General Meeting

Minutes

Wednesday 13 August 2008

Wrest Point Casino
Hobart

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 SCHEDULE

9.30am  Coffee on arrival

10.00am  Meeting commences

10.30am  Ferdie Kroon  
          Chief Executive Officer  
          Tasmania Forest Contractors Association

12.00am  Paul Allen  
          Paperlinx  
          Carbon Neutral Paper

12.30pm (approx)  Buffet Lunch will be provided

1.30pm (approx)  Peter White  
                  Affordable Housing Innovations Unit  
                  Presentation on the national Rental Affordability Scheme  
                  (NRAS)
The President welcomed Members and declared the meeting open at 10.20am.

The Traditional Owners of the land, the Mouheneenner, were welcomed.

**Apologies:**
- Mayor Bertrand Cadart, Glamorgan Spring Bay Council
- Mayor Jock Campbell, Clarence City Council
- Mr Gerald Monson, Latrobe Council
- Mayor Peter Partridge, Dorset Council
- Mr Tim Kirkwood, Southern Midlands Council
- Deputy Mayor Dow, Burnie City Council
- Deputy Mayor Helen Scott, Southern Midlands Council
- Deputy Mayor Rob Walsh, Waratah Wynyard Council
- Mr John Stretton, Waratah Wynyard Council
- Mr David Metcalf, Glamorgan Spring Bay Council
- Mr Mark Pitt, Northern Midlands Council
- Mayor Deirdre Flint, Central Highlands Council
- Mayor Van Zetten, Launceston City Council
- Mr Frank Dixon, Launceston City Council
- Mr Peter Harder, West Coast Council

1. **ITEM: MINUTES OF GENERAL MEETING HELD ON 18 JUNE 2008** *

   **Glenorchy City Council/West Coast Council**

   That the Minutes of the meeting held on 18 June 2008, as circulated, be confirmed.
   Carried

   **Background**
   To confirm the Minutes of the General Meeting held on 18 June 2008.

   See Attachment to Item 1.

2. **ITEM: BUSINESS ARISING** *

   **Glenorchy City Council/Hobart City Council**

   That the Meeting note the information.
   Carried

   **Background**
   At Attachment to Item 2 is a schedule of business considered at the previous meeting and its status.
3. **ITEM: CONFIRMATION OF AGENDA**

Circular Head Council/Devonport City Council

That the order of business be altered to allow for the late arrival of Members who had been held up by the inclement weather.

The Minutes reflect the order in which the items were discussed.

**Carried**

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

4. **ITEM: RATIFICATION OF POLICY**

Contact Officer: Allan Garcia

Glenorchy City Council/Circular Head Council

That the General Meeting note that there are no items brought forward from the previous meeting that require ratification as policy of the Association.

**Carried**

**Background comment:**
Delegates are invited to endorse policy items brought forward from the previous meeting.

5. **ITEM: FOLLOW UP OF MOTIONS ***

Contact Officer – Katrena Stephenson

Southern Midlands Council/Glenorchy City Council

That the meeting note the report detailing progress of motions passed at previous meetings and not covered in Business Arising.

**Carried**

A matrix detailing action taken to date in relation to motions passed at 2005, 2006, 2007 & 2008 Meetings is at **Attachment to Item 5**.
6. ITEM: STAFFING UPDATE

Contact Officer: Katrena Stephenson

Devonport City Council/Latrobe Council

That the Meeting note the report.

Carried

Background:
To our dismay, our Policy Officer, Maxine Lowry, resigned in June to follow her passion of working with people and has taken a post as a counsellor at Life Line. Maxine made a valuable contribution in her relatively short time with LGAT, particularly in relation to community recovery and emergency management.

LGAT has acted promptly to fill the gap and the position has been offered to, and accepted by, Suzanne Bronstein who has most recently worked at AusIndustry. Suzanne commenced with the Association on 28 July.

We have also undertaken a recruitment process for the Careers Officer Position, approved at the March General Meeting. A preferred candidate was identified but they were unable to negotiate changed conditions to their current employment in order to take up our part-time position. There were no other suitable candidates. We will review the statement of duties and readvertise in due course.

