

Media Release

New pathway to guide Cootamundra-Gundagai Regional Council de-amalgamation

Tuesday 3 October 2023

The NSW Government has today salvaged the plan to de-amalgamate Cootamundra-Gundagai Regional Council (CGRC).

Since coming to office, the Minister and Office of Local Government have explored the legal avenues available to achieve a successful demerger under the roadmap provided by the previous Liberal-National government.

This roadmap has only succeeded in leading to a dead end, with no statutory mechanism under the legislation (section 218CC of the *Local Government Act 1993*) to create two independent and fully functioning councils.

Minister for Local Government Ron Hoenig is today meeting with CGRC to outline a new pathway which empowers the Council to develop a detailed implementation plan to guide the establishment of two new sustainable local government areas. The plan must include propositions for:

- where the boundaries should be;
- electoral matters such as wards, number of councillors and the method of electing Mayor;
- division of assets and liabilities;
- allocation of staff, as well as management and organisational structures;
- rate levels and charges; and
- service standards and shared service arrangements.

The plan will then be assessed by a public inquiry led by the Boundaries Commission. This inquiry will determine if independent Cootamundra and Gundagai councils are capable of operating in a financially sustainable way that will provide necessary infrastructure and services to their respective communities.

Providing the NSW Government is satisfied that the plan and the public inquiry process provides enough certainty to the local community, CGRC will be dissolved and two new council areas proclaimed.

Quotes attributable to the Minister for Local Government Ron Hoenig:

“The NSW Government supports the communities in Cootamundra and Gundagai’s desire to demerge and frame their own future for local governance.

“The Liberals and Nationals created this problem by forcibly merging two communities with nothing in common.

“The previous Government knew there were legal issues but it was left to us to find a way through the mess.

“Since coming to office, the Government has made it clear that the demerger framework must support and enhance local democracy while ensuring the practical and financial impacts are fully understood.

“The new approach announced today is a necessary step as I am unable to give legal effect to the former Minister for Local Government’s intention under section 218CC of the Local Government Act to demerge the Council.

“This approach recognises Council and the community’s desire to demerge and lets the community shape their own destiny in creating their two new councils.

“Any future councils must be sustainable and able to continue to deliver services and infrastructure to their community, now and into the future.

“In the meantime, the existing Council will remain in place and continue its operations under the current Mayor Charlie Sheahan.

“I want to thank the councillors, staff, and community of Cootamundra-Gundagai for their patience as we have progressed through this complex process.”

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