General Meeting

Minutes

21 September 2011
10.30am

Brighton Civic Centre
Greenpoint Road
Bridgewater

34 Patrick Street, GPO Box 1521, Hobart, TAS 7000
Phone: (03) 6233 5966
Fax: (03) 6233 5986
Email: admin@lgat.tas.gov.au
Home Page: http://www.lgat.tas.gov.au
PROCEDURAL MATTERS.
RULES REGARDING CONDUCT OF MEETINGS

13. WHO MAY ATTEND A MEETING OF THE ASSOCIATION
(a) Each Member shall be entitled to send a voting delegate to any Meeting of the Association, such voting delegate exercising the number of votes determined according to Rule 16(a).
(b) After each ordinary Council election, the Chief Executive Officer shall request each Member to advise the name of its voting delegate and the proxy for the voting delegate for Meetings of the Association until the next ordinary Council elections.
(c) Members may change their voting delegate or proxy at any time by advising the Chief Executive Officer in writing over the hand of the voting delegate or the General Manager prior to that delegate taking his or her position at a Meeting.
(d) A list of voting delegates will be made available at the commencement of any Meeting of the Association.
(e) Members may send other elected members or Council officers as observers to any Meeting of the Association.

14. PROXIES AT MEETINGS
(a) Up to 1 hour prior to any Meeting of the Association, a Member may appoint another Member as its proxy.
(b) The form of the proxy is to be provided by the Chief Executive Officer and is to be signed by either the Mayor or General Manager of the Council appointing the proxy.
(c) The Chair of the meeting is not entitled to inquire as to whether the proxy has cast any vote in accordance with the wishes of the Member appointing the proxy.
(d) Proxies count for the purposes of voting and quorum at any meeting.

15. QUORUM AT MEETINGS
At any Meeting of the Association, a majority of the Member Councils shall constitute a quorum.

16. VOTING AT MEETINGS
(a) Voting at any Meeting of the Association shall be upon the basis of each voting delegate being provided with, immediately prior to the meeting, a placard which is to be used for the purpose of voting at the meeting. The placard will be coloured according to the number of votes to which the Member is entitled:

<table>
<thead>
<tr>
<th>Population of the Council Area</th>
<th>Number of votes entitled to be exercised by the voting delegate</th>
<th>Colour placard to be raised by the voting delegate when voting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 10,000</td>
<td>1</td>
<td>Red</td>
</tr>
<tr>
<td>10,000 – 19,999</td>
<td>2</td>
<td>White</td>
</tr>
<tr>
<td>20,000 – 39,999</td>
<td>3</td>
<td>Blue</td>
</tr>
<tr>
<td>40,000 and above</td>
<td>4</td>
<td>Green</td>
</tr>
</tbody>
</table>

(b) The Chairman of the meeting shall be entitled to rely upon the raising of a coloured placard as the recording of the vote for the Member and as evidence of the number of votes being cast.
(c) Except as provided in sub-rule (d), each question, matter or resolution shall be decided by a majority of the votes capable of being cast by Members present at the Meeting. If there is an equal number of votes upon any question, it shall be declared not carried.
(d) (i) When a vote is being taken to amend a Policy of the Association, the resolution must be carried by a majority of the votes capable of being cast by Members present at the Meeting or not.
(ii) When a vote is being taken for the Association to sign a protocol, memorandum of understanding or partnership agreement, the resolution must be carried by a majority of votes capable of being cast by Members and by a majority of Members, whether present at the Meeting or not.
(iii) When a vote is being taken to amend the Rules of the Association, the resolution must be carried by at least two-thirds of the votes capable of being cast by Members, whether present at the Meeting or not.
GENERAL MEETING AGENDA

10.00 am  Coffee on arrival

10.30 am  Meeting commences

11.30am  Miles Hampton
Chair, Tasmanian Water and Sewerage Corporations

12.30 pm  Approximately, lunch will be provided

1.30pm  Department of Education
Colin Pettit - Secretary
Liz Banks - Deputy Secretary (Early Years and Schools)
Andrew Finch - Deputy Secretary (Corporate Services)
Malcolm Wells - Deputy Secretary (Post Year 10)

3.30-5.30pm  Local Government and Sponsor Appreciation Event
Self-guided Museum Tour (optional)
Museum of New and Old Art (MONA)
655 Main Road, Berriedale

5.30-7pm  Drinks and Canapes
Western reception
Museum of New and Old Art
(RSVP essential – reception@lgat.tas.gov.au)
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Minutes of General Meeting Held On 20 July 2011</td>
</tr>
<tr>
<td>2</td>
<td>Business Arising *</td>
</tr>
<tr>
<td>3</td>
<td>Confirmation of Agenda</td>
</tr>
<tr>
<td>4</td>
<td>Follow Up Of Motions *</td>
</tr>
<tr>
<td>5</td>
<td>Monthly Report To Councils*</td>
</tr>
<tr>
<td>6</td>
<td>Council Round-Ups</td>
</tr>
<tr>
<td>7</td>
<td>Division 81</td>
</tr>
<tr>
<td>8</td>
<td>Sustainability Objectives and Indicators</td>
</tr>
<tr>
<td>9</td>
<td>Code of Conduct/Local Government Act</td>
</tr>
<tr>
<td>10</td>
<td>Roads</td>
</tr>
<tr>
<td>11</td>
<td>2011 Local Government Conference</td>
</tr>
<tr>
<td>12</td>
<td>Financial and Asset Reform Project</td>
</tr>
<tr>
<td>13</td>
<td>Environmental Dispute Mediation Service</td>
</tr>
<tr>
<td>14</td>
<td>Education</td>
</tr>
<tr>
<td>15</td>
<td>Forestry</td>
</tr>
<tr>
<td>16</td>
<td>Rating and Valuation Review</td>
</tr>
<tr>
<td>17</td>
<td>Motion: Water And Sewerage Corporations</td>
</tr>
<tr>
<td>18</td>
<td>Waste Management/Waste Levy</td>
</tr>
<tr>
<td>19</td>
<td>Carbon Tax</td>
</tr>
<tr>
<td>20</td>
<td>Climate Change</td>
</tr>
<tr>
<td>21</td>
<td>Motion: Container Deposit Legislation</td>
</tr>
<tr>
<td>22</td>
<td>Closure</td>
</tr>
</tbody>
</table>
The President welcomed Members and declared the meeting open at 10.30am.

