

TOWN OF COTTESLOE



STRATEGIC PLANNING COMMITTEE MINUTES

MAYOR'S PARLOUR, COTTESLOE CIVIC CENTRE
109 BROOME STREET, COTTESLOE
6.00 PM, WEDNESDAY, 19 FEBRUARY 2014

CARL ASKEW
Chief Executive Officer

4 March 2014

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STRATEGIC PLANNING COMMITTEE

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1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS

The CEO welcomed all committee members and explained the voting procedure for Presiding Member and Deputy Presiding member. He announced the meeting opened at 6:00 PM.

2 APPOINTMENT OF PRESIDING MEMBER AND DEPUTY PRESIDING MEMBER

The CEO called for nominations for Presiding Member. Cr Rowell nominated Mayor Dawkins, who accepted the nomination. As there were no other nominations, Mayor Dawkins was elected unopposed as Presiding Member.

Mr Askew then handed responsibility of the remainder of the meeting to the Presiding Member, who called for nominations for Deputy Presiding Member.

Cr Rowell nominated Cr Jeanes who accepted the nomination. As there were no other nominations, Cr Jeanes was elected unopposed as Deputy Presiding Member.

3 DISCLAIMER

The Presiding Member drew attention to the town's disclaimer.

4 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil

5 PUBLIC QUESTION TIME**5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

5.2 PUBLIC QUESTIONS

Nil

6 PUBLIC STATEMENT TIME

Nil

7 ATTENDANCE**Present**

Mayor Jo Dawkins
Cr Peter Jeanes
Cr Robert Rowell
Cr Katrina Downes (Arrived at 6:28 PM)

Officers Present

Mr Carl Askew	Chief Executive Officer
Mr Andrew Jackson	Manager Development Services
Mr Mat Humfrey	Manager Corporate & Community Services
Mr Geoff Trigg	Manager Engineering Services
Mrs Lydia Giles	Executive Officer

7.1 APOLOGIES

Nil

Officer Apologies

Nil

7.2 APPROVED LEAVE OF ABSENCE

Nil

7.3 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

8 DECLARATION OF INTERESTS

Nil

9 CONFIRMATION OF MINUTES

Moved Cr Jeanes, seconded Cr Rowell

[Minutes August 21 2013 Strategic Planning Committee.docx](#)

The Minutes of the Ordinary meeting of the Strategic Planning Committee, held on 21 August 2013 be confirmed.

Carried 3/0

10 PRESENTATIONS**10.1 PETITIONS**

Nil

10.2 PRESENTATIONS

Nil

10.3 DEPUTATIONS

Nil

11 REPORTS

11.1 GENERAL

11.1.1 ANNUAL ELECTORS MEETING 2014 - CONFIRMATION OF MINUTES

File Ref:	SUB/19
Attachments:	Minutes Annual Electors Meeting 29 January 2014
Responsible Officer:	Carl Askew Chief Executive Officer
Author:	Carl Askew Chief Executive Officer
Proposed Meeting Date:	19 February 2014
Author Disclosure of Interest	Nil

SUMMARY

A recommendation is made that Council receive the minutes of the Annual General Meeting of Electors held on Wednesday 29 January 2014 and note that there are questions taken on notice which require follow up action by administration.

BACKGROUND

Council at its meeting on 16 December 2013 accepted the Annual Report and resolved to hold its Annual General Meeting (AGM) on Wednesday 29 January 2014.

Aside from the Mayor, Councillors and Senior Staff, 21 electors attended the AGM held in the Town's War Memorial Town Hall.

STRATEGIC IMPLICATIONS

Objective 7: Organisation Development

To effectively manage Council's resources and work processes.

- Deliver high quality professional governance and administration

POLICY IMPLICATIONS

Nil

STATUTORY ENVIRONMENT

The relevant sections of the *Local Government Act 1995* read as follows:

5.27. Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.
 - (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
-

- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

5.28. *Electors' special meetings*

- (1) A special meeting of the electors of a district is to be held on the request of not less than —
- (a) 100 electors or 5% of the number of electors —whichever is the lesser number; or
 - (b) $\frac{1}{3}$ of the number of council members.
- (2) The request is to specify the matters to be discussed at the meeting and the form or content of the request is to be in accordance with regulations.
- (3) The request is to be sent to the mayor or president.
- (4) A special meeting is to be held on a day selected by the mayor or president but not more than 35 days after the day on which he or she received the request.

