# 11.6 RIVERGLADE CARAVAN PARK TUMUT - LOT 2 - LEASE AGREEMENT - REFLECTIONS HOLIDAY PARKS - ATTACHMENTS

#### Attachment Titles:

- Letter Acting Deputy Secretary of Crown Lands and Public Spaces in relation to removing Council as Crown Land Manager of both Tumut (Riverglade Caravan Park) and Tumbarumba Caravan Park - 12 July 2024 (Redacted)
- 2. Letter Acting Deputy Secretary of Crown Lands and Public Spaces in relation to removing Council as Crown Land Manager of both Tumut (Riverglade Caravan Park) and Tumbarumba Caravan Park 18 July 2024 (Redacted)
- 3. Formal Gazettal Council removed as Crown Land Manager by the Minister of Lands and Property 9 August 2024.

## Attachment 1 - Attachment No 1 - Crown Lands - Letter - Regarding Tumut and Tumbarumba Caravan Parks -12 July 2024 Redacted

## NSW SOLVERNMENT

### Department of Planning, Housing and Infrastructure

Our ref: DOC24/151736

Mr Steven Pinnuck Interim General Manager Snowy Valleys Council

Email via: jmoran-fahey@svc.nsw.gov.au

12 July 2024

Subject: Riverglade Caravan Park at Tumut and caravan park at Tumbarumba Showground

Dear Steven

I am writing to you about the management of Riverglade caravan park at Tumut and the caravan park at Tumbarumba showground. As you know the showground and a portion of the caravan park at Tumut are located on Crown land. We have previously discussed a proposal put forward by Reflections Holidays for the management of these caravan parks, which after consideration Council ultimately declined to accept.

Upon consideration of a range of factors, the Minister for Lands and Property, the Hon Stephen Kamper MP considers it in the overall public interest to make changes to the management arrangements of both parcels of Crown land. The intent is to transition management of the Crown land to the NSW Crown Holiday Park Land Manager (Reflections Holidays).

The Minister considers this to be an opportunity to improve visitor experience for the Snowy Valleys local government area and for the NSW government, through Reflections Holidays management of these parks, to create destinations of choice for tourists looking for outdoor adventures. It is also an opportunity to enhance support to local businesses and communities and enable Council to focus on other core responsibilities.

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## Department of Planning, Housing and Infrastructure

The implementation of this decision is yet to be planned in detail and given the impact on Council I invite feedback from you as to how the transition should occur. I am seeking Council's response to this letter by Friday 19 July 2024. I will arrange for your office to be contacted to set up a meeting to develop a transition process that is satisfactory to all parties involved. Please contact Jess Heien on 49205134 or <a href="mailto:jess.heien@crownland.nsw.gov.au">jess.heien@crownland.nsw.gov.au</a> to arrange a time and date that is suitable.

Regards,



Greg Sullivan

**Acting Deputy Secretary** 

Crown Land and Public Spaces

Department of Planning, Housing and Infrastructure

# Attachment 2 - Attachment No 2 - Crown Lands - Further letter - Regarding Tumut and Tumbarumba Caravan Parks -18 July 2024 Redacted

### Department of Planning, Housing and Infrastructure



Our ref: LBN24/1097

Mr Steven Pinnuck Interim General Manager Snowy Valleys Council

Email via: jmoran-fahey@svc.nsw.gov.au

18 July 2024

Subject: Caravan parks on Crown land at Tumut and Tumbarumba

Dear Steven

I am writing further to my letter dated 12 July 2024 and our subsequent telephone conversations on 17 July 2024. At the outset, I sincerely apologise that you received my letter before we had the opportunity to meet. My intent was that we would meet first so that I could outline the decision of the Minister and then the letter would follow to confirm in writing what was discussed. Unfortunately, due to an internal miscommunication the letter was dispatched before the meeting was arranged.

In my letter of 12 July 2024, I advised you of a decision by the Minister for Lands and Property, the Hon Stephen Kamper MP, to transition management of the Riverglade Caravan Park at Tumut and the Tumbarumba Showground Caravan Park to the NSW Crown Holiday Park Land Manager (Reflections). This letter is intended to provide further context to that decision about the reasons for the decision and again invite Council to work with Crown Lands on the transition.

On 30 April 2024 I met with yourself and your director, Duncan Mitchell, via a Microsoft Teams meeting. The purpose of the meeting was to raise with Council a complaint received by Crown Lands and the Minister's Office from the current lessee of the Riverglade Caravan Park. The lessee had alleged they were being unfairly treated by Council in relation to an EOI process that was at that time being run to seek an operator for the Caravan Park. The essence of the lessee's concerns was that they felt they were being pressured to accept an unreasonable offer for the 34 cabins (which they own) from the preferred supplier and one which was less than what they considered to be fair value.

