

Media Release

- FOR IMMEDIATE RELEASE –

Wednesday, 17 January 2024

ROUND TABLE TO DISCUSS THE FINANCIAL SUSTAINABILITY OF FORCIBLY MERGED RURAL AND REGIONAL COUNCILS

Cootamundra-Gundagai Regional Council (CGRC) is in the concluding stages of preparations for hosting a Round Table to discuss the financial sustainability of forcibly merged Rural and Regional Councils, to be held in Gundagai on Monday 29, January 2024.

The invitation list for the Round Table discussion comprises surrounding merged Councils, including Councillors from CGRC, Hilltops, Snowy Valley's, Snowy Monaro, and Federation Council. Key Members of Parliament, including those representing surrounding regions, have also been invited to attend together with representatives from the Local Government sector.

The Minister for Local Government Ron Hoenig has been invited to attend. The Agenda for the Round Table will include presentations from Local and State Government representatives on issues relating to financial sustainability of Councils and the various impacts of mergers.

Mayor of CGRC Charlie Sheahan shared his thoughts on the urgency to initiate the Round Table discussion.

'Since being forcibly merged in 2016, our council along with others has been seriously challenged financially. Given that prior to the merger both Gundagai and Cootamundra councils were successfully managing their Council's role in providing for their communities.

It would be too simple to say that the merger was the cause of the financial problems, but fair to say that it provided the environment that contributed to the problems. The forced merger created an adversarial environment in the chamber, the workplace, and the community, creating challenges for management, control, and restraint.

The mergers, instead of creating efficiencies and positive financial benefits as suggested by the previous government, in many cases resulted in inefficiencies on many fronts and huge financial deficits, creating the need for large rate increases. We hope that by sharing our experiences, we can identify the underlying problems and hopefully improve the situation by identifying actions for all of us to consider, providing a better understanding of the situation and a sustainable path forward.

CGRC has successfully put our case to the State Government to demerge and had started the demerge process as outlined by the State Government up until we had a change of government in March last year. Despite the current government's policy to enable demergers, the Minister has been extremely slow in implementing a timely and efficient pathway. In fact, his proposal has positioned us back two years to where we were before the previous government announced that we were to demerge.

Whilst not all councils are looking to demerge, it is important that all parties, including our elected members are aware of this situation and the ongoing problems that we face. Currently CGRC is a place of future uncertainty, resulting in only being able to offer interim and acting roles at senior levels. It is difficult to attract workers to the organisation. We are losing good staff to other organisations which eventually will impact the quality of services provided to our community. The longer this unacceptable situation continues the greater the damage and stress to our staff, organisation and community.

Some honesty and fairness are required from the Minister and the government towards our situation, it has been a year and a half since the previous Minister announced we would be demerged, and we are no further ahead. We are aware that a simple amendment to the Local Government Act could enable the legal pathway for the Minister to proclaim the new councils, but for whatever reasons he refuses to go that way, instead putting our communities through yet another expensive, exhaustive round of Boundary Commission hearings’.

The Round Table will be held at the Gundagai RSL, on Monday 29 January 2024 commencing at 2pm and is a closed event limited to invited Local and State Representatives and representatives from the Local Government sector.

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Cootamundra-Gundagai Regional Council
www.cgrc.nsw.gov.au

For further media information contact:
1300 459 689