5.29. *Convening electors' meetings*

- (1) The CEO is to convene an electors' meeting by giving —
- (a) at least 14 days' local public notice; and
 - (b) each council member at least 14 days' notice,
- of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

5.30. *Who presides at electors' meetings*

- (1) The mayor or president is to preside at electors' meetings.
- (2) If the circumstances mentioned in section 5.34(a) or (b) apply the deputy mayor or deputy president may preside at an electors' meeting in accordance with that section.
- (3) If the circumstances mentioned in section 5.34(a) or (b) apply and —
- (a) the office of deputy mayor or deputy president is vacant; or
 - (b) the deputy mayor or deputy president is not available or is unable or unwilling to perform the functions of mayor or president,

then the electors present are to choose one of the councillors present to preside at the meeting but if there is no councillor present, able and willing to preside, then the electors present are to choose one of themselves to preside.

5.31. *Procedure for electors' meetings*

The procedure to be followed at, and in respect of, electors' meetings and the methods of voting at electors' meetings are to be in accordance with regulations.

5.32. *Minutes of electors' meetings*

The CEO is to —

- (a) cause minutes of the proceedings at an electors' meeting to be kept and preserved; and
- (b) ensure that copies of the minutes are made available for inspection by members of the public before the council meeting at which decisions made at the electors' meeting are first considered.

5.33. Decisions made at electors' meetings

- (1) All decisions made at an electors' meeting are to be considered at the next ordinary council meeting or, if that is not practicable —
 - (a) at the first ordinary council meeting after that meeting; or
 - (b) at a special meeting called for that purpose,whichever happens first.
- (2) If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.

Regulations 15 of the Local Government (Administration) Regulations, 1996 requires that:

15. Matters for discussion at general electors' meetings — s. 5.27(3)

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

FINANCIAL IMPLICATIONS

The cost to produce, print and distribute the Annual Report and report summary is approximately \$11,000 and is accommodated within 2012/13 Budget as is the cost of catering to host the AGM.

STAFFING IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

The Annual Report summary is printed on recycled paper.

CONSULTATION

The Annual Report summary is printed and delivered to all residential properties within the Town.

STAFF COMMENT

Section 5.32 of the Local Government Act 1995 requires the CEO to "...cause minutes of the proceedings at an electors' meeting to be kept and preserved; and ensure that copies of the minutes are made available for inspection by members of the public before the council meeting at which decisions made at the electors' meeting are first considered."

Section 5.33 of the Local Government Act 1995 requires that all decision made at an electors meeting are to be considered at the next ordinary Council meeting where

practicable. If Council makes a decision in response to a decision made at an electors meeting, then the reasons for the decision are to be recorded in the minutes of the Council meeting.

Minutes of the AGM held on the 29 January 2014 are attached to this report for consideration and receipt.

COMMITTEE COMMENT

The Committee referred to the Minutes of the AGM held on the 29 January 2014 and discussed the comments received including the recommendations passed at the meeting.

Recommendation 1:

Moved by Rosalyn Sadlier, Seconded by Greg Boland

1. That Council immediately cause the flushing mechanism in the Indiana women's toilets to be renewed.
2. All work and expenditure on the proposal (as part of the foreshore development plan) for a new toilet block on the grass anywhere west of Marine Parade be suspended.
3. Council Environmental Officer to inspect the Indiana's toilet daily during peak times, providing a report on health and cleanliness conditions.

Carried

No dissent

As was noted at the AGM, Committee acknowledged that work had been done by the leasee to address the flushing mechanism including changing the buttons.

In relation to new toilet facilities at the beachfront Committee noted that this was now under discussion by the Foreshore Working Group who had considered the feedback from local residents as part of the Town's advertising. This matter was still under consideration and no advancement of the advertised proposals was being taken at this time.