As of 30 June, Australian Government Funding for the NRM Coordinator ceased. Christine Materia who was in that position had been appointed on a 12 month contract valid until November 2008. LGAT has extended her position to 30 June 2009, from within existing budget, to undertake work in the area of Climate Change as well as any legacy natural resource management/environment issues.

The Household Hazardous Waste Project Officer recruitment process has been delayed as an opportunity to leverage off a similar part time position in Launceston is being explored. Project funds are secured and have been paid to LGAT to hold in Trust. We awaiting approval from State Government in relation to the Statement of Duties and expect to be able to provide a verbal update at the meeting.

When appointments are in place, we will review areas of policy responsibility and may make some adjustments depending on capacity, workload and experience.

Budget Implications
As above.

Current Policy
Does not apply.
7. ITEM: CLIMATE CHANGE  
Contact Officer: Katrena Stephenson

Glenorchy City Council/Hobart City Council

That the meeting note the proposal to establish a Partnership Agreement on Climate Change and its broad contents.

Carried

Background:
At the last meeting of the Premier’s Local Government Council it was agreed that it would be sensible for Local Government to support and work with the State Government on climate change and, agreed to adopt the fundamental framework espoused in the work undertaken by Kate Crowley on behalf of the State Government. Kate Crowley subsequently provided an overview at the Local Government Conference in June which detailed the underlying principles of the framework and how councils could move forward in seeking to address the reduction of carbon emissions.

It was further agreed that Local and State Government should seek to enter into a Statewide Partnership Agreement with the following objectives:
- to reduce carbon emissions that contribute to global warming;
- to consult with Tasmanians about, and to educate Tasmanians on, climate change, and
- to share knowledge and information related to climate change.

The proposed Partnership Agreement would not seek to intervene or replace any work already being undertaken by councils in relation to climate change but rather would seek to assist councils with some broad coordination, assistance and advice in relation to tackling this issue.

An integral component of the proposed Agreement is the undertaking of an audit process, ongoing reporting of carbon emissions and establishing targets for reduction of gases.

The State Government has already undertaken significant work in this area and the Association’s intention would be to leverage off this activity to make any process as simple as possible for councils. A number of councils are already involved in the Cities for Climate Protection process and while this provides a model for climate change action it doesn’t necessarily translate that all councils have the capacity to resource this model.

The Association is continuing to research and discuss this matter with the Climate Change Office and would be hopeful of being able to present some information to councils for consideration in the near future. It is likely that some project funding will be available from the Climate Change Office to assist with this process but it is important that in seeking to achieve outcomes in this area, councils are not burdened with overly complex processes or arrangements that are resource hungry.

The Association’s Climate Change reference group is continuing to meet and will play an integral role in ongoing climate change activities and initiatives.

The Association has also appointed its former NRM Coordinator to focus on climate change issues.
8. **ITEM:** FIRE SERVICE LEVY  
*Contact Officer: Allan Garcia*

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**Derwent Valley Council/Hobart City Council**

**That the Meeting note the progress of deliberations of the working group presently reviewing the Fire Services Levy.**  

*Carried*

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**Background:**

A working group was established in mid June to review various elements of the present fire service levy.

Comprising representatives from the Tasmanian Fire Service (TFS), the Local Government Office, the office of the Valuer General, the CEO of LGAT and Frank Barta from Clarence City Council, the review committee was given the following terms of reference:

- a. review the consistency of information provided by councils to the State Fire Commission over the last three years and where necessary reconcile that information with the land values provided by the Valuer-General;
- b. verify that the State Fire Commission has consistently and appropriately applied the Valuer-General’s index factor to council valuations;
- c. confirm that the State Fire Commission has determined the fire service contributions requested to be collected by councils for the past three years have been in accordance with section 81 of the *Fire Service Act 1979*; and
- d. report, and where appropriate make recommendations on its findings, through the Chair of the State Fire Commission to the Minister for Police and Emergency Management by no later than the end of July 2008.

The working group has met on 3 occasions and also had a teleconference. Significant effort has been put into understanding the processes associated with the collection of data and its verification.

At this early stage it would appear that the processes being used by the TFS to calculate the amount of collection from each council are valid. However, it has not been possible to fully understand, at this stage, what is causing the significant year on year variances across councils.