Apologies were received from -

Mayor Carol Cox Flinders Council
Mayor Doug Burt George Town Council
Mr Stephen Brown George Town Council
Mayor Charles Arnold King Island Council
Mr Mark Goode King Island Council
Mayor Mike Gaffney Latrobe Council
Mayor Bertrand Cadart Glamorgan Spring Bay Council
Mr David Metcalf Glamorgan Spring Bay Council
Mr Paul Lockwood West Coast Council
Mayor Robby Walsh Waratah Wynyard Council
Mayor Kim Polley Northern Midlands Council
Mayor Mark Shelton Meander Valley Council
Mayors Jan Barwick Tasman Council
Mr Paul Arnold Burnie City Council
Mr Nick Heath Hobart City Council
Mr Greg Winton Circular Head Council

1 ITEM: MINUTES OF GENERAL MEETING HELD ON 20 JULY 2011

Central Highlands Council/Central Coast Council

That the Minutes of the meeting held on 20 July 2011, as circulated, be confirmed.

Carried

Background:
To confirm the Minutes of the General Meeting held on 20 July 2011.

2 ITEM: BUSINESS ARISING *

That Members note the information.

Noted

Background:
At Attachment to Item 2 is a schedule of business considered at the previous meeting and its status.

3 ITEM: CONFIRMATION OF AGENDA
That consideration be given to the Agenda items and the order of business.

**Noted**

**Background:**
Delegates will be invited to confirm the agenda for the meeting and the order of business.

**4 ITEM: FOLLOW UP OF MOTIONS**
Contact Officer – Katrena Stephenson

That Members note the following report.

**Noted**

**Background:**
A table detailing action taken to date in relation to motions passed at previous meetings is at **Attachment to Item 4**.

**5 ITEM: MONTHLY REPORT TO COUNCILS**

That Members note the monthly reports for June and July 2011.

**Noted**

**Background comment:**
The monthly reports to Councils briefly outline the Association’s activities and outcomes for the previous months and are at **Attachment to Item 5**.

**6 ITEM: COUNCIL ROUND-UPS**

The Members determined that Devonport City and Northern Midlands Councils would provide briefings at the meeting to be held on 16 November 2011.

**Background comment:**
West Tamar Council conducted a brief presentation at the meeting on a matter that is of interest in their municipality. The session also allows time for questions and provides an opportunity to briefly share and highlight problems or opportunities facing councils.

**7 ITEM: DIVISION 81**
Contact Officer – Katrena Stephenson
That the Members note the report.

Background comment:
Early in August, Hobart and Launceston City councils participated in the testing of some support tools in relation to the changes to Division 81 Legislation. It became very clear through that process that there are potentially some very significant impacts of the changes in relation to what council activities will attract GST.

Division 81 is the component of legislation which allows the determination of whether a government charge is exempt from GST. Previously Government Agencies were only able to add a new tax, fee or charge to the Division 81 Determination twice a year. Councils provided information to LGAT which was in turn provided to State Treasury. A very long national document was then generated.

Under the amended legislation, a self assessment process will now be used. A grandfathering provision will cover the period 1 July 2011 to 30 June 2012 in order to transition to the new process. That means for all existing taxes, fees and charges you continue using the January 2011 Division 81 Determination.

New taxes, fees and charges will have to be self assessed. All current taxes, fees and charges will have to be assessed prior to 1 July 2012 with a record of the decision making.

Determinations may be sought where a self assessment is unable to be made.

In applying the definitions and the self assessment framework at Hobart and Launceston for a few scenarios it became clear that some fees which have previously not attracted GST may now do so – waste collection was a particular area of concern and uncertainty. This has impact on costs for ratepayers and council budget setting.

What is exempt from GST
- Payment of an Australian tax.
- Payment of government charges for the provision, retention or amendment, under Australian law, of a permission, exemption, authority or licence.
- Payment of a government charge for recording, copying, modifying, receiving, processing, searching for or allowing access to information.
- Payment of an Australian fee or charge listed in a regulation that prescribes the payment as not being consideration.

What is not exempt from GST
- Charges not listed in the current determination.
- Charges which are not exempt under the new Division 81 or associated regulations.
- Charges which meet the requirements of a taxable supply.

The difficulty comes with the definitions under the legislation.

The ATO advice is that when determining whether an amount is a tax rather than a fee for service it is useful to consider the following questions:
- Is the impost set at a general level without identifying particular services provided? If so, the impost is likely to be a tax.
• If a particular service is identified in the charge, is there a relationship between the fee and the value of the service that is delivered? If not the charge is likely to be a tax.
• Similarly it is likely to be regarded as a tax if the overall fee structure is designed for a general revenue raising purpose.

Referring back to the waste scenario and given that generally ratepayers have waste fees identified separately on their rates notices and some ratepayers are not charged, or charged differently (e.g. rural property with no collection, different size bins) this may not meet the definition of a tax. Without going into all the detail, under the framework provided, if waste charges are not deemed a tax, they will attract GST.

Focusing on fees/charges, the ATO are yet to release definitions of permission, exemption, authority or licence. It was indicated while GST may not be applicable to the permission fee; GST is applicable to any inspections required as a condition of the permit in situations where the inspection is charged separately to the permit fee. This is contrary to the former Division 81 Principles in which any regulatory fees such as compulsory inspection fees were not subject to GST.

The new regulations state specific taxes, fees/charges that may be subject to GST and concerns have been raised as to the effectiveness of the new Division 81 regulations.