The CEO confirmed to Committee that the Town's Environmental Health Officers currently inspects the facilities regularly and report all concerns to Indiana management. If Council were to make such inspections a daily occurrence then additional resources would be required.

Recommendation 2:

Moved by Greg Boland, Seconded by Sue Freeth

As the problem of the state of the Indiana toilets has been ongoing for many years under current lease agreements, the Town of Cottesloe is to take action by the end of March 2014 for a change to the lease agreement, so that the Town of Cottesloe has full responsibility for the toilet maintenance and the Indiana pays a greater rental as a result.

Carried

No dissent

Committee discussed this issue, which is one well known to Council and the community. The Town currently has a long lease with Indiana and as such any

proposed change to the lease requires the agreement of both parties. The Mayor confirmed that discussions with the Leasee have been ongoing in relation to this and other matters and the suggestion by Mr Boland has been raised previously, with no support from the lease to date. Discussions in relation to the lease and toilets/change rooms are ongoing and the Town's Foreshore Working Group continues to address the issue of public toilets and change rooms at the beachfront.

Recommendation 3:

Moved by Cr Walsh, Seconded by Cr Downes

That Council express a vote of thanks to Ms Rosalyn Sadler and Mrs Philippa Wiggins for taking time to do daily inspections of the Indiana's public Toilet.

Carried
No dissent

The committee noted the vote of thanks, which was also acknowledged by the Mayor at the AGM.

Recommendation 4:

Moved by Cr Pyvis, Seconded by Yvonne Hart

That through a referendum, Council ask the Cottesloe residents and ratepayers whether they support any council amalgamation before progressing further negotiations with neighbouring Councils or the State Government, with the exception of the scheduled Local Government Advisory Board meetings.

Carried

Committee discussed and agreed that the time and cost of a referendum would make it difficult to carry out, given the current timeframes for the Local Government Advisory Board's enquiry and reporting. It was also acknowledged that a referendum is not compulsory. The Committee noted the results of the Town's Community Perceptions Survey as statistically valid and indicative that 57% of the community preferred either a G4 or greater amalgamation.

In addition to the discussion of the AGM recommendations, the Mayor also noted the question from Mr Bret Christian in relation to the economic and social benefits of a Council amalgamation. She confirmed that she will put the question to the Local Government Advisory Board when they meet with the Town.

VOTING

Simple Majority

OFFICER RECOMMENDATION

Moved Mayor Dawkins, seconded Cr Rowell

THAT Council receive the minutes of the Annual General Meeting of Electors held on 29 January 2014 as submitted to the Strategic Planning Committee on 19 February 2014.

AMENDMENT

That a new item 2 be added to the recommendation to read: “note that all recommendations contained in the AGM Minutes (attached) have been considered by the Strategic Planning Committee”.

Carried 3/0

COMMITTEE RECOMMENDATION

That Council

1. Receive the minutes of the Annual General Meeting of Electors held on 29 January 2014 as submitted to the Strategic Planning Committee on 19 February 2014.
2. Note that all recommendations contained in the AGM Minutes (attached) have been considered by the Strategic Planning Committee

AMENDED SUBSTANTIVE MOTION WAS PUT

Carried 3/0

11.1.2 WALGA CENTRAL COUNTRY ZONE MOTION – SHIRE OF WAGIN

File Ref: SUB/793-02
Attachments: [Letter Shire of Wagin Request for Support](#)
Responsible Officer: Carl Askew
Author: Chief Executive Officer
Carl Askew
Chief Executive Officer
Proposed Meeting Date: 19 February 2014
Author Disclosure of Interest Nil

SUMMARY

The Shire of Wagin is submitting a motion to the next Central Country Zone meeting regarding local government amalgamations. The Shire President has requested that the Shire's motion be considered by all Councils and supported by the Town's zone delegates at the next relevant Central Metropolitan Zone meeting.

BACKGROUND

The background to the local government reform issue is well known to Council and it was last considered in December 2013 as well as discussed at the recent Annual Meeting of Electors (AGM).

