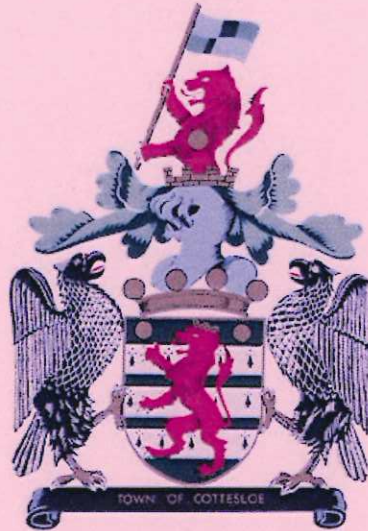


TOWN OF COTTESLOE



Works and Corporate Services  
Committee

**ATTACHMENT 10.1.1**

Meeting Date: 21 August 2012

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# 1 Setting the scene

## 1.1 Presentation

Each Council to receive a presentation from WMRC Administration that sets out:

- History
- Current Establishment Agreement
- WMRC Strategic Direction
- Explanation of DiCOM
- The process to be taken in negotiations

## 1.2 Workshop

Externally facilitated workshop with each Council to document the parameters for negotiation.

Purpose is to clarify what Councils would like from the negotiation, to identify obstacles and rapidly come to common ground that is likely to gain agreement from all parties.

Structure in terms of:

- **Goals.** What does the Council want to achieve through the negotiation? What would you like to see the WMRC achieve?
- **Concerns.** What worries you about the negotiation? What do you want to avoid as an outcome? What worries you about the WMRC?
- **Alternatives.** If we can't agree on membership, what alternatives do you have? Are these alternatives good or bad? Does it matter if we can't reach agreement? Does failure to reach agreement cut you out of future agreements?
- **Relationships.** What is our history together like? How do we deal with this history?

This information will be useful for representatives empowered to negotiate terms.

## 1.3 DiCOM tour

All Councillors to be offered a tour of DiCOM, preferably guided by key figures from AnaeCo (perhaps Patrick Kedemos, CEO and MD of AnaeCo)

## 1.4 Facilitator

Facilitator to be appointed and paid for by the WMRC. Facilitator preferably independent from all of the participants, and where this is not possible, to clearly state previous work.

## 1.5 Valuation

WMRC has engaged AVP Valuers to value the WMRC assets on the basis of fair market value (assets are currently valued on historical cost). This valuation could be useful in the context of the negotiation.



## 2 Negotiations

### 2.1 Decision making

The negotiations are governed by two key considerations:

1. Formally, each member Council and Nedlands needs to individually endorse the negotiated outcome, as each Council individually signs the new Establishment Agreement.
2. The decision to endorse the negotiated outcome is made at each Council, where most of the Councillors will not have the depth of understanding of how the negotiations progressed.

Care must be taken in the negotiations to avoid these two elements leading to the negotiations being “hijacked” by a small group of Councillors within a single Council. Rules on how to agree on an outcome need to be set early. Councils need to be kept abreast of the negotiations as they occur.

### 2.2 Member Council liaison group

The negotiation group will need regular liaison back to member Councils to confirm negotiating positions. Suggest a liaison group comprised of:

- Three representing each of the member Councils
- Each member Council should be represented by two Councillors and the CEO.
- Might be worthwhile having each Mayor/President on the liaison group

### 2.3 Core negotiating group

To expedite negotiations, form a core negotiating group of six. Comprised of:

- Three representing the member Councils (as a group), to be selected from liaison group.
- Three representing Nedlands.
- Each group should be two Councillors and a CEO.

Members should be sufficiently empowered and trusted by their respective groups.

Negotiation to be facilitated externally, with negotiations to be completed in an intensive period of 2-3 meetings over a period of 2-3 weeks. Administration of the negotiating group to be conducted by WMRC CEO, who will also answer questions on relation to the implications of negotiated points for the operation of the WMRC. The WMRC CEO will not participate in negotiations.

### 2.4 Reaching agreement

As negotiations get closer to agreement, it may be wise to consolidate the two groups to be sure that there are no outstanding issues to resolve. This will provide each of the member Councils the opportunity to verify the negotiations against their own expectations.

### 2.5 Converting

Attention must be given to converting the negotiated outcome, ultimately a consensus of representatives of each Council, into agreement at each Council. Conversion cannot be assured, especially if some representatives are seen as having “betrayed” their Council’s wishes.

Conversion will be assisted by the external facilitator speaking to the negotiated outcome when it comes to each Council, potentially by presenting at committee. The WMRC CEO might assist here.



### 3 Timelines

#### 3.1 End date

The Nedlands resolution requires the outcome of negotiations to be presented for consideration by 31 December 2012. The latest meeting to achieve this end date will be held on 11 December 2012, with committee on 4 December 2012 and agendas closing in mid November.

#### 3.2 Council meetings

All Councils with the exception of the WMRC have their Council meetings in the last week of the month, and a committee meeting either one or two weeks prior. The Town of Claremont has a Council meeting two weeks prior in lieu of a committee meeting. The Town of Cottesloe has its meeting on the Monday, and all others have their meetings on the Tuesday. To make each agenda, a report needs to be ready very early in the month, typically within the first week of the month.

The WMRC has a meeting every two months, with the meeting being on the first Thursday of the month. Remaining WMRC meetings before the end date are in August, October and December.

#### 3.3 Indicative sequencing

Month	Activity
July	<ul style="list-style-type: none"><li>• All CEOs agree to broad process and commit to proposed timeline</li><li>• WMRC accepts quotations for facilitator</li><li>• Commence drafting of amended Establishment Agreement</li></ul>
August	<ul style="list-style-type: none"><li>• WMRC presentations on process to Councils</li><li>• All Councils agree to process and nominate participants for liaison group (negotiating group in the case of Nedlands)</li><li>• Facilitator appointed</li></ul>
September	<ul style="list-style-type: none"><li>• Council workshops</li><li>• Negotiations conducted</li></ul>
October	<ul style="list-style-type: none"><li>• Negotiations conclude, liaison and negotiating groups consolidated to ensure agreement</li><li>• Complete drafting of deed of membership and amended Establishment Agreement</li><li>• Update reports on negotiations to respective Councils, intended to draw out any further concerns at Council level</li></ul>
November	<ul style="list-style-type: none"><li>• Resolve outstanding issues raised at Council meetings</li><li>• Finalise legal drafting</li><li>• Final proposed negotiated agreement considered by all Councils</li></ul>
December	Float month – used if necessary

After the Councils agree, the amended Establishment Agreement is sent to the Minister for Local Government for his endorsement.