The issues associated with valuation, rating and the artificial overlay of a process to collect another charge based loosely on these two factors is extremely complex. The large variances caused by revaluations and the added complexity of adjustment figures for valuations have made the fundamental basis of the fire service levy more complicated than ever before.

Research undertaken to date has uncovered some significant variances in reporting by councils of exempt properties and while there may be sound reasons for these variances, the impact on the levy across councils can be significant. Further analysis is presently being undertaken in this area.

Matters under consideration in the review process are whether there is a need to smooth out the present spikes in the levy process by determining a maximum rise or fall for each council for all land categories or perhaps applying a five year rolling average.
Reporting times are also being reviewed with a view to providing information to the TFS at an earlier date in order that the levy detailed can be disclosed to councils by the end of April each year.

It would seem that the gazettal of minimum assessed annual values of land for councils may be unnecessary or superfluous as councils independently determine their own minimums based on the minimum fire service contribution.

Finally, there may be some merit in providing a reconciliation template for councils that matches land values above and below the minimum for each category of land with land value information provided by the Valuer General.

A small extension of time has been requested of the Minister for the review to ensure that the initial task requested of the Working Group can be completed and a full understanding of the workings and application of the levy can be achieved.

It is anticipated that the working group’s final report will be completed by mid August.
9. ITEM: AUDIT COMMITTEES

West Tamar Council Motion/Southern Midlands Council

That no further action be taken by LGAT to pursue the legislative introduction of Audit Committees.

Lost

The Motion was Lost
Votes for 17
Votes against 21

Background:
A discussion paper was recently released by LGAT to all councils in relation to Audit Committees. Whilst the paper purports to show benefits for councils it may be read in quite the opposite view.

It is West Tamar Councils view that this discussion paper would seem to imply a lack of confidence in the existing Local Government system as set out and directed by the State Government through the Local Government Act 1993. The Act sets out the roles and responsibilities of elected members and general managers/management. We do not see the need for another level of bureaucracy that:

− Has broad ranging powers.
− Does not appear to be responsible to anyone.
− Duplicates the role of elected members and/or general managers/management.

Local Government already responds to:
− the Local Government Minister;
− the Local Government Office;
− the Local Government Board;
− the Auditor-General (who reports to Parliament); and
− the community through the Annual Report, Annual General Meeting and Local Government elections

Therefore what is to be achieved from setting up another level of bureaucracy that will further deplete the coffers of councils for little or no return?

However councils should be free to voluntarily introduce Audit Committees if they so desire but legislative requirements for such committees should be strongly resisted.

LGAT Comment
A number of responses have been received from councils in relation to a discussion paper prepared by the Association on the subject of audit committees. The discussion paper was prepared in response to a series of recommendations contained within the Access Economics report on council sustainability in Tasmania.
In particular, the recommendations proposed that

1. each Council establishes an audit committee that has external membership and does not include the Council’s mayor as chair or its general manager as a member;
2. LGAT takes on responsibility for developing a template for the establishment, conduct and scope of audit committee activities in the Tasmanian context;
3. that one of the functions assigned to the audit committee be the review of the effectiveness of: (a) the Council’s financial governance arrangements, and (b) the Council’s planning and monitoring processes in ensuring the sustainability of the Council’s long-term finances; and
4. rural councils or smaller councils give consideration to establishing regional or joint audit committees.

These recommendations were based on the best practice governance involving the establishment of internal structures that provide for independent review of processes and decision making to assist councillors to meet their accountability to ratepayers and the community with an audit committee overseeing and advising council on matters of accountability and internal control.

The overall function of an audit committee is to provide an independent check on key Council activities. This usually includes checking the integrity of the financial system and financial management, but it should also cover a broader picture of assessing whether stakeholders are receiving value for the money spent on systems, services and projects. That is, the audit committee asks if the Council is doing what it said it would do and for the cost which was anticipated.

Reports from the audit committee support elected members in meeting their responsibility to use community resources for the overall benefit of the community. They in no way undermine or seek to assume the functions and responsibilities of councillors.

Audit Committees are mandatory in a number of states across the country and form a key component of the standard set or arrangements being considered by the Local Government Ministerial Council. While the State Government has not determined that audit committees should be compulsory for councils, it is nonetheless keen to ensure that appropriate mechanisms are in place to underpin the financial sustainability of councils.

