



BOGAN SHIRE COUNCIL

Business Paper Extraordinary Meeting

17 November 2015



Table of Contents

COUNCIL MEETING NOTICE	5
REPORTS TO EXTRAORDINARY MEETING OF COUNCIL – GENERAL MANAGER	7
1 FIT FOR THE FUTURE PROCESS.....	7
NOTES	22



12 November 2015

COUNCIL MEETING NOTICE

An Extraordinary Meeting of Council will be held in the Council Chambers, Nyngan on Tuesday 17 November 2015 at 9.30am.

AGENDA

1. Opening Prayer
2. Remembrances
3. Apologies
4. Declarations of Interest
5. General Manager's Report

Your attendance at this meeting would be appreciated.

Yours sincerely

Cathy Ellison

Executive Assistant

REPORTS TO EXTRAORDINARY MEETING OF COUNCIL – GENERAL MANAGER

Mayor and Councillors

I submit the following report for consideration:-

1 FIT FOR THE FUTURE PROCESS

1.1 Introduction

The purpose of this report is:-

- i. to present information to Councillors on the Fit for the Future process, in particular the NSW Government's "final period of consultation"; and
- ii. for Council to approve the response to the Government's invitation to provide feedback on IPART's findings.

1.2 Background

Previous reports to Council in September 2014, December 2014, February 2015 and March 2015, May 2015, June 2015 and October 2015 refer.

Bogan Shire Council was required to prepare a submission, by 30 June 2015, to the Minister for Local Government explaining how it is "Fit for the Future" and, as a starting point, was instructed to consider the options of either a "Rural Council in Orana JO or merge with Warren".

Bogan Shire Council's Fit for the Future submission was assessed by IPART with Council having been found Fit for the Future as a Rural Council having met every one of the IPART benchmarks.

The Government announced a 30 day "final period of consultation" and the establishment of a "Stronger Communities Fund". (Refer attachment 1)

All Councils have until 18 November to provide feedback to the Government on the IPART assessment.

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

At its meeting on 22 October 2015 Council resolved as follows:-

1. *That a response to the IPART Assessment be prepared including the following points:-*
 - a. *That Bogan Shire Council rejects the assertion that it is not Fit for the Future unless the NSW Government adopts a Rural Council model, pointing out that all performance ratios have been met under the existing model.*
 - b. *That the Government's attention is drawn to the current and proposed regional initiatives contained in Bogan Shire Council's IPART submission as a way of working collaboratively to provide efficiencies.*
 - c. *That savings in reduction of Councillors and Council meetings would be negligible for this Shire.*
 - d. *That savings from reductions in senior staff and others providing "higher level functions" would be outweighed by costs associated with charges from the Joint Organisation, loss of local understanding, personal investment in the community, jobs and families.*
2. *In conjunction with other OROC Rural Councils, these concerns be raised with the Member for Barwon and the Deputy Premier as a matter of urgency through an urgent meeting with the Deputy Premier and then a meeting with the Minister of Local Government and Premier to strongly advocate the fact that Bogan Shire Council was considered Fit for the Future. Council should be given the chance of a period of time to continue to operate in conjunction with other Rural Councils in the Orana Region sharing resources and lots of expertise.*

1.3 Discussion

Since Council's meeting on 22 October 2015 the Government has made certain statements by way of two "Frequently Asked Questions" documents (attachments 2 and 3) and an email to the Mayor (attachment 4).

These statements go some way to reassuring Rural Councils and their communities that the Government is not imposing a single legislated model on rural Councils as contemplated by the Independent Panel but it is still not clear what "model" the Government has in mind for Rural Councils.

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

Attachment 5 has been prepared as Council's response to the Government's invitation to provide feedback on IPART's findings, based on the prescribed template.

Council should consider this report and, subject to any amendments, approve this response, including restating its position on merger options.

1.4 Attachment

1. Letter from Premier and Cabinet dated 21 October 2015.
2. FAQ – 23 October 2015.
3. Supplementary FAQ – 30 October 2015.
4. Email to the Mayor – 4 November 2015.
5. Draft response to invitation to provide feedback on IPART's findings.