In December 2013 Council resolved as follows:

“THAT Council;

- 1. Not support the Minister for Local Government's single local government amalgamation proposal for the Councils of the western suburbs (G7).*
- 2. Reaffirm Council's previously resolved position, including a preparedness to consider an amalgamation with the Towns of Claremont and Mosman Park and the Shire of Peppermint Grove (plus associated boundary adjustments) and subject to community endorsement.*
- 3. Authorise the Mayor and CEO to continue to discuss and explore amalgamation options with the Councils of the western suburbs.*
- 4. Provide in principle support for a “two Council” model for the western suburbs in preference to the Minister's G7 model, should the proposal for a G4 (preferred) not be accepted.*
- 5. Notify the Minister for Local Government and Local Government Advisory Board of Council's position”*

The correspondence from the Shire of Wagin is self explanatory and refers to the current debate within the sector in relation to Local Government reform. The following motion has been submitted to the Central Country Zone by the Shire of Wagin for consideration and support:

- 1. That WALGA reject any moves by the State Government to force the amalgamation of local governments.*
- 2. That amalgamations, mergers and boundary changes be supported by WALGA only if introduced and supported by the effected Local Governments.*
- 3. That each Local Government community be entitled to hold a poll if structural change is proposed.*

4. *That this resolution be submitted to the Central Country Zone of WALGA for consideration by the zone.*
5. *That the Shire President circulates this resolution to ALL WA Local Governments via email and letter seeking their support and requesting that they submit this motion to their next Zone meeting for consideration.*

The State Government review of local government is in progress and must be addressed. Although opposed to the Government's proposal for a G7 merger Council has taken a proactive approach, including support for a smaller scale merger (G4 – refer to December 2013 resolution) and in principle support for a two Council model for the western suburbs.

STRATEGIC IMPLICATIONS

The potential strategic implications of local government reform for the metropolitan Councils are significant. The proposals currently before the Local Government Advisory Board (LGAB) together with recent statements by both the Minister for Local Government and the Premier have brought into sharp focus the need for the Town to consider its position. Any significant change to existing boundaries or an amalgamation of Councils will require a complete review of all strategic and financial plans and priorities. The reform options as announced by the Minister for Local Government will see the end of the Town in its current form.

POLICY IMPLICATIONS

N/A

STATUTORY ENVIRONMENT

The Government advises that amalgamations and boundary changes will be determined under the provisions of the *Local Government Act 1995* (the Act). An Amendment Bill is still proceeding through parliament. Initially the Bill included changes to the poll provisions of Schedule 2.1 but those changes have been withdrawn by the Government.

FINANCIAL IMPLICATIONS

The proposal by the Government to force all western suburbs councils to amalgamate will have a significant financial impact on the Town by potentially incurring substantial transition and implementation costs. To date the State Government has only offered \$200k (conditional) per merger group, to assist with the development and lodgment of a proposal to the Local Government Advisory Board in line with the Minister's proposal (October 2013). These funds were not available for alternate proposals. The State Government has now offered up to \$50,000 to assist with reform planning. (This matter has been reported in a separate report).

The significant costs of merging local governments are not yet identified, calculated or funded, however previous comments from the State Government, and more recently by the Minister and the Premier, indicate some level of State funding *may* be available. However it was not identified in the recent State Government's future budget estimates. In addition it was suggested by the Minister that part of any merger costs will be realised from the merger process i.e. from the respective Councils/communities.

STAFFING IMPLICATIONS

The Local Government Act 1995 includes safeguards for most staff during amalgamations. This provides a guarantee of two years employment or relevant compensation. For contracted executive officers the payouts are, in some cases, limited and potentially subject to contract terms or conditions. In addition, the current proposal by the Government for legislative changes to the Local Government Act (Local Government Amendment Bill 2013) could see significant changes to the Local Government Advisory Board and a cap on termination payments for all local government officers made redundant by amalgamations. As indicated above, there are potentially significant changes in any reform/amalgamation process, with all staff impacted in some way. Officer time to date would be increased as part of supporting a reform process and some redundancies will be likely.