The discussion paper referred to councils followed consideration by an officer working group and sought to make some assessments about what arrangements were presently in place in the state, what the experience was elsewhere and to understand the practicalities of implementing audit committees in Tasmanian councils. It is acknowledged that the cost and resourcing of the committees was always going to be of concern but the responses generally considered that the proposals were aimed at duplicating or indeed usurping the role of councils, and particularly, elected members.
10. ITEM: LOCAL GOVERNMENT FINANCIAL SUSTAINABILITY
Contact Officer: Katrena Stephenson

Glenorchy City Council/Kentish Council

That the meeting note the report and in particular, the relationship with the PLCG
Stronger Councils Better Services Project.

Carried

Background:
The Financial Sustainability Steering Committee was established to oversee the process of
implementation including the consideration of the formation and scope of working group
activity.

The Steering Committee comprised members of the General Management Committee of the
Association and three representatives nominated by Local Government Managers Australia.

The Steering Committee last met on 30 April 2008 at which time it discussed the relationship
with the PLGC Project, Stronger Councils, Better Services, announced in December 2007.

Under the PLGC banner it was agreed that State and Local Government work together to
identify and address, in an integrated way, a number of issues that were impacting on the
broad sustainability of services and outcomes for local communities.

A project framework was developed identifying four key areas for cooperation between the
State Government and Local Government:
- Project A: Sustainable Business
- Project B: Better Services
- Project C: Good Governance
- Project D: The Future Role of the Local Government Board.

The Financial Sustainability Steering Committee agreed that there was a need to avoid
duplication and delays through competing resource requirements at LGAT and that the
PLGC project could build upon work undertaken by LGAT to date given there would be
additional resourcing within the Local Government Office.

PLGC is to consider the management of the Stronger Councils, Better Services project at the
29 August meeting but the model proposed is as follows:
- PLGC Officials Group to act as the Steering Committee for the project making
  recommendations to PLGC as required.
- Steering Committee to be supported by 4 working groups related to the four sub
  projects. LGAT will lead 2 working groups (Sustainable Business and Good
  Governance) and the Local Government Division the other two. There will be
  opportunities to have expert members of these working groups, including elected
  members, general managers or council officers, but the mechanisms for involvement
  are yet to be determined.
- The Local Government Division will provide executive support for the project.

The Stronger Councils, Better Services Project has received an allocation in the State
Budget of $200,000 which is likely to be used for grant funding (details to be agreed 26
September PLGC).
Given the establishment of the *Stronger Councils, Better Services* Project, the Financial Sustainability Steering Committee will have a reduced role, only being convened as required, with updates on the PLGC project provided as work progresses.

Work in train under the Financial Sustainability Project, including feedback from documents sent to councils on 30 May, will be fed into the *Stronger Councils, Better Services* Project through the appropriate working groups. This includes feedback on the Debt Funding Guidelines, the Audit Committee Discussion Paper and the Long Term Financial Plan Summary Statement Template.

Attendees from Burnie City Council arrived prior to discussion of Item 13.

11. **ITEM: LOCAL GOVERNMENT FINANCIAL SUSTAINABILITY**

**West Tamar Council Motion/Derwent Valley Council**

That LGAT put on hold all matters in relation to Local Government Financial Sustainability until the Water and Sewerage Reform is completed.

Lost

**Background:**

Working groups have been set up to look at several aspects of financial sustainability for Local Government by reviewing the recommendations of the Access Economics Report.

This is indeed a worthwhile exercise, however, with the Water and Sewerage Reform also taking place it is starting to consume more and more resources of some councils. Small and medium sized councils are finding it difficult to resource all of these projects at the same time and therefore it is suggested that the focus be on water and sewerage reform and that Local Government Financial Sustainability be put on hold until Water and Sewerage Reform is completed.

**LGAT Comment**

Recently, the Auditor General released his report, Local Government Authorities, Superannuation Funds and Other Public Bodies 2006-07, to Parliament (June 2008). Some new measures were introduced for 2006-07:

- a ‘self financing ratio’. This is a measure of “a council’s ability to fund the replacement of assets from cash generated from operations’.
- Own source revenues as a percentage of total operating revenues.