1.5 Recommendation

1. That Council respond to the NSW Government's invitation to participate in the final consultation for the Fit for the Future process by making a submission.
2. That Council notes that Bogan Shire Council has been assessed as Fit for the Future as a stand-alone Rural Council. As this is consistent with community wishes and the Independent Panel's Final Report it is therefore not appropriate to consider merger partners as part of this final consultation process.
3. That the following feedback is provided to the NSW Government on IPART's assessment of Bogan Shire Council's Fit for the Future submission:

Bogan Shire Council welcomes the news that it has been found "Fit for the Future" demonstrating, by meeting all seven of the Fit for the Future Benchmarks, that it is in a sound, sustainable position.

In its submission, Council developed a robust 10-year plan based on the Rural Council options provided in Template 3. Council has now commenced the implementation of this Rural Council Plan to ensure it is strong, efficient and able to deliver the services and facilities that our local community deserves now and into the future.

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

For example, initiatives forming part of our Rural Council Plan that are already being implemented include:-

- *Resource Sharing (Working in partnership with other OROC Fit for the Future Rural Councils on the implementation of a joint asset management system).*
- *Specialty Services (Developing the concept of a Centre of Excellence to provide services to other Councils).*
- *Service Review (Constructing infrastructure to increase own source revenue).*
- *Refocus Expenditure on Asset Renewals (Allocation of \$400k already made to asset renewals fund).*

Council is reassured by recent correspondence from the Minister that the NSW Government is not imposing a single legislated model on Rural Councils as contemplated by the Independent Panel. Any savings gained under this model would be outweighed by costs of charge-outs from the Joint Organisation, loss of local understanding, personal investment in the community, jobs and families. Significantly, Bogan Shire's successful Rural Council Plan submission does not require "the JO performing most of the higher level functions of the Rural Council" as contemplated by the Panel.

It is recognised that Rural Councils are more reliant on Financial Assistance Grants than some other Councils. A Rural Council is therefore one that requires a more equitable share of these Grants acknowledging that, through contributions by mining and agriculture, our communities, though sparse, contribute significantly to the wealth of New South Wales.

Additionally, many of the anticipated reforms that the Government has proposed including rating and reduction of red tape (especially for Rural Councils) will have a positive impact over a period of time.

Derek Francis

GENERAL MANAGER

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

Attachment 1



Reference: A1372057

Mr Derek Francis
General Manager
Bogan Shire Council
PO Box 221
NYNGAN NSW 2825

Email: derek.francis@bogan.nsw.gov.au

Dear Mr Francis

The Premier, the Hon Mike Baird MP and the Minister for Local Government, the Hon Paul Toole MP, have written to your Mayor about the Independent Pricing and Regulatory Tribunal's (IPART) assessment of your council's "Fit for the Future" submission.

The NSW Government has announced a final period of consultation, which will close on Wednesday 18 November 2015. The consultation is an opportunity to inform the Government's position on local government reform, and its response to IPART's findings.

Should you wish to participate in this consultation:

- please provide any comments you wish to make in relation to IPART's findings on your council's submission; and
- if your council's submission was found by IPART to be "not fit" as it did not meet scale and capacity, or if your council adjoins a council that did not meet scale and capacity, please advise of any preferences your council may have regarding merging partners.

To provide advice, please use the online template hosted on the Department of Premier and Cabinet's website. Details will be provided separately on how to access this template.

A significant funding package is available for council mergers that are:

- supported by the merging partners; and
- supported by the Government.

Details of this package are available at www.olg.nsw.gov.au. If you have any questions in relation to this letter, please contact John Clark, Executive Director on (02) 9228 3570 or Steve Orr, Executive Director on (02) 9228 5518.

Yours sincerely



Blair Comley PSM
Secretary

21 October 2015

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

Attachment 2

FAQs arising from General Manager briefings – 23 October 2015

These FAQs are based on the questions commonly asked at the General Manager briefings held over the last three days. There are a number of additional questions that require further consideration. These will be provided to General Managers as soon as they are available.

What if we don't agree with IPART's findings?

- IPART have completed their report to Government.
- IPART is available to provide feedback on its assessment of individual councils.
- Councils are invited to provide comment on IPART's findings through the Department of Premier and Cabinet's website portal.

