



# **SNOWY VALLEYS COUNCIL ORDINARY MEETING**

## **LATE AGENDA**

**Thursday, 17 November 2022**

THE MEETING WILL BE HELD AT 2:00 PM  
IN THE COUNCIL CHAMBERS 76 CAPPER STREET TUMUT AND  
VIA VIDEO LINK



**Thursday, 17 November 2022**

**In the Council Chambers 76 Capper Street Tumut and Via Video Link**

**2:00 PM**

# **LATE AGENDA**

**10. GOVERNANCE AND FINANCIAL REPORTS .....3**

    10.8. CONSIDERATION OF EXPRESSIONS OF INTEREST FOR DEMERGER BUSINESS CASE  
        .....3

**13. CONFIDENTIAL.....9**

## **10. GOVERNANCE AND FINANCIAL REPORTS**

### **10.8. CONSIDERATION OF EXPRESSIONS OF INTEREST FOR DEMERGER BUSINESS CASE**

**REPORT AUTHOR: INTERIM CHIEF FINANCIAL OFFICER**

**RESPONSIBLE OFFICER: GENERAL MANAGER**

#### **EXECUTIVE SUMMARY:**

Two expressions of interest were received to prepare a business case for the de-amalgamation of Snowy Valleys Council following resolutions of Council.

#### **RECOMMENDATION:**

##### **THAT COUNCIL:**

**1. Council consider the options outlined in clause 10 of this report.**

**[Note: if Council wishes to discuss the detail of the submissions it may wish to close the meeting in accordance with the Local Government Act 1993 s10A (2) c & d].**

#### **BACKGROUND:**

In recent months, Council has debated the merits of the possible de-merger of Snowy Valleys Council which resulted in the following resolutions:

Council at its meeting held on 18 August 2022 resolved:

##### **M229/22 RESOLVED:**

##### **THAT COUNCIL:**

1. Seeks proposals for the preparation of a business case for the demerger of Snowy Valleys Council and the reinstatement of the former councils of Tumut and Tumbarumba subject to the Minister deciding to allow the demerger of Cootamundra Gundagai Regional Council;
2. Notifies the NSW Government of the intention to develop a business case for demerger;
3. Should the demerger of Cootamundra Gundagai Regional Council be successful, follow the process for demerger that is set out in section 218CC of the Local Government Act.

Cr James Hayes/Cr John Larter

#### **CARRIED UNANIMOUSLY**

Council at its meeting held on 15 September 2022 resolved:

##### **M255/22 RESOLVED:**

**THAT COUNCIL request that the Minister for Local Government de-merge Snowy Valleys Council given:**

- the previous decision of the Boundaries Commission who voted 3-1 to support the Snowy Valleys Council de-merge;
- and the Minister's decision to allow Cootamundra-Gundagai Regional Council to de-merge.

This would reduce the financial burden and any further risk to the emotional health of the Snowy Valleys Council community.

Cr James Hayes/Cr John Larter

#### **CARRIED UNANIMOUSLY**

The Mayor, Ian Chaffey, met with Ms Wendy Tuckerman, Minister for Local Government on Thursday, 20 October 2022 to discuss the merit of demerging Snowy Valleys Council based on the previous business case and favourable decision of the Boundaries Commission at that time.

The Minister advised that this was not possible and Snowy Valleys Council would need to resubmit a business case.

On 10 November 2022, the Minister of Local Government issued Circular Number 22-34 (Attachment 1) initiating an independent review of the NSW Boundaries Commission. Submissions close on 16 December 2022 with findings and recommendations to be provided to the Minister at the end of March 2023.

## **REPORT:**

An invitation for an Expression of Interest (EOI) document which is contained as Confidential Attachment 1 was prepared for issue following Council's resolution M229/22 dated 18 August 2022. This EOI was based on section 263(3) of the *Local Government Act 1993* which identifies factors the Boundaries Commission is required to have regard to when considering proposals referred to it relating to boundaries of areas.

EOIs were sought from three pre-selected organisations to undertake preparation of a business case for the demerger of Snowy Valleys Council into the former areas of Tumut Shire Council and Tumbarumba Shire Council closing on 12 September 2022.

Two proposals were received from the following organisations:

- Centium (copy of the proposal is contained at Confidential Attachment 2)
- University of Newcastle (copy of the proposal is contained at Confidential Attachment 3)

The proposals received were assessed against pre-determined selection criteria which is contained at Confidential Attachment 4.

Following the resolution of Council at its meeting held on 15 September 2022, the two organisations were advised of the delay in considering their EOIs.

At the time of receiving the proposals to prepare a business case for the demerger of Snowy Valleys Council, the anticipated timing for completion of the project was 31 October 2022 for one organisation and 31 January 2023 for the other. This completion date will need to be negotiated with the successful provider should one be selected.

In considering the expressions of interest, Council may also wish to take into consideration the timing of the recently announced review of the Boundaries Commission and the State Government election to be held on 25 March 2023. It is likely the business case will not be submitted until February/March 2023 at which time the Government will be in caretaker mode and the recently announced review into the Boundaries Commission will still be underway.