In the report it is stated that “18 of the 29 Tasmania councils failed to achieve a break even benchmark” in 2006-07 and that 6 smaller councils are heavily reliant on recurrent grant funding with operating revenue ratios of less than 50 per cent. However it was also noted that the majority of councils are managing their debt appropriately.
While this does not directly reflect the findings of the sustainability issue it does nonetheless highlight the need to continue to work on initiatives that seek to underpin the long term financial viability of councils. As has been indicated elsewhere it is proposed to wrap up the sustainability issue into the PLGC Project to eliminate duplication and to ensure that resources are minimised. The Association is extremely mindful of the calls on council resources as a result of water and sewerage reform, however, the issue of sustainability is more than just a ‘worthwhile exercise’, it is the basis of the long term future of Local Government in this state.

It is considered possible to progress the two together but with the understanding that timeframes and calls on resources need to be carefully considered.

12. ITEM: LGAT 2008 ANNUAL CONFERENCE
   Contact Officer: Stephanie Watson

Circular Head Council/Hobart City Council

That the Meeting note the following report.

Carried

Members were advised that due to the ALGA General Assembly now being held from 21 – 26 June, the dates for the Local Government Annual Conference may be brought forward a week. Information re the date change will be sent out as soon as the new dates are confirmed.

Background:
A good deal of positive feedback was received from delegates and trade exhibitors in relation to the 2008 Local Government Conference, held at the Country Club in Launceston for the first time since 1995. A significant level of television, radio and press coverage was also secured for the event.

While delegate and dinner numbers were down slightly on the previous year, and the number of trade exhibitors was limited due to the size of the venue, the Association was able to claim a modest fee to cover event administration.

In a departure from previous years, a series of concurrent workshops were held for non-conference delegates to make better use of the hired space. Whilst the workshops were well received among those who attended, some conference delegates felt they were a distraction from the overall conference program.

The Launceston event attracted a record level of sponsorship support including financial and on ground support provided by the Launceston City Council. The introduction of some new sponsor packages and handbook advertising for the first time has contributed to this achievement. In total, 28 companies were involved with the conference trade exhibition.

The 2009 Local Government Conference will be held from 17-19 June at Wrest Point in Hobart.

Budget Implications
At current sponsorship and attendance levels, the conference is able to cover the cost of event administration and still deliver a surplus to event partners.
Burnie City Council arrived prior to discussion of Item 13.

13. Item: Constitutional Recognition
   Contact Officer: Katrena Stephenson

Hobart City Council/Waratah Wynyard Council

That the meeting note the report.

Carried

Background:
At the March General Meeting, Adrian Beresford-Wylie reported on the ALGA process towards agreeing a Local Government position on Constitutional Recognition. The culminating event in 2008 will be a Constitutional Forum in December.

At the June General Meeting LGAT reminded councils of the ALGA resource kit for informing council conversations and position formation to be undertaken between March and June and requested a copy of any feedback.

We also notified our intent to hold a Tasmanian forum. This is to be held on the 1 August 2008 with the aim of building an understanding of the issues for Tasmanian councils in order to feed into the Australian Local Government Association (ALGA) process.

In the first instance, the forum will inform attendees at ALGA’s expert forum on 22 August 2008. Critical in the process is understanding what we want to achieve in Local Government and the possible opportunities (or barriers) constitutional recognition might provide. At a cost of only $50 per person we hope that all councils will be represented.

LGAT has also sought nominations for attendees at the experts forum but have had only a limited response to date. LGAT will provide some travel support for those attending the forum.

Current Policy
This is one of the three pillars of ALGA’s strategic ‘3Fs’ agenda and consequently will be a key issue for LGAT in 2008/09.
14. ITEM: WATER & SEWERAGE UPDATE  
Contact Officer: Allan Garcia

Devonport City Council/Waratah Wynyard Council

That the meeting note the progress of the reform process.  

Carried

Background:
At present the constitutions for the regional entities have been distributed for comment along with the constitution for the Common Services Corporation. The latter has caused the most concern, particularly in relation to the extent to which functions are included prior to the Board and CEO’s of the new entities having the opportunity to evaluate what is possible/plausible in terms of best meeting the needs of the water and sewerage businesses.

