be distributed on a regular basis communicating to the community where the proposal is up to, presenting key dates, reminders of public comment and transparent decision making. The media releases will be distributed to:

COOTAMUNDRA

Minister for Local Government - 'office@toole.minister.nsw.gov.au';

Daily Advertiser <news@dailyadvertiser.com.au>;

ABC Radio Riverina <wagga.regional@abc.net.au>;

fletcher.doherty@prime7.com.au';

Angus.Taylor.MP@aph.gov.au';

Douch, Frances (A. Taylor, MP <Frances.Douch@aph.gov.au>;

Ireland, Maree (A. Taylor, MP)' <Maree.Ireland@aph.gov.au>

Katrina Hodgkinson <burrinjuck@parliament.nsw.gov.au>;

primetv@primetv.com.au';

wagnews@winns.com.au';

REROC Councils

Julie Briggs' <jbriggs@reroc.com.au>

HARDEN

Benjamin Conkey - news@swsradio.com.au
Cootamundra Herald - jennette.lees@fairfaxmedia.com.au
editorial@twintowntimes.com.au
hayter.melinda@abc.net.au
jacinta.dunbar@fairfaxmedia.com.au
Lemke.Laetitia@abc.net.au
Manager Southern Weekly - mail.southernweekly@ruralpress.com
news@2lf.com.au
Ron Spelman ronspelman@bigpond.com
Ron Spelman ronspelman@home.netspeed.com.au
wagga.newseditor@prime7.com.au
wollnews@winns.com.au

SOCIAL MEDIA POSTS

Articles will be posted on Facebook to further the distribution of information.

MEDIA REPORTS / ARTICLES

Detailed list of media reports featured in Newspapers, TV and Radio articles will be included.

COMMUNITY INFORMATION FLYER

Distribution of an information package to every household and absentee ratepayer in both Shires will commence week commencing 11 May 2015. The information package will outline the merger proposal and asks for constructive input from the community.

WEBSITE DEVELOPMENT

A designated page to be developed on each Council's website with option/ability for public comment.

<http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx>
<http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>

PUBLIC CONSULTATION MEETINGS

Public meetings will be held throughout the process to gauge community interest and response.

The outcome of the consultation process will be reported to meetings of both Councils in June, following which, the merger proposal will be submitted to the State Government for approval.

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COUNCIL MEETING REPORTS

COOTAMUNDRA

September 2014	Council Meeting	Fit for the Future, Riverina Pilot Joint Organisation
October 2014	Council Meeting	Fit for the Future
January 2015	Council Meeting	Fit for the Future – Rural Councils
March 2015	Council Meeting	Fit for the Future – Proposal to Investigate Merger Riverina Pilot Joint Organisation Charter
May 2015	Council Meeting	Fit for the Future – Public Exhibition of Merger Proposal
June 2015	Resolution to submit Merger Proposal	

FIT FOR THE FUTURE, RIVERINA PILOT JOINT ORGANISATION

Cr Braybrooks declared a non-pecuniary interest as Chair of REROC and left the room and took no part in the discussion or voting of this item.

Introduction

On 10 September 2014 the NSW State Government released 'Fit for the Future, Joint Organisations, A roadmap for intergovernmental collaboration in NSW'.

To quote the document:

Joint Organisations are a key part of the Fit for the Future reform package, providing a forum for local councils and the State to work together to deliver the things that matter most to communities.

Joint Organisations will support councils in regional areas to become Fit for the Future, alongside the other structural changes and improvements recommended by the Independent Local Government Review Panel.

Discussion

The NSW Government is now seeking approximately four Pilots, or groups of councils from regional NSW with a good track record in working together, to help co-design and pilot a robust yet flexible model for Joint Organisations. Councils are encouraged to submit Expressions of Interest (EOI) as soon as possible.

The pilot will be conducted in a collaborative way over the next 12-18 months between the State Government and regional Pilot Joint Organisations, with involvement from the Department of Premier and Cabinet, Office of Local Government, other State agencies and relevant local government regions.

Last year REROC put forward the REROC model for a Strategic Regional Council to the Panel which the membership had developed and adopted. REROC are now suggesting that this be the foundation upon which REROC build an EOI to become a pilot JO based on the model that both the membership and the OLG are already familiar with.

REROC has asked that each member council prepare a Letter of Commitment for the JO Expression of Interest and send it to REROC before the end of the September.

RECOMMENDATION

That Council advise REROC that it wishes to be included in the Riverina pilot Joint Organisation and encourage REROC to prepare an appropriate EOI based on the previous REROC Strategic regional Council model proposals.

01/10/14

RESOLVED – Moved: Slattery Seconded: Phillips

That Council advise REROC that it wishes to be included in the Riverina pilot Joint Organisation and encourage REROC to prepare an appropriate EOI based on the previous REROC Strategic regional Council model proposals.

Cr Braybrooks returned to the meeting.

FIT FOR THE FUTURE

Introduction

On 10 September 2014 the NSW State Government released:

1. **'Fit for the Future, A Blueprint for the future of Local Government'**,
2. **'Fit for the Future, Joint Organisations, A roadmap for intergovernmental collaboration in NSW'**, and
3. **'Fit for the Future, A roadmap for Stronger, Smarter Councils'**
4. **'Fit for the Future, NSW Government Response'** (to the Independent LG Review Panel and LG Acts Taskforce)

These four documents can be found at:

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-A-Blueprint-for-the-future-of-Local-Government.pdf> **Tabled Document 1 October 2014 (Pages 1 – 16).**

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-Joint-Organisations-A-roadmap-for-intergovernmental-collaboration-in-NSW.pdf> **Tabled Document 2 October 2014 (Pages 17 – 31).**

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-A-roadmap-for-Stronger-Smarter-Councils.pdf> **Tabled Document 3 October 2014 (Pages 32 – 46).**

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/NSW-Government-Response-Panel-and-Taskforce-recommendations.pdf> **Tabled Document 4 October 2014 (Pages 47 – 67).**

In relation to the second of these documents Council, at its 15 September 2014 meeting, considered a Mayoral Minute discussing the potential for REROC to submit an Expression of Interest in becoming a Pilot Joint Organisation, and resolved the following:

That Council advise REROC that it wishes to be included in the Riverina pilot Joint Organisation and encourage REROC to prepare an appropriate EOI based on the previous REROC Strategic regional Council model proposals.

This report focuses primarily on the third document **'Fit for the Future, A roadmap for Stronger, Smarter Councils'**, as it relates to Cootamundra Shire Council.

General Discussion

The **'Fit for the Future, A roadmap for Stronger, Smarter Councils'** document is interspersed with five quotations which the writers appear to consider are the crux of the Government's position in relation to the future of local government in NSW. These are worth considering and as with any well written document the first highlighted statement can be assumed to be the most important. In fact, the basic premise of the suite of Fit for the Future (FFTF) documents can be summed up in the first of these quotations, not attributed and as such direct from the Government.

'We need smart, modern local councils that can work with the State to deliver the housing, jobs and transport people need.'

The underlying desire of the Government is that councils will partner with the State to provide services to communities which have traditionally been in the sphere of the State, rather than the sphere of local government. This is not to say that the State will become more actively involved in the local activities of councils; rather that councils will become more involved in the delivery of State services. Equally it is not to say that Councils will cease or reduce their traditional services. This desire for greater council involvement with State service delivery is also a theme in the document, **'Fit for the Future, Joint Organisations, A roadmap for intergovernmental collaboration in NSW'**.

The second quotation, from the NSW Treasury Corporation, sums up the critical and most persistent issue facing local government and is an acknowledgement by the State of the lack of independent financial capacity in local government.

'Securing local government's financial capacity and sustainability is the fundamental pre-requisite for all other moves to enhance its strength and effectiveness.'

Regardless of how councils came to be in the financial position they are at present all councils would be in full agreement with this statement, and in full agreement with the proposition that to be Fit for the Future councils need to be properly resourced. Whilst the FFTF proposals do suggest some changes to rate pegging, a new and beneficial borrowing facility and some changes to Financial Assistance Grant allocation these will not adequately address the issue of funding for councils.

The third quotation comes from the Independent Local Government Review Panel (the Panel) and while emphasising the necessity for more strategic and long term planning relates to a more traditional local government operations focus.

'There is a need for councils to shift their focus towards a more strategic view of their operations; to have the ability to respond to the diverse and changing needs of different communities; and to take on new functions or deliver improved services in order to meet those needs.'

Again all councils would agree with the sentiment expressed and many would argue that longer term and more strategic planning is now the norm for councils, and that the changes in emphasis, roles and functions demanded by communities have been accepted and provided for by councils over the last decade.

The fourth quotation, and the most significant for this Council, comes from the Independent Pricing and Regulatory Tribunal (IPART), who state that,

‘Being of the right scale is a key component to having strategic capacity as it will enable councils to benefit from economies of scale and scope and be better able to provide infrastructure and services to their communities.’

This statement sets the scene for a proposed future which depend on all councils having a minimum population of 10,000 plus persons. Whilst this is an arbitrary number it is the number chosen by the Government as the starting point for the reform of councils.

The documentation makes it clear that unless a council has a population of 10,000 plus persons it cannot be considered as Fit for the Future and will be relegated to the lower status of a Rural Council. At this stage a Rural Council has not been fully defined however the suggestions of the Panel on which FFTF is based suggest that a Rural Council will be a council in name but in reality more akin to a community board than a general purpose council as it is presently constituted.

The fifth and final quotation also comes from the Government and reinforces the fourth quotation above.

‘The Independent Local Government Review Panel recommended a range of structural solutions for councils across NSW, based on its extensive consultation and research. The NSW Government therefore welcomes Fit for the Future proposals broadly in line with these recommendations.’

In the case of this Council those recommendations were initially:

‘Group F includes 14 councils with projected 2031 populations between 5,000 and 10,000. In some cases (generally where projected populations exceed 8,000) these councils may well be able to continue as ‘stand-alone’ entities for several decades to come. However, most need to consider whether a merger could improve their sustainability and build strategic capacity. They should all be kept under review to ensure that they remain sustainable and are able both to provide an adequate range of local services, and to work effectively as a full member of a Joint Organisation (although all will benefit from resource sharing and exchange of technical expertise within the JO). A formal review of the progress made by each of these councils, including whether a desirable merger has been completed, should be scheduled for no later than 2021.’

This was then translated by the Panel into specific recommendations for Cootamundra:

‘Council in Riverina JO or merge with Junee’

The FFTF proposals have varied the population numbers used by the Panel as a minimum for a Rural Council from 5,000 to 10,000. In so doing the FFTF proposals are pushing Cootamundra to merge with at least one neighbouring Council if Cootamundra wishes to remain part of a 'real' Council and not be relegated to the lesser Rural Council status.

Timeframe

October 2014	2 weeks	Self Assessment - Council receives a template and reviews its current position.
By June 2015	8 months	Prepare a Roadmap - Council prepares a roadmap to become Fit for the Future using template supplied.
By December 2105	14 months	Review - The roadmap is reviewed by an expert panel and Council receives feedback. The Panel makes recommendations to the Minister.
March 2016	17 months	Implementation - Council begins to implement its roadmap using the funding package available.
September 2016	22 months	Election – newly formed council

Funding Available

The Government is offering untied funding to assist with the inevitable costs associated with a merger. For non-metropolitan councils this will be a grant of \$5 million for any two councils merging, a grant of \$11 million for any three councils merging and a grant of \$13.5 million for any four or more councils merging.

From an economic perspective this will be of most value to smaller council with low debt and reasonable assets where three councils chose to merge.

The Office of Local Government (OLG) will provide \$ for \$ funding at the investigation stage to assist with the assessments leading of whether to merge and with whom. If a decision to merge is included in the Roadmap report by 30 June 2014 the OLG will fully fund access to skilled facilitators to assist in implementation.

FFTF councils will also have access to borrowing facilities through the NSW Treasury Corporation using the AAA rating of the State. This could provide a reduction of between 1.5 – 2.0% in interest rates over the standard banking rate.

Once Council is classed as Fit for the Future it will also have access to a new streamlined IPART process for rate increases above the rate pegging level. This facility will commence on 1 July 2015.

Fit for the Future Process for CSC

There are four parts to the Fit for the Future process:

1. Self-assessment
2. Preparing a roadmap
3. Review
4. Implementation

Self-assessment will commence in October 2014 with a Self-Assessment tool being provided by the Office of Local Government (OLG) to allow an assessment of Council's present position against the FFTF criteria.

There are four essential criteria within the Self-assessment that need to met:

- 1.1 Scale and capacity
- 1.2 Sustainability
- 1.3 Efficiency and effective services
- 1.4 Infrastructure

1.1 Scale and capacity

The Government are providing two options for Cootamundra at this point.

Option 1 – Council Merger

This will be necessary to overcome the first hurdle for this Council if it wishes to remain a 'real' Council, as the FFTF document states that,

'Councils with a current, or projected population under 10,000 will be invited to work with the NSW Government in developing a new Rural Council Model.'

In order to reach the 10,000 population Council will need to commence and continue discussions with any or all neighbouring councils regarding the potential for amalgamation. Councils neighbouring Cootamundra are Junee, Gundagai, Harden, Temora and Young.

Council has the option to submit any potential merger and is not constrained by the original Panel suggestion of a merger with Junee. Council is able to discuss the potential for a merger with any one or any combination of the surrounding councils.

Option 2 – Accept Rural Council status

‘Consideration of scale and capacity will be the starting point, based on the Independent Panel’s recommendations for your council. Councils may submit proposals for scale and capacity that are different to the recommendations made by the Panel, so long as they are broadly consistent with the Panel’s recommendations. Councils will not need to address the other three criteria until they have made the changes to have the right scale and capacity.’

As stated in the preceding quote Council will only need to address the Scale and Capacity criteria by 30 June 2015 if Council opts for a merger leading to a population of greater than 10,000.

However, Council also has the right to put forward the argument that it is FFTF at its present size. If Council were to choose this option it would be required to complete the assessment of criteria, 1.2 Sustainability, 1.3 Efficiency and effective services, and 1.4 Infrastructure, by 30 June 2015.

A quick assessment of the criteria indicates that Council would not be able to sustain that argument and would not be able to meet all of the criteria in that assessment and would not achieve FFTF status. This would result in Council being relegated to the lower Rural Council status.

Whilst the final detail of a Rural Council has not been determined the FFTF documents indicate that the final Rural Council will be *‘built on the model recommend by the Panel.’*

The Panel have suggested:

<i>Box 33: Proposed Features of a ‘Rural Council’</i>
<ul style="list-style-type: none"><i>• A strong focus on maintaining local service delivery and quality of life, enabling and supporting community efforts</i><i>• A maximum of five councillors, including the mayor</i><i>• A reduced number of full council meetings – no more than six each year – and a very limited committee structure, if any</i><i>• Either a fully shared administration with an adjoining council, or extensive resource-sharing as part of a Joint Organisation in order to minimise requirements for senior staff and greatly reduce administrative overheads</i><i>• Simplified regulatory, compliance and reporting requirements under both the local Government Act and other relevant legislation (eg the new Planning Act)</i><i>• Regulatory responsibilities handled largely by arrangement with a regional centre or other partner council having the necessary expertise</i><i>• Modified Integrated Planning and Reporting and internal audit requirements consistent with a small population and budget.</i>

Conclusion

Council will need to be Fit for the Future in order to retain its status as a Council and to gain the benefits available to Fit for the Future Councils proposed to be offered in future.

Council will need to engage in conversation and discuss the two available options for with the community; those being Rural Council status or amalgamation.

Council only has one option if it wishes to retain 'real' Council status, that being an amalgamation which achieves a scale of over 10,000 population.

Given the short time frame available to undertake the initial assessment and prepare a Roadmap for the future, Council needs to immediately engage some or all of its neighbouring councils in a conversation around the Fit for the Future reform package.

RECOMMENDATION

That Council contact its neighbouring councils and seek a dialog around the Fit for the Future reform package.

02/10/14

RESOLVED – Moved: Braybrooks Seconded: Donnelly

That Council contact its neighbouring councils and seek a dialog around the Fit for the Future reform package.

FIT FOR THE FUTURE – RURAL COUNCILS

Introduction

On 16 December 2014 the Office of Local Government (OLG) released the document 'Fit for the Future, Rural Councils, Workshop outcomes.' A copy forms **TABLED DOCUMENT (1) JANUARY 2015 Pages 1-17.**

The document outlines the OLG thinking on Rural Councils based on the two workshops held in early November to which Councils of under 10,000 population, including Cootamundra, were invited and asked to detail what they considered would be a workable Rural Council model.

Discussion

The document has been circulated by OLG prior to OLG's planned release of a final Rural Council Template in late January 2015.

The document is not overly helpful in anticipating the final Rural Council Template as it does not really indicate specifically what a Rural Council would be required to lose in relation to a full council to achieve Rural Council status.

The document does give six broad options for the structure and operation of a Rural Council (pages 12-14) and indicates that a council would need to adopt at least two of these to be considered for Rural Council status. On the surface these are not particularly onerous and many councils would be able to adopt a selection of these criteria with a minimum change to their present operations, particularly through the continued use of ROCs and a Joint Organisation.

Despite councils of under 10,000 population having been included in the Rural Council considerations to date, the reality is that the Rural Council characteristics, as detailed on pages 9-11, are really aimed at the lower end of the scale, councils under 5,000, as was anticipated in the original Independent Local Government Review Panel Report.

The Rural Council characteristics are open to interpretation depending upon what outcome is desired. It would be possible to fit Cootamundra into each of the first eight characteristics. However, it would be equally valid to argue that Cootamundra does not really fit any of the characteristics based on its past history and present position.

Whilst Council should not disregard the Rural Council option until it has assessed the final Rural Council Template, it does appear that a Rural Council will not be a realistic option for Cootamundra.

RECOMMENDATION

That the information be noted.

01/03/15 RESOLVED – Moved: Slattery Seconded: Chalmers

That the information be noted.

MARCH 2015 COUNCIL MEETING

FIT FOR THE FUTURE - PROPOSAL TO INVESTIGATE MERGER

Introduction

On 10 September 2014 the NSW Office of Local Government (OLG) released a suite of Fit for the Future (FFTF) documents:

1. 'Fit for the Future, A Blueprint for the future of Local Government', <http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-A-Blueprint-for-the-future-of-Local-Government.pdf>
2. 'Fit for the Future, Joint Organisations, A roadmap for intergovernmental collaboration in NSW'. <http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-Joint-Organisations-A-roadmap-for-intergovernmental-collaboration-in-NSW.pdf>
3. 'Fit for the Future, A roadmap for Stronger, Smarter Councils'. <http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/Fit-for-the-Future-A-roadmap-for-Stronger-Smarter-Councils.pdf>
4. 'Fit for the Future, NSW Government Response'. <http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/NSW-Government-Response-Panel-and-Taskforce-recommendations.pdf>

At its 13 October 2014 meeting Council considered the content of these initial FFTF documents and as a result passed the following resolution:

'That Council contact its neighbouring councils and seek a dialog around the Fit for the Future reform package.'

Council subsequently contacted all of its neighbouring councils resulting in the following:

- Harden – two informal meetings with Mayor & GM, second meetings between both full councils, various staff interactions (meetings between both full councils held earlier)
- Gundagai – one informal meetings with Gundagai and Harden Mayor & GM, various staff interactions
- Junee - one informal Mayor & GM meeting, various staff interactions
- Young - various staff interactions
- Temora – no response

On 31 October 2014 the OLG released the first two of three templates to be used by councils in making submissions to the FFTF 'Independent Review Panel' (Review Panel) by 30 June 2015. These were:

1. Council Merger Proposal
<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/FFF%20Council%20Merger%20Proposal%20Template%20FINAL%20AMENDED%20%201630%2014%20NOV%202014.pdf>

2. Council Improvement Proposal

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/FFF%20Council%20Improvement%20Proposal%20Template%20FINAL%20AMENDED%201630%2014%20Nov%202014.pdf>

On 30 January 2015 the OLG released the third template:

3. Rural Council Proposal

<http://www.fitforthefuture.nsw.gov.au/sites/fftf/files/FFF%20Rural%20Council%20Proposal%20Template%20%29.pdf>

Council is required to choose one of these three options and submit the appropriate template by 30 June 2015.

Discussion

Rural Council

Despite councils of less than 10,000 population having been included in the Rural Council Template, the reality is that the Rural Council characteristics, as detailed below, are really aimed at the lower end of the scale, councils under 5,000, as was anticipated in the original Independent Local Government Review Panel (the Panel) Report.

The Rural Council Characteristics:

1. Small and static or declining population spread over a large area
2. Local economies that are based on agricultural/resource industries
3. High operating costs associated with a dispersed population and limited opportunities for return on investment
4. High importance of retaining local identity, social capital, and capacity for service delivery
5. Low-rate base and high grant reliance
6. Difficulty in attracting and retaining skilled and experienced staff
7. Challenges in financial sustainability and provision of adequate services and infrastructure
8. Long distance to a major (or sub) regional centre
9. Limited options for mergers

The Rural Council characteristics are open to interpretation depending upon what outcome is desired and it would be possible to fit Cootamundra into some of the characteristics. However, it would be more realistic to argue that Cootamundra does not really fit the spirit and detail of any of the characteristics based on its past history and present position.

Council would not be eligible to use the Rural Council Template.

Council Improvement Proposal

The Council Improvement Proposal is designed for Councils which already have the required scale and capacity and will not be undertaking a voluntary merger, or adopting the Rural Council model.

The OLG have advised that any council choosing the Council Improvement Proposal needs to firstly consider the recommendations of the Panel as a starting point to a Council Improvement Proposal.

In the case of CSC the Panel recommended, *'Council in Riverina JO or merge with Junee.'*

As such CSC is eligible to put forward a Council Improvement Proposal, which effectively retains the existing Council structure and simply moves towards a FFTF position.

The Independent Pricing and Regulatory Tribunal (IPART) has recommended that councils should address scale and capacity before considering any other criteria. The OLG documentation to date has consistently indicated that a present or future population of less than 10,000 will be unlikely to satisfy the Review Panel that scale and capacity is adequate. Whilst this is a rather arbitrary number it is the number chosen by the NSW Government as the starting point for the reform of councils.

CSC does not have and is not projected to have a population of 10,000 and despite the present reality of slow growth is predicted to have population decline over the next 20 years.