SUSTAINABILITY IMPLICATIONS

Nil

CONSULTATION

Nil

STAFF COMMENT

Council's recent resolution (August 2013) supported the retention of the poll provisions in Schedule 2.1 of the *Local Government Act 1995*. Proposals to change the provisions were strongly opposed in late 2013 by a number of Councils, resulting in the Government withdrawing the proposed amendments from the Amendment Bill. The recommendations proposed by the Shire of Wagin are consistent with the previous positions of Council and could be supported. It would also be consistent with Council's position to maintain support for the poll provisions as adopted, i.e. the poll provisions should not be removed from the Local Government Act or amended in such a manner that they become ineffective for the democratic purpose for which they were drafted.

Cr Downes entered the meeting at 6:28pm.

COMMITTEE COMMENT

The committee discussed the application and impact of the poll provision and how it affects the democratic process when one, potentially small, council may be opposed to amalgamation, but as a consequence, can alter the outcome where a majority may be in favour. As a consequence of the discussion the Committee agreed to propose an alternate motion.

VOTING

Simple Majority

OFFICER RECOMMENDATION

That Council

1. Maintains its position that the Poll Provisions should not be removed from the Local Government Act or amended in such a manner that they become ineffective for the democratic purpose for which they were drafted;

2. Support the motion as proposed by the Shire of Wagin and submitted to the WALGA Central Country Zone.
3. Advises the Shire of Wagin of its decision.

Lapsed for want of a mover or seconder

NEW MOTION/COMMITTEE RECOMMENDATION

Moved Cr Jeanes, seconded Cr Rowell

That Council acknowledge and thank the Shire of Wagin for their correspondence and inform them that Council maintains its position as per the Council Resolution of December 2013.

AMENDED SUBSTANTIVE MOTION WAS PUT

Carried 4/0

11.1.3 ADOPTION OF 10 YEAR FINANCIAL PLAN

File Ref: SUB/1396
Attachments: [10 Year Financial Plan](#)
Responsible Officer: Carl Askew
Chief Executive Officer
Author: Mat Humfrey
Manager Corporate & Community Services

Proposed Meeting Date: 19 February 2014
Author Disclosure of Interest Nil

SUMMARY

Council is being asked to consider the 10 Year Financial Plan as attached.

BACKGROUND

Under the Integrated Planning Framework set out by the Department of Local Government and Communities, local governments are required to have long term financial plans, which show how the local government is likely to be placed financially for the following period of time.

Whilst the Regulations themselves are silent on the requirements of a long term financial plan, there is a requirement under the Local Government (Financial Management) Regulations 1996 that a ratio be calculated each year that requires a plan not less than 10 years in length. Based on this requirement the period of 10 years has been chosen for this plan.

In order to compile a plan over this period of time, a number of assumptions and estimates need to be made. The key assumptions are listed on page 1 of the plan. These will need to be reviewed annually to account for any changes in the underlying financial conditions in which the Town operates.

STRATEGIC IMPLICATIONS

The recently adopted Strategic Community Plan has a number of goals and aspirations contained within it. The 10 Year Financial Plan shows that the Town is in a financial position to meet these goals, without putting undue pressure on rates income.

POLICY IMPLICATIONS

Nil

STATUTORY ENVIRONMENT

The Local Government (Administration) Regulations 1996 require each local government to have a Strategic Community Plan and a Corporate Business Plan. (Regulation 19C and 19DA). There are clear requirements on how the plans are to be formulated and adopted, as well as details on how often they are to be reviewed.

Under these regulations there is no specific mention of the requirement to have a 10 year financial plan, what such a plan should contain or even if it needs to be adopted by Council.

Within the Local Government (Financial Management) Regulations 1996 (R50) there is a requirement for the Town to calculate and include in its annual report each year the "asset renewal funding ratio" which requires the net present value of capital expenditure and asset renewals for a period of 10 years. However, there is no requirement anywhere else in the Regulations or Act outlining how the amount of capital expenditure or asset renewals are to be calculated, what is "required capital expenditure" or how the Towns expected capital expenditure is to be shown.

The net result is that advice from the Department shows the requirement for these plans, however the Act and Regulations are more or less silent on any requirement for them, how they can adopted and what they should or should not contain. Given there is no requirement for the Town to have such a plan, there is also no requirement for the Council to adopt such a plan in order to meet its statutory requirements.