Council advised it was aware of the situation and was proposing to obtain an independent valuation of the cabin stock and use that information in a second EOI process. At the time of the meeting, and subsequently in writing, I agreed that the independent valuation was a

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prudent step. I understand from our conversation on 17 July 2024 that securing a meeting with the lessee has been difficult.

On 17 May 2024 I emailed you to alert Council to concerns that Crown Lands held regarding operations at the Tumbarumba Showground Caravan Park and certain administrative and legal issues the Crown Lands felt could impact on the proposed re-run of the EOI process.

On 23 May 2024, myself and Michelle Wood, Executive Director Strategy, Policy and Transformation, met with yourself and Duncan Mitchell, to discuss these issues. At that meeting I indicated that the department did not consider the Tumbarumba site could be included in any re-run of the EOI process until the issues were resolved. Noting the potential for delay whilst the issues were being resolved, I proposed to Council an alternate option which could deliver some return more quickly. The core elements of the proposal were that Reflections could take over the Crown land manager responsibilities at Riverglade Caravan Park and pay Council a lease fee for the portion of the park that is freehold land owned by Council. This option would deliver an untied revenue stream to Council in the near term. In addition, the proposal would relieve Council of the burden of overall asset management responsibility for the Caravan Park.

You indicated that Council would consider the proposal. I reinforced Crown Lands' growing concern that a legal stalemate situation could unfold where the lease expired without agreement regarding the cabin stock, with the result that the lessee locked the cabins, preventing their use by visitors.

On 5 June 2024, Michelle Wood and I again met with yourself and Duncan Mitchell. The purpose of the meeting was to obtain Council's view on the proposal that had been discussed at the previous meeting. You indicated that Council had considered the proposal but was not supportive of it. You advised that Council's preferred option was to pursue a second EOI process. I again raised the concern that if the cabin stock ownership issue was not resolved there would be a risk to the operations of the Caravan Park.

In summary, over the course of three meetings, Crown Lands sought to work collaboratively to resolve the issues that had been uncovered and to understand Council's aims for the EOI process, including the revenue and capital investment that Council hoped to achieve. Crown Lands invited Council to explore the alternative option of appointing Reflections as the manager of Riverglade Caravan Park and potentially at Tumbarumba Caravan Park. Crown Lands wished to explore this option because of benefits this could bring in terms of avoiding the potential closure or partial closure of the Riverglade Caravan Park, boosting visitors to and investment in the caravan parks, removing operational liabilities for Council, and creating a potential revenue source for Council in the form of a lease over its portion of the Riverglade site. After consideration you advised that Council did not wish to take forward

the alternative option raised by Crown Lands, and that you would recommend to Council that a further EOI be conducted.

Crown Lands understands that, on 20 June 2024, Council decided to (among other things):

- formally terminate the lease at Riverglade Caravan Park by 1 July 2024 and transition management of the park to Council
- · give the lessee 6 months to remove all cabins from the site, and
- conduct a second EOI in the second quarter of 2024-25 that would include the Riverglade Caravan Park but exclude Tumbarumba Caravan Park.

I note that Crown Lands had no visibility or awareness of Council's plan to force the removal of the cabins from the Riverglade Caravan Park or for Council to take over the direct management of the park.

As a result of the Council's decision, multiple local businesses and stakeholders made representations to the Minister and other NSW elected and government officials, expressing grave concern about the implications of this decision if it were implemented. In particular, local tourism-related businesses were concerned that the loss of cabins at the caravan park will result in a drop in visitors to the region, with flow-on impacts for the local economy. Larger businesses in the area, such as VISY, may also rely on the cabins at certain times for their own operational needs. The removal of the cabins would potentially mean that pre-bookings would be lost and future arrangements uncertain.

On the strength of the representations, the Minister sought advice on future management options for the two caravan parks that would avoid the growing risk that Riverglade Caravan Park would either close or have its functioning severely compromised, including the loss for a time of all roofed accommodation.

The Minister decided to transition management of the caravan parks to Reflections. This option avoids the potential impact on the operations of Riverglade Caravan Park since Reflections have reached an in-principle agreement with the lessee over the cabin stock; provides an economic return to Council; reduces Council's asset management responsibilities over the sites; and advances the outcomes of the State strategic plan for Crown land, *Crown land 2031*, including that Crown land assets are accessed, activated and sustained. Reflections will be able to maintain and grow the existing accommodation options at the caravan parks, benefiting local business, residents and visitors alike. Reflections manages 40 holiday parks across NSW on Crown land and has a very strong marketing reach. By boosting its regional presence, Reflections will be able to support tourism strategies that connect and showcase many small towns across the region. The government is not confident that Council will be able to deliver the same level of capital

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investment or marketing reach and activation, either through direct management of the parks or through a further EOI process.