Firstly, the new Division 81 Regulations apply Australia-wide whereas the former regulations (although lengthy) were specific to each State. It is unclear how the new regulations will distinguish between a supply being taxable in one State but not in another State to reflect the differing responsibilities of Local Government. For example Building Permit Fees are not subject to GST in Tasmania but are subject to GST in States where private enterprise has authority to issue the permits. How will the new regulations make the distinction?

Secondly, the Tax Office is yet to indicate the frequency in which the Division 81 Regulations will be updated. It has been expressed that Councils require sufficient notification time of Division 81 updates to meet budgetary constraints. Incidentally the amended regulations allow for the ATO to backdate the status of specific taxes, fees/charges prior to the regulations being registered under the act.

Because of the potential impact LGAT is proposing to host a forum for councils on Division 81 at the end of August or the first week of September in a central location. At the time of writing, councils were being canvassed for interest. Presuming enough interest, we will seek to get a technical advisor from the ATO to attend as well as officials from State Treasury and the Local Government Division. The goal of the forum would be to identify common areas of concern across the Local Government sector with a view to seeking a sectoral ruling from the ATO.

8 ITEM: SUSTAINABILITY OBJECTIVES AND INDICATORS
Contact Officer – Katrena Stephenson

That the Members note the report.
Background comment:
The Premiers Local Government Council (PLGC) approved the draft sustainability indicators for the Sustainability Objectives and Indicators project at its 19 April 2011 meeting. However, the Sustainability Objectives and Indicators Project has been in a period of hiatus, pending the outcome of deliberations of the Auditors-General around Australia on possible indicators for financial sustainability. This work is now complete and following consultation with the Institute of Public Works Engineering Australia (IPWEA) the indicators that will be used by the Auditors General are aligned with those being used as part of the Local Government Financial and Asset Reform Project.

A consultation paper for the sustainability indicators has been completed and it is anticipated that consultation will commence in mid-August and finish in late September or early October. Feedback will be analysed and recommendations presented to the PLGC at its December meeting.

Subject to endorsement by the PLGC, the new sustainability objectives and indicators will be drawn from the Local Government Division’s annual Consolidated Data Collection for 2011-2012.

Budget Impact
Does not apply.

Current Policy
LGAT is represented on the Steering Committee.

9 ITEM: CODE OF CONDUCT/LOCAL GOVERNMENT ACT
Contact Officer – Katrena Stephenson

That the Members note the report.

Background comment:
There remains a strong commitment to improving the workability of the Code of Conduct Regulations despite the time that has passed since a precursor to a draft Bill was circulated in late February.

Some concerns had been raised by the Office of the Parliamentary Council about the legality of some of the proposed changes and formal advice is now required of the Solicitor-General before finalising the draft Bill.

The Local Government Division has advised that they still intend and expect to be able to make changes before the end of the year.

The delay in progressing the amendment of the legislation has had an impact on related pieces of work which cannot be finalised until it is clear what changes will be made. This includes the Model Code of Conduct, the How to Make a Complaint Sheet and the Complaint Form.
The Local Government Division are also aware that we have a number of outstanding issues related to the Local Government Act, including some that were considered as motions at the last General Meeting. They have indicated they intend to commence more regular reviews of the Act allowing for such issues to be progressed more quickly than they have been historically.

The Association looks forward to working with them in this regard.

**Budget Impact**

Does not apply.

**Current Policy**

This is a current priority for the Association.

---

10 **ITEM:** ROADS

Contact Officer – Melanie Brown

| That the Members note the report. | Noted |

**Background comment:**

**COAG Road Reform Plan – Ongoing Consultation and Comments on Preliminary Findings Paper**

Subsequent to the report submitted to members at the April General Meeting the COAG Road Reform Team has been busy continuing their national consultation with Local Government and other key stakeholders.

As part of the consultation process, public forums were held across the country in June; the Tasmanian forum took place in Launceston and was attended by representatives from Local Government and LGAT.

To recap, the road reform objectives identified by COAG are to promote the more efficient, productive and sustainable provision and use of freight infrastructure, along with ensuring that national heavy vehicle road prices promote the efficient, safe and sustainable use of infrastructure, vehicles and transport modes. The three key areas for road reform were previously identified as pricing, funding and incentives.

The high level results of the preliminary findings and evaluation support the introduction of more direct heavy vehicle road use charges, based on a measure of the static mass of a vehicle, the actual distance travelled, and the vehicle’s location on the road network. The preliminary findings also indicate that any roll out of direct heavy vehicle road use charges should be staged, with the initial focus being on either charging for multi-combination heavy vehicles and heavy truck trailers, or on all articulated trucks plus the heaviest rigid trucks.

Some councils and LGAT have submitted comments in relation to the Preliminary Findings paper, which was released in June and provided a last formal opportunity to submit comment for consideration by the CRRP Study team before they make their recommendations.

**Speed Limits outside Child Care Centres**

As reported in April, pursuant to a motion put forward by Launceston City and Burnie City Councils that was carried at the October 2010 General Meeting, LGAT undertook to lobby
the State Government to reduce speed limits around all Tasmanian child care facilities to mirror the same speed limits around schools (that being 40km).

A working group has been established to address the issue and has met on two occasions since May. As part of the information gathering effort, DIER has provided statistical information in relation to accidents to assist in determining whether there are any specifically vulnerable sites that can be identified within the state. The group has also been considering enrolment volumes, proximity to high traffic thoroughfares, current licensing and any planning requirements for Centres.

**Budget Impact**
Does not apply.

**Current Policy**
Does not apply.

11 **ITEM: 2011 LOCAL GOVERNMENT CONFERENCE**

Contact Officer – Stephanie Watson

That the Members note the report.

**Noted**

**Background comment:**
Delegates, trade exhibitors and sponsors reported that a high level of enjoyment and value was derived from their involvement with the 2011 Local Government Conference, which coincided with the 100th Anniversary of LGAT, and was held at Wrest Point from 20-22 July.

The calibre of the conference speakers was a highlight for many, as was the extensive trade exhibition.