## **LINK TO COMMUNITY STRATEGIC PLAN AND DELIVERY AND OPERATIONAL PLAN:**

### **Integrated Planning and Reporting Framework:**

#### **Delivery Program and Operation Plan Strategic Directions**

Theme 5 - Our Civic Leadership

#### **Community Strategic Plan Objectives**

CSP5 Our Civic leadership and organisation government fosters open and transparent partnership with our community

#### **Delivery Program Principal Activities**

5.6 Proactively support and advocate for the needs of the community to other level of government and organisations

**FINANCIAL AND RESOURCES IMPLICATIONS:**

The cost of developing a business case for the demerger of Snowy Valleys Council is not budgeted and will therefore impact on the operating result if savings are not identified during the year.

Staff resources will be utilised in providing information and assistance to the successful provider should one be selected.

**POLICY, LEGAL AND STATUTORY IMPLICATIONS:**

Nil.

**RISK MANAGEMENT / COST BENEFIT ANALYSIS:**

Until the outcome of the demerger discussion is resolved, continued uncertainty will persist within Council and the community.

**OPTIONS:**

Council may choose one of the following options:

1. Accept one of the Expressions of Interest to prepare a business case for the demerger of Snowy Valleys Council;
2. Decline acceptance of all Expressions of Interests to prepare a business case for the demerger of Snowy Valleys Council;
3. Defer preparation of a business case pending the outcome of the Boundaries Commission Review and/or the March 2023 State Election.

**COUNCIL SEAL REQUIRED:**

No.

**COMMUNITY ENGAGEMENT AND COMMUNICATION:**

Nil.

**ATTACHMENTS**

1. Office of Local Government Circular No. 22-34 / 10 November 2022 / A833081
2. CONFIDENTIAL Expression of Interest Demerger Proposal (Under separate cover)
3. CONFIDENTIAL Centium Response to Demerger Expression of Interest (Under separate cover)
4. CONFIDENTIAL The University of Newcastle Response to Demerger Expression of Interest (Under separate cover)
5. CONFIDENTIAL Expression of Interest Demerger Assessment (under separate cover)

**Attachment 1 - 20221110 - Council Circular 22-34 - Consultation on review of the Local Government Boundaries Commission - OLG**

20221110 - Council Circular 22-34 - Consultation on review of the Local Government Boundaries Commission - OLG

**From:** "Office of Local Government" <newsletter@info.olg.nsw.gov.au>  
**Sent:** Thu, 10 Nov 2022 13:02:12 +1100  
**To:** "Info" <Info@svc.nsw.gov.au>  
**Subject:** Council Circular 22-34 Consultation on review of the Local Government Boundaries Commission

**Office of  
Local Government**

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Council Circular

10 November 2022

**22-34 Consultation on review of the Local Government  
Boundaries Commission**

<b>Circular Details</b>	Circular No 22-34 / 10 November 2022 / A833081
<b>Who should read this</b>	Councillors / General Managers / All council staff
<b>Contact</b>	Policy Team / 02 4428 4100 / <a href="mailto:olg@olg.nsw.gov.au">olg@olg.nsw.gov.au</a>
<b>Action Required</b>	Response to OLG
<b>PDF Version of Circular</b>	<a href="#">22-34 Consultation on review of the Local Government Boundaries Commission</a>

**What's new or changing**

- The Minister for Local Government has initiated an independent review of the New South Wales Local Government Boundaries Commission (Boundaries Commission).
- Dr Juliet Lucy has been appointed to carry out the review. Dr Juliet Lucy has legal experience with a strong focus on administrative and public law.
- A discussion paper has been released to outline the current composition, function and processes of the Boundaries Commission and to invite submissions seeking suggestions for improvement. The discussion paper is available [here](#).
- The independent reviewer's findings and recommendations will be provided to the Minister at the end of March 2023.

#### What this will mean for your council

- Anyone, including councils, individual councillors, council staff and members of the public, can make submissions in response to the discussion paper.
- Information on how to make submissions is contained in the discussion paper.
- Submissions close **5.00 pm 16 December 2022**.

#### Key points

- The Boundaries Commission's role is to examine and report on any matter referred to it in relation to the boundaries of local government areas in NSW. These matters include proposals for the constitution, amalgamation, de-amalgamation and alteration of boundaries of local government areas.
- The review's terms of reference are available [here](#).

#### Where to go for further information

- Further information about the review of the Boundaries Commission is available on the OLG website [here](#).
- For more information, contact the Office of Local Government's Policy Team on 02 4428 4100 or by email at [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au).

**Melanie Hawyes**  
**Deputy Secretary**  
**Crown Lands and Local Government**

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20221110 - Council Circular 22-34 - Consultation on review of the Local Government Boundaries Commission - OLG

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**13. CONFIDENTIAL**

Section 10D of the *Local Government Act 1993* provides that Council may close to the public that part of the meeting that deals with matters of a confidential nature. Section 10A(2) lists such matters.

The grounds on which a meeting is closed to the public must be specified in the decision to close the meeting and recorded in the minutes of the meeting.

**RECOMMENDATION:**

That Council move into Confidential to consider the matters listed in the confidential section of the agenda in accordance with Section 10A(2) of the *Local Government Act 1993* for the reasons specified:

**13.1 CONFIDENTIAL: CONSIDERATION OF EXPRESSIONS OF INTEREST FOR DEMERGER BUSINESS CASE – ATTACHMENTS**

The attachments for Item 10.8 are confidential under the *Local Government Act 1993* Section 10A (2)(c) as it relates to information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.