However, the Administration is of the view that this situation will soon change. The wide divergence in what local governments are presenting as 10 year plans, the inability of Auditor's to provide an opinion on the plans and the discrepancy between the planning requirements and reporting requirements will likely see the Regulations amended to see uniformity in planning and reporting. It is also highly likely that these plans will need to be adopted by Council at some point in the future and be reviewed regularly (at least yearly). It is also the opinion of Administration that there will be requirement that the following budget will need to closely reflect the relevant year in the plan and that any rating exemptions or other permissions required from the Minister will be subject to the request being in line with the associated plans.

FINANCIAL IMPLICATIONS

The overall picture from the 10 Year Financial Plan is a very stable one, with no major issues in the mid to long term. The biggest issue facing the Town is the replacement of its assets, which has been a known issue for some time. The Town is very close to the requirements for asset replacement, however it would be prudent when making capital expenditure decisions and assessing 5 year works plans, to set more funds aside for replacement and renewal projects, rather than any asset expansion.

STAFFING IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

CONSULTATION

Senior staff and Council.

STAFF COMMENT

The 10 Year Financial Plan, and the program developed to review and reproduce the plan on a yearly basis, represents a very large amount of work conducted over the last 7 months. The Town now has a very useful tool that will allow current trends and prevailing conditions to be entered, along with the 5 year works plans and asset management plan, and the revised plan to be calculated and printed. This will allow for very quick analysis of the trends that will affect the Town's financial position and for Council to see how any major decision made will affect the Town's position over a period of 10 years.

The plan has also been developed in such a way that once the 5 year plans are adopted in February, a first run of the budget for the following year can be produced in days and allows any urgent issues to be identified.

From the attached plan, it can be seen that for the near term, there is no need to raise rates larger than has been the case this year. Council can also see approximately what the draft budget will be for the next year.

COMMITTEE COMMENT

The Mayor expressed her thanks to the Manager Corporate and Community Services for the hard work that he and his team have put into the 10 year Financial Plan Document.

VOTING

Simple Majority

OFFICER & COMMITTEE RECOMMENDATION

Moved Cr Rowell, seconded Cr Downes

THAT Council adopt the 10 Year Financial Plan as attached and set the first review date for February 2015.

Carried 4/0

11.1.4 DEPARTMENT OF LOCAL GOVERNMENT AND COMMUNITIES – OFFER OF FINANCIAL ASSISTANCE FOR REFORM PLANNING

File Ref:	SUB/793-02
Attachments:	Offer of Financial Assistance for Reform Planning Minister's Reform Submission
Responsible Officer:	Carl Askew Chief Executive Officer
Author:	Carl Askew Chief Executive Officer
Proposed Meeting Date:	19 February 2014
Author Disclosure of Interest	Nil

SUMMARY

The State Government's plans for local government restructuring have progressed since Council last considered the issue in December 2013. This report updates the situation and recommends Council consider the offer from the Department of Local Government and Communities for financial assistance with reform planning.

BACKGROUND

On 30 July 2013 the Minister for Local Government, Hon Tony Simpson MLA, announced the Government's response to the report of the Metropolitan Local Government Review Panel. The response included the State Government's proposed model for 14 local governments in the Perth metropolitan area. The Minister's plan includes merging Town of Cottesloe into one western suburbs local government, being Cambridge, Claremont, Cottesloe, Mosman Park, Nedlands, Peppermint Grove and Subiaco (G7). The proposed local government has an estimated population in the order of 115,000 and also includes part of the City of Stirling.

The Minister wrote to all affected local governments inviting the submission of a *complying* proposal in accordance with his plan, to the Local Government Advisory Board (LGAB), by 4 October 2013. A complying proposal from the Town of Cottesloe would have been required to be for the G7 plus parts of Stirling, and offers of financial assistance from the Department of Local Government were conditional upon supporting the Minister's proposal.