In order to reduce the cost to delegates, the conference dinner was held at the Hobart Function Centre on Hobart’s waterfront. As a smaller venue it received mixed comments from dinner guests. 73% of survey respondents rated the dinner as ‘good’ or ‘excellent’, while 6% rated the dinner as ‘poor’. LGAT will explore alternative options for 2012 however the Function Centre has been the most economical venue to date.

The 2011 Local Government Awards for Excellence were presented during the Conference on 22 July by the Hon Bryan Green MP. This year, 20 nominations were received from 11 councils throughout the state. The winners were:

- **Delivering Excellence for our Communities Award**
  Launceston City Council – Two Hands Coffee

- **Delivering Excellence in Natural and Built Environments**
  Kingborough Council - Integrated Natural Resource Management in Kingborough

- **Demonstrating Operational Excellence**
  Devonport City Council (on behalf of North West Tasmanian councils) – Combined Plant Auction

Six nominations were received for the inaugural Life Members Award for Meritorious Service, which this year was presented to Councillor Judy Bromfield of the Derwent Valley Council.

Northern Midlands Council received the Council History Award, with High Commendations given to Brighton Council and Dorset Council for their excellent submissions.

**Life Members Long Service Awards** were presented to Mayor Robert Legge of Break O’Day Council, and Councillor Trevor Roach AM of West Tamar Council.
A high level of radio, TV and press coverage was gained for the conference and the awards, with the support of Font PR.

Funds were raised this year for Anglicare’s Emergency Relief Program to assist Tasmanians in urgent need. Delegate contributions were topped up with a donation from LGAT in lieu of purchasing speaker gifts. A total of $1,719 was raised and the cheque will be presented to the Salvation Army at the Sponsor and Local Government appreciation event to be held at the Museum of Old and New Art (MONA) on 21 September. All mayors are invited to attend.

The 2012 Local Government Conference will be held from 11-13 July at Wrest Point in Hobart.

**Budget Impact**

With an increase in sponsorship and, as a result of several changes made to the conference program to reduce overheads, it is anticipated that the conference will deliver a modest return to LGAT to cover event administration.

**Current Policy**

Does not apply.

---

**12 ITEM: FINANCIAL AND ASSET REFORM PROJECT**

Contact Officer – Sue Grau

That the Members note the report.  

Noted

**Background comment:**

The Commonwealth funded Local Government Financial and Asset Reform Project (the project), which aims to design and implement long term financial and asset management planning in all Tasmanian Councils is progressing well.

Achievements include:

- Development of a Tasmanian Local Government Asset Management Policy (to be released later this year by the Minister for Local Government);
- Endorsement of a draft Long Term Financial Planning framework;
- Production of a second Project Newsletter for council contacts; and
- Briefing of Elected Member Reference Group representatives

The project’s Steering Committee had meetings in June, July and August as significant planning was required for the initiation of the second stage of the project. The major component of this work will introduce tools and resources to Councils so they can prepare long term asset management plans for major asset classes. Elected member and senior staff training covering financial and asset planning, and resources for implementing long term financial planning will also be provided.

A draft Request for Quotation is being prepared for an end of August submission to the Institute of Public Works of Engineering Australia (IPWEA) to provide most of these tools and services.

This work is supported by an Asset Management Working Group with the following representatives:

- Harry Galea, Director, Infrastructure Services, Launceston City Council;
- Maree Bricknell, Corporate Services Manager, Northern Midlands Council; and
• Mat Greskie, now Chief Executive Officer, Dulverton Waste Management and formally Executive Manager Engineering Services, Waratah-Wynyard and Circular Head Council

It is proposed to host Regional Coordinators within councils to support the implementation of the second stage of the project, with some project funds available for backfill. The broad role of these coordinators is to champion and facilitate asset management planning, provide an additional resource, and to develop a longer term cooperative asset management culture within each region. To date, Devonport City and Hobart City Councils have offered to host positions in the North Western and Southern Regions, respectively. Given the broad role of the coordinators, particularly in the development of a long term regional culture, it is also preferable to recruit a coordinator for the Northern Region from within existing staff.

An Elected Member Reference Group with five representatives was initiated to provide a review of the approach of the project and the material it produces. Although this review was going to be conducted over email, introductory face to face meetings have been held with three representatives during August. These provided general background and information on the project and also prompted useful discussions relating to managing change and training for elected members.

The continued support and contribution of council staff to this project are acknowledged and appreciated.

Budget Impact
The Steering Committee will be considering a Discussion Paper out of session that proposes prioritising any additional funds available to the project. This amount may, for example, be available for those councils that need basic assistance to improve asset registers before planning for major asset classes can commence.

Current Policy
This is a priority project for the Association.

13 ITEM: ENVIRONMENTAL DISPUTE MEDIATION SERVICE
Contact Officer – Ben Mooney

That the Members note the report

Noted

Background comment:
As a result of a partnership between the State Government and the Local Government Association of Tasmania, funding has been made available to trial an Environmental Dispute Mediation Service for approximately one year. A Request for Tender (RFT) from suitable organisations was sent out on 11 July 2011. An evaluation panel consisting of EPA and LGAT staff are currently reviewing the proposals and expect to make an appointment in the near future.

In brief, the RFT seeks a consultant to provide timely environmental mediation services as requested for each of the 28 Councils affiliated with the Local Government Association of Tasmania (note that Glenorchy City Council is the only Tasmanian council not represented by LGAT).

It is estimated that there may be in the vicinity of 150 referrals to such a service over the course of a year. However, it should be noted that this is a trial service and one of the aims of the trial is to quantify the demand for environmental mediation in the Tasmanian community. Because environmental mediation has not been previously provided in this form in Tasmania, it may be that the number of referrals exceeds 150 per year, or is considerably less.

As a consequence, the consultant must be able to provide a flexible and responsive service that can cope with the unknown level and variability of demand.