The following extract from the Council Improvement Proposal guidelines provides some insight.

'The Panel carried out extensive research and consultation on the question of scale and capacity and has made recommendations regarding each council in NSW. In making its recommendations, the Panel did not take a one size fits all approach to scale and capacity. It did not set a minimum geographic or population size. It looked at the unique characteristics of each area - geography, economic and transport flows, communities of interest and local identity. The Panel made recommendations to ensure each council was able to meet the key elements of strategic capacity:

- *More robust revenue base and increased discretionary spending*
- *Scope to undertake new functions and major projects*
- *Ability to employ a wider range of skilled staff*
- *Knowledge, creativity and innovation*
- *Advanced skills in strategic planning and policy development*
- *Effective regional collaboration*
- *Credibility for more effective advocacy*
- *Capable partner for State and Federal agencies*
- *Resources to cope with complex and unexpected change*
- *High quality political and managerial leadership*

The starting point for all Fit for the Future proposals is therefore the Independent Panel's final report. These recommendations should serve as a guide for your Fit for the Future proposal. You do not have to adopt the exact recommendations of the Panel (in some cases, several options were presented) but your proposal should demonstrate how your council has scale and capacity.

If the Panel recommended a merger for your council, this should be the first option that you consider. If, after considering all the issues, you believe your council is of the appropriate scale, you should proceed with completing Template 2 - the Improvement Proposal. Your proposal will need to demonstrate why you are not proceeding with the recommendation made by the Panel and show that your council has sufficient scale and strategic capacity.'

Whilst it may be possible to put forward an argument that the present population is adequate to provide scale and capacity this would be a difficult argument to sustain. A consideration of these factors was the basis on which Council made its 13 October 2014 resolution to contact all the neighbouring councils and gauge the appetite of each for the FFTF reforms, and assess the potential for a merger.

Nevertheless, Council needs to undertake some work on preparing a Council Improvement Proposal as insurance against a merger not being possible for any reason.

Council Merger Proposal

Junee

In light of the Panel recommendation, and as noted above, one informal meeting has been held between the Mayor and General Manager of Junee and Cootamundra. During this meeting it was made plain that Junee did not wish to pursue a merger with Cootamundra, and were proposing to complete a Council Improvement Proposal or approach their more convenient neighbour, Coolamon.

Despite this predetermined position a wide ranging discussion was held, covering all aspects of both Junee and Cootamundra's operations. Following this discussion it was mutually agreed that differences in council operation, financial position, geographical separation and minimal community of interest, would make any merger impractical.

Harden

As stated above, Councillors and staff have met with Councillors and staff of Harden Shire Council on two occasions; Monday 8 September 2014 and Monday 16 February 2015.

The first of these meetings was a preliminary discussion seeking to determine whether it was worthwhile exchanging financial and other data and assessing the compatibility of the two councils. This included an initial assessment of the compatibility of each council's:

- Community Strategic Plan
- Long Term Financial Plan
- Asset Management Strategy
- Workforce Management Strategy
- Delivery Program and Operational Plan
- TCorp analysis report
- Infrastructure Audit results
- Local Environmental Plan
- Rating Structure
- Plant usage

As part of this initial meeting the potential to include Gundagai in any future discussion was also canvassed, leading to the meeting between the Gundagai, Harden and Cootamundra Mayors and General Managers, noted above. At this stage Gundagai have opted to remain separate via either a Council Improvement Proposal or a Rural Council Proposal. Nevertheless, both Harden and Cootamundra have indicated that the possibility of including Gundagai in any merger investigation remains open.

Following this meeting, the staff of both councils have exchanged various data in order to gain a better understanding of the background to and position of the other council on a variety of issues.

The second meeting was a more formal meeting at which both councils sought to determine whether to proceed to a formal investigation of a merger. It was determined that there was sufficient commonality and a reasonable possibility of a successful merger to justify a formal investigation of a possible merger.

An initial comparative assessment will be undertaken over the next month, allowing staff to understand the likely financial position of a new council if the present resources are combined, following which community consultation can take place to ensure that all residents of both Shires understand the ramifications of a merger.

RECOMMENDATION

- 1. That Council allocate the necessary resources to fully investigate the potential for a merger with Harden Shire Council in order to make a fully informed determination at the June 2015 meeting whether to submit a Council Merger Proposal.**
- 2. That Council continue to develop a Council Improvement Proposal as a back-up in the event that a merger with Harden Shire Council cannot be realised.**

02/03/15 RESOLVED – Moved: Phillips Seconded: Braybrooks

- 1. That Council allocate the necessary resources to fully investigate the potential for a merger with Harden Shire Council in order to make a fully informed determination at the June 2015 meeting whether to submit a Council Merger Proposal.**
- 2. That Council continue to develop a Council Improvement Proposal as a back-up in the event that a merger with Harden Shire Council cannot be realised.**

FIT FOR THE FUTURE, RIVERINA PILOT JOINT ORGANISATION CHARTER

Introduction

On 10 September 2014 the NSW State Government released 'Fit for the Future, Joint Organisations, a roadmap for intergovernmental collaboration in NSW'.

To quote the document:

Joint Organisations are a key part of the Fit for the Future reform package, providing a forum for local councils and the State to work together to deliver the things that matter most to communities.

Joint Organisations will support councils in regional areas to become Fit for the Future, alongside the other structural changes and improvements recommended by the Independent Local Government Review Panel.

Discussion

REROC requested that each member council prepare a Letter of Commitment for the JO Expression of Interest and send it to REROC which Council resolved as follows to do.

That Council advise REROC that it wishes to be included in the Riverina pilot Joint Organisation and encourage REROC to prepare an appropriate EOI based on the previous REROC Strategic regional Council model proposals.

Subsequently REROC was advised of their success in being selected as a pilot JO and a meeting was held in Wagga in December 2014 with all Council's invited to discuss the way forward.

The REROC executive then met on the 23rd January and the 13th February to discuss the JO pilot at which it was advised that the Office of Local Government required an action plan, JO Charter and Statement of Strategic Priorities by the end of February. The action plan and Statement of Regional Priorities was developed by the executive based on feedback from the December meeting and the Charter from an OLG template.

As the Charter is seen as a blueprint for the JO each Council has been requested to adopt the document and advise REROC of that adoption. The REROC Board met on the 24th February and in discussions on the Charter a number of amendments were adopted to reflect the JO Vision, JO boundaries and voting entitlements which are included in the Charter which forms **TABLED DOCUMENT 1 MARCH 2015 Pages 1-2.**

The submitted action plan and Statement of Strategic Priorities form **TABLED DOCUMENT 2 MARCH 2015 Pages 3-25.**

RECOMMENDATION

That Council adopt the Riverina Pilot Joint Organisation Charter, advise REROC of the adoption and note the action plan and statement of strategic priorities.

03/03/15 RESOLVED – Moved: Phillips Seconded: Palmer

That Council adopt the Riverina Pilot Joint Organisation Charter, advise REROC of the adoption and note the action plan and statement of strategic priorities.

Cr Braybrooks requested it be noted in the minutes that as the Chair of REROC, he can provide additional information in regards to the Riverina Joint Organisation Pilot, as requested.

MAY 2015 EXTRAORDINARY COUNCIL MEETING

FIT FOR THE FUTURE - PUBLIC EXHIBITION OF MERGER PROPOSAL

Introduction

At its 16 March 2015 meeting Council resolved the following:

- 1. That Council allocate the necessary resources to fully investigate the potential for a merger with Harden Shire Council in order to make a fully informed determination at the June 2015 meeting whether to submit a Council Merger Proposal.*
- 2. That Council continue to develop a Council Improvement Proposal as a back-up in the event that a merger with Harden Shire Council cannot be realised.*

Discussion

This resolution came about after the second of two meetings between the full Council's and senior staff of both Cootamundra and Harden (8/8/14 & 16/2/15) during which an assessment of the compatibility of each council's:

- Community Strategic Plan,
- Long Term Financial Plan,
- Asset Management Strategy,
- Workforce Management Strategy,
- Delivery Program and Operational Plan,
- TCorp analysis report,
- Infrastructure Audit results,
- Local Environmental Plan,
- Rating Structure,
- Plant usage,

Which had been made over the previous months by staff from both council's and was presented to the elected members.

Consequent to the 16 March 2016 resolution, Council held a further meeting with Harden Shire Councillors and senior staff on 14 April 2015, at which a full presentation was given by staff indicating all of the potential gains and pitfalls of a merger. This presentation forms **TABLED DOCUMENT 2 EXTRAORDINARY MEETING MAY 2015 (PAGES 2-4)**.

Following the 14 April 2015 meeting Harden Shire formally resolved on 15 April 2015:

1. Council endorse the outcome from the joint Council meeting with Cootamundra on 14 April, 2015 to prepare a joint submission to the Office of Local Government with Cootamundra on the possible merger of Harden and Cootamundra Shire Councils.
2. Council advise Cootamundra Shire Council that the decision in [1] above is based on the following Councillor representation model:

PERIOD	NO. OF COUNCILLORS
<i>Transitional period April 2016-September 2016</i>	<i>9 Cootamundra / 7 Harden</i>
<i>First 4 year term</i>	<i>5 Cootamundra / 5 Harden</i>
<i>Second 4 year term</i>	<i>3 Cootamundra / 3 Harden / 3 Council wide</i>
<i>Third 4 year term</i>	<i>9 Council wide</i>

3. Council endorse the following 'fit for future' engagement strategy;
 - Joint press release from HSC/CSC announcing preparation of merger proposal - 17 April 2015.
 - HSC/CSC weekly press releases announcing progress - 17 April 2015 to 1 May 2015.
 - Extraordinary Council Meeting between Harden and Cootamundra Councils to adopt and exhibit merger proposal – Wednesday 6 May 2015.
 - Mail out to all ratepayers seeking community response - 11 May 2015
 - Public meetings at Harden, Jugiong, Galong and Wombat between 11 May 2015 to 5 June 2015.
 - Public exhibition merger template closing 5 June 2015.
 - Joint meeting of both Councils to consider submissions - 9 June 2015.
 - Meeting to formally submit merger proposal - 17 June 2015.
4. Council notify both Young and Boorowa Councils of this Council's decision to lodge a joint merger submission with Cootamundra to the Office of Local Government.

As per the timeline discussed at the 14 April 2015 meeting Council needs to exhibit its merger proposal from 11 May 2015 until 5 June 2015 in order to fulfil the statutory requirement of the Fit for the Future Merger Proposal.

RECOMMENDATION

That Council exhibit its merger proposal from 11 May 2015 until 5 June 2015.

04/03/15 RESOLVED – Moved: Braybrooks Seconded: Phillips

That Council exhibit its merger proposal from 11 May 2015 until 5 June 2015.

JUNE 2015 ORDINARY COUNCIL MEETING

FIT FOR THE FUTURE - PUBLIC EXHIBITION OF MERGER PROPOSAL

Introduction

At its 16 March 2015 meeting Council resolved to allocate the necessary resources to fully investigate the potential for a merger with Harden Shire Council in order to make an informed determination at the June 2015 meeting whether to submit a Council Merger Proposal.

This resolution came about after the two preliminary meetings (8/8/14 & 16/2/15) between the full Council's and senior staff of both Cootamundra and Harden

Consequent to the 16 March 2016 resolution, Council held a further meeting with Harden Councillors and senior staff on 14 April 2015, at which a full presentation was given by staff indicating all of the potential gains and pitfalls of a merger. This resulted in Council holding an Extraordinary Meeting on 6 May 2015, at which Council resolved to 'exhibit its merger proposal from 11 May 2015 until 5 June 2015', in order to fulfil the statutory requirement included in the Fit for the Future merger proposal template.

Discussion

Prior to the official period of consultation Council released a variety of media statements indicating that a merger with Harden was being investigated. These elicited a general response in favour of the investigation and merger proposal and did not result in a single piece of correspondence opposing the proposed Harden merger.

From 11 May Council had an information brochure delivered to every household, postal address and absentee landholder by Australia Post. This brochure was also posted on Council's website with a response section. The brochure included a tear off reply paid post section which Council encouraged all residents to return with comments. The result of these two feedback mechanisms was a return of 176 comments, 157 in favour of the proposed merger and 19 opposed.

During the period of consultation Council held four public meetings:

18 May 15	Cootamundra Town Hall	71 in attendance (excluding councillors and staff)
19 May 15	Wallendbeen Hall	9 in attendance (excluding councillors and staff)
20 May 15	Stockinbingal Hall	29 in attendance (excluding councillors and staff)
23 May 15	Stephen Ward Rooms, Cootamundra	20 in attendance (excluding councillors and staff)

The predominant feeling of all four meetings was that Council should proceed with the proposed Harden merger and that the merger would be in the best interest of both communities. There were three vocal dissenters (two Cootamundra, one Stockinbingal) from this view based on previous experience of forced amalgamations in other areas. There was one vocal dissenter (Cootamundra) advocating a merge with Young. These views were tested by a show of hands with the overwhelming majority indicating that the proposed merger should be pursued.

Harden Shire undertook a similar parallel consultation including four public meetings, brochure and website. This resulted in the same predominantly positive indication from all four meetings and in the return of 335 written comments, 304 in favour of the proposed merger and 31 opposed (excluding councillors and staff). Some concern (15 submissions) was raised regarding the effect that a Harden Cootamundra merger may have on the 'Hilltops' agricultural region, on the false assumption that the new Council would not continue to market the 'Hilltops' agricultural region. The new Council, as did Harden previously, will contain a large portion of the 'Hilltops' agricultural area and will, as did Harden previously, continue to support the marketing of regional produce under the 'Hilltops' banner.

The major issues raised in the submissions received by both councils are summarised below.

Survey Results, by Theme	In Favour	Against	Total
Capacity	11	10	21
Communities	18		18
Compatibility	22	2	24
Forced Amalgamation	9		9
Hilltops Proposal	53	15	68
Improved Services	11		11
Jobs	7	2	9
Name suggestion	26	1	27
Other comment or Nil comment	263	14	277
Other merger options	15	5	20
Rates	5	1	6
Council representation	8		8
Villages	6		6
TOTALS	454	50	504

Both Cootamundra and Harden had copies of the draft Business Plan on their Council websites, along with a "Fit for the Future" web page which also included a copy of all relevant media releases, the informational brochure, the PowerPoints used during consultation, all previous Council reports and minutes. The Business Plan was also on exhibition in both council's offices and libraries, and Harden also included a copy of the 'Hilltops' business plan it had had prepared with Young and Boorowa as an alternative merger proposal.

The overall outcome of all consultation undertaken was an overwhelming acceptance of the Harden Cootamundra merger proposal, and an overwhelming message that both councils should submit this proposal for the long term benefit of both communities.

Template 1 and the Harden Cootamundra Merger Business Plan form SEPARATE TABLED DOCUMENT A JUNE 2015. All of the remaining public documents to be submitted with the proposed merger Template 1 will be available on Council's website <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx>.

RECOMMENDATION

That Council submit the Harden Cootamundra merger proposal.

08/06/15 RESOLVED – Moved: Braybrooks Seconded: Phillips

That Council submit the Harden Cootamundra merger proposal.

Councillors requested that the unanimous vote for this motion be recorded.

COUNCIL MEETING MINUTES

HARDEN

February 2014	Council Meeting	Revitalising Local Government – Final Report of the NSW Independent Local Government Review Panel (iLGRP)
March 2014	Council Meeting	Revitalising Local Government – Final Report of the NSW Independent Local Government Review Panel (iLGRP)
February 2015	Council Meeting	Fit for the Future Review
April 2015	Council Meeting	Fit for the Future Review
June 2015	Council Meeting	Fit for the Future Harden Cootamundra Merger

REPORT TO COUNCIL 19 FEB 2014

REVITALISING LOCAL GOVERNMENT – FINAL REPORT OF THE NSW INDEPENDENT LOCAL GOVERNMENT REVIEW PANEL [iLGRP]

SERVICE Legislative / Regulatory Compliance and in respect of possible structural reform of Local Government

DEPARTMENT RESPONSIBLE General Manager

ISSUES

The Panel of the iLGRP has presented its final report to the Minister for Local Government in October, 2013. After consideration of this report by State Cabinet, the Minister has formally released that report to the general public vide Circular No. 14-01 dated 8th January, 2014.

Submissions relative to the Panel's report from Councils, interested groups and members of the public are due by Friday 4th April, 2014.

As Council would be aware the Panel was appointed in April, 2012 and tasked with specific objectives in developing options for improved governance models, structures and possible boundary changes to promote a 'stronger, more effective system of local government in NSW'.

All reports, supporting documentation and timelines for the Panel's progress on this major review can be sourced at: www.dlg.nsw.gov.au.

A complete copy of the Panel's final report has been circulated to all Councillors under separate cover. The previously resolved position by Council on this structural reform issue was resolved at the June, 2013 Council meeting as per the following:

‘134/06/13 That:

1. Council receive and note the recent report from the ILGRP’s titled ‘Future directions for NSW Local Government’.
2. Council adopt the key principled position of:
 - i. Council acknowledges that change is inevitable for local government as it currently exists.
 - ii. Council authorises the Mayor and General Manager to hold meaningful discussions with neighbouring Councils and other interested organisations associated with this ongoing review process. Those discussions at all times should ensure beneficial outcomes for the Harden Shire.
 - iii. Any definitive decisions affecting this Council’s future will only be determined by all Councillors.
 - iv. Council establish a formal communication strategy to inform the broader community and the Council workforce on developments regarding this process as they evolve.
3. Council lodge a submission in relation to this current report by 28th June, 2013.’

OPTIONS

Basically, for Council to give direction on further actions relative to the Panel’s report, the possible content of a formal submission to the Minister and possible discussions with neighbouring Councils.

IMPLICATIONS

Community Strategic Plan

This report item does not specifically relate to any identified strategies in Council’s Community Strategic Plan, but the consequent outcomes of any changes to this Council’s current boundary may have significant long term impacts to the broader community.

Policy

There are no policy implications arising from this report.

Financial

There are no financial implications arising from this report.

Legal

There are no legal implications arising from this report.

COMMENTARY

In summary, the Panel's report identified sixty five [65] specific recommendations encapsulated within twelve [12] key themes, those being:

1. The overarching imperative is to ensure the long-term sustainability and effectiveness of NSW local government: in its present form and under current policy settings the system *as a whole* will not remain sustainable and fit-for-purpose for much longer.
2. The focus of policy should be on strengthening 'strategic capacity' – ensuring that local government has the right structures, governance models, skills and resources to discharge its responsibilities and realise its potential.
3. Major new initiatives are required to tackle the underlying problems of financial weakness and infrastructure backlogs.
4. In particular, a series of measures must be put in place to promote greater 'fiscal responsibility' within local government and to make associated improvements to local government's efficiency, accountability and political governance.
5. Changes to the rating system and rate-pegging are essential to generate the revenues needed to fund infrastructure and services, and – equally as important – to make the system more equitable.
6. Given limited funds, the distribution of grants must change to direct more assistance to areas of greatest need.
7. Stronger regional organisations are vital to ensure increased resource sharing and joint planning, and to support vulnerable rural-remote councils.
8. Structural reform – including council amalgamations – is another essential component of reform, notably in metropolitan Sydney.
9. The process for considering possible amalgamations and boundary changes needs to be overhauled, and a package of incentives introduced to encourage voluntary mergers.
10. The particular issues and problems facing the Far West of NSW require special arrangements.
11. Working relations between local government and State agencies need to be improved across the board, and regional coordination should be the centrepiece of this effort.
12. Reforms must be pursued as an integrated package, not one-off measures.

In order to assist Councillors with their collective consideration of those specific recommendations, attached to this report is a document which details:

1. Each of the sixty five [65] specific recommendations,
2. Further detail to inform Councillors on the Panel's considerations, and
3. Possible Council considerations/position.

There are many recommendations contained in this report that should be endorsed as being sensible in improving the effectiveness of local government and service delivery to their respective communities.

In respect of the possible actions by Harden Shire Council, reference is made to:

- The need for community engagement within the Shire.

- Further discussions with neighbouring Councils.
- Consideration of the Panel's directive regarding the Hilltops Regional Council – Young, Boorowa and Harden Councils.
- The proposed changes to the Goldenfields Water County Council.
- Council being part of the Tablelands JO.
- Referring Group B Councils [including Harden] to the Boundaries Commission for... 'consideration in accordance with the new procedures'.

This is now a matter for the Council to determine a formal response both to the Minister and the Shire wide community.

MINUTES OF THE COUNCIL MEETING 19 FEB 2014

REVITALISING LOCAL GOVERNMENT – FINAL REPORT OF THE NSW INDEPENDENT LOCAL GOVERNMENT REVIEW PANEL [ILGRP]

15/02/14 Resolved on the motion of Councillors Reid and Stadtmiller that:

1. The ILGRP's final report of October, 2013 be received and noted.
2. Council reaffirm its previous resolution of June, 2013 in part [resolution number 134/06/13] in that:
'Council adopt the key principled position of:
 - i. Council acknowledges that change is inevitable for local government as it currently exists.
 - ii. Council authorises the Mayor and General Manager to hold meaningful discussions with neighbouring Councils and other interested organisations associated with this ongoing review process. Those discussions at all times should ensure beneficial outcomes for the Harden Shire.
 - iii. Any definitive decisions affecting this Council's future will only be determined by all Councillors.
 - iv. Council establish a formal communication strategy to inform the broader community and the Council workforce on developments regarding this process as they evolve'.
3. Council again indicate that it will continue further engagement/discussions with neighbouring Councils.
4. in respect of the division of Local Government's Chief Executive's [Mr Ross Woodward] correspondence of 23rd January, 2014 relative to joint Council consultancy [Boorowa, Harden and Young Councils] that Council indicate that it will re-engage with the Young and Boorowa Council's joint consultancy.
 - 4.1 Those discussions with Young and Boorowa Councils relative to item 4 be predicated on their support for this Councils retention of the NSW Rural Fire Service zone headquarters in Harden.
5. Council indicate its support in the strongest possible terms for the retention of the existing structure, governance and membership of the Goldenfields Water County Council.
6. Council indicate its in-principle support of JO's, subject to clarification of the legislative requirements and governance structure relative to this new entity.

7. Council undertake further workshops on the Panel's report in readiness to make a formal submission on behalf of this Council and community by the due date of Friday 4th April, 2014.