Crown Lands strongly encourages Council to meet with Reflections and the department as a matter of urgency to ensure that the cabins at Riverglade Caravan Park remain available to visitors after 31 July 2024. The department is confident that the transition can occur in a way that brings benefits to the whole community, including to Council.

Crown Lands also invites Council to provide any new information about either of the caravan parks that is relevant to the transition or to Council's interests and objectives. The Minister will take any new information into account.

I will arrange for your office to be contacted to set up a meeting between yourself, Reflections and Crown Lands, should you be agreeable to this process.

Yours sincerely



Greg Sullivan

Acting Deputy Secretary
Crown Lands and Public Spaces
Department of Planning, Housing and Infrastructure

## Attachment 3 - Attachment No 3 - Formal Gazettal of Council removed as Crown Land Manager 9 Aug 2024

#### **CROWN LAND MANAGEMENT ACT 2016** APPOINTMENT OF CROWN LAND MANAGER

Pursuant to clause 3.3 of Part 3 to the Crown Land Management Act 2016, the persons specified in Schedule 1 hereunder are appointed, for the terms of office specified in that Schedule, as Crown land manager of the land referred to in Schedule 2.

It is a condition of the appointment that the employees, contractors, volunteers and board members of the appointed organisation specified in Column 1 must comply with the Department of Planning, Housing and Infrastructure - Crown Lands Crown reserve code of conduct: for noncouncil Crown land managers and commons trusts (as may be amended or replaced from time to time) when performing duties as Crown land

The Hon. Stephen Kamper MP		
Minister for Lands and Property		
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	Schedule 1	
NSW Crown Holiday Parks Land Manager (ABN	N: 26087692248)	
For a term commencing the day of this notice		
	Schedule 2	
Reserve No. 61616		
Reserve Purpose: Resting Place		
Notified: 20-Dec-1929		
E'l B 6 B (1616 MCT001 1002		
File Reference: R61616/MGT001/002		

[NSWGG-2024-303-5] NSW Government Gazette 09 August 2024

### CROWN LAND MANAGEMENT ACT 2016 REVOCATION OF APPOINTMENT OF CROWN LAND MANAGER

Pursuant to section 3.10 (1) of the Crown Land Management Act 2016, the appointment of the person specified in Column 1 of the Schedule hereunder, as Crown land manager of the land, or part(s) of the land, specified opposite thereto in Column 2 of the Schedule, is revoked.

The Hon. Stephen Kamper MP Minister for Lands and Property

#### Column 1

Crown Land Manager: Snowy Valleys Council

Reserve No. 61616 Purpose: Resting Place Notified: 20-Dec-1929

File Reference: R61616/MGT001/002

#### Schedule

Column 2

The whole being Whole Lots: Lot 7003 DP 96827 Parish Mundongo County

Buccleuch, Lot 7010 DP 1112987 Parish Tumut County Wynyard; Part Lots: Lots 3-4 DP 868871 Parish Tumut County Wynyard

Area: about 7.09 hectares

[NSWGG-2024-303-8] 09 August 2024 NSW Government Gazette

## CROWN LAND MANAGEMENT ACT 2016 TRANSFER OF ASSETS, RIGHTS AND LIABILITIES - END OF CROWN LAND MANAGER APPOINTMENT

Pursuant to Division 3.2 Section 3.12 (3) of the *Crown Land Management Act 2016*, the appointment of the Crown land manager specified in Column 1 of Schedule 1 over the land specified in Column 2 of Schedule 1 is ending. The assets, rights and liabilities specified in Column 1 of Schedule 2 transfer to the person(s) specified in Column 2 of Schedule 2 on the date that person(s) is appointed as Crown land manager of the land specified in Column 2 of Schedule 1.

The Hon. Stephen Kamper MP Minister for Lands and Property

Schedule 1

Column 1 Column 2

Snowy Valleys Council Reserve No. 61616 Lot/DP:

Purpose: Resting Place Notified: 20-Dec-1929

File Reference: R61616/MGT001/002

Schedule 2

Column 1 Column 2

Any and all leases or licences issued by Snowy Valleys Council in its capacity as Crown Land Manager over Reserve 61616

All maintenance equipment, improvements, financial documents and NSW Crown Holiday Parks Land Manager

management documentation

[NSWGG-2024-303-9] NSW Government Gazette 09 August 2024