The matter was discussed in significant detail at the most recent Implementation Joint Steering Committee (IJSC) with Local Government representatives expressing reservations about the broad coverage and intent of the document. Separate discussions have taken place between the Association and the Project team to ensure that this matter is dealt with in a sensible and practical way, understanding that the Common Services Corporation was an integral component of the State Government’s agreement to allow continued ownership by Local Government of the water and sewerage entities.

A brief provided to consultants, KPMG, requested an investigation of broad and relevant practices of common service arrangements across a range of sectors nationally and internationally. The final report was extremely detailed and perhaps a little more complex than was necessary to identify the tasks and functions best undertaken by the proposed Common Services Corporation. However, it was circulated to councils and bulk water authorities as a conceptual document and did not represent a blueprint for future operations. It’s intent was to demonstrate the type of activities that could be subject to separation and the possible differentiation between a centralised support service structure and related operational entities.

It is not proposed that significant detail be included within the schedule of activities in the constitution of the Common Services Corporation. The schedule is anticipated to be relatively high level in terms of detailing the functions the organisation will perform and will only include those activities that are non-contentious. Sufficient flexibility will exist in the constitution for the Board of the Common Services Corporation to allow for particular operations to be contained wholly or substantially within the organisation.

The Owners’ Representatives for the regional organisations have been appointed and an initial meeting took place on 25 July 2008. The Owners’ Representatives received a full briefing on their role and timelines associated with the appointment of the Selection Committee, the common Chair, members of the boards and the Chief Executive Officers of the new organisations.

A recruitment advisor (Cordiner King) has been appointed to assist the Selection Committee with the identification of appropriate personnel that could serve on the Boards. The process will involve a detailed search process with recommendations being provided to the Owners’ Representatives for final decision. The recruitment advisor will be retained to assist the Boards, once appointed, with the selection of CEO’s for the new entities.

At this time Don Challen, Secretary of the Department of Treasury and Finance is the only member of the Selection Committee. He will be joined by two other members in the near future and the common Chair of the Board once appointed. The two members referred to will be one with expertise in the water and sewerage sector and a person with expertise in corporate governance and the nomination of appointment of members of boards.
15. ITEM: COMMUNICATION CONSULTATION PARTNERSHIP AGREEMENT
Contact Officer: Katrena Stephenson

Glenorchy City Council/Waratah Wynyard Council

That the meeting note the status of this document.

Carried

Background:
The Statewide Partnership Agreement on communication and consultation has been under review for some time. Consultations with councils indicated a desire to un-clutter present individual bilateral agreements and include broader actions into a statewide agreement.

In the past actions such as consultation and discussions on b-double routes had been included in the majority of, if not all, agreements along with a range of other processes between councils and State Government agencies.

A key feature of the new agreement will be to identify key matters that can be included in the statewide instrument and have them dealt with through a coordinated approach. In many cases there is little action required with the undertaking simply being a commitment to consult or follow a particular process.

An early draft of the schedule proposed to capture these elements indicates that additional work will be required to effect some real substance into this part of the agreement. There is a tendency at present to include a range of motherhood statements rather than focusing on particular actions.

Discussions will continue with the Local Government Division prior to broader consultation with councils once some of these matters have been further progressed.
16. ITEM: REVIEW OF ELECTED MEMBERS ALLOWANCES
Contact Officer: Allan Garcia

Glenorchy City Council/Latrobe Council

That the Meeting note the status and findings of the recent review of elected members allowances and consider the proposal to link future movements in allowances to movements of other remuneration structures for parliamentarians.

Carried

Background:
The Board of Inquiry Report into the Review of Elected Members’ Allowances has been released by the Minister for Local Government and distributed to all councils for comment.

The form of the request from the Minister is dictated by the legislation which requires that the Minister provide councils with the opportunity to raise issues in relation to matters of factual error or omission.

The key findings from the report were:

- That the relativities for allowances between Mayors and Councillors were skewed and requiring adjustment to take account of workloads and responsibility. The new ratio is 3.5:1;
- Mayoral allowances have been increased by 4.2% or greater depending upon the category of council;
- The allowances contain a notional 9% component for superannuation;
- Allowances are to be adjusted in line with the wage price index rather than the consumer price index as it more appropriately reflects the economic impact of wage changes to the employer; and
- That the present formula for council categorisation remain. This impacted on some councils that moved up a category as a result of increased revenue or population.