In December 2013, Council resolved as follows;

- 1. Not support the Minister for Local Government's single local government amalgamation proposal for the Councils of the western suburbs (G7).*
- 2. Reaffirm Council's previously resolved position, including a preparedness to consider an amalgamation with the Towns of Claremont and Mosman Park and the Shire of Peppermint Grove (plus associated boundary adjustments) and subject to community endorsement.*
- 3. Authorise the Mayor and CEO to continue to discuss and explore options with the Councils of the western suburbs.*
- 4. Provide in principle support for a "two Council" model for the western suburbs in preference to Minister G7 model, should the proposal for a G4 (preferred) not be accepted.*

5. *Notify the Minister for Local Government and Local Government Advisory Board of Council's position.*

The Minister subsequently submitted proposals to the LGAB which reflected his desired outcome for the western suburbs: A copy of the Minister's proposal is attached. Overall the Minister proposes 15 local governments for the metropolitan area. The Local Government Advisory Board (LGAB) is now considering 34 formal proposals that relate to changes affecting all but two of Perth's existing 30 metropolitan Councils and the Shire of Murray. Twelve of the proposals were submitted by the Minister, 21 by local governments (two of which were submitted by Cambridge and Claremont before the Minister's July announcement) and one by electors of the City of Cockburn.

The public submission period opened on 29 January and will close on 13 March. The LGAB process envisages that by mid 2014 it will make recommendations to the Minister. The Minister has stated that he will consider the Board's proposals and by August 2014 the Governor will issue orders (to abolish existing local governments and create new ones) for those recommended changes accepted by the Minister. New local governments are expected to be established from 1 July 2015. Initially it was intended that Commissioners will govern the new local government until a council is elected in October 2015 however this may not be the situation where the mergers are achieved through changing the boundary of one district to consume another: In that circumstance the local government which extends its boundary is not abolished and its council could remain in place to govern the new district until the 2015 elections.

STRATEGIC IMPLICATIONS

The potential strategic implications of local government reform for the metropolitan Councils are significant. The proposals currently before the Local Government Advisory Board (LGAB) together with recent statements by both the Minister for Local Government and the Premier have brought into sharp focus the need for the Town to consider its position. Any significant change to existing boundaries or an amalgamation of Councils will require a complete review of all strategic and financial plans and priorities. The reform options as announced by the Minister for Local Government will see the end of the Town in its current form.

POLICY IMPLICATIONS

Nil

STATUTORY ENVIRONMENT

The Government has advised that amalgamations and boundary changes will be determined under the provisions of the *Local Government Act 1995* (the Act). An Amendment Bill is still proceeding through parliament. Initially the Bill included changes to the poll provisions of Schedule 2.1 but those changes have been withdrawn by the Government. The remaining relevant amendments will include changes to the LGAB and how it operates; for example adding more members to the Board, confirming it can assess proposals concurrently (for example where two or more different proposals are made impacting on the same districts) and allowing the Board to make a recommendation to the Minister which is different than initially

publicly advertised without doing further consultation. The Board will also be able to 'streamline' consultation and has indicated it intends to do so for the current review.

FINANCIAL IMPLICATIONS

The financial implications include current officer time committed to this process which is absorbed in the existing staff budgets and has continued to take up significant time and resources. The Department of Local Government and Communities has now offered grant funding of up to \$50,000 for impacted local governments to be used to support preliminary planning for reform, including the collection of data and other tasks associated with planning reform. There will be significant costs in merging local governments and this report does not identify how this should be funded however previous comments from the Minister and the Premier indicate a level of State funding may be available. There is no indication of how much the State will fund other than the comment that savings from the mergers should also help offset costs. No funding is obvious in the State Government's forward estimates.

STAFFING IMPLICATIONS

The Local Government Act 1995 includes safeguards for most staff during amalgamations. This provides a guarantee of two years employment or relevant compensation. For contracted executive officers the payouts are, in some cases, limited and potentially subject to contract terms or conditions. In addition, the current proposal by the Government for legislative changes to the Local Government Act (Local Government Amendment Bill 2013) could see significant changes to the Local Government Advisory Board and a cap on termination payments for all local government officers made redundant by amalgamations. As indicated above, there are potentially significant changes in any reform/amalgamation process, with all staff impacted in some way. Officer time to date would be increased as part of supporting a reform process and some redundancies will be likely.

