

Minutes
Meeting No. 41
Launceston, 14 May 2013

PARTICIPANTS

State Government

Lara Giddings MP, Chair Premier
Bryan Green MP Minister for Local Government focus

Local Government Association of Tasmania

Cr Barry Easterher Mayor, West Tamar Council; President, Local Government Association of Tasmania (LGAT)
Cr Darryl Quilliam Mayor, Circular Head Council; Vice President, LGAT
Cr Albert van Zetten Mayor, Launceston City Council
Cr Deirdre Flint Mayor, Central Highlands Council
Cr Barry Jarvis Mayor, Dorset Council
Ald Steve Martin Mayor, Devonport City Council
Cr Graham Bury Mayor, Kingborough Council

Officials in attendance:

Local Government

Mr Allan Garcia Chief Executive Officer, LGAT
Dr Katrena Stephenson Policy Director, LGAT
Ms Sandra Ayton General Manager, Central Coast Council
Mr Robert Dobrzynski General Manager, Launceston City Council

State Government

Mr Greg Alomes Executive Commissioner, Tasmanian Planning Commission
Ms Fiona Wilson Deputy Secretary, Department of Economic Development, Tourism and the Arts
Ms Jessica Radford Adviser, Office of the Premier
Ms Erin Mahoney Adviser, Office of the Minister for Local Government

Mr Phillip Hoysted	Director of Local Government, Local Government Division (LGD), Department of Premier and Cabinet (DPAC)
Mr Greg Brown	Deputy Director, LGD, DPAC
Ms Bettina Cruise	Assistant Director, LGD, DPAC
Ms Jane Colton	Policy Analyst, LGD, DPAC

Apologies

Apologies were received from:

Ald Damon Thomas	Lord Mayor, Hobart City Council
Mr Nick Heath	General Manager, Hobart City Council
Ms Rebekah Burton	Deputy Secretary, DPAC
Mr Norm McIlpatrick	Secretary, Department of Infrastructure, Energy and Resources

Welcome

The Premier welcomed members to the first PLGC meeting for 2013 and noted the apologies.

The Hobart City Council's withdrawal from the Local Government of Tasmania (LGAT) was noted. The Premier advised that the State Government will look into the implications this may have on the Council's continued membership of PLGC.

Agenda item

1) Draft Minutes of the PLGC meeting on 10 December 2012

The PLGC accepted the minutes of the meeting held on 10 December 2012 as a true and accurate record of the meeting.

2) Matters of topical interest

a) State Government's asbestos removal plan

The proposed asbestos removal plan was raised as a matter of topical interest by LGAT. Members raised a number of concerns regarding the plan, including; potential costs to local government associated with the 2030 timeframe, waste management and health issues associated with asbestos removal.

The Premier noted that the Government is currently considering the feasibility of the proposed plan to remove asbestos from government and commercial buildings and structures by 2030. In doing so, the Premier advised that the Government is paying particular attention to the potential costs to State Government and local government, and the need for sufficient disposal facilities and resourcing to undertake the task. The Premier also advised that further consultation with the local government sector would be undertaken, if the plan proceeds.

Dr Katrena Stephenson raised concern that the Commonwealth Government may not have a budget in place to undertake the cost benefit analysis of asbestos removal across Australia, as part of the National Strategic Plan. The Premier advised that the State Government will look into whether the national cost benefit analysis is going ahead, and advise LGAT accordingly.

b) Residential Property Transactions Bill

The State Government's Residential Property Transactions Bill was raised as a matter of topical interest by LGAT. The Premier acknowledged LGAT's concerns regarding the proposal to require vendors to include a section 337 council land information certificate as part of the contract-for-sale for residential properties. The Premier noted that LGAT will be meeting with the Minister for Corrections and Consumer Protection, Nick McKim MP, to discuss council concerns, prior to the legislation being considered in the House of Assembly.

c) Code of conduct

The code of conduct provisions of the *Local Government Act 1993* and *Local Government (General) Regulations 2005* were raised as a matter of topical interest by the Hobart City Council, prior to the meeting,

The Premier advised that the Minister for Local Government has agreed to establish a working group to assess the code of conduct process and make recommendations on a future approach. It was noted that the working group is likely to convene at the end of May 2013 and will put forward recommendations by the end of 2013.

d) Tasmanian Forests Inter-Governmental Agreement (IGA)

The Tasmanian Forests IGA was raised as a matter of topical interest by Mayor Barry Jarvis. Mayor Jarvis expressed concern about the potential impacts of the IGA on local government in the next few years, including shortfalls in rates to councils. Cr Jarvis explained that local government would benefit from knowing the planned conversion of state forest to reserve over the next three years, so that councils can assess and manage the level of rating shortfall.

