



05 NOV, 2021

'Demerger decision done. Now move on'



Tumut & Adelong Times, Tumut

Page 1 of 2



LOCAL Government Minister Shelley Hancock has told a budget estimates hearing that there was no clear case to demerge Snowy Valleys Council, despite receiving a report from the government-appointed Local Government Boundaries Commission recommending the council be unbound.

Ms Hancock appeared before a budget estimates session this week and was questioned by Mark Buttigieg MLC about the push from the communities of Cootamundra, Gundagai and the Snowy Valleys to split after being forced by the NSW Government to merge in 2016.

The Local Government Boundaries Commission investigated two proposals to demerge Cootamundra Gundagai Regional Council and Snowy Valleys and presented its findings to Minister Hancock in February this year.

Minister Hancock conceded the six months it took to make a decision was 'a little too long', however she was unapologetic about her decision to deny both demergers.

"The decision is made – it has to be done," Minister Hancock said.

"I am not blaming the Boundaries Commission at all, not at all, but I am saying that this was a huge task for it to take on and one that it had not really considered before. So I could not see that it had made a case to me for demergers."

She is yet to provide any significant detail as to why she opted not to demerge the councils and wasn't giving much more away at the estimates hearing.

"I just think we have to move on; I have made the decision," Ms Hancock said.

"That is why I am saying to you I do not really want to continue to comment and speculate about why I made a decision or did I talk to the community or what about staff morale.

"The decision is made—it had to be made. Yes, it took a little too long—six months to contemplate all of the issues—but I made the decision: there was no case that was presented to me clearly to demerge the councils. That is the end of it."

Under questioning from David Shoebridge about the parlous finan-

cial state of the merged councils – which sees Cootamundra-Gundagai facing a 53.5 per cent rate rise, and Snowy Valleys considering a 38 per cent hike – Ms Hancock said she did not accept that the mergers were the cause of the hikes.

"Is it just a coincidence that these two amalgamations are facing these eye-watering rate rises?", Mr Shoebridge asked.

In reply, Ms Hancock said she did not determine if a council raises rates.

"That is up to them," she said.

"I guess if the ratepayers are concerned about those applications — and they would be aware of them because they will be publicised, as is Shoalhaven's — then ratepayers will vote on 4 December as to whether they return those councillors or not because ultimately the council decides whether to apply for an SRV."

Ms Hancock also noted there would be a significant cost to demerge, with the councils facing a long process of administration, at significant cost.

"The smaller councils left — whether it is Cootamundra, Gunda-



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Page 2 of 2

gai, Tumut or Tumbarumba — would have been left with financial challenges way into the future,” Ms Hancock said.

“I had to make a difficult decision and I made that decision. I certainly did not intend to be dismissive about

how the community felt. I know they are angry. I feel their anger and I read their anger directed towards me. It is ongoing and is probably daily but that is what you do when you are the Minister—you have to make difficult decisions.”

Shadow Minister for Local Government, Greg Warren, said the Minister's advice to 'move on' was insensitive and disrespectful to both communities still reeling from the forced mergers.

“Both communities were sceptical about the Local Government Boundaries Commission investigation before it began and the result shows that scepticism was well founded,” he

said.

“Many residents in those communities believed the decision to not allow a demerger was a fait accompli and it is easy to see why they believe that.

“The Cootamundra and Gundagai communities have been hit with a 53.5% special rate variation as a result of the bungled demergers policy.

“I wonder if Minister Hancock would 'move on' if her rates increased that excessively.”

Both Cootamundra-Gundagai and Snowy Valleys Council do have the option to put new demerger proposals to the minister.

Cootamundra-Gundagai has already done so, while Snowy Valleys Council recently decided not to.

That may change pending the December 4 elections.

'I feel their anger and I read their anger directed towards me. It is ongoing and is probably daily but that is what you do when you are the Minister—you have to make difficult decisions'

– Shelley Hancock, Minister for Local Government