The trial mediation service must:

- Be provided within the locality of each individual dispute; i.e. any mediation meetings must be held in the nearest town with appropriate facilities;
- Be based on voluntary participation by the parties in dispute;
- Be provided free of charge to the disputing parties, up to a capped amount per dispute which will be specified before the trial starts. It is also expected that a pro rata financial cap will be applied to each council for the duration of the trial, to ensure an equitable distribution of funds (mediation costs will be paid to the Consultant out of project funds);
- Maintain confidentiality of any discussions and written records/agreements; and
- Include documentation of any agreements or settlement terms.

It is expected that the service will free up a significant amount of time currently spent by Environmental Health Officers in trying to resolve disputes. One of the main objectives of the trial would be to estimate the long term value of such benefits.

**Budget Impact**

<table>
<thead>
<tr>
<th></th>
<th>Local Government</th>
<th></th>
<th>EPA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$50,000 for the 2011/2012 financial year</td>
<td></td>
<td>$50,000 for the 2011/2012 financial year</td>
</tr>
</tbody>
</table>

**Current Policy**

Does not apply.

---

14 **ITEM: EDUCATION**

Contact Officer – Allan Garcia

That the Members note the involvement of the Association with the Public Education Alliance, and the appointment to the School Viability Reference Group.

**Noted**

**Background comment:**
The matter of membership of the Education Alliance was raised informally at the July General meeting following concerns expressed regarding school closures. The Australian Education Union was the catalyst for the Alliance with a range of organisations (Tasmanian Council of Social Service, Tasmanian Parents and Friends, Anglicare, National Disability Service, Tasmania, Association for Children with Disability, Australian Psychological Society) agreeing to join the group to ensure that education was a priority in the state and that processes involving budget cuts and school closures were transparent and consultative.

The key message of the group is that Tasmania needs public education policies that are going to take the state forward and the cuts to public schools will only take Tasmania backward.

This group is interested in keeping up the pressure on the State Government to maintain a quality education system in Tasmania. Subsequent to joining the Alliance, the CEO of the Association was invited to join the Schools Viability Reference Group. This followed representations by a number of councils seeking Local Government input to this process. It should be noted that although the CEO proposed representation from a member council, his specific involvement was requested.

The Reference Group will consult widely in preparing recommendations to the Minister for Education and Skills on the provision of a viable government school system in Tasmania, including:

- The process that should be undertaken to assess a school’s ongoing viability including:
  - The criteria that should be used;
  - The consultation process that should be used to best engage school communities; and
  - Any transition arrangements required.
- Any legislative amendments required; and
- Any other matter that has the potential to affect school viability.

The consultation period would end by 1 December, 2011, with the Reference Group reporting to the Minister on or before 31 January 2012. The membership of the Reference Group is:

- Royce Fairbrother, Chairman of the Fairbrother Group and Chair of Learning Services North-West School Improvement Board
- Jenny Grossmith, Chair, Tasmanian State School Parents & Friends Association
- Rob Banfield, President, Tasmanian Principals Association
- Roz Madsen, President, Unions Tasmania
- Associate Professor Ruth Fielding-Barnsley, University of Tasmania
- Jenny Cranston, former Deputy Director-General Queensland Department of Education and Training and Chair of the Tasmanian Schools Registration Board
- Allan Garcia, Chief Director-General Queensland Department of Education and Training and Chair of the Tasmanian Schools Registration Board
- Colin Pettit, Secretary, Department of Education
- Professor David Adams, Tasmania’s Social Inclusion Commissioner

**Budget Impact**

Does not apply.

**Current Policy**

Does not apply.
**15 ITEM: FORESTRY**
Contact Officer – Allan Garcia

That the Members note the update on this matter.

**Background comment:**
As a result of the motion passed at the last General Meeting, correspondence has been forwarded to both the Premier and the Federal Minister for the Environment outlining Local Government concerns about the Statement of Principles process and the ignoring of the previously approved Regional Forestry Agreement.

Subsequent to the General Meeting and the correspondence being forwarded, agreement between the State and Federal Government has been reached much to the anger and disgust of those that were involved in the roundtable and those that were not. A significant bias towards a conservation outcome has cast significant doubt on the ongoing viability of the forest industry in the state. Individual Mayors have been particularly outspoken, attending rallies and lobbying for a better deal for industry participants and funding for community recovery and development.

It is understood that talks continue between the Federal and State Governments about the details of the agreement although there has been no formal dialogue on process, timing or involvement of Local Government.

At the time of writing there were media reports that there was to be further and wider consultation on the issues subject to the agreement with a large number of parties that were not originally at the roundtable to be involved in this additional process. It has not yet been established, although it is highly likely, that Local Government would be a participant in this process.

**Budget Impact**
Does not apply.

**Current Policy**
Does not apply.

---

**16 ITEM: RATING AND VALUATION REVIEW**
Contact Officer – Allan Garcia

That the Members note progress on this issue.

**Background comment:**
The Local Government Amendment Act 2011 was passed by Parliament unamended in late June and came into effect on 6 July 2011 in time for the 2011-12 rating year in accordance
with the commitment given to councils. Several councils have taken up rate increase caps and fixed charges for the 2011-12 rating year.

The Local Government Division is continuing to develop guidance material and fact sheets to support the broader use of the new rating tools and to promote best practice in relation to rating generally.

During the passage of this Bill, there was a very strong push to introduce further amendments to legitimise “flat-rating” – the even distribution of rates across properties irrespective of the value of the property.

During the course of the debate in Parliament the Government committed to bringing another Bill back to the Parliament by the end of the year to ensure that there was an unambiguous legislative foundation for rating in Tasmania. This would also allow an appropriate level of consultation on the proposed policy approach with all councils and the broader community.

At the end of July, the Government approved the drafting of a Bill that will:

- Resolve any uncertainties regarding the circumstances in which a council may elect to spread the burden of rates revenue evenly across residential properties;
- Ensure that there are appropriate mechanisms to resolve concerns about the validity of rates resolutions beyond 31 August each year; and
- Promote increased transparency in rating policies.

Consultation on a draft Bill is expected to commence in September 2011 with a series of regional meetings with councils.