REPORT TO COUNCIL 19 MARCH 2014

REVITALISING LOCAL GOVERNMENT – FINAL REPORT OF THE NSW INDEPENDENT LOCAL GOVERNMENT REVIEW PANEL [ILLGRP]

SERVICE Legislative/Regulatory

DEPARTMENT RESPONSIBLE General Manager

ISSUE

I refer to the previous report on this matter to Council [Item 5.4 of the February, 2014 Council meeting] and the Councillors Workshop held on Wednesday 12th March, 2014. At this workshop it was requested that this matter be listed for discussion again at the 19th March, 2014 Council meeting.

OPTIONS

Basically, for Council to give direction on further actions relative to the Panel's report, the possible content of a formal submission to the Minister and possible discussions with neighbouring Councils.

IMPLICATIONS

Community Strategic Plan

This report item does not specifically relate to any identified strategies in Council's Community Strategic Plan, but the consequential outcomes of any changes to this Council's current boundary will have significant long term impacts to the broader community.

Policy

There are no policy implications arising from this report at this stage.

Legal

There are no legal implications arising from this report at this stage.

Financial

There are no financial implications arising from this report at this stage.

COMMENTARY

At the February, 2014 Council meeting, Council initiated a series of actions relative to engaging with our neighboring Councils in relation to the recommendations of the Panel.

All neighboring Councils have now been contacted. Future meetings will be arranged to discuss this issue with some of those Councils depending on responses received.

There are several necessary actions requiring Council's attention:

1. Response to Department Local Government's [Ross Woodward] letter of 23rd January, 2014 regarding the Hilltops Regional Council consultancy.
2. Response to the letter of 4th March, 2014 from the Mayors of Young and Boorowa Councils also regarding the abovementioned.
3. Possible submission by Council to the Panel's report which is due on Friday 4th April, 2014.

MINUTES OF COUNCIL MEETING 19 MARCH 2014

REVITALISING LOCAL GOVERNMENT – FINAL REPORT OF THE NSW INDEPENDENT LOCAL GOVERNMENT REVIEW PANEL [ILLGRP]

43/03/14 Resolved on the motion of Councillors Horton and Stadtmiller that:

1. The NSW Independent Local Government Review Panel's final report titled 'Revitalising Local Government' be received and noted.
2. An Extra-Ordinary meeting of Council be held on Wednesday 2nd April, 2014 commencing at 4.00 pm to consider and finalise this Council's response to the NSW State Government on the Panel's report.
3. A SWOT analysis of this Council's situation relative to the Panel's report and our neighbouring Council's be undertaken at the April, 2014 Councillors workshop.

It was requested by the Mayor that the unanimous adoption of these resolutions be recorded in the minutes.

COUNCIL REPORT 18 FEBRUARY 2015

FIT FOR FUTURE REVIEW

SERVICE Legislative/Regulatory Compliance in respect of possible structural reform of Local Government

DEPARTMENT Corporate Services

ISSUE

Following the announcement of the NSW Government 'Fit for Future' reform for local government Council is required to submit a proposal to the Office of Local Government by 30th June 2015 on how Council proposes to become Fit for Future. This report considers the Fit for Future options available to Council.

OPTIONS

For Council to either

1. Consider the option of merging with surrounding Councils. Two realistic options have been considered by to date:

1(a) Hilltops Region – involving Boorowa, Harden and Young Councils.

1(b) Cootamundra and Harden Councils (This option could be extended to include Gundagai)

2. Elect to stand alone and adopt the Rural Council model for Fit for Future.

IMPLICATIONS

Community Strategic Plan

Whilst this report item does not specifically relate to any identified strategies in Council's Community Strategic Plan the Fit for Future options will have significant consequential outcomes on the way that Council operates to achieve the objectives in the community Strategic Plan.

Policy

There are no policy implications arising from this report.

Financial

The outcomes to this review will impact on the long term financial plans and financial sustainability of the Council.

Legal

There are likely legal consequences arising from the merger of local government organisations however these issues will be considered by the State Government as part of the overall reform of the Local Government Act

COMMENTARY

In October 2014 the Office of Local Government (OLG) released the 'Fit for Future' Reform process for local government in NSW. The reform agenda incorporates the recommendations of the NSW Independent Local Government Review Panel – Revitalising Local Government released in October 2013.

As part of the Fit for Future reforms the OLG released a Self Assessment Tool to help Councils prepare the path to reach Fit for Future compliance. Set out below is a summary of the Harden Fit for Future Criteria Results.

In order to be declared Fit for Future a Council is required to score seven out of seven in the Fit for Future Criteria Results. In Harden's case we scored three out of seven. Council has met the target results in the benchmarks of Infrastructure Backlog Ratio, Asset Maintenance Ratio and Debt Service Ratio. In the Benchmark areas of Operating Performance Ratio and Building Infrastructure Asset Renewal Ratio Council only just failed to meet the benchmarks. In the benchmarks of Own Source Revenue and Real Operating Expenditure per capita Council fell well short of the target benchmarks.

Based on the Self Assessment results Council does meet the OLG Fit for Future criteria. In particular the fact that Council fell well short of the Own Source Revenue Benchmark highlights that Council does not meet the scale and capacity required to demonstrate long term sustainability.

Once a Council does not meet the Fit for Future Benchmarks the Council is required to embark on a process to achieve Fit for Future compliance and submit a proposal to the OLG demonstrating how the Council proposes to become Fit for Future. Once the Council becomes Fit for Future they are able to access a range of benefits funded by the NSW government.

The OLG has identified three proposals which Councils should follow to achieve Fit for Future compliance. The three proposals are set out below:

- Council Merger Proposal
- Rural Council Proposal
- Council Improvement Proposal

In order to determine which proposal the Council should follow it is necessary to determine if the Council meets the scale and capacity requirements of Fit for Future. If Council is unable to meet the scale and capacity requirements they are required to follow either the Council Merger Proposal or the Rural Council Proposal. If the Council meets the scale and capacity requirements they should follow the Council Improvement Proposal. The OLG has produced templates for each proposal to assist Councils with the information required by OLG to assess each proposal.

Fit for the Future Criteria Results

Harden Shire Council



BENCHMARK

Operating Performance Ratio (greater or equal to break-even average over 3 years)

Own Source Revenue Ratio (greater than 60% average over 3 years)

Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)

RESULT	MEETS FFTF BENCHMARK
-0.189	NO
47.73%	NO
91.69%	NO



Infrastructure Backlog Ratio (less than 2%)

Asset Maintenance Ratio (greater than 100% average over 3 years)

Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)

0.16%
110.80%
4.18%

YES
YES
YES



A decrease in Real Operating Expenditure per capita over time

Increasing

NO



OVERALL RESULT



The Council does not meet all seven of the Fit for the Future Criteria

Harden Shire Council does not meet the OLG scale and capacity requirements and it will be necessary for Council to choose between the Council Merger Proposal and the Rural Council Proposal.

Scale and capacity is largely determined by the population of the Council or the combined population of a merged Council. Scale and Capacity for each Council has been assessed by the OLG as the levels set out in the NSW Independent Local Government Review Panel Report released in October 2013. This report has recommended the merger of the Hilltops Councils, Boorowa, Harden and Young and identifies the combined population as at 2011 to be 18,663 made up as follows:

	Pop'n
Harden	3,680
Boorowa	2,469
Young	12,514
Combined Total	18,663

Rural Council Model

Details of the Rural Council Model were released by the OLG in January 2015. Only Councils that have been categorised in Group C of the NSW Independent Local Government Review Panel Report or that can meet the rural characteristics identified in this report can apply to be a Fit for Future Rural Council. The rural characteristics identified by the Independent Local Government Review Panel require that a Council does not share a boundary with a Council that meets the scale and capacity requirements or is capable of merging with adjoining Councils to meet the scale and capacity requirements.

As Harden falls within Group B of the Local Government Review Panel and is capable of meeting scale and capacity by merging with adjoining Councils it is not eligible to use the Rural Council Model to become Fit for Future.

Merger Model

The Merger Model requires Council to identify merger partners prepared to form a new Council capable of meeting the scale and capacity requirements of the NSW Independent Local Government Review Panel that have been endorsed by the OLG.

The Merger proposal is required to demonstrate how the merger can achieve improvements in the overall performance of the merged Council relative to the performance of the unmerged Councils.

The Merger proposal is required to demonstrate community support for the merger following community consultation over a minimum of 28 days.

Merger Options

Harden Shire Council has two merger options that are capable of achieving Fit for Future compliance. The two options being considered by Council are set out below:

- Hilltops Councils – Boorowa, Harden, Young
- Harden and Cootamundra (This option could be extended to include Gundagai).

1. Hilltops Merger Proposal

In April 2014 the Councils of Boorowa and Young developed a consultancy brief to employ the services of a consultant to identify merger options between the two Councils. Expressions of Interest were invited by the two Councils closing on 8th April 2014.

Following the decision by Harden Shire Council to join the consultancy in April 2014 the Mayors and General Managers of the three Councils formed a Steering Committee to interview the consultants that had submitted expressions of interest. The steering committee unanimously endorsed the appointment of the firm LKS Quaero. LKS Quaero were appointed by each of the three Councils in May 2014 to undertake the governance and service delivery review of the Hilltops Region and to identify options for merger in accordance with a the brief.

The project brief called on the consultant explore four structural scenarios:

- Scenario One: Maintaining the status quo of the three Hilltops councils
- Scenario Two: The Independent Local Government Review Panel's recommendation for the region-merger of Boorowa, Harden and Young Shire Councils.
- Scenario Three; An option for an alternative Hilltops Regional Council structure, incorporating other communities of interest or local government area as appropriate.
- Scenario Four: Maintain the existing Councils with a different administrative/management structure

The project brief also identified the following deliverables:

- A draft options report on Hilltops regional governance, presented for review by the participating Councils and the Office of Local Government.
- A final options report on Hilltops regional governance, following consideration of feedback from the draft review.
- Presentation of the reports key findings to a workshop of project stakeholders
- Ongoing advice and review if required.

On 24th November 2014 LKS Quaero made a presentation of their review to a joint meeting of the three Councils at Boorowa. A copy of the Draft Hilltops Region Governance and Service Delivery Review was presented to each of the three Councils.

Following the joint meeting the consultant released their final report to each of the Councils in January 2015.

At the joint meeting on 24th November 2014 it was agreed that each of the Councils would release the report for public exhibition and engage in a series of community engagement sessions with their communities before considering public submissions and resolving their respective positions in relation to the report.

The Hilltops Merger proposal follows the recommendation of the NSW Independent Local Government Review Panel supporting the merger of Boorowa, Harden and Young Councils

The February Council meeting has been the first opportunity for Council to consider the final consultants report before releasing it to the community to invite community feedback.

A copy of the consultants review is attached to this report.

2. Harden Cootamundra Merger Proposal

Harden and Cootamundra Councils have had preliminary discussions to consider the benefits of both Councils fully evaluating merger options between the two Councils as a means of achieving Fit for Future compliance.

A further Joint meeting of both Councils has been scheduled to take place on Monday 16th February 2015 to determine if the Councils jointly support progressing a detailed merger proposal.. Both Councils have formally extended invitations to Gundagai to join the merger discussions. Gundagai has advised both Councils that at this stage they have resolved to pursue the Rural Council model.

The Harden/Cootamundra Merger is an alternative model to that supported by the NSW Independent Local Government Review Panel. In developing this proposal the challenge will be to achieve scale and capacity comparable with the Hilltops Proposal which has been the benchmark set by the Independent Review Panel.

This proposal would be enhanced by the involvement of Gundagai. Using the population figures set out in the Independent Review Panel Report of October 2013 scale and capacity of the three Councils would be comparable with that of the Hilltops proposal. The population figures are set out below:

	Pop'n
Harden	3,680
Gundagai	3,753
Cootamundra	7,501
Combined Total	14,934

Community Consultation Strategy

The Fit for Future legislation requires Councils to demonstrate that they have sought to consult with their communities to gauge relative support for merger proposals. The minimum requirement for community consultation is 28 days.

In 2013 Council adopted a Community Engagement Strategy to obtain community feedback on the Community Strategic Plan. This strategy involved a series of public meetings in both Harden and each of the villages of Galong, Jugiong and Wombat. The strategy also involved community street surveys and staff surveys together with publishing on the Council Web site and social media as well as print media and radio. This strategy was highly successful in engaging the community and this strategy is recommended to engage the community in the merger proposals.

RECOMMENDATION

1. The Hilltops Region Governance and Service Delivery Review prepared by LKS Quaero be noted.
2. The Hilltops Region Governance and Service Delivery Review be placed on exhibition and the public be invited to provide feedback and submissions on the Review until Friday 27th March 2015.
3. That Council signal its intention to the community to engage with Cootamundra Shire Council to develop a merger proposal between Harden and Cootamundra Councils.
4. That Council engage the community in a series of public meetings in Harden and the villages of Galong, Jugiong and Wombat to provide Council with feedback on possible mergers with the Hilltops Councils of Boorowa and Harden and Cootamundra Shire Councils

Table 11 – Options for non-metropolitan Councils of the NSW INDEPENDENT REVIEW PANEL INTO LOCAL GOVERNMENT OCTOBER 2013

Table 11: Options for Non-Metropolitan Councils

Note: ‡As projected by DP&I without boundary changes or mergers. §As defined in the NIEIR cluster factor analysis (see references). *Grants as percentage of total revenue in 2011-12. High if >10%. Very High if >50%. †Based on availability and proximity of a suitable partner. Councils shown in *italics* urgently require a revised long-term asset and financial management plan plus an updated sustainability assessment (see section 15.2).

Council	Popn. 2011	†Popn. 2031	‡Corp FSR (Apr 13)	‡Corp Outlook (Apr 13)	‡LG Inf. Audit (May 13)	‡Rate Base	‡Grant Dependency	‡Merger Potential	Options (preferred options shown in bold where applicable)
Group A: Western Region Councils (see section 16)									
<i>Bairnsdale</i>	2,361	1,700	Weak	Negative	Weak	Low	Very High	Low	Joint administration or merger with Wentworth
<i>Bourke</i>	3,085	2,300	Weak	Negative	Weak	Low	High	Medium	Rural Council; joint administration or merger with Brewarrina
<i>Brewarrina</i>	1,895	1,700	Weak	Negative	Weak	Low	Very High	Medium	Joint administration or merger with Bourke
<i>Broken Hill</i>	19,150	15,100	Very Weak	Neutral	Weak	Low	High	Low	Council in Far West region
<i>Central Darling</i>	2,108	1,800	Very Weak	Negative	Weak	Low	Very High	Low	Unincorporated with Community Boards
<i>Cobar</i>	4,931	4,800	Weak	Negative	Very Weak	Low	High	Low	Council in Far West region (review by 2020)
<i>Walgett</i>	6,860	5,900	Moderate	Negative	Moderate	Low	Very High	Medium	Council in Far West region (review by 2020)
<i>Wentworth</i>	6,787	7,000	Weak	Negative	Weak	Low	High	Low	Council; joint administration or merger with Bairnsdale
Group B: Projected 2031 population below 4,000; 'High' merger potential (2014 referrals to Boundaries Commission)									
<i>Bombala</i>	2,458	2,000	Moderate	Neutral	Moderate	Low	High	High	Merge with Cooma-M and Snowy R or Rural Council in South East JO
<i>Boorowa</i>	2,469	2,700	Moderate	Negative	Strong	Low	Very High	High	Merge with Harden and Young or Rural Council in Tablelands JO
<i>Conargo</i>	1,585	1,800	Sound	Neutral	Strong	Low	Very High	High	Merge with Deniliquin and Murray or Rural Council in Mid-Murray JO
<i>Gundagai</i>	3,753	3,400	Moderate	Negative	Distressed	Low	Very High	High	Merge with Tumut or Rural Council in Riverina CC
<i>Harden</i>	3,680	3,600	Moderate	Negative	Strong	Low	Very High	High	Merge with Boorowa and Young or Rural Council in Tablelands JO
<i>Jerilderie</i>	1,534	1,200	Moderate	Negative	Weak	Low	Very High	High	Merge with Berrigan or Rural Council in Mid-Murray JO
<i>Murrumbidgee</i>	2,338	1,700	Moderate	Neutral	Not avail	Low	High	High	Merge with Griffith or rural Council in Murrumbidgee JO
<i>Urana</i>	1,180	800	Weak	Neutral	Very weak	Low	Very High	High	Merge with Corowa or Rural Council in Upper Murray JO
<i>Walcha</i>	3,122	2,800	Weak	Negative	Distressed	Low	High	High	Merge with Uralla or Rural Council in New England JO
Group C: Projected 2031 population below 5,000; 'Low' or 'Medium' merger potential (2015-16 referrals to Boundaries Commission)									
<i>Bogan</i>	3,020	2,600	Moderate	Neutral	Moderate	Low	Very High	Medium	Rural Council in Orana JO or merge with Warren
<i>Carrathool</i>	2,668	2,100	Weak	Neutral	Weak	Low	Very High	Medium	Rural Council in Murrumbidgee JO or merge with Griffith
<i>Coolamon</i>	4,213	4,200	Sound	Negative	Very weak	Low	Very High	Medium	Rural Council in Riverina JO or merge with Bland and/or Temora
<i>Coonamble</i>	4,274	3,100	Sound	Negative	Moderate	Low	High	Medium	Rural Council in Orana JO or merge with Gilgandra
<i>Gilgandra</i>	4,534	4,100	Weak	Neutral	Weak	Low	High	Medium	Rural Council in Orana JO or merge with Coonamble
<i>Hay</i>	3,097	2,100	Moderate	Negative	Moderate	Low	Very High	Low	Rural Council in Murrumbidgee JO
<i>Lockhart</i>	3,082	2,900	Sound	Neutral	Moderate	Low	Very High	Medium	Rural Council in Riverina JO or merge with Wagga Wagga
<i>Tumbarumba</i>	3,440	3,200	Strong	Negative	Very Strong	Low	Very High	Medium	Rural Council in Riverina JO or merge with Tumut/Gundagai

15. Non-Metropolitan Regions

Wakool	4,080	3,400	Weak	Negative	Moderate	Low	Very High	Medium	Rural Council in Mid-Murray JO or merge with Murray/Conargo/D'quin
Warren	2,877	2,100	Moderate	Neutral	Distressed	Low	High	Medium	Rural Council in Orana JO or merge with Bogan
Weddin	3,734	3,500	Moderate	Negative	Weak	Low	Very High	Medium	Rural Council in Central West JO or merge with Forbes or Cowra
Group D: Potential merger partners for Groups B and C councils (2014-16 referrals to Boundaries Commission)									
Berrigan	8,282	9,300	Moderate	Neutral	Strong	Low	High	High	Council in Mid-Murray JO or merge with Jerilderie
Bland	6,018	5,500	Weak	Neutral	Strong		Very High	Medium	Council in Riverina JO or merge with Coolamon and/or Temora
Cooma-Monaro	10,086	10,800	Weak	Neutral	Weak			High	Council in South East JO or merge with Bombala and Snowy River
Cowra	11,302	13,400	Moderate	Negative	Strong			High	Council in Upper Murray JO or merge with Urana
Cowra	12,526	11,700	Sound	Negative	Very Weak			Medium	Council in Central West JO or merge with Weddin
Deniliquin	7,317	5,700	Moderate	Negative	Weak	Low		High	Council in Mid-Murray JO or merge with Conargo/Murray and Wakool
Griffith	25,292	20,200	Sound	Negative	Moderate			High	Council in Murrumbidgee JO or merge with Murrumbidgee
Murray	7,159	10,900	Moderate	Neutral	Moderate		High	High	Council in Mid-Murray JO or merge with D'quin/Conargo and Wakool
Snowy River	7,752	9,200	Moderate	Negative	Weak			High	Council in South East JO or merge with Bombala/Cooma-Monaro
Temora	5,928	5,000	Sound	Neutral	Strong	Low	High	High	Council in Riverina JO or merge with Coolamon and/or Bland
Yumut	11,272	9,300	Moderate	Neutral	Weak		Very High	High	Council in New England JO or merge with Gundagai and Tumbarumba
Uralla	6,260	7,400	Weak	Neutral	Weak	Low		Medium	Council in Riverina JO or merge with Lockhart
Wagga Wagga	61,309	73,000	Moderate	Negative	Moderate			High	Council in Tablelands JO or merge with Boorowa/Harden
Young	12,514	13,000	Sound	Negative	Weak			High	
Group E: Other potential mergers to consolidate major regional centres (2017 referrals to Boundaries Commission)									
Albury	49,467	57,300	Moderate	Neutral	Moderate			High	Council in Upper Murray JO or merge with Greater Hume (part or all)
Armidale	25,270	31,500	Moderate	Neutral	Moderate			High	Council in New England JO or merge with Guyra
Bathurst Regional	39,936	52,500	Moderate	Negative	Moderate			Medium	Council in Central West JO or merge with Oberon
Blayney	7,186	8,700	Moderate	Negative	Weak			High	Council in Central West JO or merge with Orange
Cabonne	13,188	18,500	Sound	Negative	Moderate			High	Council in Central West JO or merge with Orange
Dubbo	40,491	45,400	Moderate	Neutral	Moderate			Medium	Council in Orana JO or merge with Wellington and/or Narromine
Greater Hume	10,039	11,200	Moderate	Negative	Weak		Very High	High (part)	Council in Upper Murray JO or merge part or all with Albury
Guyra	4,543	5,000	Moderate	Negative	Very weak		High	High	Council in New England JO or merge with Armidale
Narromine	6,999	6,800	Moderate	Neutral	Moderate	Low	Very High	Medium	Council in Orana CC or merge with Dubbo
Orange	39,480	45,800	Sound	Negative	Moderate			High	Council in Central West JO or merge with Cabonne and/or Blayney
Palerang	14,835	23,300	Moderate	Negative	Distressed			High	Council in South East JO or merge with Queanbeyan
Queanbeyan	39,826	53,800	Weak	Neutral	Weak			high	Council in South East JO or merge with Palerang
Wellington	8,937	8,600	Weak	Neutral	Weak	Low	High	Medium	Council in Orana JO or merge with Dubbo
Group F: Current and/or projected 2031 population 5-10,000 (Review status by 2020)									
Cootamundra	7,501	7,100	Moderate	Neutral	Moderate	Low		Medium	Council in Riverina JO or merge with Junee
Forbes	9,471	9,200	Moderate	Neutral	Moderate			Medium	Council in Central West JO; merge with Weddin
Glen Innes-Severn	8,965	8,900	Moderate	Neutral	Weak		High	Medium	Council in New England JO
Gloucester	4,974	5,700	Very Weak	Neutral	Moderate		Very High	Medium	Council in Mid-North Coast JO or merge with Great Lakes and/or Greater Taree
Gwydir	5,074	5,100	Very Weak	Neutral	Distressed		High	Medium	Council in Namoi JO or merge with Moree Plains