In response, the Minister for Local Government acknowledged that the revised legislation does impact on local government and advised that the State Government will provide this information to councils, via LGAT.

The Premier noted the economic diversification stream of the Tasmanian Forests IGA, under which the Commonwealth Government has committed \$120 million in funding towards economic diversification in Tasmania. The Premier advised that a detailed stakeholder engagement plan, including local government representation, will be an important component in managing the remaining \$93 million of this funding.

e) Water and sewerage headworks charges

The Minister for Local Government raised the topic of water and sewerage headworks charges as a matter of topical interest. The Minister shared concerns

that have been raised with him, that headworks charges may impede development in Tasmania, and explained that the State Government is looking into the matter. The Premier noted that the State Government is in the process of seeking advice from the Economic Regulator regarding the appropriateness of water and sewerage headworks charges in Tasmania. Allan Garcia advised that the water and sewerage owners representatives were soon to meet and discuss principles around economic development and reminded PLGC that head works charges in Tasmania are not excessive in comparison to other jurisdictions.

Governance of local government:

3) Electoral reform

The PLGC noted the updates regarding changes to local government electoral arrangements.

The Premier noted that the Minister for Local Government has written to councils to provide an update on the progress of the Local Government Amendment (Elections) Bill 2013 and to provide clarification regarding the intention to postpone local government elections by one year.

The Premier advised members that the State Government has committed up to \$450,000 in funding to assist the Tasmanian Electoral Commission with establishment costs associated with implementing the changes to local government electoral arrangements.

The Minister for Local Government thanked mayors for the valuable feedback provided on the draft Bill.

4) Miscellaneous legislative issues

The PLGC noted the stakeholder feedback on the dilapidated buildings provisions of the draft Local Government (Miscellaneous) Amendments Bill 2013.

The PLGC noted that the Parliamentary tabling of the Bill has been rescheduled to Spring 2013.

The Director of Local Government advised that the Local Government Division (LGD) will continue to work with local government to resolve issues raised by councils regarding the existing nuisance provisions of the *Local Government Act 1993* (relating to unsightly articles and rubbish) and the appeals process to the Magistrates Court.

Mr Robert Dobrzynski enquired as to whether building amenity issues will be considered in the dilapidated buildings provisions of the Bill, and whether the proposed penalty of \$390 (in 2013) for abatement notice non-compliance will include penalties for continuing offences. The Director of Local Government advised that LGD will follow-up with the Launceston City Council regarding these queries.

5) Role of local government

The PLGC noted that phase two of the project was launched by the Minister of Local Government and the President of LGAT prior to the meeting.

The PLGC noted the discussion paper that was released at the launch of phase two of the project.

The PLGC noted the Role of Local Government revised project plan.

It was noted that the PLGC will need to establish working groups later in 2013 to develop recommendations.

The PLGC noted an incidental amendment to one of the role statements.

Ms Bettina Cruise advised that a Facebook page and interactive website have been launched to help stimulate discussion within the local government sector and the community.

6) Constitutional recognition of local government

The PLGC noted the Australian Government's announcement that it supports holding a referendum for the constitutional recognition of local government at the time of the September federal election.

In terms of the State Government's position, the Premier advised the Government will not campaign for, or against, constitutional recognition of local government and that it is up to the community to have their say on the merit of the proposal.

Planning, environment and emergency management:

7) Regional planning initiative

The PLGC noted the progress regarding the implementation of the regional planning initiative.

Mr Greg Alomes advised that all 29 interim planning schemes are now in the system.

The Premier thanked local government for its work in progressing the planning schemes and advised that the State Government has identified planning as the key economic development issue for Tasmania.

The Minister for Local Government advised that the State Government will be providing budgetary support to the Tasmanian Planning Commission to continue its work around regional planning.

8) Bushfire recovery

The PLGC noted the progress with the Tasmanian bushfire recovery effort.

The PLGC noted the Key Action Areas outlined in the Bushfire Recovery Taskforce's Interim Action Plan.

Cr Deirdre Flint expressed her disappointment that the Central Highlands community has not yet been eligible for any funds from the Red Cross

Tasmanian Bushfire Appeal. In response, the Premier advised that stage four of the Red Cross Tasmanian Bushfire Appeal will be announced shortly and may extend to those affected by the bushfires in the Central Highlands.

