

Hunter's Hill Council



**Extraordinary Meeting
No. 4399
5 April 2016 at 7.00pm**



ORDER OF BUSINESS

Prayer

Attendance, Apologies,

Declarations of Interests

Mayoral Minutes & Reports

Notice of Motions

(including Rescission Motions)

Reports from Staff

Our Heritage & Built Environment

Our Community & Lifestyle

Our Environment

Moving Around

Our Council

Committees

Correspondence

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Questions With or Without Notice

Council in Committee of the Whole

**HUNTER'S HILL COUNCIL
EXTRAORDINARY MEETING OF COUNCIL
Meeting 4399 - 5 April 2016
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ITEM NO	:	1.1
SUBJECT	:	THE HON. PAUL TOOLE MP MINISTER FOR LOCAL GOVERNMENT - SEEKING EXPRESSIONS OF INTEREST FROM COUNCILLORS WISHING TO BE CONSIDERED FOR A ROLE IN SHAPING THE NEW COUNCIL.
CSP OUTCOME	:	COUNCIL IS RECOGNISED AND RESPECTED AS AN OPEN AND TRANSPARENT ORGANISATION
DELIVERY PLAN STRATEGY	:	COUNCILLORS ARE WELL-INFORMED ABOUT ISSUES/PROJECTS
REPORTING OFFICER	:	BARRY SMITH

Ref:258772

INTRODUCTION

The Hon. Paul Toole, MP, Minister for Local Government, wrote to all Mayors and Councillors recently seeking expressions of interest from Councillors who wish to be considered for a role in shaping new Councils. (Attachments 1 and 2)

In part the letter suggests that ...*"To assist in this process, the Government is seeking expressions of interest (EOI's) from councillors who wish to be considered for a role in shaping the new council.*

Interested councillors should complete the form attached (an electronic version is available at www.councilboundaryreview.nsw.gov.au) and send it to office@toole.nsw.gov.au by 15 April 2016.

EOI's will be considered and councillors will be notified of the outcome by mid-2016 to ensure effective local representation is in place to meet the unique needs of any new local government area."

The correspondence also notes that while no decision has been made on any merger proposal, the government is committed to ensuring effective implementation of any merger that goes ahead.

REPORT

The letter from the Minister was tabled at the Ordinary Meeting of Council No. 4398 held Monday 29 March 2016 and Council resolved as follows:

- 84/16** RESOLVED on the motion of Clr McLaughlin, seconded Clr Sheil
1. That the Correspondence be received and noted.
 2. That Council seek an extension of time to make a submission to the Minister, for a further two weeks from 15 April to 29 April 2016, to allow the matter to be considered more fully at the next Ordinary Meeting to be held 26 April 2016.
 3. That Council consult with Lane Cove Council and the City of Ryde Council to co-ordinate a common response to the Minister's letter maintaining a role for the current democratically elected Councils that ensures ongoing, fair, unbiased and democratic representation of each local community.

4. That an Extraordinary Council meeting be scheduled for 7pm on Tuesday 5 April 2016 to further consider this matter.

In respect of part 3 above, actions already taken by individual Councillors at other Councils would suggest that a common response may not be achievable.

Merger proposal timeline**

For Councillors information the following timeline has been updated following the lodging of or submission and advice received regarding election timing.

DATE	DAY	ACTION	RESPONSE
06.01.16	Wednesday	Merger proposals forwarded to CEO of OLG and delegates appointed	Completed
07.01.16	Thursday	Delegate has invited Council to meet	
13.01.16	Wednesday	Delegate meets with Mayor & GM	Completed
25.01.16	Monday	Extraordinary Meeting of Council to consider and adopt a merger related information campaign	Completed
02.02.16	Tuesday	Delegate holds public inquiry – Hunters Hill Sailing Club	Completed
05.02.16	Friday	Strategy Workshop	Completed
22.02.16	Monday	Ordinary Meeting	Draft submission adopted
28.02.16	Sunday	Closing date for submissions	Completed
March		Delegate prepares report	
TBA		Delegate refers report to Minister and Boundaries Commission	
TBA		Boundaries Commission provides comments on report to Minister	
TBA		Minister considers report from Delegate and comments from Boundaries Commission	
TBA		Minister makes recommendation to Governor	
30.06.16		Intended Proclamation Date	
30.06.16		Governance structure of new entities yet to be determined, likely to be included in proclamation	
01.07.16		New entity commences	
10.09.16	Saturday	Council elections for non-merging Councils	
04.03.17	Saturday	Council elections for merging Councils (new entities) deferred until March 2017	

***Please note that all dates after 28.02.16 are not official but a best guess indicator only.*

CONCLUSION

As resolved, the matter is listed for further consideration.