<i>Junee</i>	6,091	5,800	Moderate	Neutral	Weak	Low	High	Medium	Council in Riverina JO or merge with Cootamundra
<i>Kyogle</i>	9,537	9,500	Weak	Negative	Moderate	Low	High	Medium	Council in Northern Rivers JO or merge with Lismore or Richmond Valley
<i>Lachlan</i>	6,758	5,400	Moderate	Negative	Weak	Low	Very High	Medium	Council in Central West JO or merge with Parkes
<i>Liverpool Plains</i>	7,769	8,300	Weak	Negative	Moderate	Low	High	Medium	Council in Namoi JO or merge with Gunnedah
<i>Narrandera</i>	6,123	5,300	Sound	Negative	Strong	Low	Very High	Medium	Council in Murrumbidgee JO or merge with Leeton
<i>Oberon</i>	5,207	5,400	Sound	Negative	Moderate	Low	Very High	Medium	Council in Central West JO or merge with Bathurst
<i>Tenterfield</i>	7,024	8,500	Weak	Negative	Weak	Low	Very High	Low	Council in New England JO
<i>Upper Lachlan</i>	7,378	7,900	Sound	Neutral	Strong	Low	High	Medium	Council in Tablelands JO or merge with Goulburn-Mulwaree
<i>Warrumbungle</i>	9,927	9,500	Weak	Negative	Moderate	Low	High	Low	Council in Orana JO
Group G: Larger rural and regional councils (excluding Hunter, Central coast and Illawarra)									
<i>Bellina</i>	40,753	45,400	Moderate	Neutral	Weak			Medium	Council in Northern Rivers JO
<i>Bega Valley</i>	32,999	37,100	Sound	Neutral	Strong			Low	Council in South East JO
<i>Bellingen</i>	12,886	13,300	Moderate	Negative	Weak		High	Medium	Council in North Coast JO
<i>Byron</i>	30,825	31,800	Weak	Negative	Weak			Medium	Council in Northern Rivers JO
<i>Clarence Valley</i>	51,252	53,900	Weak	Negative	Weak			Low	Council in North Coast JO
<i>Coffs Harbour</i>	70,933	80,500	Weak	Negative	Weak			Medium	Council in North Coast JO
<i>Eurobodalla</i>	36,993	43,400	Moderate	Neutral	Weak			Low	Council in South East JO
<i>Goulburn-Mulwaree</i>	28,285	31,800	Moderate	Negative	Very Weak			Medium	Council in Tablelands JO
<i>Great Lakes</i>	35,601	41,600	Moderate	Neutral	Moderate			Medium	Council in Mid-North Coast JO or merge with Gloucester
<i>Greater Taree</i>	47,955	50,600	Very weak	Negative	Very Weak			Medium	Council in Mid-North Coast JO or merge with Gloucester
<i>Gunnedah</i>	12,515	13,400	Sound	Negative	Very Strong			Medium	Council in Namoi JO
<i>Inverell</i>	16,614	19,600	Moderate	Neutral	Moderate			Low	Council in Namoi JO
<i>Kempsey</i>	29,188	28,500	Weak	Negative	Weak			Medium	Council in Mid-North Coast JO
<i>Leeton</i>	11,406	11,200	Moderate	Negative	Moderate			Medium	Council in Murrumbidgee JO or merge with Narrandera
<i>Lismore</i>	44,282	45,300	Moderate	Negative	Weak			Medium	Council in Northern Rivers JO or merge with Kyogle
<i>Lithgow</i>	20,790	20,700	Sound	Negative	Moderate			Medium	Council in Central West JO
<i>Mid-Western Reg.</i>	23,000	26,100	Sound	Negative	Weak			Medium	Council in Central West JO
<i>Morée Plains</i>	14,189	11,100	Moderate	Neutral	Moderate			Medium	Council in Namoi JO or merge with Gwydir
<i>Nambucca</i>	19,286	21,500	Weak	Negative	Moderate			Medium	Council in Namoi JO
<i>Narrabri</i>	13,475	12,400	Moderate	Negative	Very Weak			Medium	Council in Central West JO or merge with Lachlan
<i>Parkes</i>	15,047	15,600	Moderate	Negative	Weak			Medium	Council in Namoi JO
<i>Port Macquarie-Hastings</i>	74,949	89,400	Weak	Negative	Moderate			Medium	Council in Mid-North Coast JO
<i>Richmond Valley</i>	22,697	24,800	Weak	Negative	Very Weak			Medium	Council in Northern Rivers JO or merge with Kyogle
<i>Shoalhaven</i>	96,043	106,400	Sound	Negative	Moderate			Low	Council in South East JO
<i>Tamworth Regional</i>	59,351	68,800	Moderate	Neutral	Moderate			Medium	Council in Namoi JO
<i>Tweed</i>	88,463	104,300	Moderate	Neutral	Strong			Low	Council in Northern Rivers JO
<i>Wingecarribee</i>	46,042	51,000	Moderate	Neutral	Moderate			Medium	Council in Tablelands JO
<i>Yass Valley</i>	15,516	23,200	Moderate	Negative	Moderate			Low	Council in Tablelands JO

ATTACHMENT 1

LKS QUAERO HILLTOPS REGION GOVERNANCE & SERVICE DELIVERY REVIEW [separate attachment]

MINUTES OF COUNCIL MEETING 18 FEBRUARY 2015

FIT FOR FUTURE REVIEW

10/02/15 Resolved on the motion of Councillors Sanderson and Stadtmiller that:

1. The Hilltops Region Governance and Service Delivery Review prepared by LKS Quaero be noted and Council signal to the community that it does not support the conclusions contained within this report.
2. The Hilltops Region Governance and Service Delivery Review be placed on exhibition and the public be invited to provide feedback and submissions on the Review until Friday 27th March 2015.
3. Council signal its intention to the community to engage with Cootamundra Shire Council to develop a merger proposal between Harden and Cootamundra Councils.
4. Council engage the community in a series of public meetings in Harden and the villages of Galong, Jugiong and Wombat to provide Council with feedback on possible mergers with the Hilltops Councils of Boorowa, Harden and Cootamundra Shire Councils.
5. Council endorse the Joint Working Party recommendation of Harden and Cootamundra Councils held on Monday 16th February 2015 to authorise the General Managers of Harden and Cootamundra Councils to work together to prepare a joint merger evaluation and proposal of Harden and Cootamundra Councils utilising existing internal resources.
6. The General Managers of Harden and Cootamundra Councils report back the merger proposal to their respective Council's no later than the March Council meetings to allow public exhibition of the merger proposal prior to formal adoption by each Council.
7. The General Manager be authorised to obtain an evaluation of comparative data from both Young and Boorowa Councils in the same form as the comparative information being obtained from Cootamundra.
8. Council arrange meetings with all Councillors from Cootamundra, Harden, Boorowa and Young, excluding staff to consider and discuss all merger options.

COUNCIL MEETING 15 APRIL 2015

FIT FOR FUTURE REVIEW

SERVICE Legislative/Regulatory Compliance in respect of possible structural reform of local government

DEPARTMENT RESPONSIBLE Corporate Services

ISSUE

This report provides an update on Council's progress towards Fit for Future compliance.

OPTIONS

For Council to either

Consider the option of merging with surrounding Councils. Two realistic options have been considered by to date:

1. Hilltops Region – involving Boorowa, Harden and Young Councils.
2. Cootamundra and Harden Councils

IMPLICATIONS

Community strategic plan

Whilst this report item does not specifically relate to any identified strategies in Council's community strategic plan the fit for future options will have significant consequential outcomes on the way that Council operates to achieve the objectives in the community strategic plan.

Policy

There are no policy implications arising from this report.

Financial

The outcomes to this review will impact on the long term financial plans and financial sustainability of the Council.

Legal

There are likely legal consequences arising from the merger of local government organisations however these issues will be considered by the state government as part of the overall reform of the local government act

COMMENTARY

Council has considered the options available to it to become long term sustainable and 'fit for future' compliant in accordance with guidelines issued by the Office of Local Government (OLG).

Council has elected to pursue the OLG Voluntary Merger Model to achieve 'fit for future' compliance.

Merger Model

The merger model requires Council to identify merger partners prepared to form a new Council capable of meeting the scale and sustainable capacity requirements of the Nsw Independent Local Government Review Panel that have been endorsed by the OLG. The merger proposal is required to demonstrate how the merger can achieve improvements in the overall performance of the merged Council relative to the performance of the unmerged Councils. The merger proposal is required to demonstrate community support for the merger following community consultation over a minimum of 28 days.

Merger Options

Harden Shire Council has two merger options that are capable of achieving 'fit for future' compliance. The two options being considered by Council are set out below:

1. Hilltops Councils – Boorowa, Harden, Young
2. Harden and Cootamundra

1. Hilltops Merger Proposal

In April 2014 the Hilltops Councils of Harden Boorowa and Young committed to a consultancy brief to employ the services of a consultant to identify merger options between the Councils. In May 2014 the firm LKS Quaero were appointed by each of the three Councils to undertake a Governance and Service Delivery Review of the Hilltops Councils and identify options for merger in accordance with the brief.

The consultant released their final report to each of the Councils in January 2015. The Hilltops merger proposal follows the recommendation of the NSW Independent Local Government Review Panel supporting the merger of Boorowa, Harden and Young Councils

At the Council Meeting on 18th March 2015 Council resolved:

1. *The Hilltops Region Governance and Service Delivery Review prepared by LKS Quaero be noted and Council signal to the community that it does not support the conclusions contained within this report.*
2. *The Hilltops Region Governance and Service Delivery Review be placed on exhibition and the public be invited to provide feedback and submissions on the review until Friday 27th March 2015.*

The Hilltops Region Governance and Service Delivery Review was placed on public exhibition on Friday 20th March 2015 with submissions invited on the review up until Friday 27th March 2015. Copies of the plan were placed in Council's Administration Centre and Library and posted on the Council website. Copies of the review were also circulated to the the Galong, Jugiong and Wombat Progress Associations. Upon the closure of the exhibition period Council has not received any public submissions on the Hilltops Region Governance and Service Delivery Review.

On 7th April 2015 Harden Councillors met with Councillors from Young to further consider merger options. Harden has also extended an invitation to Boorowa to meet one on one with Councillors to consider the merger options. Boorowa has indicated its support to meet with Harden Councillors and the Mayor and General Manager are seeking to finalise a date and agenda for the meeting with Boorowa during April 2015.

2. Harden Cootamundra Merger Proposal

Harden and Cootamundra Councils have had preliminary discussions to consider the benefits of both Councils fully evaluating merger options between the two Councils as a means of achieving 'fit for future' compliance.

At the February meeting Council signaled its intention to the community to engage with Cootamundra Shire Council to develop a merger proposal between Harden and Cootamundra Councils and resolved as follows:

2. *Council engage the community in a series of public meetings in harden and the villages of Galong, Jugiong and Wombat to provide Council with feedback on possible mergers with the Hilltops Councils of Boorowa, Harden and Cootamundra Shire Councils.*
3. *Council endorse the joint working party recommendation of Harden and Cootamundra Councils held on Monday 16th February 2015 to authorise the General Managers of Harden and Cootamundra Councils to work together to prepare a joint merger evaluation and proposal of Harden and Cootamundra Councils utilising existing internal resources.*
4. *The General Managers of Harden and Cootamundra Councils report back the merger proposal to their respective Council's no later than the March Council meetings to allow public exhibition of the merger proposal prior to formal adoption by each Council.*
5. *The General Manager be authorised to obtain an evaluation of comparative data from both Young and Boorowa Councils in the same form as the comparative information being obtained from Cootamundra.*

The Harden/Cootamundra Merger is an alternative model to that supported by the NSW Independent Local Government Review Panel. Harden and Cootamundra staff have jointly prepared a comparative analysis of the two Councils to support the preparation of the OLG Merger Template. The comparative analysis will be presented to a joint meeting of the two Councils at Cootamundra on Tuesday 14th April 2015.

Community Consultation Strategy

The 'fit for future' legislation requires Councils to demonstrate that they have sought to consult with their communities to gauge relative support for merger proposals. The minimum requirement for community consultation is 28 days.

The two Councils have jointly proposed the following 'fit for future' engagement strategy:

- Joint press release from HSC/CSC announcing preparation of merger proposal 15 April 2015
- HSC/CSC weekly press releases announcing progress 15 Apr 2015 to 1 May 2015
- Extraordinary Council Meeting Harden & Cootamundra Councils to adopt and exhibit merger proposal – Wednesday 6 May 2015
- Mail out to all ratepayers 11 May 2015 seeking community response
- Public meetings Harden, Jugiong, Galong & Wombat 11 May 2015 to 5 June 2015
- Public exhibition merger template closing 5 June 2015
- Joint meeting of both Councils to consider submissions 9 June 2015
- Meeting to formally submit merger proposal 17 June 2015

MINUTES COUNCIL MEETING 15 APRIL 2015

FIT FOR FUTURE REVIEW

57/04/15 Resolved on the motion of Flanery and Manchester that:

1. Council endorse the outcome from the joint Council meeting with Cootamundra on 14 April, 2015 to prepare a joint submission to the Office of Local Government with Cootamundra on the possible merger of Harden and Cootamundra Shire Councils.
2. Council advise Cootamundra Shire Council that the decision in [1] above is based on the following Councillor representation model:

PERIOD	NO. OF COUNCILLORS
Transitional period April 2016-September 2016	9 Cootamundra / 7 Harden
First 4 year term	5 Cootamundra / 5 Harden
Second 4 year term	3 Cootamundra / 3 Harden and 3 Council wide
Third 4 year term	9 Council wide

3. Council endorse the following 'fit for future' engagement strategy;
 - Joint press release from HSC/CSC announcing preparation of merger proposal 15 April 2015.
 - HSC/CSC weekly press releases announcing progress between 15 April 2015 and 1 May 2015.
 - Extraordinary Council Meeting between Harden and Cootamundra Councils to adopt and exhibit merger proposal be held on Wednesday 6 May 2015.
 - Mail out to all ratepayers by 11 May 2015 seeking community response.

- Public meetings at Harden, Jugiong, Galong and Wombat are to be held between 11 May 2015 to 5 June 2015.
 - Public exhibition merger template closing 5 June 2015.
 - Joint meeting of both Councils to consider submissions on 9 June 2015.
 - Meeting to formally submit merger proposal on 17 June 2015.
4. Council notify both Young and Boorowa Councils of this Council's decision to lodge a joint merger submission with Cootamundra to the Office of Local Government.
 5. On the completion of the merger template and 'fit for the future' report that this be forwarded to the General Manager [Mr John Rayner] of Sutherland Shire for his endorsement.

COUNCIL MEETING 17 JUNE 2015

FIT FOR FUTURE – HARDEN COOTAMUNDRA MERGER

SERVICE Legislative/Regulatory Compliance in respect of possible structural reform of local government

DEPARTMENT RESPONSIBLE Corporate Services

ISSUE

This report provides an update on Council's progress towards Fit for Future and the Harden Cootamundra merger proposal.

OPTIONS

After considering the public submissions received on the public advertising of the Harden Cootamundra merger proposal Council either:

1. 1 Support the merger proposal including the submission of a merger template to the Office of Local Government
2. Not support the merger proposal

IMPLICATIONS

Community strategic plan

Whilst this report item does not specifically relate to any identified strategies in Council's community strategic plan the fit for future options will have significant consequential outcomes on the way that Council operates to achieve the objectives in the Community Strategic Plan.

Policy

There are no policy implications arising from this report.

Financial

The outcomes to this review will impact on the long term financial plans and financial sustainability of the Council.

Legal

There are likely legal consequences arising from the merger of local government organisations however these issues will be considered by the state government as part of the overall reform of the local government act

COMMENTARY

Council has considered the options available to it to become long term sustainable and 'fit for future' compliant in accordance with guidelines issued by the Office of Local Government (OLG). Council has elected to pursue the OLG Voluntary Merger Model involving the merger of Harden and Cootamundra Shire Councils to achieve 'fit for future' compliance.

At the April 2015 Council meeting Council resolved as follows:

- 1. Council endorse the outcome from the joint Council meeting with Cootamundra on 14 April, 2015 to prepare a joint submission to the Office of Local Government with Cootamundra on the possible merger of Harden and Cootamundra Shire Councils.*
- 2. Council advise Cootamundra Shire Council that the decision in [1] above is based on the following Councillor representation model:*

PERIOD	NO. OF COUNCILLORS
<i>Transitional period April 2016-September 2016</i>	<i>9 Cootamundra / 7 Harden</i>
<i>First 4 year term</i>	<i>5 Cootamundra / 5 Harden</i>
<i>Second 4 year term</i>	<i>3 Cootamundra / 3 Harden and 3 Council wide</i>
<i>Third 4 year term</i>	<i>9 Council wide</i>

- 3. Council endorse the following 'fit for future' engagement strategy;*

- Joint press release from HSC/CSC announcing preparation of merger proposal 15 April 2015.*
 - HSC/CSC weekly press releases announcing progress between 15 April 2015 and 1 May 2015.*
 - Extraordinary Council Meeting between Harden and Cootamundra Councils to adopt and exhibit merger proposal be held on Wednesday 6 May 2015.*
 - Mail out to all ratepayers by 11 May 2015 seeking community response.*
 - Public meetings at Harden, Jugiong, Galong and Wombat are to be held between 11 May 2015 to 5 June 2015.*
 - Public exhibition merger template closing 5 June 2015.*
 - Joint meeting of both Councils to consider submissions on 9 June 2015.*
 - Meeting to formally submit merger proposal on 17 June 2015.*
- 4. Council notify both Young and Boorowa Councils of this Council's decision to lodge a joint merger submission with Cootamundra to the Office of Local Government.*
 - 5. On the completion of the merger template and 'fit for the future' report that this be forwarded to the General Manager [Mr John Rayner] of Sutherland Shire for his endorsement.*

Public Exhibition

Following the April 2015 resolution of Council a mail out was undertaken to every resident in the Harden Shire setting out key information about the merger proposal between Harden and Cootamundra Shire Councils. The mail out to residents was undertaken via Australia Post and commenced on Monday 11 May 2015. The mail out also included a self-addressed reply paid response inviting residents to provide Council with feedback on the merger proposal.

Council set a closing date for submissions of 6 June 2015. By the closing date Council had received a total of three hundred and thirty five [335] submissions from residents. Three hundred and two [302] submissions identified support for the Harden Cootamundra merger proposal, thirty one [31] submissions were against the merger proposal and two [2] submissions indicated they were undecided.

The total number of submissions Council has received from the public exhibition of the merger proposal represents the largest public response Council has received to any public exhibition process. The community response also provided a clear indication of support for the proposal with 90% of residents supporting the merger proposal.

At the same time Council undertook the residential mail out a similar staff survey was undertaken to gauge staff support for the merger proposal. Twenty eight [28] staff responded to the survey with twenty seven [27] in support and one [1] against the merger proposal. Similar to the community response rate over 95% of staff responding to the survey supported the proposal.

The mail out was also supported by public meetings held in Harden on 14 May 2015, Galong on 21 May 2015, Wombat on 26 May 2015 and in Jugiong on 27 May 2015. The public meetings were well supported by residents with one hundred and fifty six [156] residents attending the Harden meeting. Twenty [20] residents attended the Galong meeting. Forty [40] residents attended the Wombat meeting and twenty nine [29] residents attended the Jugiong meeting. In total two hundred and forty five [245] residents attended the public meetings. These numbers also excluded Councillors and staff from both Harden and Cootamundra Councils who also supported the public meetings.

Cootamundra Shire Council also undertook a mail out to all residents within their Shire commencing on 11 May 2015 and supported the community mail out with public meetings in Cootamundra, Wallendbeen and Stockinbingal. In total one hundred and twenty nine [129] residents attended the public meetings conducted by Cootamundra Shire Council. Cootamundra received one hundred and seventy six [176] submissions from their exhibition of the merger proposal. The submissions were broken down to one hundred and fifty seven [157] in support and nineteen [19] against. This translates to 89% of submissions received by Cootamundra supporting the merger proposal and this correlates closely with the 90% support in Harden.

Joint Meeting to Consider Submissions

On Tuesday 9 June, 2015 Councillors from both Harden and Cootamundra Councils met in a joint meeting to review each of the submissions received by both Councils from the public exhibition of the merger proposal. Following the clear community support for the merger proposal, with some 90% combined support in both shires, the Councillors agreed that each Council should move to endorse the merger proposal at their respective June Council meetings including the submission of a merger template to the Office of Local Government.

RECOMMENDATION

1. Council note the outcome from the public exhibition of the Harden Cootamundra merger proposal indicating a clear 90% support for the proposal.
2. In consideration of the community support for the Harden Cootamundra merger proposal Council endorse the joint submission, with Cootamundra Council, of a merger template and supporting Merged Council Business Plan to the Office of Local Government.
3. Council delegate authority to the Mayor and Acting General Manager to execute the merger template and lodge the merger template and Merged Council Business Plan with the Office of Local Government before the due date of 30 June 2015.

MINUTES OF COUNCIL MEETING 18 FEBRUARY 2015

FIT FOR FUTURE – HARDEN COOTAMUNDRA MERGER

107/06/15 **Resolved** on the motion of Councillors Reid and Manchester that:

1. Council note the outcome from the public exhibition of the Harden Cootamundra merger proposal indicating a clear 90% support for the proposal.
2. In consideration of the community support for the Harden Cootamundra merger proposal Council endorse the joint submission, with Cootamundra Council, of a merger template and supporting Merged Council Business Plan to the Office of Local Government.
3. Council delegate authority to the Mayor and Acting General Manager to execute the merger template and lodge the merger template and Merged Council Business Plan with the Office of Local Government before the due date of 30 June 2015.
4. Council incorporate in the merger Business Plan a request for further funding of \$5M from the NSW Government in order for Council to reduce the merged Councils infrastructure backlog.