What if we put forward our preferences but one or more of the councils we nominate do not want to merge?

- Councils should identify merger preferences in the fields contained in the feedback form. Funding is only available for council mergers where all councils agree, the government agrees and the preference is lodged by 18 November 2015.
- The Government's final position on local government reform will be informed by the feedback and merger preferences provided to the Department and Premier and Cabinet by 18 November 2015.

Why are we using the web form and not allowing written submissions?

- The feedback form allows for standard responses to be received, minimising error and misunderstanding. It also enables more efficient collation and analysis of the submissions.

What is DPC going to actually do with their submission on mergers – i.e. how binding is it?

- All councils have the opportunity to present merger preferences to Government. Council preferences in the feedback form indicate that the council is agreeing to merge with the councils listed as their preferences.
- The Government's response will be informed by the feedback from councils during this 30 day period and it will finalise its position on local government reform by the end of the year.

What should our council 'resolve' to satisfy what the Government is asking for?

- Councils should submit merger preferences that are supported through the internal decision-making processes of each council.

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

What about a council that had a recommendation in the ILGRP report, but recent media speculation puts forward a different merger group?

- The Government will consider all merger preferences, including those that are different to the ILGRP report.

What is the Government's position should a council found not fit decline to put forward a merger preference?

- Councils are able to put submit a nil response to merger preference in the feedback form.
- The Government's response will be informed by the feedback from councils during the 30 day period and it will finalise its position on local government reform by the end of the year.

We meet scale and capacity criteria – or are fit – should we put forward a merger preference?

- All councils may express a merger preference if they so choose

Should we submit minor boundary adjustments through this process?

- The Government is asking for merger preferences. It will consider boundary adjustments as part of a merger preference. These should be noted in the comment box on the website portal.

Is there any consultancy funding help to facilitate potential mergers in the next 30 days?

- It is a matter for each council to determine how it consults with its neighbours on this issue.
- The funding arrangements in place prior to 30 June 2015 ceased at that time.
- If you require support, please contact the DPC or OLG contacts identified at the end of these FAQs.

Is access to the Stronger Community Fund only available to mergers?

- Yes, the Stronger Communities Fund is available for council mergers that are supported by merging partners, supported by the Government and submitted to the Department of Premier and Cabinet by 18 November 2015.

Will resources be made available within OLG and DPC to assist councils to progress mergers once agreed?

- The Government will outline its implementation support for merging councils by the end 2015.

If Councils do not put in for voluntary merger and are then forced, will there still be funding made available to them?

- The Stronger Communities Fund is available for council mergers that are supported by merging partners, supported by the Government and submitted to the Department of Premier and Cabinet by 18 November 2015.

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

What happens if Councils do nothing in the 30 day period?

- Councils can choose not to submit merger preferences during the 30 day period.
- The Government's response will be informed by the feedback from councils during this 30 day period and it will finalise its position on local government reform by the end of the year.

What are the next steps and timing?

- Councils are encouraged to review IPART's assessment of their Fit for the Future submission and respond. Councils should provide feedback using the online portal on the Department of Premier and Cabinet's website.
- For councils that are assessed as being not fit due to scale and capacity, or who neighbour a council that was not fit due to scale and capacity, the Government would also like to know, through the online portal, the merger preferences of these councils.
- Councils have up to 18 November to submit their merger preferences to Government.
- The Government will consider responses from councils, decide on next steps and inform councils and the community by the end of 2015.

What is the Government's stance on the Rural Council model?

- The Government developed the rural council approach during the Fit for the Future proposal process, in consultation with councils. In developing the model, the Government made clear that there was no one-size-fits-all approach nor would there be a single legislated model.
- IPART has assessed 9 Rural Council Proposals as fit, contingent on Government adopting the Rural Council Model.
- Rural Councils that were assessed as fit should commence implementing their action plan.
- The Government will review the strategies identified in the 20 Rural Council Proposals and consider the findings of the IPART report and provide further information on rural councils by the end of the year.
- The Government will continue to work closely with rural councils.
- All councils are encouraged to consider their preferences to merge and to submit these on the DPC website portal.