SUSTAINABILITY IMPLICATIONS

Nil

CONSULTATION

The Chair for the Local Government Advisory Board has advised that a six week submission period will close on 13 March 2014.

STAFF COMMENT

There are two proposals affecting the Town currently before the LGAB. The Town of Claremont's proposal was submitted in July 2013 to create a new local government from Claremont, Cottesloe, Mosman Park, Peppermint Grove and part of Nedlands (referred to as G4 plus). This is reflective of Council's own resolutions. The Minister's proposal is to combine all of the local governments of the western suburbs (less a small portion of each of the Cities of Subiaco and Nedlands) plus the localities Churchlands, Herdsman, Wembley Downs and an area of Woodlands, all of which are currently located in the City of Stirling. The proposal includes a boundary amendment to incorporate into the City of Perth the land on which the University of Western Australia, the Queen Elizabeth II Medical Centre and the Hollywood Private Hospital are located.

Also relevant is the proposal by the Town of Cambridge to extend its boundaries to incorporate most of City of Subiaco and areas of the City of Stirling. This is important because a boundary change as proposed does not invoke the poll provisions of Schedule 2.1, meaning City of Subiaco (and its residents) would be prevented from attempting to block a merger through the conduct of a poll. If the Board was to recommend the proposal, and the Minister accepted the recommendation, it would leave the future structure of the remaining five western suburbs local governments to be resolved. A further more recent resolution from the City of Subiaco (13 February 2014) is also now relevant as it canvasses two further options including remaining as a stand-alone local government (preferred) or joining with the City of Perth.

With the exception of the Minister's western suburbs proposal, none of the proposals would allow any of the affected communities to seek a poll under the existing poll provisions of the Act because the Minister has proposed boundary adjustments. This process would be the situation for Cambridge and Subiaco under the Town of Cambridge's proposal. If this process eventuates all that would remain to be resolved in the State's metropolitan reform agenda will be the five relatively small local governments of Mosman Park, Peppermint Grove, Cottesloe, Claremont and Nedlands. It is acknowledged that this report does not address the underlying reservations many council members have about the need for restructuring local government: It also does not attempt to present evidence that change will produce better local government. Equally it is the officer's opinion that the Government has not satisfactorily demonstrated the case for reform (refer to Minister's submission to the LGAB) however despite the lack of reasons for the changes and the lack of substance to support imposing such major change there appears to be no reservation by the Minister in proceeding with his timetable for reform.

With this position in mind, the Department of Local Government and Communities has now offered grant funding of up to \$50,000 for impacted local governments to be used to support preliminary planning for reform, including the collection of data and other tasks associated with planning reform. Other local governments of the western suburbs will also be eligible for the same funding. This could mean a significant amount (at least \$200,000) being available for preliminary work across the G4 or G5 group. A joint approach with willing partners would be valuable in doing meaningful work to get ready for change, on the assumption something will happen. Should restructuring not happen the work should still be valuable as a catalyst for improving systems and processes for the Town and might even be a catalyst for meaningful discussion of shared services and/or resource sharing. The officer recommendation is therefore to accept the offer of funding as outlined.

VOTING

Simple Majority

OFFICER & COMMITTEE RECOMMENDATION

Moved Cr Jeans, seconded Mayor Dawkins

THAT Council authorises the CEO to accept the offer of \$50,000 funding to assist with reform planning and supports the CEO seeking to pool resources with other affected (western suburbs) local governments.

Carried 4/0

- 12 ELECTED MEMBERS' MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
- 13 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING BY:
 - 13.1 ELECTED MEMBERS
 - 13.2 OFFICERS
- 14 MEETING CLOSED TO PUBLIC
 - 14.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED
 - 14.2 PUBLIC READING OF RECOMMENDATIONS THAT MAY BE MADE PUBLIC
- 15 MEETING CLOSURE

The Presiding Member announced the closure of the meeting at 6:35 PM.

CONFIRMED MINUTES OF 19 February 2014 PAGES 1 – 22 INCLUSIVE.

PRESIDING MEMBER:
POSITION:

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DATE: / /