FINANCIAL IMPACT ASSESSMENT

There is no direct financial impact on Council's adopted budget as a result of this report.

ENVIRONMENTAL IMPACT ASSESSMENT

There is no direct environmental impact on Council arising from Council consideration of this matter.

SOCIAL IMPACT ASSESSMENT

There is no direct social impact on Council arising from Council consideration of this matter.

RISK ASSESSMENT

Some may consider that there is a risk of Hunters Hill being excluded from the formation of the new entity (if forced amalgamations proceed), if no responses are received.

On the other hand a positive response could be perceived as being contrary to Councils already resolved position of being opposed to forced amalgamations.

In considering this matter further it was reported to the Ordinary Meeting held on 22 February 2016, that there are a number of significant potential financial and non-financial risks arising from this particular merger proposal that need to be considered, including the following which were included on our final submission.

These are just a few of the matters and challenges that will confront the governance structure (and therefore all persons involved) in any new Council entities, not just the proposal affecting this Council.

- Transitional costs may be more significant than set out in the business case.
- The efficiencies projected in the business case may not be delivered.
- The implementation costs maybe higher and the anticipated savings may not be achieved.
- Decisions subsequent to the merger about the rationalisation of facilities and services may not reduce the cost base of the merged organisation as originally planned.
- The cultural integration of the council organisations may not go well resulting in low morale, increased staff turnover rate etc., particularly when one of the constituent councils is being split. This would reduce business performance and prolonging the time it takes for the predicted efficiencies to be achieved.
- With large size differences between the councils in the merger there is a danger it is seen not as a merger but as a takeover by the larger organisation.
- Service levels rise across the merged council, standardising on the highest level of those services that are being integrated.
- New services are introduced that are not currently delivered in one or more of the former council areas.
- The financial performance of the merged council is less than that modelled, resulting in the need to either reduce services, find further efficiency gains and/or increase rates to address the operating deficit.

Councils Strategic Risk register contains the following risk and risk rating:

Unit	Risk Description	Inherent Risk	Residual Risk	Control Description
General Manager	Local government reforms may result in fundamental changes to Council objectives, structure and operations e.g. amalgamations.	Extreme	High	Ongoing monitoring, lobbying and submissions

HUNTERS HILL 2030

Council and the community need to be well informed about issues affecting local democracy as provided in the Our Council section of the CSP.

RECOMMENDATION

That Council further considers this matter.

ATTACHMENTS

1. Letter to Mayor and Councillors
2. Expression of Interest Form



The Hon Paul Toole MP
Minister for Local Government

Dear Mayor and Councillors,

As you are aware, the NSW Government anticipates that the council boundary review process will be completed by the middle of this year.

Although no decision has been made on any merger proposal, the Government is committed to ensuring effective implementation of any merger that goes ahead. That is why the Government wants to hear from currently serving councillors who are committed to the success of any new council.

Many councils have been putting forward suggestions for interim governance arrangements and have been asking for clarity on the next steps.

The NSW Government is considering options for providing currently serving councillors with an opportunity to help shape the future of any new council. Options available under the Local Government Act 1993 may include the appointment of a single person or group of people (which may include councillors for presently existing council areas) to act as administrators of any new council, or the continuation in office of some or all councillors from the former council areas, as councillors of a new area until the first ordinary election of the new council. In addition, new councils may establish committees to advise them on implementation of the merger and/or represent the local community.

To assist in this process, the Government is seeking expressions of interest (EOI's) from councillors who wish to be considered for a role in shaping the new council.

Interested councillors should complete the form attached (an electronic version is available at www.councilboundaryreview.nsw.gov.au) and send it to office@toole.nsw.gov.au by 15 April 2016.

EOI's will be considered and councillors will be notified of the outcome by mid-2016 to ensure effective local representation is in place to meet the unique needs of any new local government area.

An EOI process for council General Managers is also being conducted to identify suitably qualified interim General Managers for any newly created council, with a separate letter being issued to General Managers on this issue.

I reiterate that no decision has been taken on any merger proposal.

Please call 02 8574 7000 if you have any questions or email office@toole.nsw.gov.au.