The above recommendation was carried unanimously.

INTERNAL STAFF MEETINGS

COOTAMUNDRA

19/3/15	CSC Consultative Committee Meeting providing information to Consultative Committee about Merger Option and expected impact on staff.
	Documentation – Minutes of Meeting
15/04/15	CSC All Staff Meeting with presentations from the GM and Union rep, to provide information about the merger proposal and to open the floor to questions from all staff.
	Documentation – Minutes of Meeting
22/4/15	Staff Q & A distributed with payslips. Questions that were asked and answered at the Staff Meeting, and questions that have been submitted by staff in the interim.
	Documentation – Meeting Noted
23/4/15	CSC Consultative Committee Meeting providing updated information.
	Documentation – Minutes of Meeting
21/5/15	CSC Consultative Committee Meeting – Local Government Reform
	Documentation – Minutes of Meeting
18/6/15	CSC All Staff Meeting
	Documentation – Meeting Noted

MARCH CC MEETING MINUTES

LOCAL GOVERNMENT REFORM

Introduction

On 10 September 2014 the NSW Office of Local Government released a suite of documents called “Fit for the Future” that detail its response to the past four years of discussion about Local Government Reform.

The NSW State Government communications have made it very clear that staying the same is not an option, and Cootamundra Shire Council has resolved to open discussions with its neighbouring councils, believing that this is the best chance Council has to shape its own future.

A report has been written for the March Council meeting that forms **TABLED DOCUMENT CC 3 MARCH (p. 16-20)**. The recommendation in the report is for Council to allocate the necessary resources to fully investigate the potential for a merger with Harden Shire Council in order to make a fully informed determination at the June 2015 meeting whether to submit a Council merger proposal.

Discussion

The “Fit for the Future” Proposal

In 2011 the NSW Government and councils across NSW agreed that there was a need to improve how communities were serviced and represented at the local level. In response to this the NSW Government commissioned an audit of the financial position and asset management practices of Councils across NSW, what Councils are responsible for, the maintenance and rebuilding costs for Council owned assets, and the level of services the Council owned and managed asset provided.

The Independent Panel was commissioned to broadly review the Local Government sector and provide recommendations to the NSW Government on what Local Government should look like in the future. The Independent Panel provided their report to the Government and the Government announced the “Fit for the Future Initiative”.

What is “Fit for the Future”?

The report developed by the Government is a series of benchmarks for Councils to be measured against that will determine whether or not they are sustainable in the long term.

The benchmarks are mostly financial measures with an additional measure of “scale and capacity”. Each Council is required to deliver a submission by 30 June 2015 on how they will become “Fit for the Future”.

The Office of Local Government have previously indicated that councils with populations of less than 10,000 do not have scale and capacity, and there is a high possibility that they will ultimately determine that Cootamundra Shire Council does not have the scale and capacity to be “Fit for the Future”, due to its population.

Council meets 2 out of 7 of the financial benchmarks, (similar to most Councils across the state), and can show how it can progressively improve upon its compliance with these benchmarks.

What does “Fit for the Future” mean for Cootamundra Shire Council?

The Independent Panel Report identified its preferred option for Cootamundra to become “Fit for the Future” which is to merge with Junee.

Council has recognised that change will be inevitable and it is important that we are informed and ready to make some decisions, before the State Government makes them for us.

The General Manager has contacted each of our neighbouring councils to find out what our options may be. Most of our neighbouring councils are opting to stand alone, however Harden Shire Council has resolved to work with Cootamundra Shire Council to put together a business plan, investigating a merger option.

Whilst there is still a lot of uncertainty, the two most likely options for Cootamundra Shire Council are:

1. Make a joint submission with Harden Shire Council, by 30 June, to merge our two councils.
2. Make a submission by 30 June, showing how Cootamundra can become Fit for the Future by standing alone.

The 2nd option is risky, because there is a likelihood that it may not be acceptable to the State Government, in particular if many of our smaller neighbours take the same option.

What next?

Staff will work with Harden Shire Council over the next month to put together some comparative data and create a business plan, to gain an understanding of what the positives and negatives of a merger with Harden would be, before consulting with the wider community.

Due to the 30 June 2015 deadline, and the work required to put the submissions together, Council will start to prepare two alternative submissions, and may not know which submission it will ultimately lodge, until the June Council resolution.

Points of discussion raised at the meeting included:

- The reason for there not being consultation up until now is that there has not really been anything on which to consult before now.
- Harden Shire Council had been previously involved in discussions with other neighbouring councils and therefore had commenced staff meetings and consultations.
- It is apparent that indoor staff seem to be better informed about Local Government Reform discussion than outdoor staff and that the outdoor staff would welcome the opportunity to better informed at a meeting.

RECOMMENDATION TO THE GENERAL MANAGER

1. That the Consultative Committee consult with staff and report back to the Committee any concerns or questions about the unknown future of Council.
2. That Consultative Committee considers how they can assist with communication through a time of change.
3. That Fit for the Future be a standing agenda item for Consultative Committee.
4. That a whole of staff meeting be held as soon as possible to advise staff of the current position.

LOCAL GOVERNMENT REFORM

Introduction

Cootamundra & Harden Shire Councillors met on Tuesday 14th April and have determined to prepare a Council merger proposal. The two councils have been working together to respond to the state Government's 'Fit for the Future' local government reform mandate.

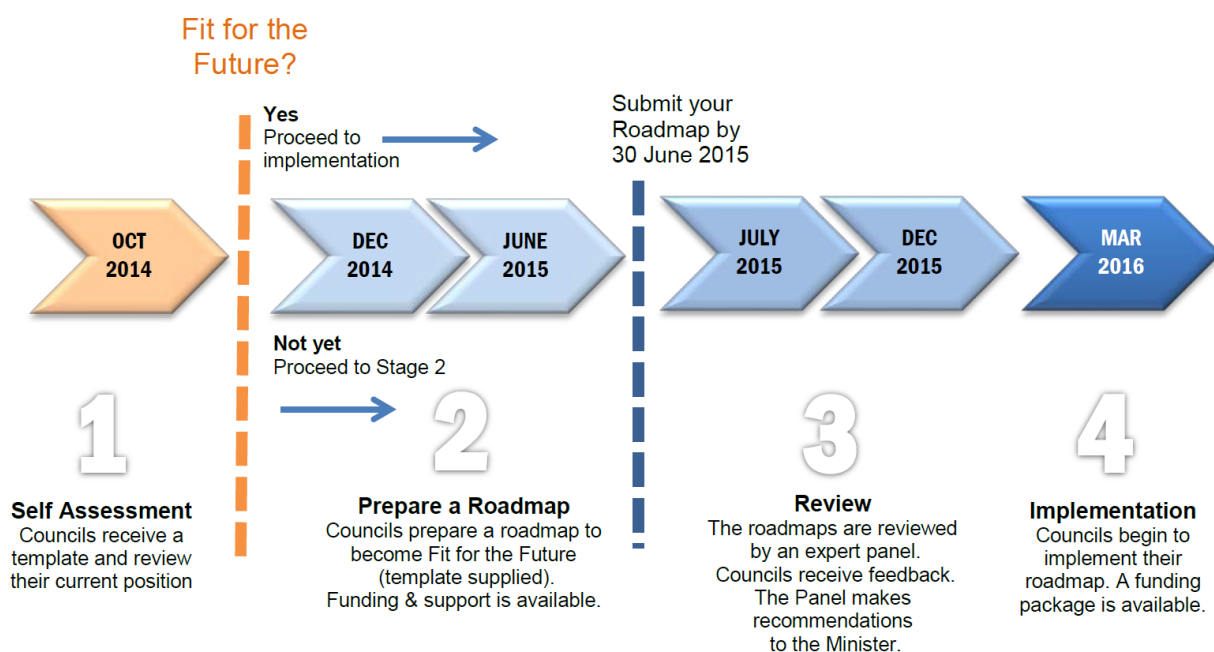
At its April Council meeting, Harden Shire Council committed to pursue the merger option of Harden and Cootamundra Councils as their preferred option. Refer **TABLED DOCUMENT CC 4 APRIL 2015 (Pages 29-30)**.

Having conducted an investigation in to the feasibility of a merger, the councils have agreed to prepare the merger proposal and begin consultation with residents, ratepayers and staff. The consultation process has already begun, and will continue over the next few months so that outcome can be reported to meetings of both Councils in June.

Discussion

Fit for the Future Requirements

Councils are required to prepare their submissions to the State Government in accordance with the following time-line.



Cootamundra and Harden Shire Councils will prepare a joint merger proposal (template 1), which is due to be submitted by 30 June 2015. An expert panel appointed by the Government will review all of the Council submissions by October 2015, and following their recommendation, the Minister will advise each Council whether their proposal meets the 'Fit for the Future' requirements.

If the council's proposal to merge is approved, the newly formed Council would begin on 1st April 2016.

Council Fit for the Future Actions

Staff have begun preparing the business case and merger case documentation, and this additional workload will continue until completion in the first week of May.

Harden and Cootamundra Councils will prepare a joint merger proposal for presentation to extraordinary meetings of each Council on 6 May, with a recommendation for both councils to adopt the draft and resolve to exhibit the merger proposal for public comment and feedback.

Staff will prepare an informational brochure for distribution to all households and ratepayers, outlining the merger proposal and requesting ideas and input from the community.

The consultation process involving the entire community (staff, residents and ratepayers) will continue until early June. The benefits and concerns highlighted in the community response will be considered by both councils in early June, before the finalisation of a merger proposal in time for the June Council meetings.

Role of the Consultative Committee

The Consultative Committee will be kept fully informed of all Management and Council decisions in regards to the proposed merger.

At the March Consultative Committee Meeting, the following recommendation was agreed:

- That the Consultative Committee consult with staff and report back to the Committee any concerns or questions about the unknown future of Council.
- That Consultative Committee considers how they can assist with communication through a time of change.
- That Fit for the Future be a standing agenda item for Consultative Committee.
- That a whole of staff meeting be held as soon as possible to advise staff of the current position.

Points of discussion raised at the meeting:

- Feedback received from staff, following the whole of staff meeting held on 15 April 2015, has been positive and no urgent concerns have since been raised about the proposal.
- Reports from staff at Harden Shire Council are that their staff are also in support of the proposal.

LOCAL GOVERNMENT REFORM

Introduction

The Cootamundra and Harden merger proposal business plan is now on public exhibition, with Council seeking constructive input and comment from the community by 6th June 2015. The business plan, including highlights for the Consultative Committee's role, forms **TABLED DOCUMENT 1 CC MAY 2015 (Pages 1-66)**.

The business plan has identified that the consultative committee will have a significant role in the implementation of the new Council structure, and has allocated resources to assist the consultative committee through this process.

Discussion

Updates and Timeline

The business plan has been developed by the leadership and staff of Harden and Cootamundra Councils, working together. Whilst it presents the basis for a way forward, all decisions relating to the strategies and structure of the new Council will be made by the leadership and management of the new Council, once it is in place.

Community consultation is currently taking place, and the outcome of the consultation process will be reported to the June Council meetings of each Council. At this meeting, it is expected that the Councils will make a decision to submit the merger proposal to the State Government for approval.

IPART has been selected by the government to assess the council submissions, and they have released their timeline as follows.

30 June 2015	Council proposals due – and put on public exhibition through IPART for one month.
31 July 2015	Close of public submissions on council proposals
October 2015	IPART releases its decisions on the proposals to the Minister for Local Government

The Minister has advised that councils would begin to implement their new structures by 1 April 2015.

We believe that our merger proposal will be approved by the Minister, as it meets all of the elements that have been set for us, and it meets IPART's definition of "scale and capacity."

Role of the Consultative Committee

The Consultative Committee has a large role and workload in the implementation period for the new Council, and this is identified in the Business Plan.

It is recommended that the Consultative Committee review the business plan, and provide feedback, in particular identifying:

- Staff concerns.
- How management can assist the consultative committee with their role during the implementation process.

The Consultative Committee will be kept fully informed of all Management and Council decisions in regards to the proposed merger.

At the March Consultative Committee Meeting, the following recommendation was agreed:

- That the Consultative Committee consult with staff and report back to the Committee any concerns or questions about the unknown future of Council.
- That Consultative Committee considers how they can assist with communication through a time of change.
- That Fit for the Future be a standing agenda item for Consultative Committee.
- That a whole of staff meeting be held as soon as possible to advise staff of the current position.

Points of Discussion raised at the meeting:

- It will be important for committee members to follow up staff questions and concerns promptly, and not let staff concerns fester. Committee members are encouraged to seek answers to staff questions from management representatives to effectively deal with staff concerns.
- Staff have heard in the media of reports of other council submissions involving Cootamundra, which is of concern to them. The NSW government has made it clear that a proposal to merge must be supported by all parties. Cootamundra Council has not agreed to any other proposals other than the one for Cootamundra-Harden merger.
- The Consultative Committee will be an essential communication hub during the merger process. The committee should consider a staff engagement strategy to assist with providing timely and accurate information to staff and to assist with preparing staff for and supporting staff during change. Strategies suggested included further *All of Staff* meetings held in a timely manner when important information is received or when important decisions have been made; an alternative strategy suggested for consideration was for committee representatives to work in small teams to meet with work groups on a regular basis to consult and inform.
- It is expected that staff concerns will primarily be in relation to how individual staff members might be affected by the change and what will be happening with their jobs, and also in relation to what opportunities there might be for individuals for change and advancement.

RECOMMENDATION

1. That Management schedule an *All of Staff Meeting* at the conclusion of the community consultation period to provide staff with timely and accurate information about the decided proposal and business plan. It is recommended that this meeting be scheduled for an afternoon from 3pm to 4pm before the end of June 2015.
2. That the Consultative Committee provide feedback to management about the draft business plan, in particular identifying:
 - Staff concerns, and
 - How management can assist the consultative committee with their role.

All Staff Meeting – Wednesday 15 April, 2015	
KEY POINTS	<i>Fit for the Future</i> and Cootamundra Shire Council's Response Ken Trethewey, General Manager
1	<p>“Fit for the Future”</p> <p>The current NSW Government, in its first term of office, established an Independent Local Government Review Panel in 2012, which presented its final report and recommendations for Local Government reform in 2013.</p> <p>The NSW Government responded to this report with an initiative entitled <i>Fit for the Future</i> (FFTF), which adopts the Review Panel's conclusion that NSW has too many councils and many councils are too small.</p> <p>Based on the Review Panel recommendation, FFTF has proclaimed that regional councils will need to have a population base of no fewer than 10,000 people to be effective and sustainable into the future.</p>
2	<p>3 Alternatives</p> <p>Under FFTF Council has 3 options to consider for its future sustainability:</p> <ol style="list-style-type: none"> 1. Meet eligibility for scale and capacity with 10,000 population 2. Argue that we can improve performance independently and meet FFTF criteria to do so. However Cootamundra Shire Council (CSC) would only be able to meet 2 out of the 7 criteria at best for the short term. 3. Operate as a “Rural Council” which may mean losing some functions such as administration and major work and projects to a larger council such as Wagga Wagga City Council.
3	<p>Review Panel Suggestion: Cootamundra + Junee</p> <p>Neither CSC or Junee are in favour because:</p> <ul style="list-style-type: none"> - Physically the wrong place and there is no real relationship (Cootamundra residents drive through Junee to get to Wagga) - Junee doesn't relate to Cootamundra as a commercial centre and therefore an amalgamation is not suitable.
4	<p>CSC suggestion: Cootamundra + Harden + Gundagai</p> <ul style="list-style-type: none"> - Gundagai declined (they wish to stand alone) - Harden is interested and there are commonalities between CSC and Harden (HSC)
5	<p>Cootamundra–Harden Merger Proposal</p> <ul style="list-style-type: none"> - Proposal to merge with Harden - 90 CSC staff + 60 HSC staff - Ongoing need to do the same work with same number of staff - No intention to remove staff because all staff will be needed - No redundancy payouts anticipated - Logical to have two offices and two depots - Plan to revise and improve old depots <p>Possible changes:</p> <ul style="list-style-type: none"> - Salary Systems and Structures are different - HSC salary system is not operating as effectively as CSC - Consultation with staff will be important so there are no surprises or major turmoil. - Other things are expected to change gradually for a successful amalgamation.
6	<p>Formal Submission to NSW Government and Response Timeframes</p> <ul style="list-style-type: none"> - Harden Council meeting scheduled for 15th April – expected to accept * - We must submit our voluntary amalgamation proposal with justification to the NSW

	<p>Government by 30 June 2015.</p> <ul style="list-style-type: none"> - Before the submission is made we must consult with the Community, Unions and Staff. Questions and suggestions from staff are therefore welcome as is input on how to do things well. - The Government panel is to review submissions by October 2015. - The amalgamated Council would officially commence 1st April 2016 and employee entitlements would be transferred to a new system. <p>*NB: Harden Council voted in favour of submission to merge with Cootamundra Shire Council.</p>
KEY POINTS	<p>Union Perspective on Amalgamation Glen McAtear, United Services Union Representative</p>
1	<p>Union Policy</p> <ul style="list-style-type: none"> - Union is not against amalgamation, provided it is <u>not</u> forced or the community does <u>not</u> strongly object. - USU has already been informed of the CSC-HSC amalgamation proposal – it is aware of our intent to preserve jobs.
2	<p>Local Government Act Protections</p> <ul style="list-style-type: none"> - Employee protection in Local Government Act 1993 – 3 years protection for permanent staff before redundancies are permissible; - But the NSW Government is also revising the LG Act, however it is not <i>expected</i> that this protection will be removed.

Questions & Answers

Q:	After consultation what if the Community doesn't want to merge? How will Council respond?
A:	<p>If we don't do something it is likely that the government will do something to us. So unless there is complete and absolute rejection, amalgamation will take place. CSC has been advised by the independent review panel that we are on notice and HSC have been advised that they <i>must</i> do something. Therefore we believe that the state Government is not going to allow us to do nothing.</p> <p>There will be benefits:</p> <ul style="list-style-type: none"> For workers – due to more scale and more capacity <ul style="list-style-type: none"> Shared work and we can complete bigger tasks More opportunity for training For the Community - more done in the Community due to more available resources <ul style="list-style-type: none"> A \$5 million incentive from NSW Government to amalgamate voluntarily (This is to cover the costs and to boost funds) Access to cheaper loans for Council Rate rises (which all councils need) this will be made easier to achieve
Q:	What is the Population of Harden and Cootamundra?
A:	Harden has a population of 3,751 and covers an area of 1,868.5 km ² . Cootamundra has a population of 7,749 and covers an area of 1,524.0 km ² . Combined we would have a population of 11,500 and a local government area of 3,392.5 km ² .
Q:	Are all Councillors in agreement?
A:	Yes we believe so, but they are wary of loss of representation. They have been convinced by rational argument that merging is the best course of action for the community. HSC Councillors needed to be reassured that Harden will have services maintained and their community not be left out.
Q:	Will there be multiple staff in positions such as GM and Directors?
A:	At the moment the positions both run fairly light, but we will revise and see what can be done better or where more can be done. Where there are changes to positions staff will be consulted so that the reason is understood.
Q:	Has research been conducted elsewhere on the impact of amalgamation on staff and have we looked into the results?
A:	We have looked at the research from mergers in QLD, VIC, WA, SA, and NSW in the past and have found that after amalgamation all staffing levels <i>increased</i> by 10% essentially because more <i>coordination</i> of workers was required.
Q:	Will the consuming process of amalgamation restrain and distract us from core work/business?
A:	NSW Government will provide \$5 million to cover costs of extra people and resources to carry the burden, but it may take years to change things. In the next 9 months Council staff will identify what needs to change and what to prioritise. For example the Salary System will be a priority.

Q:	What would be the structure of elected Councillors?
A:	<p>The proposed interim arrangement is likely to be as follows:</p> <ul style="list-style-type: none"> ○ At commencement as of 1 April 2016: open to all 15 councillors ○ 1st election: 5 from each ○ 2nd election: 3 from each plus 3 open ○ 3rd election – open
Q:	Will staff need to re-apply for their jobs?
A:	No
Q:	What will be the name of the proposed amalgamated Council?
A:	Not yet known – this may be put out to the communities for consultation.
Q:	A Harden-Young-Boorowa amalgamation was proposed, and reported in the media. Is this still being considered?
A:	Young approached the State Government 12 months ago and requested \$100,000 to investigate the possibility. The Government provided them with \$20,000. Their consultant's recommendation included loss of staff, which was of concern to all 3 councils. The Harden community did not want to proceed with Young-Harden-Boorowa proposal, but were in favour of a merger with Cootamundra if that was an option.
Q:	Could the Government change the LG Act to re-write the job protection clause?
A:	We don't yet know for sure. CSC and HSC have determined that we still need all our workers and that staff may be doing slightly different jobs but jobs will not be lost.
Q:	If we became a Rural Council would jobs be lost then?
A:	Yes possibly, because we may not be doing major work or administration. A Rural Council would not be the Council as we know it now.
Q:	Who does due diligence checks to see what skeletons are in the closet at Harden?
A:	We are and we have already looked into it. No concerns.
Q:	Is there a difference in how Harden's Water & Sewer systems operate?
A:	They operate much the same to CSC systems. For most functions, we do the same thing and with the same attitude.

All Staff Meeting – Thursday 18th June 2015

KEY POINTS	<i>Fit for the Future</i> Ken Trethewey, General Manager
1	Both Cootamundra Shire Council (CSC) and Harden Shire Council (HSC) have resolved to submit proposals for a merger.
2	IPART will assess the submissions and provide their assessment to NSW Cabinet on 16 October 2015 for them to determine whether they will approve or reject the proposal.
3	Therefore we are currently in limbo. We have done all we can do at this stage and we believe the application to be convincing.
4	Assuming that the NSW government approves the proposal, in September 2016 we will become 'the new Council'. Six months prior to that we will start working together and a committee (consisting of the Mayor, GM and one Councillor from each Council) will be established to oversee the transition.
5	Cannot see why proposal will not go ahead; it will be better for workers in respect of ability to provide work variety and potential for worker development.