An issue raised in the LGAT Submission to the Inquiry was whether a better process existed to determine allowances rather than a four yearly review. While the review received little attention from media or stakeholders outside of Local Government, there remains the question of whether once a reasonable accommodation is reached in relation to adequacy of the remuneration, the relativity between the mayor and councillor allowances and the broad allowance formula, there needs to be a stand-alone review on a regular basis.

There were 29 submissions to the recently completed review with 9 councils providing submissions and 17 being submitted by individuals, including 10 from councillors. Three were provided by organizations, including one from LGAT.

In other jurisdictions salaries and allowances of state politicians, judges and senior officials are linked to such things as the movement in the salaries and allowances of commonwealth politicians. The mechanism for this process is a determination by the Commonwealth Remuneration Tribunal. Such a process does not seek to achieve absolute parity, but certain assumptions are made (eg a relative percentage) with annual movements automatically flowing through on the basis of the single review process.
The Board of Inquiry commented in its report that it did not favour this process as it was subject to political interference. This is evidenced by the decision of the present Prime Minister who has declared a salary freeze on parliamentary salaries for 18 months. This means that there is no flow through to those who would otherwise benefit from any review process.

In the event that this was considered worthy of further investigation there would still need to be a process that took into account any shifts of councils into different categories as a consequence of growth of revenue/population.

There is the opportunity to raise this matter with the State Government in the context of the finalisation of the present review and, in the event of any changes, that they be considered and put into effect well in advance of the next allowance determination.

George Town Council attendees arrived prior to the lunch break.

Hobart City Council/Devonport City Council

That the Meeting be adjourned for lunch at 12.15pm.  

Carried

The Meeting resumed at 1.15pm.

17. Item: Review of Local Government Act – Public Meetings by Petition *

West Tamar Council/George Town Council

That the LGAT requests the State Government to review those provisions in the Act relating to public meetings by petition with a view to:

1. Limiting the compulsion to hold a meeting to matters of relevance only to the municipal area over which the Council has control;
2. Balancing the rights of ratepayers and residents of the municipal area against those of others attending a public meeting; and
3. Addressing some of the practical issues that have arisen in recent times.

Carried

Background:
The purpose of this motion is to seek the support of the other 29 councils in reviewing the "Petitions, Polls and Public Meetings - Part 6" of the Act to give councils the power to have discretion over how they deal with petitions seeking a public meeting or an elector poll under certain circumstances.
The circumstances envisaged are:

1. When the subject matter of a petition is one over which the council has no control or management of the outcome; and

2. When a council has already responded to a petition, either by the holding of a public meeting and/or a subsequent elector poll, then a further petition on the same or very similar subject matter is subsequently received within a reasonable period of time, say 2 years, then the council should not be compelled by the Act to incur the costs and time of responding again to the same matter.

The situations that have prompted this request for amendment to the Act are:

− In 2007 the councils of George Town, West Tamar and Launceston City were all compelled to hold public meetings on subject matter relating to the proposed development of a pulp mill by Gunns Limited at Longreach, East Tamar.

− West Tamar Council also held an elector poll in conjunction with the 2005 Council elections on questions relating to the proposed pulp mill. Launceston City Council determined not to hold an elector poll on the subject.

− At the time of holding the public meeting several Aldermen and Officers within the Launceston City Council questioned the validity of holding a public meeting on subject matter over which the Council ultimately had no control or management regarding the outcome. The Launceston public meeting cost approximately $5,000.

− In 2008, West Tamar Council has again been served with a petition requesting a public meeting on subject matter relating to the pulp mill. In fact the wording of the petition is almost identical to that received by that Council in 2007.

− The convener of the most recent petition to West Tamar Council (submitted in June 2008) has already indicated to Launceston City Council's Corporate Secretary that he is collecting signatures for a similar petition to be served on Launceston City Council.

The obvious concern for a Council is that considerable resources in terms of time and money may be expended in complying with a provision within the Act on a subject matter over which Councils may have no control or influence.

It is acknowledged that the proposed development of a pulp mill has been and still is of considerable public interest. However, the proposal has been through a Parliamentary and Legislative process and the final decision as to whether or not the development proceeds will be a commercial decision by Gunns Limited irrespective of whether or not West Tamar or Launceston City Councils hold further public meetings on the matter.