When will the next round of Joint Organisations be implemented?

- The Minister has announced that he will be calling for two additional groups of councils to join the JO Pilots to trial the implementation of the Joint Organisation model from early 2016.
- The Minister will call for expressions of interest from groups of councils.
- The focus of the two additional JOs is to trial the implementation frameworks, tools and resources that are required to support the successful establishment of new JOs.
- JO boundaries will be determined once council boundaries are finalised

Can two councils that have been deemed fit by IPART put forward their preference to merge?

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

- The Government will consider all merger preferences, regardless of council fit for the future status.
- As a priority, Government is most interested in hearing the merger preferences of those councils that did not satisfy scale and capacity, or neighbour a council who did not satisfy scale and capacity.
- Councils that are not fit because they failed the financial criteria may also wish to express merger preferences

How do we know if the Government will agree to a council's merger preferences?

- The Government will finalise its position on local government reform by the end of the year.
- This will be informed by the feedback from councils during the 30 day consultation period, IPARTs report and other reform initiatives over the last four years.
- There is no specific guidance on what mergers the Government will agree to. When all council preferences are received they will be reviewed by Government.

Will mergers be implemented with transition committees, administrators or other arrangements?

- The Government will finalise its position on local government reform by the end of the year.
- This will include details on how any mergers will be implemented.

What is the time that feedback needs to be provided on the DPC website?

- Feedback must be submitted by 23:59 on 18 November 2015.
- There will be no extensions to the deadline.

How will councils be supported and assessed as fit in future years?

- The Government will finalise its position on local government reform by the end of the year.
- This will include details on how the Government will work with all councils to improve their capability and performance. It will also describe how councils' fit/not fit status can be changed, monitored and assessed in the future.

For further information, please contact:

John Clark, Executive Director, DPC (02) 9228 3570

Steve Orr, Executive Director, DPC (02) 9228 5518

Chris Presland, A/Director, OLG (02) 4428 4174

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

Attachment 3

Local government reform 30 day consultation period Additional FAQs - 30 October 2015

These FAQs are based on the questions commonly asked since the commencement of the consultation period. These FAQs supplement the initial FAQs, dated 23 October 2015, arising from General Manager briefings. Further FAQs will be provided as necessary.

Merger preferences

Do we have to ensure that our merger preference combines to achieve a specific population threshold or match the Independent Panel's proposal?

- No, the Government will consider all merger preferences submitted by councils.

Our Fit for the Future submission proposed a merger which has been deemed fit by IPART. Can we submit new or additional merger preferences?

- Councils with new or additional preferences can submit these.

What are the community consultation requirements of councils in relation to submitting merger preferences?

- It is a matter for councils if they wish to undertake any further community consultation during this 30 day period.

What level of detail is required in relation to stating merger preferences? e.g. does a merger business case need to be included?

- Councils are required to submit their merger preferences through the online DPC portal.
- There is no requirement to submit a merger business case or provide additional information on merger preferences.

Can a council propose being part of a Joint Organisation in this round of consultation?

- No. The 30 day consultation period provides councils with the opportunity to provide feedback on IPART's findings and to advise any merger preferences.
- Joint Organisation boundaries will be determined once council boundaries are finalised.
- Consultation on the Joint Organisation model will continue later this year.

Can the eight Far West councils submit merger preferences?

- As with the original Fit for the Future proposal process, the Far West Councils can choose to participate in the process that concludes on 18 November.
- The Government will consider any merger preferences put forward by the Far West councils.
- Mergers that are agreed to by Far West councils, by the Government and submitted by 18 November are eligible for the Stronger Communities Fund and merger implementation grant.
- The Government's commitment to the Far West initiative is unchanged, and it will continue to work collaboratively with the eight Far West councils to develop tailored solutions for the region.

Stronger Communities Fund

Which councils will have access to the Stronger Community Fund and how much is available?