With regard to finalising the broader valuation and rating review, the project team is presently progressing papers on the following issues to provide supporting information to enable the Steering Committee to finalise its recommendations:

- Modelling of rating outcomes under CV, LV, AAV (to be followed by a paper analysing these outcomes);
- Draft background information and text for inclusion in the Steering Committee’s draft Final Report; and
- Resolving outstanding (minor) issues that have arisen in the course of the review through consultation.

The project team is currently working with members of the Economic Policy Branch in the Department of Treasury and Finance to develop a potential model for assessing outcomes under the different valuation bases for consideration by the Steering Committee.

**Budget Impact**
Does not apply.

**Current Policy**
Does not apply.

**17 MOTION: WATER AND SEWERAGE CORPORATIONS**

**Brighton Council/Southern Midlands Council**

Following the presentation by Miles Hampton, Chair of the Water and Sewerage Corporations, that a working group be formed to collate major issues and options related to the proposal of a single Water and Sewerage Corporation.

That a document then be prepared to assist council’s in their considerations.
That a joint press release issued by the President of the Local Government Association of Tasmania and the Chair of the Water And Sewerage Corporations be endorsed. 

Carried

Votes Against the Motion
Burnie City Council
Kingborough Council

Northern Midlands Council abstained from voting.

Brighton Council/Launceston City Council

That the Members of the working group comprise –
- one northern representative,
- one north/west representative
- two southern representatives

That the CEO of the Local Government Association of Tasmania be the convenor of the meetings and the Chair of the Water and Sewerage Corporations be an ex officio member.

Carried

It was determined by the Members that the representatives would be -

North Western  Mayor Jan Bonde
Northern  Mayor Barry Easther
Southern  Mayor Graham Bury
  Mayor Tony Foster

Convenor  Mr Allan Garcia
Ex Officio  Mr Miles Hampton

18  ITEM:  WASTE MANAGEMENT/WASTE LEVY
Contact Officer – Ben Mooney

That the Members note the report.

Noted

Background comment:
The LGAT has met with the Director, Alex Schaap and Deputy General Manager, John Mollison of the Environment Protection Authority (EPA) to discuss the fundamentals of
legislation and arrangements that the State Government would be willing to support in relation to a statutory waste levy. Largely, this addressed the issue of the Minister’s appetite for legislation, the proportion of the levy that the EPA was seeking and the governance arrangements relating to the disbursement of funding to support the broader waste strategy and actions required.

A preliminary document prepared by the EPA officers outlined some basic detail in relation to governance and funding arrangements. Largely, it supported the proposition of Local Government that any future structure charged with the duty of disbursing funds should be administratively lean and cost efficient in its function. A number of existing possibilities are available ranging from the EPA Board to the Waste Advisory Council. On the matter of funding, the EPA is keen to quarantine some funding for compliance and any support that may be required for a governance structure that is put in place to manage the levy arrangements.

A meeting of the Association and regional waste representatives of Local Government have reviewed the basics outlined in the initial proposal and have agreed to commission a relatively minor piece of work to clarify the future role of the regional waste bodies. This is considered an important step in the process as it will be necessary to justify any future funding split. Once this work is complete, the Local Government group will again convene to resolve a strategy prior to meeting with State Government officials. Councils will be fully consulted on these matters prior to any arrangements being finalised.

**Budget Impact**

Does not apply.

**Current Policy**

LGAT supports a waste levy.

---

**19 ITEM: CARBON TAX**

Contact Officer – Ben Mooney

That the Members note the report.

Noted

**Background comment:**
The majority of information provided in this report was prepared as a factsheet by the Australian Local Government Association (ALGA)
In July 2011 the Australian Government announced the details of the proposed carbon price arrangements in a package known as ‘Working Together for a Clean Energy Future’.

In general, a threshold of 25,000 tonnes of CO2-e will apply for determining whether a facility will be covered by the carbon price mechanism. The carbon price mechanism is expected to cover around 500 businesses operating in Australia.

Of the 500 businesses:
- Around 60 are primarily involved in electricity generation;
- Around 100 are primarily involved in coal and other mining;
- Around 40 are natural gas retailers;
- Around 60 are primarily involved in industrial processes (cement, chemicals and metal processing);
- Around 50 operate in a range of fossil fuel intensive sectors; and
- The remaining 190 operate in the waste disposal sector. (The number of landfills covered will depend on regulations to be developed prescribing the coverage of smaller (over 10,000 tonne) landfills that are in close proximity to covered landfills).

Does the proposed carbon tax apply to Local Government?
Yes.

What is included?
- Directly – landfill emissions
- Indirectly – truck fuel, electricity and (to some extent) all consumables.

When does it come in?
1 July 2012.

What do we have to pay per tonne of emissions?
- During the fixed price period starting 1 July 2012 – $23 rising annually by 2.5% for 3 years with no cap on quantity of permits available.
- From 1 July 2015 an emissions trading scheme (ETS) – the quantity of permits are capped and a price floor will operate of $15 rising annually by 4%.

How does an ETS work?
It is a market based mechanism where the number of emission permits is reduced annually and the permit price is left to the market. Under the scheme, international permits can be acquired to offset up to 50% of our ETS liability.

How is the amount of emissions determined?
Our exposure is for landfill emissions. These are divided between emissions from legacy waste and non-legacy waste. The modelled emission estimates are dependent on the waste composition and the location of the landfill.

What is legacy waste?
Waste deposited prior to 1 July 2012 and is exempt from the tax.

What is non-legacy waste?
Waste deposited after 1 July 2012 and is included in the tax.

How are emissions measured?
By modelling the quantity of emissions generated from the waste decomposition. This modelling is prescribed under government procedures (National Greenhouse and Energy Reporting System - NGERS).

How is it reported?
Through the NGERS website annually by October for the previous year.

What impact does the waste composition have on the tax?
Using average Australian data:
- 1 tonne of Municipal Solid Waste (MSW) = 1.19 tonne equivalent carbon dioxide emissions (t CO2-e)
- 1 tonne of Commercial & Industrial (C & I) = 1.08 t CO2-e
- 1 tonne of Construction & Demolition (C& D) = 0.17 t CO2-e

What do we pay the tax on?
The actual net emissions from our landfills each year. That is, the modelled total emissions less our recorded collection and combustion.