Questions & Answers

Q:	Can you talk about the MOU?
A:	In the current Local Government Act (LG Act) there is a 3 year period where no permanent employee can be forced redundancy, but when new Council comes in, it is likely that there will be a new LG Act. As it is unclear how the new legislation will address the issue of redundancies in relation to amalgamations, Council will sign a Memorandum of Understanding (MOU) with the Union that states that there will be no forced redundancies for a period of 4 years.
Q:	Will any redundancies be offered?
A:	No. Firstly, we don't want to lose the best of workforce and secondly we are not in a financial position to pay them out.
Q:	Is the government giving money to Council to amalgamate and what are they going to do with it?
A:	Yes, the new Council would expect to receive \$5m from the NSW Government. It is estimated that the cost of merging will be approximately \$2m and the balance will be put into reserve (will help top-up employee leave entitlements, plant replacement, etc).
Q:	Are there any other Shires in country NSW that are going to amalgamate?
A:	Not that we know of. It looks like other Councils thought that they could 'bluff' as being Fit For The Future but based on ways that they are going to be assessed, many are now concerned, but it is now too late for them to put their merger application together. Boorowa and Young have put an application that Young/Boorowa/Harden should merge, but Harden is not in agreeance, as they want to amalgamate with Cootamundra. CSC can see financial benefits to voluntarily amalgamate but it will be interesting to see whether the government will force amalgamations and whether they will get the financial benefit or not.
Q:	Young and Boorowa are putting in a proposal that includes Harden, but Harden doesn't want to be part of that?
A:	That is correct. But CSC expects this to be declined as Harden are not a volunteer in the Hilltops proposal. As far as CSC is concerned, the amalgamation of HSC & CSC is a better arrangement.
Q:	Who makes the decision on the new Council name?

A:	The Geographical Names Board makes the final decision, based on the recommendation of the new Council. Suggestions will be received by the community to assist Council.
Q:	Who will the 'king pin' Council be?
A:	Neither. CSC is bigger and in many cases more efficient, so HSC may end up doing things the same way we do, but we are not ruling one over the other. It will take time to implement and decide who does what bests and to adjust practices accordingly.
Q:	Will Council's budget for the coming 12 months change?
A:	No, it is currently business as usual. If we do receive the approval to amalgamate, a committee will be formed that have the task of starting to bring the two Councils together so that come July next year we will adopt two separate budgets but that there will be alignment between the two Councils.
Q:	Will the administrative (office) staff be able to retain their current role and work from their current location?
A:	Initially everyone will stay where they are, but we need to look at role duplication and assess what the new Council will require. All staff of the new Council cannot fit in the Cootamundra nor Harden offices, so both locations will be retained. It is anticipated that telecommunication between the two offices will be assisted by investment in high-speed internet connections and additional screens or other technologies to allow visual engagement. It is expected that staff will work as a team even if physically separated – in the office environment as well as depots. It is possible that some staff will need to move between the two locations, but this will be reduced as much as possible. The intention is not to force a group of people to move location – there may be instances where we don't have a choice but if there is a technological alternative we will take it.
In conclusion.... We now sit and wait for 5 months while we await the decision.	

MEDIA RELEASES

COOTAMUNDRA

- 20 April 2015 Merger Proposal
- 30 April 2015 Merger Key Dates
- 12 May 2015 Merger Community Consultation
- 22 May 2015 Post Community Consultation Period

Media Release

FOR IMMEDIATE RELEASE 20 April 2015 Merger Proposal

Merger Presents Opportunities for Cootamundra and Harden

Cootamundra and Harden Shire Councillors met on Tuesday 14th April and both Councils have now determined to prepare a Council Merger Proposal.

The two councils have been working together to respond to the State Government's 'Fit for the Future' local government reform agenda and, having conducted an investigation into the feasibility of a merger, have agreed to prepare the merger proposal and begin consultation with residents, ratepayers and staff.

Welcoming the decision, Mayors Jim Slattery and John Horton indicated that the merger was in the best interests of both the Harden and Cootamundra communities.

Mayor Slattery stated that, *"I am convinced that this proposal would help both councils to deliver the present quality services even more effectively. The combination of Cootamundra and Harden councils will be much more than the sum of their parts, and I believe that both communities will gain from having the councils working as a single organisation."*

Mayor Horton stated that, *"By merging all of our resources, employees and plant, we will be in a position to increase efficiency and continue to provide the level of service that is needed to grow the towns and villages and ensure a successful Council into the future. There is genuine excitement within both councils as we believe this planned merger will deliver benefits across the whole community."*

The next step in the process is the development of an information package that will be distributed to every household in both Shires in early May, outlining the merger proposal and asking for constructive input from the community. This will be followed by a series of public meetings in the towns and villages of both Shires providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered. The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval.

Cootamundra Shire Council
PO Box 420
Cootamundra 2590

**For Further Media Information Contact : Linda Wiles Public Relations Officer 02 6940 2100
linda.wiles@cootamundra.nsw.gov.au**

Media Release

FOR IMMEDIATE RELEASE 30 April 2015 Merger Key dates

Merge for Cootamundra and Harden Key Dates

Cootamundra and Harden Shire Councillors met on Tuesday 14th April and both Councils have now determined to prepare a Council Merger Proposal and begin consultation with residents, ratepayers and staff.

Every household in Cootamundra and Harden will receive an information package commencing the week of 11th May 2015 outlining the merger proposal and asking for constructive input from the community. Additional information will also be available from both Council offices and on websites www.cootamundra.nsw.gov.au and www.harden.nsw.gov.au from this date.

This will be followed by a series of public meetings in the towns and villages of both Shires providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered.

Public meetings will be held as follows:

Date	Time	Location
18/5/15	6.00pm	Cootamundra Town Hall
19/5/15	6.00pm	Wallendbeen Hall
20/5/15	6.00pm	Stockinbingal Hall
23/5/15	9.00am—1.00pm	Stephen Ward Rooms Cootamundra

The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval.

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Media Release

FOR IMMEDIATE RELEASE 12 May 2015 Merger Community Consultation

Harden Cootamundra Merger Consultation

All residents in Cootamundra and Harden are encouraged to check their mail delivery services for their information package on the proposed Harden Cootamundra merger. Every household will receive the flyer during the week of 11th – 15th May 2015. The information package outlines the merger proposal and contains a perforated section for constructive input and comment to be returned to Council postage paid by 6th June 2015.

A series of public meetings in the towns and villages of both Shires, providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered will be held as follows:

Date	Time	Location
14/5/15	7.00pm	Harden Country Club Auditorium
18/5/15	6.00pm	Cootamundra Town Hall
19/5/15	6.00pm	Wallendbeen Hall
20/5/15	6.00pm	Stockinbingal Hall
23/5/15	9.00am—1.00pm	Stephen Ward Rooms Cootamundra
21/5/15	7.00pm	Galong Hall
26/5/15	7.00pm	Wombat Recreation Clubhouse
27/5/15	7.00pm	Jugiong Hall

The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval. Additional information is available from both Council offices and on websites <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx> and <http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>

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Media Release

FOR IMMEDIATE RELEASE 22 May 2015 Post Community Consultation Period

Delivering Local Government Reform

Photo caption: Working better together – Cootamundra and Harden Shire Councillors and Staff

Cootamundra and Harden Shire Councils have responded positively to the NSW Government *Fit for the Future* reform package, embracing the opportunity to plan for a better future. The two Councils are taking advantage of the opportunity to work with the NSW Government to achieve a shared vision of strengthening local communities.

The two Councils have proposed a Council merger, posting information packages to every resident and ratepayer, and asking for the community to provide their feedback and ideas. The community is participating in the decision-making process, attending community meetings and providing their written responses, which so far have been overwhelmingly supportive of the proposal, with 89% of the responses received by Cootamundra Shire Council to date in favour of the proposal.

Mayor Jim Slattery said “The proposed merger of Cootamundra and Harden Councils is potentially transformational for the long-term security and growth of the Council. Our Councils’ visions and priorities are mutually compatible and the benefits of combining resources with our neighbours are obvious. We are pleased that many members of our community thought it important to be involved in this decision by lodging their comments and attending public meetings.”

The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval. Additional information is available from both Council offices and on websites <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx> and <http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>

Cootamundra Shire Council
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linda.wiles@cootamundra.nsw.gov.au



HARDEN

- Harden Cootamundra joint media release 14th April, 2015
- Harden Cootamundra media release 1st May, 2015
- Harden Cootamundra media release post community consultation meetings - 10th June, 2015

Media Release

FOR IMMEDIATE RELEASE Harden Cootamundra joint media release 14th April, 2015

Merger Presents Opportunities for Harden and Cootamundra

Harden and Cootamundra Shire Councillors met on Tuesday 14th April and both Councils have now determined to prepare a Council merger proposal.

The two Councils have been working together to respond to the State Government's 'Fit for the Future' local government reform agenda and, having conducted an investigation into the feasibility of a merger, have now agreed to prepare a joint merger proposal and begin consultation with residents, ratepayers and staff.

Welcoming the decision, Mayors John Horton and Jim Slattery were convinced that this merger was in the best interests of both the Harden and Cootamundra communities.

Mayor Horton stated that, *"By merging all of our resources, employees and plant, we will be in a position to increase efficiency and continue to provide the level of service that is needed to grow our towns and villages whilst ensuring the Council can be sustainable into the future. There is genuine excitement within both Councils as we believe this planned merger will deliver benefits across the whole community."*

Mayor Slattery stated that, *"I am convinced that this proposal would help both Councils to deliver the present quality services even more effectively. The combined Cootamundra and Harden Councils will be much more than the sum of their parts, and I believe that both communities will gain from having the Councils working as a single organisation."*

The next step in the process is the development of an information package that will be distributed to every household in both Shires in early May, outlining the merger proposal and asking for constructive input from the community. This will be followed by a series of public meetings in the towns and villages of both Shires providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered. The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval.

**Cootamundra Shire Council
PO Box 420
Cootamundra 2590**

**Harden Shire Council
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Harden NSW 2587**

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**Jess Cavanagh – Harden Economic Development Officer
Phone 02 6386 0100
jess.cavanagh@harden.nsw.gov.au**

Media Release

FOR IMMEDIATE RELEASE Harden Cootamundra media release 1st May, 2015

Merger for Harden and Cootamundra Shires

Following a combined meeting of Harden and Cootamundra Councils on Tuesday 14th April both Councils have now determined to prepare a Council Merger Proposal and begin consultation with residents, ratepayers and staff.

Harden Shire Council Mayor, John Horton has advised “commencing the week of 11th May 2015 every household in Harden and Cootamundra will receive an information package outlining the merger proposal and asking for constructive community feedback on the proposal.”

Additional information will also be available from both Council offices and on websites www.harden.nsw.gov.au and www.cootamundra.nsw.gov.au from this date.

This will be followed by a series of public meetings in the towns and villages of both Shires providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered.

Public meetings will be held in the Harden shire as follows:

Date Time Location

14/5/15 7.00pm Harden Country Club Auditorium

21/5/15 7.00pm Galong Hall

26/5/15 7.00pm Wombat Recreation Clubhouse

27/5/15 7.00pm Jugiong Hall

The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval.

Harden Shire Council

PO Box 110

Harden 2587

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6386 0100**

Trevor Drowley Acting General Manager

Trevor.Drowley@harden.nsw.gov.au

Media Release

FOR IMMEDIATE RELEASE Harden Cootamundra media release post community consultation meetings - 10th June, 2015

Delivering Local Government Reform

Photo caption: Working better together – Cootamundra and Harden Shire Councillors and Staff

Cootamundra and Harden Shire Councils have responded positively to the NSW Government *Fit for the Future* reform package, embracing the opportunity to plan for a better future. The two Councils are taking advantage of the opportunity to work with the NSW Government to achieve a shared vision of strengthening local communities.

The two Councils have proposed a Council merger, posting information packages to every resident and ratepayer, and asking for the community to provide their feedback and ideas. The community has participated in the decision-making process, attending community meetings and providing their written responses, which so far have been overwhelmingly supportive of the proposal, with over 90% of the responses received by Harden Shire Council in favour of the proposal.

Mayor John Horton said "Harden Shire Council has undertaken an extensive community engagement strategy to outline the merger proposal to the Harden community. I have been particularly pleased at the number of residents who have participated in each of our four public meetings to discuss the merger proposal. Over two hundred and forty people attended the public meetings and in each of the locations the community actively engaged in the debate and conveyed clear support for the proposal. Similarly the community responded with some three hundred and thirty written responses to the merger proposal with over 90% of people advising support for the merger. This is the largest response that Council has ever received to a community consultation and I am very pleased that the community has provided Council with such a decisive outcome. I want to thank our community for their responses and clear direction to Council."

The outcome of the consultation process will be reported to meetings of both Councils in June following which the merger proposal will be submitted to the State Government for approval. Additional information is available from both Council offices and on websites <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx> and <http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>

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MEDIA REPORTS / ARTICLES

COOTAMUNDRA

May 1, 2013	http://www.cootamundraherald.com.au/story/1469858/merger-suggested-with-neighbours/	Merger suggested with neighbours
Wednesday, October 15 2014	http://www.cootamundraherald.com.au/story/2624188/merger-talks-put-council-on-front-foot/	Merger Talks put council on front foot
Monday, October 27 2014	http://www.cootamundraherald.com.au/story/2648609/who-will-it-be/	Cootamundra Shire Council considers merger possibilities
Monday January 19 2015	http://www.cootamundraherald.com.au/story/2821421/making-coota-shire-fit-for-the-future/	Making Coota Shire Fit for the Future
Friday, 20 February 2015	http://www.cootamundraherald.com.au/story/2894188/sheahan-says-cootaharden-merger-likely/	Sheahan says Coota/Harden merger likely
Thursday, 26 March 2015	http://www.cootamundraherald.com.au/story/2971404/merger-stalemate/	Cootamundra awaits Harden Council's response to merger proposal
Friday, March 27 2015	http://www.cootamundraherald.com.au/story/2971404/merger-stalemate/	Merger stalemate
Thursday, 2 April 2015	http://www.boorowanewsonline.com.au/story/2984050/cootamundra-interested-in-harden-merger/	Cootamundra Interested in Harden Merger
Thursday April 16 2015	http://www.cootamundraherald.com.au/story/3015766/shire-handshake/	Cootamundra and Harden Shire Councils to merge
Friday April 17 2015	http://www.cootamundraherald.com.au/story/3017908/vox-pop-council-merger/?cs=585	Vox pop : Council merger
Friday, 17 April 2015	https://au.prime7.yahoo.com/a1/news/a/-/local/27172530/councils-decide-to-merge-video/	Councils decide to merge (video)
Friday April 17, 2015	http://www.abc.net.au/news/2015-04-17/harden-coota-merger/6399332	Riverina first: Proposed amalgamation of Cootamundra And Harden councils
Wednesday, April 22, 2015	http://www.cootamundraherald.com.au/story/3022482/welcoming-the-merger/	Cootamundra Mayor Jim Slattery welcomes Harden Merger
Thursday, 30 April 2015	http://www.cootamundraherald.com.au/story/3048080/dates-set-for-council-merger-talks/?cs=581	Cootamundra Shire Council consults residents on Harden Shire Council merger
Friday, 1st May 2015	http://www.dailyadvertiser.com.au/story/3049811/council-merger-talks-set/	Coota, Harden to merge
Thursday, 7 May 2015	http://www.cootamundraherald.com.au/story/3062667/council-votes-yes/	Amalgamation Meeting for council
Monday, 11 May 2015	http://www.youngwitness.com.au/story/3066339/harden-coota-a-step-closer-to-merger/	Harden, Cootamundra a step closer to merger
Wednesday, 27 May 2014	http://www.cootamundraherald.com.au/story/3106435/gundagai-on-the-table/	Harden and Coota to look to lock down Gundagai
Thursday 11 June 2015	http://www.abc.net.au/news/2015-06-11/merger-on/6537200	Cootamundra, Harden councils meet to progress amalgamation talks
Tuesday 16 June 2015	http://www.cootamundraherald.com.au/story/3149432/merger-gets-green-light/	Councillors vote to move forward
Friday, 19 June 2015	http://twintowntimes.com.au/_/2015/06/harden-coota-merger-proposal-ready-for-submission/	Harden Coota Merger Proposal ready for submission

HARDEN

Friday, 28 June 2013	http://www.hardenexpress.com.au/story/1603639/councils-discuss-mergers/	Councils discuss mergers
Friday, 12 July 2013	http://www.hardenexpress.com.au/story/1633945/shires-seek-funds-to-explore-merger-options/	Shires seek funds to explore merger options
Saturday, 26 July 2014	http://www.hardenexpress.com.au/story/1664205/councils-promote-hilltops-region-in-merger-talks/	Councils promote Hilltops Region in merger talks
Wednesday, 20 August 2014	http://twintowntimes.com.au/2014/08/toole-talks-amalgamation/	Toole Talks Amalgamation
Thursday, 11 September 2014	http://twintowntimes.com.au/2014/09/incentives-offered-for-amalgamation/	Incentives offered for Amalgamation
Wednesday, 8 October 2014	http://twintowntimes.com.au/2014/10/where-will-we-end-up-why-you-should-care/	Where will we end up? Why you should care!
Thursday, 9 October 2014	http://www.hardenexpress.com.au/story/2613601/major-rejects-claims-merger-a-done-deal/	Major Rejects claims merger a done deal
Thursday, 27 November 2014	http://twintowntimes.com.au/2014/11/consultant-delivers-report-on-amalgamation/	Consultant delivers report on amalgamation
Friday, 20 February 2015	http://twintowntimes.com.au/2015/02/not-fit-for-the-future/	Not fit for the future
Thursday, 26 February 2015	www.hardenexpress.com.au/story/2906711/letters-to-the-editor/	Letters to the editor
Sunday, 1 March 2015	http://twintowntimes.com.au/2015/03/shires-future-undetermined-consultants-report-flawed/	Shire's future undetermined, consultant's report flawed
Wednesday, 25 March 2015	http://www.hardenexpress.com.au/story/2969110/amalgamation-talks-continue/	Merger talk on the cards
Monday, 6 April 2015	http://twintowntimes.com.au/2015/04/amalgamation-draws-near/	Amalgamation draws near
Monday, 20 April 2015	http://twintowntimes.com.au/2015/04/media-release-merger-presents-opportunities/	Merger presents opportunities for Harden and Cootamundra
Thursday, 23 April 2015	http://twintowntimes.com.au/2015/04/harden-and-cootamundra-best-outcome/	Harden and Cootamundra best outcome
Thursday, 30 April 2015	http://twintowntimes.com.au/2015/04/amalgamation-consultation-begins/	Amalgamation consultation begins
Friday, 1 May 2015	http://www.abc.net.au/news/2015-05-01/young27s-plans-to-merge-may-still-include-harden-and-coota/6436772	Young's plans to merge may still include Harden and Cootamundra
Wednesday, 6 May 2015	http://www.hardenexpress.com.au/story/3060842/shire-amalgamation-meetings/	Proposed merger for Harden and Cootamundra Shires
Thursday, 7 May 2015	http://twintowntimes.com.au/2015/05/young-boorowa-not-taking-no-for-an-answer/	Young & Boorowa not taking no for an answer
Tuesday, 12 May 2015	http://twintowntimes.com.au/2015/05/town-amalgamation-meeting-times/	Town Amalgamation Meeting Times
Tuesday, 12 May 2015	http://www.hardenexpress.com.au/story/3073063/you-r-merger-say/?cs=646	Series of meetings over council amalgamation
Tuesday, 9 June 2015	http://www.cootamundraherald.com.au/story/3134307/merger-feedback-largely-positive/	Feedback Positive
Friday, 19 June 2015	http://www.hardenexpress.com.au/story/3157593/merger-vote-says-proceed/	Councillors unanimous in amalgamation vote
Friday, 19 June 2015	http://www.hardenexpress.com.au/story/3157784/leave-entitlements-secure/	Leave entitlements secure

Friday, 19 June 2015

http://twintowntimes.com.au/_/2015/06/harden-coota-merger-proposal-ready-for-submission/

Harden Coota Merger Proposal
ready for submission

Distribution of an information package to every household and absentee ratepayer in both Shires will commence week commencing 11 May 2015. The information package will outline the merger proposal and asks for constructive input from the community.