Yours sincerely

Paul Toole MP

Minister

GPO Box 5341, Sydney NSW 2001
Phone: (61 2) 8574 7000 Fax: (61 2) 9339 5552 Email: office@toole.minister.nsw.gov.au



Expression of Interest

Name:

Council:

Current role: Mayor Deputy Mayor Councillor

Councillor email address:

(This will be used to verify receipt of EOI)

Desired roles: *(The following are general examples of the types of roles that may be available to give currently serving councillors an opportunity to shape the future of any new councils. Please select all relevant boxes.)*

- Administrator**
Under the Act, the Minister can appoint one or more Administrators to exercise the functions of the mayor and councillors of a newly formed council until elections can be held for the new council.
- Councillor on new council**
Under the Act, the Minister can retain some or all of the councillors of any former local government areas as councillors of any newly formed council until elections can be held.
- Member of Local Representation Committee**
The newly formed council (led by an Administrator/s or retained councillors) may wish to establish an advisory Local Representation Committee, for each of the former local government areas, made up of representatives from those areas, to ensure effective local representation ahead of the next election.
- Member of Implementation Advisory Group**
The newly formed council may wish to establish an Implementation Advisory Group to advise it on key decisions necessary in establishing and operating the new council.

Criteria: (expressions of interest that meet all the criteria will be considered)

- Commitment to making the new council a success
- Willingness to make decisions that are in the best long term interest of the broader community
- Commitment to working collaboratively with Government in implementation
- Desire to represent the views of the community
- Commitment to promote the new council to the community
- Availability to serve the new council until the next local elections

Supporting statement:

500 word supporting statement addressing the criteria (see over for handwritten responses)

ITEM NO	:	2.1
SUBJECT	:	CORRESPONDENCE 1. PAUL RICKETTS - INTERIM MERGER ARRANGEMENTS
CSP OUTCOME	:	COUNCIL IS RECOGNISED AND RESPECTED AS AN OPEN AND TRANSPARENT ORGANISATION
DELIVERY PLAN STRATEGY	:	COUNCILLORS ARE WELL-INFORMED ABOUT ISSUES/PROJECTS
REPORTING OFFICER	:	WENDY MCGUIRK

Ref:259113

INTRODUCTION

Council receives items of correspondence, requests for donations and representations from business organisations. The following correspondence is for the information of Council.

REPORT

1. Mr Paul Ricketts – email dated Saturday 2 April 2016 – Interim Merger Arrangements.

A copy of the email is attached for the information of Council.

CONCLUSION

The correspondence is for the information of Council.

FINANCIAL IMPACT ASSESSMENT

There is no direct financial impact on Council's adopted budget as a result of this report.

ENVIRONMENTAL IMPACT ASSESSMENT

There is no direct environmental impact on Council arising from Council consideration of this matter.

SOCIAL IMPACT ASSESSMENT

There is no direct social impact on Council arising from Council consideration of this matter.

RISK ASSESSMENT

There are no direct or indirect risks impacting on Council arising from consideration of this matter.

HUNTERS HILL 2030

The report addresses strategies as identified under 'Our Council' and in particular 1.3.2 Councillors are well informed about issues and projects.

RECOMMENDATION

That the report be received and noted.

ATTACHMENTS

1. Interim Merger Arrangements

From: [RedActor](#)

Sent: 2/04/2016 10:42 AM

To: [Richard Quinn](#)

Cc: [Peter Astridge](#); [Meredith Sheil](#); [Zac Miles](#); [Mark Bennett](#); [Justine McLaughlin](#); [Gary Bird](#); [Barry R. Smith](#)

Subject: Interim merger arrangements

Dear Mr Mayor, Councillors, and General Manager,

I refer to councils upcoming special meeting next Tuesday night to consider the governments recent interim merger proposal.

As you know I've been strongly critical of councils handling of the whole Fit For The Future exercise from the very beginning, so it should come as no surprise I have a view on this latest development.

Given councils strident opposition to the review process since day one, and the disgraceful anti government rhetoric many of you participated in over the years I am firmly of the view it would be untenable for any of you to consider lodging an expression of interest.

I say this with a heavy heart because if ever there's a time we needed experienced people to represent us it's now. It's just such a pity none of you understood that your collective bloodymindedness would necessarily preclude you from the next phase of the process.

If this correspondence could be entered into the record of Tuesday nights meeting I would be most grateful.

Regards

Paul Ricketts

1 Milling Street

Hunters Hill