What alternative do we have?
To collect and combust more landfill emissions, or over time to reduce the quantity of organics landfilled.

What actions will landfill operations be compelled to take?
Increase collection of landfill emissions and to pass on the combined collection/tax costs to customers.

What will be the cost to landfill operations for waste deposited between 1 July 2012 and 1 July 2015?
This will vary from state to state and from waste type to waste type and will (because the emissions occur over 20+ years) be higher than the current carbon tax. (A calculator is being developed to assist in the calculation of the tax liability on a site by site basis.)

What is the Carbon Farming Initiative (CFI)?
It is a land improvement scheme to create credits for sequestering carbon and for combusting legacy waste emissions.

How can we create credits using the CFI?
By combusting legacy waste emissions we can create credits that can be used to offset our carbon tax liability or can be sold into the carbon market.

How do we measure legacy waste emissions?
By modelling and then by pro-rata separation of the modelled emissions between legacy and non-legacy waste.

What actions are needed now?
- Consider increasing collection and combustion.
- Register for CFI credits.
- Calculate our tax exposure and develop cost recovery initiatives, including price increase from 1 July 2012.

When do you pay?
During the fixed price period, most liable entities will be required to discharge their emissions obligations in two parts:
- A “progressive” surrender obligation by 15 June of the relevant compliance year;
• A “true up” (surrender) for the remainder of the obligation by 1 February following the compliance year.

The approach is similar to payment arrangements for corporate tax and allows time for entities to finalise annual emissions reports before making a final surrender of carbon permits.

External Landfills
Most landfills will be captured under the proposed carbon tax scheme so landfill prices will be expected to increase from 1 July 2012.

Trucks
How will the tax be applied?
By a reduction in the fuel rebate (in line with the carbon tax).

When does it come in?
1 July 2014.

What actions are needed now?
• Improve operational efficiency
• Reduce fuel consumption. In time, introduce more efficient engine technology and renewable fuels.
• Calculate exposure and put forward price increases from 1 July 2014.

Electricity
How will the tax be applied?
Through electricity charges.

When does it come in?
1 July 2012.

What actions are needed now?
• Monitor site electricity consumption
• Improve energy efficiency by reducing consumption and increasing use of subsidised renewable energy.

What is NGERS?
The National Greenhouse and Energy Reporting (NGER) Act will underpin the proposed carbon pricing scheme by providing the emissions data which reporting obligations will be based on.

Who reports under NGERS?
Corporations already reporting under the NGER scheme should note that the Prime Minister's announcement does not change their current reporting obligations. Reporting obligations remain unchanged for the current 2010-2011 reporting year.

Technically, up to now Local Government has not been required to report emissions under NGERs because they are not seen to be constitutional corporations. However, under the legislation for the carbon price mechanism this will change. Local Government will be covered.

Corporations that meet any of the thresholds set out in Section 13 of the NGER Act will continue to be required to register, collect data and report in accordance with the existing
NGER Act. Corporations must register by 31 August 2011 if they have triggered a threshold for the first time during the 2010-2011 reporting period.

All registered corporations must report their NGER data for 2010-2011 by 31 October this year.

Note: Corporate thresholds have lowered for the 2010-2011 reporting year.

As an indicator, if a corporation uses around 2.5 million litres of fuel — including gasoline, diesel, LPG and LNG — or up to 25 000 megawatt hours of electricity, or some combination of the two, it is likely to have reporting obligations under the NGER Act.

While corporations are likely to have questions about how any future carbon pricing legislation will affect them, specific details as to how the plan impacts on the NGER legislation are yet to be finalised. Full details of this package will be released in due course.

There will be no change to the current application of the NGER Act until new legislation has been drafted and passed into law through Parliament.

More information about the Government’s announcement of a carbon price and mechanism is available at www.cleanenergyfuture.gov.au

---

20 ITEM: CLIMATE CHANGE
Contact Officer – Melanie Brown

That the Members note the report.

Noted

Background comment:
Current Status of the State-wide Partnership Agreement on Climate Change
Through the Climate Change Partnership Committee (CCPC), LGAT has been working with the State Government over recent months on a revised partnership agreement. In
particular, LGAT has been pushing for the State Government to address the key issues for Local Government that were identified at the General Meeting held in October 2010, including the call for legislative protection for Local Government in relation to coastal protection issues.

A number of councils have informed LGAT that they would not support a revised partnership agreement without the inclusion of legislative protection provisions. In response, the Tasmanian Government has advised that it will not be in a position to consider legislative protection until the findings of a body of work being progressed at the national level is known. The Tasmanian Government has advised that it may reconsider its position on this matter in twelve months.

As a result of these respective positions, the CCPC has agreed that it will not be putting forward the revised partnership agreement to the Premier’s Local Government Council (PLGC) for endorsement.

Notwithstanding the absence of a formal agreement, the CCPC has agreed to continue to progress the priority issues identified in the draft agreement, in partnership between the Tasmanian Government and Local Government.

The priority issues would be progressed through a PLGC work program on climate change.

Legal liability would remain on the CCPC agenda for consideration at future meetings. The CCPC will seek the PLGC’s endorsement to continue to coordinate joint Tasmanian Government and Local Government climate change activities through a PLGC work program on climate change.

**Tasmanian Coastal Adaptation Decision Pathways (TCAP) Project**

**Rising to the challenge – developing flexible coastal adaptation pathways for local communities**

In June this year the Commonwealth Department for Climate Change and Energy Efficiency announced funding for thirteen recipients around the country to support projects designed to develop practical approaches in managing climate change impacts on infrastructure and critical assets. The program is called the Coastal Adaptation Pathways Project, and supports partnerships with Local Governments, infrastructure operators and major utilities to explore how planning and investment decisions need to recognise the increasing impacts of climate change over time, particularly for long-lived assets.