	Merged Council Budget Income Statement			FAQs		FAQs	
	2016	2017	2018				
Income Statement	\$'000	\$'000	\$'000				
Income from continuing operations	2016	2017	2018	Q. Why is Council proposing a merger rather than standing alone?	Q. Will the new council remain the Water Supply Authority for the council area?		
Rates and annual charges	11,791	12,175	12,551	A. Council believes that the decision to merge will be of long term benefit to both communities because it will give Council the scale and capacity needed to continue to provide the present levels of service with a more efficient and cost-effective service.	A. Yes. The NSW Government has not made, or flagged, any major changes to the way water will be delivered. This means that Goldenfields Water Supply Council will remain the bulk supplier for the present Harden Shire and Cootamundra town area with the new council undertaking the distribution function in these areas.		
Use charges and fees	8,345	8,110	8,169	Q. What would be the structure of elected Councilors?	Q. When will the merger take place and the new council come into effect?		
Interest and investment revenue	646	819	905	A. The proposed interim arrangement is likely to be as follows: • At commencement as of 1 April 2016: all 16 present councillors • 1st election: Five (5) councillors from each old council area • 2nd election: Three (3) councillors from each area plus three (3) across the new Council • 3rd election – all nine (9) councillors elected across the new Council	A. Yes. The NSW Government has set a timetable that requires Councils to provide their proposed response to IPART by 30 June 2015. IPART is to provide an assessment of the proposals to the Premier and Minister for Local Government by 16 October 2015. Any agreed proposals to take place on 1 April 2016, creating the new Council by merging the present Cootamundra and Goldenfields Shire Councils. The timetable also indicates that councillors for the new Council would be elected in September 2016.		
Other revenues	277	284	294		Q. What will the new Council be named?		
Grants and contributions provided for operating purposes	14,049	9,179	9,502		A. This has not been determined and part of the community consultation will be to ask for suggestions and the reasons those suggested names might be suitable.		
Grants and contributions provided for capital purposes	1,307	463	474		Q. Do both Councils believe that benefits will result from this merger?		
Joint venture interests	-	-	-		A. Yes. Benefits will not be seen immediately but will become visible over time. The additional size of the workforce will be spread out gradually, reducing the need for a large retraining of staff, present duplication of activities will be identified and streamlined, excess plant and equipment will be disposed of or redeployed to allow a greater breadth of services to be performed. Additional scale simply allows the new Council to investigate a range of possibilities which are not available at present.		
Net gain from the disposal of assets	217	72	-		Q. Do both Councils expect that this merger will result in any negative outcomes?		
Total Income	36,133	31,102	32,135		A. No. Neither Council anticipates any major negatives coming out of the merger. However, both Councils are realistic in expecting that not everything will go exactly as planned. There will be some unforeseen issues that will need to be dealt with.		
Expenses from continuing operations	\$'000	\$'000	\$'000		Q. Will the NSW Government be assisting Council with the merger process?		
Employee benefits and costs	9,040	9,353	9,650		A. The NSW Government have offered a one off of \$5 million grant to assist with the inevitable costs of ensuring both Councils previous systems and practices can be successfully merged. Both Councils have been working on a draft Long Term Financial Plan for the new Council and believe this injection of funds will ensure the new council can commence and continue in a financially viable position.		
Borrowing costs	590	590	152		A. The NSW Government has also indicated that financial benefits will be made available to councils who are fit for the future, such as cheaper loans, greater access to grants, and assistance with some areas of forward planning.		
Materials and contracts	10,230	11,495	11,363				
Depreciation and amortisation	7,819	7,819	7,819				
Impairment	1,313	3,165	3,221				
Other expenses	3,133	3,165	3,221				
Net loss from the disposal of assets	-	-	-				
Total Expenses	30,671	31,623	32,005				
Net Operating Result	5,462	(521)	131				
Net operating result before grants and contributions provided for capital purposes	4,155	(984)	(344)				
Note: 2016 includes \$5 million NSW Government grant.							
Proposed new council in brief							
Population	11,500						
Towns and Villages	2 (Towns & Villages Area (Square Kilometres))	3,392.5					
Land (Inland) (Total Land)	149	149					
Funds held in Externally Restricted Reserves	\$9,223,735						
Funds held in Internally Restricted Reserves	\$1,097,902						
Funds held in Unrestricted Reserves	\$1,659,282						
Length of roads and streets (KM)	1,468.4						
Public Halls	2						
Public Libraries	2						
Cemeteries	2						
Swimming Pools	3						
Airports	1						
Waste Depots	1						
Open Public Space (Parks and Reserves) (Ha)	233						



- Attempted discussion with Temora, who intend to stand alone.
- Discussions with Young, regarding invitation to join a Youngs/Harden/Borreria "Hilltops" proposal; rejected based on move out of Riverina region.
- An investigation of a merger with Harden and Gundagai; with Gundagai indicating its intention to stand alone.
- An investigation of the potential to merge with Harden, resulting in this proposal.

After consideration of all available options, both Cootamundra and Harden have concluded that a merger of Cootamundra and Harden will provide the most sustainable long term benefit to both communities, with the least disruption to the present levels of service.

Community Strategic Planning
Both Cootamundra and Harden developed long term Community Strategic Plans (CSPs) following extensive consultation with each of their communities in 2011/12. Despite these having been undertaken separately the vision of both Shires is a community based on the same values.

Cootamundra's Community Vision:
It is 2023... Cootamundra is a thriving, lively Shire of around 8,000 set within a picturesque rural environment. Its people have chosen to live here because of the community spirit, the pleasant surroundings, the affordable lifestyle, the setting, the different choices of lifestyle, the health, education, cultural and retail services, and the easy access to Canberra, Sydney, Melbourne, the mountains, the outback and the coast.

See <http://www.cootamundra.nsw.gov.au/taxh3/Community>

Harden's Community Vision:
Harden Shire will remain a great place to live, with *carri- safe and secure communities* supported by a *vibrant economy*, where residents continue to experience a *satisfying quality of life in an attractive and sustainable environment*.

See
<http://www.harden.nsw.gov.au/f.ashx/downloads/harden-community-strategic-plan-12-april-2012.pdf>

[illegible]

HARDEN

GENERAL MANAGER
HARDEN SHIRE COUNCIL
PO BOX 110
HARDEN NSW 2887

Merged Council Budget Income Statement

Income Statement	2016 \$'000	2017 \$'000	2018 \$'000
Income from continuing operations			
Rates and annual charges	11,791	12,175	12,551
User charges and fees	7,845	8,110	8,369
Interest and investment revenue	646	819	905
Other revenues	277	284	294
Grants and contributions provided for operating purposes	14,049	9,179	9,502
Grants and contributions provided for capital purposes	1,307	463	474
Joint venture interests	-	-	-
Net gain from the disposal of assets	217	73	40
Total Income	36,133	31,102	32,135
Expenses from continuing operations			
Employee benefits and on-costs	9,040	9,353	9,650
Borrowing costs	159	160	152
Materials and contracts	10,520	11,126	11,163
Depreciation and amortisation	7,819	7,819	7,819
Impairment	-	-	-
Other expenses	3,133	3,165	3,221
Net loss from the disposal of assets	-	-	-
Total Expenses	30,671	31,623	32,005
Net Operating Result	5,462	(521)	131
Net operating result before grants and contributions provided for capital purposes	4,155	(984)	(344)

Note: 2016 includes \$5 million NSW Government grant.

Proposed new council in brief

Population	11,500
Towns and Villages	2 Towns 6 Villages
Area (Square Kilometres)	3,352.5
Staffing (Equivalent Full Time)	149
Funds held in Externally Restricted Reserves	\$8,223,735
Funds held in Internally Restricted Reserves	\$5,097,903
Funds held in Unrestricted Reserves	\$1,652,282
Length of roads and streets (KM)	1,468.4
Public Halls	11
Public Libraries	2
Cemeteries	9
Swimming Pools	3
Airports	1
Waste Depots	6
Open Public Space (Parks and Reserves) (Ha)	233

FAQ's

- Q: Why is Council proposing a merger rather than standing alone?
- A: Council believes that the decision to merge will be of long term benefit to both communities because it will give Council the scale and capacity needed to continue to provide the present levels of service with an ever decreasing income.
- Q: What would be the structure of elected Councillors?
- A: The proposed interim arrangement is likely to be as follows:
- At commencement as of 1 April 2016: all 16 present councillors
 - 1st election: Five (5) councillors from each old council area
 - 2nd election: Three (3) councillors from each area plus three (3) across the new Council
 - 3rd election – all nine (9) councillors elected across the new Council
- Q: Will staff be made redundant or will staff need to re-apply for their jobs?
- A: No. Staff will be made redundant, however over time as a new structure is developed some staff will be re-trained to avoid duplication and to allow new activities to be undertaken.
- Q: Could the Local Government Act be changed to re-write the job protection clause?
- A: Both Cootamundra and Harden councils have determined that we still need all our workers, and that whilst staff may be doing slightly different jobs no jobs will be lost regardless of any change to legislation.
- Q: Will rates be increased above the rate pegging increase as a result of a merger?
- A: No. Initially rates will remain as they are. However, over a ten year period adjustments will need to be made in all rate categories to ensure equity of rating across the new council area. There will not be any sudden or dramatic changes.
- Q: Will the work involved in amalgamation restrain and distract Council from its core work/business?
- A: The NSW Government will provide \$5 million to cover costs of extra people and resources to carry the immediate burden, but it may take years to change things. In the next nine months Councillors and staff will identify what needs to change and what to prioritise.
- Q: Has research been conducted elsewhere on the impact of amalgamation and have we looked into the results?
- A: We have looked at the research from mergers in QLD, VIC, WA, SA, and NSW in the past and have found that after amalgamation generally staffing levels increased, essentially because more co-ordination of workers was required.
- Q: Have we done due diligence checks to ensure we understand all the ramifications of the proposed merger?
- A: Yes. Both councils have opened their books to scrutiny by the other and both are fully aware of the position of the other and the affect this may have on the new council. As a result we have no concerns with recommending a merger.

FAQ's

- Q: Will the new council remain the Water Supply Authority for the council area?
- A: Yes. The NSW Government has not made, or flagged, any major changes to the way water will be delivered. This means that Goldenfields Water County Council will remain the bulk supplier for the present Harden Shire area and Cootamundra town area with the new council undertaking the distribution function in these areas.
- Q: When will the merger take place and the new council come into being?
- A: The NSW Government has set a timetable that requires councils to provide their proposed response to IPART by 30 June 2015, IPART to provide an assessment of those proposals to the Premier and Minister for Local Government by 16 October 2015, for any approved mergers to take place on 1 April 2016, creating the new Council by merging the present Cootamundra and Harden. The timetable also indicates that councillors for the new Council would be elected in September 2016.
- Q: What will the new Council be named?
- A: This has not been determined and part of the community consultation will be asking for suggestions and the reasons those suggested names might be suitable.
- Q: Do both Councils believe that benefits will result from this merger?
- A: Yes. Benefits will not be seen immediately but will become visible over time. The additional size of the workforce will allow for gradual rationalisation of the use of plant and retraining of staff, present duplication of activities will be identified and streamlined, excess plant and equipment will be disposed of or redeployed to allow a greater breadth of services to be performed. Additional scale simply allows the new Council to investigate a raft of possibilities which are not available at present.
- Q: Do both Councils expect that this merger will result in any negative outcomes?
- A: No. Neither Council anticipates any major negatives coming out of the merger. However, both Councils are realistic in accepting that not everything will go exactly as planned and there will be unforeseen issues that arise and need to be dealt with.
- Q: Will the NSW Government be assisting Council with the merger process?
- A: The NSW Government have offered a one off \$5 million grant to assist with the inevitable costs of ensuring both Councils previous systems and practices can be successfully merged. Both Councils have been working on a draft Long Term Financial Plan for the new council and believe that this injection of funds will allow the new council to commence and continue in a financially viable position. The NSW Government has also indicated that other financial benefits will be made available to councils who are fit for the future, such as cheaper loans, greater access to grants, and assistance with some areas of forward planning.

Further information is available under "Fit for the Future" on <http://www.harden.nsw.gov.au/> and <http://www.cootamundra.nsw.gov.au/>

Introduction

Harden and Cootamundra councils have been in discussion and working together for the past six months to respond to the NSW Government's 'Fit for the Future' local government reform agenda. This has resulted in a joint decision to prepare a merger proposal to create a new council incorporating the present Harden and Cootamundra councils.

Whilst most residents in both Shires are aware of this decision, both Councils have now completed the work needed to fully explain the decision. The first formal step in this community consultation process is the preparation of this information package, which has been distributed to every household and absentee ratepayer in both Shires. It outlines the merger proposal and asks for constructive input from the community. This will be followed by a series of public meetings in the towns and villages of both Shires, providing opportunity for residents to receive detailed information about the proposed merger and to have any questions or concerns answered. The outcome of the consultation process will be reported to meetings of both Councils in June, following which, the merger proposal will be submitted to the State Government for approval.

Both Mayor John Horton of Harden and Mayor Jim Slattery of Cootamundra believe that the merger will be in the best interests of both the Harden and Cootamundra communities and invite all interested persons to attend at least one public meeting and provide a response to the merger proposal on the return 'reply paid' form incorporated in this information brochure.

Public meetings will be held as follows

Date	Time	Location
14/05/2015	7.00pm	Harden Country Club Auditorium
21/05/2015	7.00pm	Galong Hall
26/05/2015	7.00pm	Woomble Recreation Clubhouse
27/05/2015	7.00pm	Jupitong Hall

In announcing the decision to prepare a merger proposal Mayor Horton stated that, "By merging all of our resources, employees and plant, we will be in a position to increase efficiency and continue to provide the level of service that is needed to grow the towns and villages and ensure a successful Council into the future. There is genuine excitement within both councils as we believe this planned merger will deliver benefits across the whole community."



What is 'Fit for the Future'?

For the past four years the NSW Government has been reviewing and considering the long term sustainability of communities and the future of local government in NSW. This has involved considerable investigation, many studies and extensive consultation with local government, including a major report in 2013 by the Independent Local Government Review Panel (the Panel), named *Revisiting Local Government*. The NSW Government's response to the report is the *Fit for the Future* (FTF) reform policy, which has adopted many of the recommendations of the Panel's report. *Revisiting Local Government* and other reports can be viewed at <http://www.localgovernmentreview.nsw.gov.au> For further information about the Government response visit <http://www.fitforthefuture.nsw.gov.au/>

In essence FTF requires all councils to make a decision about their future based on one of three options:

- Option 1 – Merge with another council, or councils, to form a new council, providing greater scale and capacity immediately, and allowing improvement over time.
- Option 2 – Remain as is, as part of a Joint Organisation (or councils), and implement an improvement program aimed at meeting various financial criteria set by the Government.
- Option 3 – Become a Rural Council based on a small population, relying on other councils or a Joint Organisation to undertake some functions on its behalf.

What did the Panel Recommend?

The Panel's recommendation for Harden was to merge with Young and Boorowa, or become a Rural Council. The Panel's recommendation for Cootamundra was to merge with Junee, or stand alone as a Council in the Riverina Joint Organisation.

FTF requires each council to consider, as a first option, the Panel's recommendations.

What is Council's response?

Harden Council has seriously considered the Panel's recommendations, along with all other available options. This has included:

- An investigation of the possibility of retaining Rural Council status, culminating in a decision that this would not be in the best long term interest of Harden Shire.
- Preliminary talks regarding a merger with Yass Shire, with Yass indicating it intended to stand alone.
- A year long investigation of a merger with Young and Boorowa, culminating in a decision that this would not be in the best long term interest of Harden Shire.
- An investigation of a merger with Cootamundra and Gundagai, with Gundagai indicating its intention to stand alone.
- An investigation of the potential to merge with Cootamundra, resulting in this proposal.

After consideration of all available options, both Harden and Cootamundra councils have concluded that a merger of Harden and Cootamundra will provide the most sustainable long term benefit to both communities, with the least disruption to the present levels of service.



Community Strategic Planning

Both Harden and Cootamundra developed long term Community Strategic Plans (CSPs) following extensive consultation with each of their communities in 2011/12. Despite these having been undertaken separately the vision of both Shires is a community based on the same values.

Harden's Community Vision:

Harden Shire will remain a place to live, with caring, safe and secure communities supported by a vibrant economy, where residents continue to experience a satisfying quality of life in an attractive and sustainable environment.

See <http://www.harden.nsw.gov.au/ash/downloads/harden-community-strategic-plan-12-april-2012.pdf>

The CSPs are required to be reviewed within 12 months of a council general election (due September 2016). As a new council it will be necessary to amalgamate the two CSPs into one plan, and then, following consultation with the whole community, develop a new CSP covering the whole of the council area and setting the strategic direction for the next 10 years.

Cootamundra's Community Vision:

It is 2023 – Cootamundra is a thriving, lively Shire of around 8,000 set within a picturesque rural environment. Its people have chosen to live here because of the community spirit, the prosperous economy, the affordable lifestyle, the rural setting, the different choices of lifestyle, the health, education, cultural and retail services, and the easy access to Canberra, Sydney, Melbourne, the mountains, the outback and the coast.

See <http://www.cootamundra.nsw.gov.au/ash/1/Community-Strategic-Plan-2013-2023.pdf>

PLEASE RETURN BY 6TH JUNE 2015

NO ☐

YES ☐

DO YOU SUPPORT THIS PROPOSAL?

COMMENTS:

IMPORTANT INFORMATION FROM YOUR COUNCIL
ABOUT THE FUTURE OF YOUR COUNCIL



TO THE RESIDENT

WEBSITE DEVELOPMENT

COOTAMUNDRA SHIRE COUNCIL

<http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx>

COOTAMUNDRA SHIRE COUNCIL – HOME PAGE

The screenshot shows the Cootamundra Shire Council website. At the top, there is a browser address bar showing the URL <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx>. Below the browser bar, there is a navigation menu with links: HOME, COUNCIL, PLANNING, ENVIRONMENT, ENGINEERING, COMMUNITY, TOURISM, and CONTACT. A search icon is also present. The main banner features a sunset over a field with the text "Come to Coota we're a great way to live" and a description of the shire as a thriving, lively community. Below the banner, the "Welcome to the Cootamundra Shire Council Website" section introduces the "FIT FOR THE FUTURE - COOTAMUNDRA HARDEN MERGER PROPOSAL". It states that Cootamundra and Harden councils have been in discussion for six months to respond to the NSW Government's 'Fit for the Future' local government reform agenda. A link is provided for documents relating to the merger. To the right, a "Council Services" sidebar lists: Visit Cootamundra Library, Current News, Council Meetings, What's on, and Community Directory. At the bottom, there are three featured images with captions: "Council" (a street scene), "Planning" (a group of people playing a sport), and "Environment" (a landscape view). A "Download a free visitors guide now" button is also visible, along with a "Quicklinks" section.

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Call us on 02 6940 2100

COOTAMUNDRA SHIRE COUNCIL

HOME COUNCIL PLANNING ENVIRONMENT ENGINEERING COMMUNITY TOURISM CONTACT

Come to Coota
we're a great way to live

Cootamundra is a thriving, lively Shire set within a natural environment. It is a community with a heart based on its country values, its sense of belonging, its spirit and the warmth and friendliness of its people.

Welcome to the Cootamundra Shire Council Website

FIT FOR THE FUTURE - COOTAMUNDRA HARDEN MERGER PROPOSAL

Cootamundra and Harden councils have been in discussion and working together for the past six months to respond to the NSW Government's 'Fit for the Future' local government reform agenda. This has resulted in a joint decision to prepare a merger proposal to create a new council incorporating the present Cootamundra and Harden councils.

Documents relating to the merger can be found at [Fit for the Future](#).

Fit for the Future

Community comment is encouraged.

Council Services

- Visit Cootamundra Library
- Current News
- Council Meetings
- What's on
- Community Directory

Council

Planning

Environment

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Quicklinks

FIT FOR THE FUTURE

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Cootamundra Shire Council



Cootamundra is a thriving, lively Shire set within a natural environment. It is a community with a heart based on its country values, its sense of belonging, its spirit and the warmth and friendliness of its people.

Fit for the Future

What is Fit For the Future?

The NSW State Government is currently undertaking major reform of Local Government in NSW. This reform will result in major changes to Councils across the state.

The purpose of this summary is to highlight the important aspects of what has happened to date and why, as well as what the future could hold for Cootamundra Shire Council. This would be known as Fit for the Future.

In 2011 the NSW Government and Councils across NSW agreed that there was a need to improve how communities were serviced and represented at the local level. In response to this the NSW Government commissioned an audit of the financial position and asset management practices of Councils across NSW, what Councils are responsible for, the maintenance and rebuilding costs for Council owned assets, and the level of services the Council owned and managed asset provided.

An Independent Panel was commissioned to broadly review the Local Government sector and provide recommendations to the Government on what Local Government should look like into the future.

The Independent Panel provided their report to the Government and the Government announced the "Fit for the Future Initiative".

The report developed by the Government is a series of benchmarks for Councils to be measured against that will determine whether or not they are sustainable in the long term or "Fit for the Future". The benchmarks are mostly financial measures with an additional measure of "scale and capacity". Each Council is required to deliver a submission by 30 June 2015 on how they will become "Fit for the Future".

Helpful Links

[Independent Local Government Review Panel final report](#)

[Fit For The Future website](#)

Cootamundra Harden Merger Proposal Documents

[Read More](#)


Template 1 Submission - Cootamundra Harden Merger

[Read More](#)

Council Services

- [Visit Cootamundra Library](#)
- [Current News](#)
- [Council Meetings](#)
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COOTAMUNDRA HARDEN MERGER PROPOSAL DOCUMENTS

ootamundra

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Cootamundra Shire Council



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Cootamundra Harden Merger Proposal Documents

Cootamundra Harden Merger Proposal

Information pertaining to Cootamundra Shire Councils recommendation to prepare a merger proposal with Harden Shire Council can be found in the links below:

- [20 April 2015-Media-Release-Cootamundra Harden-Merger-Proposal.pdf](#)
- [30 April 2015-Media-Release-Cootamundra Harden Merger-Merger-key-dates.pdf](#)
- [Information-for-Residents-Flyer-Cootamundra.pdf](#)
- [Information-for-Residents-Flyer-Harden.pdf](#)
- [12 May 2015-Media-Release-Cootamundra Harden Merger-Consultation](#)
- [Cootamundra Harden Merger Business-Plan.pdf](#)
- [community-consultation-powerpoint-presentation.pdf](#)
- [Fit-for-Future-Council-reports-and-minutes.pdf](#)
- [2015.05.22-Media-Release-post-community-consultation-period.pdf](#)

Public Meetings will be held as follows:






COOTAMUNDRA

18th May 2015	6pm	Cootamundra Town Hall
19th May 2015	6pm	Wallendbeen Hall
20th May 2015	6pm	Stockinbingal Hall
23rd May 2015	9am-1pm	Stephen Ward Rooms, Cootamundra Library


HARDEN

14th May 2015	7pm	Harden Country Club Auditorium
21st May 2015	7pm	Galong Hall
26th May 2015	7pm	Wombat Recreation Clubhouse
27th May 2015	7pm	Jugiong Hall

Council Services

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- [Change my details](#)
- [FAQs](#)

HARDEN SHIRE COUNCIL


<http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>






The twin towns of Harden Murrumburrah lies in the centre of a region in New South Wales, strong in agriculture, viticulture and many thriving businesses. The small and tight-knit community is one offering endless opportunities and is supported by a friendly and hospitable atmosphere. The Harden Shire offers a wonderful lifestyle to its residents and is a perfect location for a weekend getaway.


Come to the Harden Shire - Opportunity Awaits.




News & Events




Your Council



Visitor Information



Resident Information



What is Fit For the Future?

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The report developed by the Government is a series of benchmarks for Councils to be measured against that will determine whether or not they are sustainable in the long term or "Fit for the Future". The benchmarks are mostly financial measures with an additional measure of "scale and capacity". Each Council is required to deliver a submission by 30 June 2015 on how they will become "Fit for the Future".