- The Stronger Communities Fund will be available for council mergers that are supported by merging partners, supported by the Government and submitted to the Department of Premier and Cabinet through the online portal by 23:59 on 18 November 2015.
- For metropolitan mergers that meet the criteria, \$10 million will be available for priority community projects where the merger is of two councils and \$15million will be available for a merger of three or more councils. A merger implementation grant of \$10 million will be available to meet the up-front costs of the merger.
- For regional mergers that meet the criteria, \$5 million will be available to the new council for priority community projects where the merger is of two councils and \$10million will be available for a merger of three or more councils. A merger implementation grant of \$5 million will be available to meet the up-front costs of

General Manager's Report to the Extraordinary Meeting of Council held on 17 November 2015

the merger.

Can the Stronger Communities Fund be used for infrastructure such as roads and bridges?

- Yes. The projects on which Stronger Communities Funding can be spent will be a matter for the new council to determine in line with guidelines to be provided by Government.

Merger implementation

Are there any legislative amendments being proposed to enable mergers?

- The Local Government Act prescribes the processes required to consider council mergers.

Will mergers be implemented with Local Transition Committees?

- Information on the process to implement a merger will be provided by the end of the year.

If our merger preferences are accepted by the Government, will the new council be deemed "Fit", and if so, will it have access to the TCorp borrowing facility?

- Newly merged councils will be eligible to apply to access the TCorp borrowing facility.

Other Fit for the Future reforms

What is the status of other aspects of the local government reform program, such as the Innovation Fund, FAGs review and Joint Organisations?

- The current 30 day consultation is primarily focussed on councils providing feedback on the IPART assessment of their fit for the future submissions and advising government of their merger preferences.
- The broader Fit for the Future local government reform program continues as previously announced.

How will the status of councils be assessed in future years?

- Further details about the ongoing assessment of whether a council is 'fit' or not will be provided by the end of the year.

What is happening to the Rural Council model?

- The Government acknowledges the concerns that rural councils have raised following the release of the IPART report.
- The Government has previously advised that there will not be a separate legislated model for rural councils in line with feedback from the sector.
- The Government will review the strategies identified in the 20 rural council proposals, consider the findings of the IPART report and continue to work closely with rural councils to support them deliver improved outcomes for their communities.

What is happening to the Far West Initiative?

- The Government's commitment to the Far West Initiative is unchanged, and it will continue to work collaboratively with the eight Far West councils to develop tailored solutions for the region.

If you have any additional questions please forward them to the contacts below.

For further information, please contact:

John Clark, Executive Director, DPC (02) 9228 3570 or john.clark@dpc.nsw.gov.au

Steve Orr, Executive Director, DPC (02) 9228 5518 or steve.orr@dpc.nsw.gov.au

Chris Presland, A/Director, OLG (02) 4428 4174 or chris.presland@olg.nsw.gov.au

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

Attachment 4

admin@bogan.nsw.gov.au

Dear Cllr Donald

I write in regards to the issue of the Rural Council model, following the recent publication of the Independent Pricing and Regulatory Tribunal Assessment of Council *Fit for the Future* proposals.

I am aware that a number of councils that were assessed by IPART as 'Fit as a Rural Council' have expressed concern regarding commentary that this is contingent on a Rural Council model being adopted.

The Government recognises the unique challenges facing councils and communities in rural areas and has been working with councils to address these issues.

As you will be aware, the Independent Local Government Review Panel highlighted these challenges and identified a number of rural local government areas, with small and often declining populations, that appeared unlikely to remain sustainable in their current form.

Local Government NSW responded to the Rural Council model proposed by the Panel. It stated that the Rural Council Model "found no support at any Forum and especially amongst the councils that might be considered to be potential candidates". In response to this strong opposition to the Rural Council model, the Government committed to further developing the Rural Council concept where "one size does not fit all", in consultation with the sector, for possible inclusion in the new Local Government Act.

The development process included two workshops, one in Dubbo and one in Sydney, where councils from some 40 smaller communities within NSW were then invited to share their views.

There was no consensus at the workshop on the need for a single "model" for small councils and their communities. The workshops demonstrated that the needs of small communities in rural NSW are so diverse that a single solution may not be possible. There was agreement, however, on a range of options that may be suitable for Rural Councils to adopt to help them become fit for the future and increase capacity. Some of the options would require legislative change to allow councils to utilise their full potential. Others could be applied under current legislation.