It is to be stressed that this proposed change does not prevent a Council from holding a public meeting if it wishes to. Councils should have the ability to hold meetings regarding the pulp mill or any other matter determined appropriate by the Council. The proposed change simply removes the compulsion to do so.

At the present stage, a Council is compelled to hold a public meeting relating to any matter of public interest. It could feasibly relate to such matters as sending troops to a war zone, the price of petrol or drug testing of Olympic Games athletes. All of these would be considered as matters of public interest, but Councils should not be compelled to hold a public meeting (at substantial expense to the ratepayer) just because a petition was presented.

No other tier of government is compelled to hold public meetings. Also, there is no doubt that the provisions of the Act, as they currently stand, can be used by the public to create a platform to send a message to parties other than a council.

The Board of the Local Government Managers Association of Tasmania (LGMA) has considered the matter and sought a review of the Act’s provisions (letter attached). Council's General Manager is a Board Member of the LGMA.
At Attachment to Item 6 is a copy of the LGMA letter to the Minister for Local Government.

LGAT Comment
It is noted from a scan of other States’ Local Government Acts that the provisions in the Tasmanian Local Government Act 1993 relating to petitions, elector polls and public meetings are more extensive than in any other state.

Only West Australia makes provision for electors to request a meeting. Voting at such meetings is restricted to electors of the district (ie municipal area).

In South Australia, a council may convene a meeting of electors. Again, voting is restricted to electors of a (municipal) area.

The Victorian act requires a council to hold a poll on the request of not less than 10% of voters.

NSW and Queensland Local Government Acts provide for council polls and public hearings. These are council initiated.

The provisions in the Tasmanian Act were amended in 2005 to clarify the processes for the making of petitions. At that time, no concerns were raised about the exponent of those provisions.

18. ITEM: LAND TAX

George Town Council/West Tamar Council

That LGAT initiate discussion with the State government as to the effect Land Tax is having on Councils and communities.

Carried

Background:
Council’s only taxation base is property taxation in the form of general rates and currently the State is often collecting more money than Councils in land tax on absentee property owners or commercial and industrial properties.

Council is also concerned that in relation to Local Government sustainability our major taxation base is being eroded by the State land tax system. This is particularly evident in the residential housing sector.
19. ITEM: WATER AND SEWERAGE REFORM

Dorset Council/West Tamar Council

That the President of LGAT meet with the Premier and the Treasurer to convey Council’s concerns about the delay in lodging a funding application under the Australian Water Fund program, and advise both the Premier and the Treasurer that the LGAT is prepared to assist in lobbying the Prime Minister and the Minister.

Carried

Background:
In 2006 the Australian Government announced a series of funding programs under the umbrella of the $2 billion Australian Water Fund. One of these programs was targeted at providing new infrastructure that introduced new or innovative ideas.

Several Councils in the State applied for funding under this program for new infrastructure, however none were successful as they struggled to meet the guidelines.

During the early days of the Water and Sewerage Reform Project, the Treasurer visited many of the Councils to “talk up” the benefits of the reforms. One of these benefits was that the State could apply for funding under the Australian Water Fund as the proposed reforms complied with the funding guidelines.

In September 2007, Councils agreed in principle to a regional local government owned model. A condition of this approval was that Councils and LGAT would assist the State Government to lobby for funds of $300 million from the Australian Water Fund during the Federal Government Election campaign.

Both State and Local Governments were unsuccessful with this program as both political parties indicated we could not provide the details of the reform model. Since the election there had been no further mention of a Australian Water Fund application.

At the Implementation Joint Steering Committee meeting on 7th July, John Martin asked the Treasury officials what progress had been made with the Australian Water Fund application. John was advised by Kim Enkalaar that they had studied the funding guidelines and that the reform program was struggling to comply with the guidelines.

Council believes this to be a very feeble reply and more needs to be done by the Premier and the Treasurer in lobbying their federal government counterparts. The LGAT should again offer its assistance to join this lobbying campaign.

For the reform process to succeed, several hundreds of millions of dollars, of federal government money is required. Without this money the proposed benefits to our communities will not be realized.

20. CLOSURE

There being no further business, the meeting was declared closed at 1.55pm.