Helpful Links

- [Independent Local Government Review Panel final report](#)
- [Fit For the Future website](#)

Hilltops Merger Proposal

[LKS Quairo Hilltops Governance and Service Delivery Review](#)

Harden Cootamundra Merger Proposal

Information pertaining to Harden Shire Council's recommendation to prepare a merger proposal to amalgamate with Cootamundra Shire Council can be found in the links below:

- [Harden Cootamundra joint media release 14th April, 2015](#)
- [Harden Cootamundra media release 1st May, 2015](#)
- [Harden Cootamundra merger information package 8th May, 2015](#)
- [Harden Cootamundra merger - Business Plan](#)
- [Harden Cootamundra media release post community consultation meetings - 10th June, 2015](#)

Council Reports and Resolutions

19th February 2014

PUBLIC CONSULTATION MEETINGS

Public meetings will be held as follows:

COOTAMUNDRA

Date	Time	Location
18/5/15	6.00pm	Cootamundra Town Hall
19/5/15	6.00pm	Wallendbeen Hall
20/5/15	6.00pm	Stockinbingal Hall
23/5/15	9.00am—1.00pm	Stephen Ward Rooms Cootamundra

HARDEN

Date	Time	Location
14th May 2015	7pm	Harden Country Club Auditorium
21st May 2015	7pm	Galong Hall
26th May 2015	7pm	Wombat Recreation Clubhouse
27th May 2015	7pm	Jugiong Hall

A powerpoint presentation be developed for these public meetings to further explain the merger.

FIT FOR THE FUTURE – COMMUNITY CONSULTATION

- **Welcome and Introduction**
- **Fit for the Future - Background**
- **Fit for the Future - Options Available to Councils**
- **Harden's Response to Panel Recommendations**
- **Cootamundra's Response to Panel Recommendations**
- **Positive Outcomes of Merged Council**
- **Possibilities Created by Merged Council**
- **Issues to Deal with in Merged Council**
- **Potential Problems to Avoid as Merged Council**
- **Frequently Asked Questions**
- **Next Steps**
- **Further Information & Open Forum Questions**

FIT FOR THE FUTURE – BACKGROUND

- **NSW Government commences review of Local Government in 2011**
 - **Seeking to ensure councils are sustainable to 2036 (25 year horizon)**
 - **Appoints Independent Local Government Review Panel in 2012**
 - **Appoints Local Government Act Taskforce in 2012**
-
- **Panel consults widely with councils, community, academics**
 - **Taskforce consults widely with councils, community, academics**
 - **Panel reviews local government reform in other states and overseas**
 - **Final Panel report released in 2013**
 - **Final Taskforce report released in 2013**

FIT FOR THE FUTURE – BACKGROUND

- Taskforce recommends radical change to Local Government Act
 - Panel recommends council mergers and improvements
 - Panel suggests council numbers be more than halved
 - Panel makes specific recommendations for each council
-
- 2014 Office of Local Government prepares Fit for the Future (FFTF) package
 - FFTF based on Panel recommendations
 - FFTF requires self assessment by all councils
 - FFTF requires all councils to prove they will have future capacity
 - FFTF includes financial incentives for change

FIT FOR THE FUTURE – OPTIONS AVAILABLE TO COUNCILS

- The Fit for the Future reforms require all councils to make a decision about their future.
- All councils must choose one of three options

Option 1 – Merge with another council, or councils, to form a new council, providing greater scale and capacity immediately, allowing improvement program over time

Option 2 – Remain as is, as part of a JO (Joint Organisation of councils), and implement an immediate improvement program, aimed at meeting various financial criteria set by Government

Option 3 – Become a Rural Council, based on a small population, inability to merge, and relying on other councils or a JO to undertake some of the present functions on its behalf

HARDEN'S RESPONSE TO PANEL RECOMMENDATION

The Panel's recommendation for Harden:

- Merge with Young and Boorowa, or
 - Become a Rural Council in the Tablelands JO
-
- Harden took part in an investigation of a merger with Young and Boorowa (LKS Quaero consultants)
 - Raised concerns with being absorbed into a larger council and losing identity, particularly of villages
 - Highlighted difference in attitudes between councils
 - LKS Quaero report proposed large scale and unacceptable job losses within the new Council

HARDEN'S RESPONSE TO PANEL RECOMMENDATION

- Harden investigated retaining Rural Council status
 - Cannot counteract future decreases in funding
 - Cannot counteract future cost increases
 - Reduces capacity to provide the services required to remain a vibrant community
 - Would leave the community vulnerable to future changes that may be proposed by Government
-
- Harden investigated merger with Cootamundra and Gundagai
 - Believed this would provide best long term improvement possibility for all three councils
 - Gundagai indicated intention to stand alone
 - Investigation ceased

COOTAMUNDRA'S RESPONSE TO PANEL RECOMMENDATION

The Panel's recommendation for Cootamundra:

- **Stand alone as a Council in the Riverina JO, or**
- **Merge with Junee**

- **Council in Riverina JO would be possible**
- **Would not improve capacity to provide present levels of service**
- **Would leave Cootamundra vulnerable to future changes that may be proposed by Government**

- **Discussions held with Junee**
- **Lack of easy access limits capacity for savings or joint activity**
- **Physical separation means little natural community of interest**
- **Junee indicated intention to stand alone**
- **Investigation ceased**

COOTAMUNDRA'S RESPONSE TO PANEL RECOMMENDATION

- **Considered invitation to join a Young/Harden/Boorowa in 'Hilltops' proposal**
- **Rejected, based primarily on complete change of focus away from Riverina region**
- **Do not believe that Young is, or can be, a true regional centre**

- **Cootamundra investigated a merger with Harden and Gundagai**
- **Believed this presented the best long term improvement possibility for all three councils**
- **Gundagai indicated its intention to stand alone**
- **Investigation ceased**

POSITIVE OUTCOMES OF MERGED COUNCIL

- New Council remains small enough to minimise red tape
- Agile enough to make quick well informed decisions
- Can still respond to local priorities
- Agreed philosophy, shared values and objectives in both councils existing Community Strategic Plans
- Strong links and communities of interest between the towns, villages and rural locations

- Protections in place to ensure the new Council retains all staff
- Staff of both councils are supportive of merger proposal
- Strong consultative committee process in place
- Staff communication and involvement in process
- Process has support of all relevant Unions

POSITIVE OUTCOMES OF MERGED COUNCIL

- Time available to develop an in depth implementation plan
- Ability to merge with minimal disruption to present services
- Benefit through combined resource capacity
- Access to specialised staff through merger
- Member of strong ROC / JO in REROC
- Associate Membership of an emerging ROC in CBJRO
- \$5 million merger grant, minimises the merger implementation distracting from the new Council's focus on service delivery

POSSIBILITIES CREATED BY MERGED COUNCIL

- **Larger budget provides the capacity and flexibility to undertake larger projects**
- **Involvement in regional infrastructure is possible, in particular through both JOs**
- **Economies created give strategic and economic advantages**

- **Undertaking of 'promoting better practice' programs to create a culture of continuous improvement**
- **Service and infrastructure improvements achievable through review of operating systems**
- **Easier recruitment of staff to a larger organisation**
- **Improved career paths for all staff**



POSSIBILITIES CREATED BY MERGED COUNCIL

- **Increased capacity to become an effective political advocate**
- **Additional capacity in regional decision making**
- **Involvement in regional strategic infrastructure planning**
- **Greater opportunity to improve infrastructure and services in smaller communities over time**

- **Scope for greater councillor involvement in developing new strategic plans for the new Council**
- **Capacity to review all land-use planning instruments**
- **Development of a stronger and more equitable rating system**
- **Improved access to grants and external funding**



ISSUES TO DEAL WITH IN MERGED COUNCIL

- Differences in revenue policies will take time to align
 - Differences in salary structure and employee benefits will be a priority to align and will need to achieve equity
 - Implementation phase requires additional time and effort
 - Potential to distract focus from service delivery
-
- Communication with the community, staff, regional partners and stakeholders
 - Ongoing development and monitoring of communication is vital

ISSUES TO DEAL WITH IN MERGED COUNCIL

- Misalignment of LEPs, DCPs, council policies
 - Creation of new policy positions on many activities
 - Equity and difficulties with land-use decisions
 - Coordination of works
 - Creation of accurate asset management plans
-
- Relatively high dependence on grant income
 - Alignment of depreciation rates
 - Council vulnerability to changes in government policy
 - Achievement of FFTF criteria within five years

POTENTIAL PROBLEMS TO AVOID AS MERGED COUNCIL

- **Disruption and/or loss of productivity during transitional period**
- **Perceived change in democratic processes**
- **Decreased elected member representation**
- **Differences in 'style' of councils decision making**

- **Selection of name for the 'new Council'**
- **Needs to be addressed with community involvement**
- **Needs to be a priority**
- **Needs to identify new Council and be marketable**

POTENTIAL PROBLEMS TO AVOID AS MERGED COUNCIL

- **No possibility to create single office or single depot**
- **But, need to create single unified workforce**
- **Need to avoid identifying as 'Harden' and 'Cootamundra' staff within the new Council**
- **Will mean additional movement and interaction of staff to create single organisational culture**

- **Asset management systems need integration and further development**
- **Presently difficult to accurately report on asset condition**
- **Difficult to define infrastructure backlog**
- **Priority to ensure funds allocated where most needed**

FREQUENTLY ASKED QUESTIONS

Q: Will rates be increased above the rate pegging increase as a result of a merger?

A: No. Initially rates will remain as they are. However, over an extended period adjustments will need to be made in all rate categories to ensure equity of rating across the new council area. There will not be any sudden or dramatic changes.

Q: Will staff be made redundant or will staff need to re-apply for their jobs?

A: No. No staff will be made redundant. However, as a new organisational structure is developed some staff will be re-trained to avoid duplication and to allow new activities to be undertaken.

FREQUENTLY ASKED QUESTIONS

Q: Why is Council seeking community comment when the merger decision appears to have already been made?

A: The final merger decision has not been made. Both councils preferred option is on display to gauge community support. The final decisions regarding the merger proposal will be made at the Cootamundra Council meeting on 15 June 2015 and Harden Council meeting on 17 June 2015.

Q: Will my comments really be considered by Council?

A: Yes. Councillors from Harden and Cootamundra will jointly review the responses from both communities before making a final decision on the merger. We want your comments. Please return the reply paid section of the brochure and let us know what you think of the proposed Harden Cootamundra merger.

FREQUENTLY ASKED QUESTIONS

Q: When will the merger take place and new councillors be elected?

A: If approved by the NSW Government the new Council would come into existence on 1 April 2016, with an election for new councillors for the new Council in September 2016

Q: What will the new Council be named?

A: This has not been determined and part of this community consultation will be asking for suggestions, and the reasons those suggested names might be suitable

NEXT STEPS

- Mail out to all residents commenced on 11 May 2015
 - The closing date for community response is 6 June 2015
 - Public meetings being held in Harden and Cootamundra shires
 - Both councils will review all submissions on 9 June 2015
 - Cootamundra will resolve merger proposal on 15 June 2015
 - Harden will resolve merger proposal on 17 June 2015
-
- Merger submission will be lodged with IPART by 30 June 2015
 - Submissions will be assessed by IPART for NSW Government
 - IPART will report to Premier and Minister for Local Government by 16 October 2015, on whether the proposed new Council is Fit for the Future
 - If approved new Council would be proclaimed on 1 April 2016

FURTHER INFORMATION & OPEN FORUM QUESTION TIME

- A Business Plan covering the proposal in detail, along with other relevant information, is available for viewing or download on both the Harden and Cootamundra websites, and at both offices and libraries.
- <http://www.harden.nsw.gov.au/council/fit-for-the-future.aspx>
- <http://www.cootamundra.nsw.gov.au/council/fit-for-the-future.aspx>

OPEN FORUM QUESTIONS



FIT FOR FUTURE PRESENTATION

MAY 2015

LOCAL GOVERNMENT REFORM

- ▶ Late 2011 Local Government came together at Destination 2036 to discuss next 25 years.
- ▶ Led to appointment Independent Local Government Review Panel.
- ▶ Minister appointed 4 person task force to review Local Government Act and reform Local Government.
- ▶ Taskforce completed work in October 2013.
- ▶ In September 2014 NSW Government responded to the taskforce & launched Fit for Future Package.

FIT FOR FUTURE REFORM PACKAGE

- **New Local Government Act 2016**
- **Support for Regional Growth through Joint Organisations (JO's)**
- **JO's to be a forum to deliver regional priorities for jobs, education, housing, roads & transport**
- **Five JO's currently appointed pilots**
- **Rural Council Model – \$4M in funding**
- **Encourage Structural reform**

INDEPENDENT REVIEW FINDING

Independent Review Panel Recommended:

- **HSC to merge with Young and Boorowa or form a Rural Council in the Tablelands Joint Organisation**
- **Cootamundra to merge with Junee or stand alone in Riverina JO**

ENCOURAGE STRUCTURAL CHANGE

NSW Government has provided \$300M in Direct Funding to support Local Government Reform Package

Regional NSW

- **\$5M to support merger of 2 Councils**
- **\$11M to support merger of 3 Councils**
- **\$13.5M to support merger of 4 or more Councils**

COUNCILS ASKED TO

- ▶ **Undertake Self Assessment to determine whether Council meets the scale & capacity requirements of Fit for Future**
- ▶ **Prepare Fit for future submission by 30 June 2015**
- ▶ **Make the transition to a new structure by September 2016**

FIT FOR FUTURE SELF ASSESSMENT

Harden Shire Council

BENCHMARK	RESULT	MEETS FFTF BENCHMARK
<i>Operating Performance Ratio (greater or equal to break-even average over 3 years)</i>	-0.189	NO
<i>Own Source Revenue Ratio (greater than 60% average over 3 years)</i>	47.73%	NO
<i>Building and Infrastructure Asset Renewal Ratio (greater than 100% average over 3 years)</i>	91.69%	NO
<i>Infrastructure Backlog Ratio (less than 2%)</i>	0.16%	YES
<i>Asset Maintenance Ratio (greater than 100% average over 3 years)</i>	110.80%	YES
<i>Debt Service Ratio (greater than 0 and less than or equal to 20% average over 3 years)</i>	4.18%	YES
<i>A decrease in Real Operating Expenditure per capita over time</i>	Increasing	NO
OVERALL RESULT	3/7	

The Council does not meet all seven of the Fit for the Future Criteria

FIT FOR FUTURE OPTIONS

Fit for Future reform requires Councils to consider 3 Options:

- ▶ **Remain as is, as part of a JO and implement an improvement program aimed at meeting various financial criteria set by the Government**
- ▶ **Become a Rural Council based on a small population, relying on other councils or a JO to undertake some of the present functions on its behalf**
- ▶ **Merge with another council to provide greater scale and capacity immediately, and allowing improvement over time**

CONTINUOUS IMPROVEMENT MODEL

In order for Council to remain unchanged it must be able to meet the following criteria:

- Achieve the scale and capacity requirements set out by the independent review panel.
- Demonstrate long term sustainability through implementing a continuous improvement program to meet the criteria set by the government.

RURAL COUNCIL MODEL

Rural Council Templates released 30 Jan 2015

- Only Councils that meet the requirements of the Independent Local Government Review Panel can apply to be a Fit for Future Rural Council
- Rural Characteristics require that the Council does not share a boundary with a Council that meets the scale and capacity requirements of the Local Government Review Panel
- Concern that this option reduced the service capacity of the Council as many of the existing functions would be transferred to a JO

MERGER OPTIONS

- Boorowa, Harden, Young – Hilltops Council
- Yass, Harden
- Cootamundra, Gundagai, Harden

HILLTOPS MERGER

- Supports recommendation of Local Government Review Panel
- Subject of LKS Quaero Governance and Service Delivery Review – December 2014
- Scale and Capacity

	Population
Harden	3,680
Boorowa	2,469
Young	<u>12,514</u>
Total	18,663

HILLTOPS MERGER

Following the February Council Meeting Council placed the LKS Quaero report on public display until 27 March 2015

- Council signalled to the community that it did not support the conclusions contained in the LKS Quaero report
- Council concerned at losing identity in a larger community in particular the identity of our villages
- The long term sustainability of the consultants model was predicated on large scale job losses not supported by any of the Councils.

OTHER MERGER OPTIONS

- **Harden/Yass**

Council made formal approaches to Yass.
Yass advised they were committed to standing alone.

- **Harden/Cootamundra/ Gundagai**

This option was supported by both Harden & Cootamundra as the best long term sustainable model. Not supported by Gundagai

- **Harden/Cootamundra/Young/Boorowa**

Option not supported by Young and Cootamundra

HARDEN COOTAMUNDRA MERGER

- Alternative Option to the Local Government Review Panel model.
- Different state government regional boundary to that of Harden.
- Scale and Capacity

	Population
Harden	3,680
Cootamundra	<u>7,501</u>
Total	11,181

HARDEN COOTAMUNDRA MERGER

- Harden/Cootamundra staff prepared analysis of the two Councils supporting preparation of merger proposal.
- Joint meeting with Cootamundra on Tuesday 14 April 2015 to commit to merger proposal.
- HSC Council Meeting 15 April 2015 supported preparation of a Joint Merger Proposal
- Extraordinary Council Meeting Harden & Cootamundra Council's to adopt and exhibit merger proposal – Wednesday 6 May 2015

FIT FOR FUTURE UPDATE

- **Public Exhibition Merger template closing – 5 June 2015**
- **Distribution to each HSC resident pamphlet outlining Merger Proposal and providing opportunity to respond to community survey – 11 May 2015.**
- **Joint meeting to consider submissions – 9 June 2015**
- **Meeting to formally submit merger proposal – 17 June 2015**

HARDEN COOTAMUNDRA POSITIVE OUTCOMES

- **New Council remains small enough to minimise red tape**
- **Agile enough to make quick well informed decisions and respond to local priorities**
- **Agreed philosophy, shared values and objectives in Community Strategic Plans**
- **Strong links and communities of interest between the towns, villages and rural locations**
- **Staff protection in place to ensure the new Council retains its staff**
- **Staff of both councils are largely supportive of merger proposal**
- **Strong consultative committee process allows staff communication and involvement**
- **Process has support of all relevant Unions**

HARDEN COOTAMUNDRA POSITIVE OUTCOMES

- **Time to plan and provide an in depth implementation plan to minimise disruption**
- **Benefit through resource sharing and access to specialised staff**
- **Member strong ROC / JO in REROC, Associate Membership emerging ROC in CBJRO**
- **\$5 million grant minimises impact of structural reform and allows focus on service delivery**

MERGED COUNCIL OPPORTUNITIES

- **Larger budget provides the capacity and flexibility to undertake larger projects**
- **Investment in regional infrastructure is possible, in particular as a member of JO**
- **Economies created by scale give strategic and economic advantages**
- **Promoting better practice programs to create a culture of continuous improvement**
- **Service and infrastructure improvements achievable through systems reviews**

MERGED COUNCIL OPPORTUNITIES

- **Easier to recruit staff to a larger organisation, improved career paths**
- **Increased capacity to become an effective political advocate**
- **Improved regional decision making and regional strategic infrastructure planning**
- **Opportunity to improve infrastructure in smaller communities over time**
- **Greater scope for councillor involvement in strategic planning for the new Council**
- **Opportunity to standardise all land-use planning instruments**
- **Development of a stronger and more equitable rating system**

MERGED COUNCIL ISSUES TO DEAL WITH

- Differences in revenue policies
- Differences in salary structure and benefits
- Implementation requires additional time and effort
- Potential to distract focus from service delivery
- Communication with the community, staff, regional partners and stakeholders
- Ongoing development and monitoring of communication is vital
- Misalignment of LEPs, DCPs, council policies
- Equity and difficulties with land-use decisions
- Relatively high dependence on grant income
- Council vulnerability to changes in government policy

MERGED COUNCIL PROBLEMS TO AVOID

- **Disruption during the transitional period**
- **Perceived change in democratic processes via decreased councillor representation**
- **Name has not been selected for the 'new Council'**
- **Needs to be addressed, with community involvement, as a high priority**
- **No possibility to create single office or single depot arrangement**
- **Potential to remain as 'Harden' and 'Cootamundra' within new Council**
- **Will mean additional movement of staff to create single organisational culture**
- **Asset management systems need further development**
- **Presently difficult to accurately report on infrastructure backlog**
- **Ensure funds allocated where most needed**

FREQUENTLY ASKED QUESTIONS

Q: Will rates be increased above the rate pegging increase as a result of a merger?

A: No. Initially rates will remain as they are. However, over a ten year period adjustments will need to be made in all rate categories to ensure equity of rating across the new council area. There will not be any sudden or dramatic changes

Q: Will staff be made redundant or will staff need to re-apply for their jobs?

A: No. No staff will be made redundant however, over time as a new structure is developed some staff will be re-trained to avoid duplication and to allow new activities to be undertaken

Q: When will the merger take place and new councillors be elected?

A: On 1 April 2016, with an election for new councillors for the new Council in September 2016

FREQUENTLY ASKED QUESTIONS

Q: What will the new Council be named?

A: This has not been determined and part of this community consultation will be asking for suggestions and the reasons those suggested names might be suitable

Q: Why is Council seeking community comment when the merger decision has already been made?

A: The merger decision has not been made. Council has identified a preferred merger option and has placed this option on display to gauge community support for the proposal. A final decision on the merger will not be made until the Council meeting on 17th June 15

Q: Will my comments be really considered by Council.

A: Yes. Councillors from Harden and Cootamundra will jointly review the responses from both communities before making a final decision on the merger.

FREQUENTLY ASKED QUESTIONS

Q:What would be the structure of elected Councillors?

**A: At commencement open to all 16 councillors
(7 Harden & 9 Cootamundra Councillors)**

1st election: Five (5) councillors from each old council area

**2nd election: Three (3) councillors from each area plus
three (3) across the new Council**

**3rd election – all nine (9) councillors elected across the
new Council**

THE NEXT STEPS

- Mail out to all residents commenced on 11 May 2015. The closing date for community response is 6th June 2015.
- Public meetings will be held in the Harden shire as follows:

Date	Time	Location
14/5/15	7.00pm	Harden Country Club Auditorium
21/5/15	7.00pm	Galong Hall
26/5/15	7.00pm	Wombat Recreation Clubhouse
27/5/15	7.00pm	Jugiong Hall

- Councils to review submissions on 9 June 2015
- Council to resolve merger proposal on 17th June 2015
- Merger submission to be lodged with OLG by 30th June 2015
- IPART to consider merger submissions and make recommendations to the Minister by 30th September 2015