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

Councils were given the opportunity to prepare a Rural Council proposal where they met the majority of the characteristics developed through the workshops and were given greater flexibility in meeting some of the financial criteria, in recognition of these characteristics.

I would like to take this opportunity to thank your council for its contribution to developing the rural council approach.

The Government remains committed to not imposing a single legislated model on rural councils, as previously agreed with councils, following strong opposition to this approach. It is, however, committed to ensuring rural communities continue to be served by sustainable councils providing the services, infrastructure and value for money that communities deserve.

The Government is currently considering the IPART report and the strategies identified in the 20 Rural Council Proposals, and will await the feedback from councils, including receipt of any merger preferences by 18 November, before responding.

All councils have the opportunity to submit a merger preference and access the generous funding available where the merger is supported by the councils, agreed by the Government and submitted by the deadline. Councils assessed as 'Not fit' in relation to scale and capacity in particular are encouraged to submit merger preferences on the Department of Premier and Cabinet portal during the final 30 day consultation period.

The Government recognises the unique challenges facing rural councils and will continue to work closely in supporting these councils to serve their communities. This includes considering the role of Joint Organisations in supporting their member councils to achieve community outcomes and any amendments to the Act to provide greater flexibility and support that may be required to deliver the improvements outlined in rural council proposals.

If you have any queries in relation to the next steps for rural councils, please contact Mr Chris Presland, Acting Director, Innovation and Development with the Office of Local Government on (02) 4428 4174, in the first instance.

Yours sincerely

A handwritten signature in black ink that reads "Paul Toole". The signature is written in a cursive style with a large initial 'P'.

**Paul Toole MP
Minister**

**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

Attachment 5

Draft Response to NSW Government – IPART Assessment

What is your Council's feedback on IPART's assessment of your Council's Fit for the Future submission? If you have no feedback, please leave blank.

Bogan Shire Council welcomes the news that it has been found "Fit for the Future" demonstrating, by meeting all seven of the Fit for the Future Benchmarks, that it is in a sound, sustainable position.

In its submission, Council developed a robust 10-year plan based on the Rural Council options provided in Template 3. Council has now commenced to deliver the services and facilities that our local community deserves now and into the future.

For example, initiatives forming part of our Rural Council Plan that are already being implemented include:-

- *Resource Sharing (Working in partnership with other OROC Fit for the Future Rural Councils on the implementation of a joint asset management system).*
- *Specialty Services (Developing the concept of a Centre of Excellence to provide services to other Councils).*
- *Service Review (Constructing infrastructure to increase own source revenue).*
- *Refocus Expenditure on Asset Renewals (Allocation of \$400k already made to asset renewals fund).*

Council is reassured by recent correspondence from the Minister that the NSW Government is not imposing a single legislated model on Rural Councils as contemplated by the Independent Panel. Any savings gained under this model would be outweighed by costs of charge-outs from the Joint Organisation, loss of local understanding, personal investment in the community, jobs and families. Significantly, Bogan Shire's successful Rural Council Plan submission does not require "the JO performing most of the higher level functions of the Rural Council" as contemplated by the Panel.

It is recognised that Rural Councils are more reliant on Financial Assistance Grants than some other Councils. A Rural Council is therefore one that requires a more equitable share of these Grants acknowledging that, through contributions by mining and agriculture, our communities, though sparse, contribute significantly to the wealth of New South Wales.

Additionally, many of the anticipated reforms that the Government has proposed including rating and reduction of red tape (especially for Rural Councils) will have a positive impact over a period of time.



**General Manager's Report to the Extraordinary Meeting of Council
held on 17 November 2015**

If your Council's submission was assessed not fit due to scale and capacity, or your Council neighbours a Council who was assessed as not fit due to scale and capacity, please identify your Council's merger preferences using the fields. Please note you can enter up to three preferred mergers, which can include one or more merging partners. You are not required to use all the preferences. If you have no preference, please leave blank.

Blank

Do you have any comments on the above preferences?

Bogan Shire Council has been assessed as Fit for the Future as a stand-alone Rural Council. This is consistent with community wishes and the Independent Panel's final report. It is therefore not appropriate to consider merger partners.