The funding is intended to support local decision-makers to move beyond initial climate change risk assessments to identifying what is required in practical terms to protect a community and assets from climate change risks over time.

LGAT, in partnership with the Tasmanian Climate Change Office (TCCO) and the Tasmanian Planning Commission (TPC) were successful in securing $500,000 in funding for their application project titled ‘Rising to the Challenge – Developing Flexible Coastal Adaptation Pathways for Local Communities.’

Over the next twelve months to August 2012 the Project Steering Committee comprising LGAT, the TCCO and TPC, along with the Project Manager and consultants with expertise in coastal adaptation responses, will work with Break O’Day Council, Clarence City Council, Kingborough Council and Latrobe Council to assist them to consider options to respond to coastal climate change impacts for specific sites in each municipality.

In early July, representatives from the TCAP project team met with representatives of each of the four participating councils to initiate the project and discuss the work that will be undertaken.
The work in the Break O’Day municipality will focus on the township of St Helens, extending the analysis of the flood risk in the Lower George River basin that has been undertaken recently. Port Sorell, including the Rubicon Estuary and the Shearwater Esplanade, will be examined in the Latrobe municipality and Kingston Beach and lower Browns River will be the focus of the work in the Kingborough municipality.

The Lauderdale area will be examined in the work that will be undertaken with Clarence City Council, building on the study that was completed in 2009 to consider climate change impacts on Clarence’s coastal areas.

The project will enhance the adaptive and institutional capacity of Councils in Tasmania to plan for coastal hazards. In addition to the four councils that are partners in the project, teachings from the project will be applied to other Tasmanian coastal councils: along with developing a flexible adaptation pathway for Councils, the intention is to develop a toolkit of the project’s methodology that can be applied to other vulnerable coastal areas.

The project also provides an opportunity for Tasmanian councils to learn from and apply responses to coastal adaptation that are being progressed through the other successful recipients of the Australian Government’s Department of Climate Change and Energy Efficiency’s Coastal Adaptation Decision Pathways program.

The outcomes of the TCAP project will be the:

- Significant enhancement of adaptive and institutional capacity of Local Government in Tasmania;
- Development and application of a decision-making methodology which might then be available for application nationally;
- Progression of planning by Clarence City Council and other organisations in the Clarence municipality to prioritise and implement longer term, adaptation responses; and
- Application of the decision-making methodology to Break O’Day Council, Latrobe Council and Kingborough Council and other organisations within the municipalities, to progress them along a decision-making pathway more rapidly and cost effectively than has previously been the case.

**Budget Impact**
The Department of Climate Change and Energy Efficiency has provided funding for this project. In kind support will be provided by participating councils and project partners.

**Current Policy**
Does not apply.

**21 MOTION: CONTAINER DEPOSIT LEGISLATION**

**Launceston City Council/Brighton Council**

That the Local Government Association of Tasmania investigate the establishment of a container deposit scheme that includes glass drink bottles (such as wine, beer and other alcohol bottles and soft drink glass bottles), and plastic containers of carbonated soft drink and water to be returnable with a refund value of 10 cents per container.

That the Local Government Association of Tasmania seeks State and Federal Government financial support for the establishment of a container deposit scheme as described above.
**Background comment:**

Key benefits of this motion would clearly include the following:

- To encourage recycling and complement existing kerbside recycling programs;
- To specifically reduce beverage container litter along highways, in lakes and rivers, and in other public or private properties (where beverage container litter occurs, a nominal deposit provides and economic incentive to clean it up; this is in fact a significant source of incomes to some individuals and non-profit civic organisations);
- To extend usable lifetime of ratepayer-supported community or regional landfills; and
- To protect children by reducing the likelihood of glass lacerations.

Similar schemes operate in other jurisdictions in Australia most notably South Australia. Some detail and historical background is provided below.

The state of South Australia currently has a refund of 10 cents per can or bottle (raised from 5 cents in late 2008). In the 1970s deposits ranged from 20 cents for a 30 oz bottle and 10 cents for a 10 oz and 6½ oz bottle. With the introduction of plastic and non reusable bottles, the deposit was reduced to 5 cents (including aluminium cans). This amount remained unchanged for around thirty years. A recent innovation has seen the deposit extended to paper cartons e.g. flavoured milk and orange juice. Around 600 people are employed in the recovery of bottles in South Australia. Groups such as the Scouts operate container refund depots.

The Northern Territory is set to introduce a container deposit scheme like South Australia’s from late 2011.

Similar programs also operate in various US states. In one example under the Oregon Bottle Bill (enacted in the US state of Oregon), the law is credited with reducing litter and increasing container recycling. As a result, items which used to make up around 40% of roadside litter now represent about 6%. With return rates averaging 90% another major benefit is in waste reduction and resource conservation. Other US States to have such a program include California, Connecticut, Delaware, Hawaii, Iowa, Maine, Massachusetts, Michigan, New York and Vermont. Texas is looking at introducing a similar scheme in 2011.

Another benefit would be for young people collecting empty cordial and soft drink containers the same way many of us did years ago to earn some pocket money. The enthusiasm of young people for such a money making scheme is usually most commendable.

The Scheme would be a deposit scheme where Launceston residents would be responsible for delivering the containers to the Launceston City Council collection site. The scheme would only be open to residents of Launceston City Council and payment would be made on production of proof of address such as a drivers licence, student ID, document with residential address on it etc.

**LGAT COMMENT**

This matter has been the subject of ongoing dialogue at the national level. The Northern Territory and ACT Governments have enacted some legislation in this space but there remain doubts as to its broad validity. The national process is investigating a range of options to address litter and resource recovery.

The Tasmanian Government is expected to release a consultation paper in the near future which seeks to highlight and seek comment on a number of options. The underlying difficulty...
for Tasmania has always been the scale and cost of such resource recovery without a broader national drive for progress in this space.

22 CLOSURE

The President thanked Members for their contribution and declared the meeting closed at 2.55pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

Dated this day of 20

..........................................................

PRESIDENT