9) Reducing red tape

The PLGC noted the key findings of the State Government's Measuring Red Tape report.

The PLGC noted that the Government has responded to the findings by releasing a Red Tape Action Plan.

The PLGC noted that the Red Tape Action Plan proposes a number of actions involving collaboration between the State Government and local government.

The PLGC noted that a key objective of the Action Plan is to reduce the red tape burden and enable businesses to spend more time on, rather than in, the business.

Mr Greg Alomes noted that the reduction in planning zones, associated with the regional planning initiative, is an excellent practical example of reducing red tape in Tasmania.

Finance and asset sustainability:

10) Financial Sustainability Framework

The PLGC approved the draft *Tasmanian Government Financial Sustainability Framework for Local Government*.

The PLGC noted that the Framework will continue to be updated once the following initiatives are completed:

- legislating the requirement for councils to maintain long-term (10-year) financial and strategic asset management plans, including reviewing the plans and reporting the financial and asset sustainability indicators in their financial statements;
- development of an audit/review process to test compliance and integrity of council long-term financial and asset management plans; and
- development of processes to improve the consistency and transparency of council depreciation and revaluation practices.

Mr Robert Dobrzynski expressed his view that mandatory quarterly reporting of council budgets should be considered as part of the Framework.

11) Financial and asset management planning

The PLGC approved the Financial and Asset Management Planning Steering Committee recommendation that the *Local Government Act 1993* (the Act) be amended to:

- require councils to maintain long-term financial management and strategic asset management plans (10 years);

- require councils to maintain an asset management policy;
- require councils to undertake a review of their long-term financial management and strategic asset management plans and asset management policy every 4 years;
- require councils to provide a copy of their long-term financial management and strategic asset management plans and asset management policy to the Director of Local Government;
- require councils to report the financial and asset management sustainability indicators in their financial statements; and
- provide a power for the Minister for Local Government to make orders regarding long-term financial management and strategic asset management planning, asset management policies and financial and asset management sustainability indicators.

The PLGC approved the proposal, raised during steering committee consultation, which would see councils develop their strategic plan every 10 years, as opposed to at least every five, to align and coordinate with the financial and asset management planning process.

The PLGC approved the proposal to require councils to maintain an audit committee. Mr Greg Brown advised that LGD will re-engage with local government on the issue of audit committees through a round of discussions with LGAT regarding the available options.

12) Sustainability Objectives and Indicators report

The PLGC noted the highlights from the 2011-12 Sustainability Objectives and Indicators report and noted that the final report will be released in the near future. Mr Greg Brown indicated that the report will be distributed to PLGC members out of session.

The PLGC noted that the report is being released later than planned due to data from a number of councils not being made available on time. Mr Greg Brown advised that consolidated data collection will be brought forward for 2012-13, which will hopefully result in the next report being made available earlier.

13) Valuation and local government rating review

The PLGC noted that the Steering Committee's final report has been submitted to the Minister for Local Government for consideration.

The PLGC noted that an options paper, presenting four implementation options, has been developed and submitted to the Minister for consideration.

The Minister advised that he has accepted all the recommendations of the final report, but noted that the State Government has decided to defer the timeframe of 1 July 2016 for implementation of recommendation one, which requires councils to transition to Capital Value (CV). The Minister indicated the State

Government would work with local government on a cooperative basis, to facilitate a transition to CV.

2012-13 PLGC Work Plan:

14) 2012-13 Work Plan

The PLGC approved the updates to the PLGC Work Plan.

Meeting closed.

AGENDA ITEM	ACTION
Welcome	LGD to look into the implications that the Hobart City Council's departure from LGAT may have on the Council's PLGC membership, and advise LGAT accordingly.
2	The Department of Justice (Workplace Standards) to look into whether the Commonwealth Government is going ahead with the cost benefit analysis of asbestos removal in Australia, as part of the National Strategic Plan, and advise LGAT accordingly.
2	The Department of Premier and Cabinet to provide councils (via LGAT) with the planned conversion of state forest to reserve over the next three years, which will occur as part of the Tasmanian Forests Inter-Governmental Agreement. This is to assist local government with its assessment and management of shortfalls in rates.
4	LGD to advise the Launceston City Council as to whether building amenity issues will be considered in developing the dilapidated buildings provision of the Local Government (Miscellaneous) Amendments Bill.
4	LGD to advise the Launceston City Council as to whether the proposed penalty of \$390 (in 2013) for abatement notice non-compliance will include penalties for continuing offences.