



5 July 2011

MINUTES

MINUTES OF A COUNCIL MEETING, HELD IN THE COUNCIL CHAMBERS, ON TUESDAY, 5 JULY, 2011 COMMENCING AT 6.30PM.

162. DECLARATION OF OPENING OF MEETING

The Mayor (Presiding Member) declared the meeting open.

162.1 Present

Mayor A Ferris	Presiding Member
Cr C Collinson	
Cr R Lilleyman	
Cr S Martin	
Cr R Olson	
Cr M Rico	
Cr A Wilson	
Mr S Wearne	Chief Executive Officer
Mr J Roberts	Executive Manager Finance & Administration (To 7.17pm)
Ms S Cocks	Principal Environmental Health Officer (To 7.17pm)
Ms J May	Minute Secretary (To 7.30pm)

163. ACKNOWLEDGEMENT OF COUNTRY

The Presiding Member made the following acknowledgement:

“On behalf of the Council I would like to acknowledge the Nyoongar people as the traditional custodians of the land on which this meeting is taking place.”

164. WELCOME TO GALLERY AND INTRODUCTION OF ELECTED MEMBERS AND STAFF

There were no members of the public in the gallery at the commencement of the meeting.

165. RECORD OF APPROVED LEAVE OF ABSENCE

Cr de Jong
Cr Nardi

166. RECORD OF APOLOGIES

Nil.

167. PUBLIC QUESTION TIME

Nil.

168. PRESENTATIONS/DEPUTATIONS/PETITIONS/SUBMISSIONS

Nil.

169. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

170. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

170.1 Council Meeting – 21 June 2011

Cr Collinson – Cr Olson

That the Minutes of the Council Meeting held on 21 June 2011 be confirmed.

CARRIED



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171. ANNOUNCEMENTS BY MAYOR WITHOUT DISCUSSION

171.1 Polytechnic West

Mayor Ferris tabled a certificate of appreciation received from Polytechnic West for providing field placement opportunities for Polytechnic West students during Semester 1 of 2011.

171.2 Minister for Sport and Recreation; Racing & Gaming

Mayor Ferris read correspondence from the Minister for Sport and Recreation; Racing and Gaming advising that the East Fremantle Croquet Club had been successful in obtaining a CSRFF grant of \$18,182 to assist in the floodlighting of two croquet courts, in respect of which the Town and the Department of Sport & Recreation will provide matching grants.

172. QUESTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN WITHOUT DISCUSSION BY COUNCIL MEMBERS

Nil.

173. MOTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN BY COUNCIL MEMBERS

Nil.

174. CORRESPONDENCE (LATE RELATING TO ITEM IN AGENDA)

Nil.

175. FINANCE

175.1 2011/2012 Budget

By John Roberts Executive Manager Finance & Admin 29 June 2011

PURPOSE

To facilitate the adoption of the annual budget for 2011/2012 financial year and authorisation of the fees and charges for the 2011/2012 financial year.

BACKGROUND

The Town of East Fremantle's 2011/2012 draft Municipal Budget is hereby presented for consideration by Elected Members.

As in previous years, a consultation process was undertaken in the preparation of the draft budget, with Elected Members and staff.

Major expenditure components of the draft budget were previously considered by Elected Members during Budget forums held on 13 April and 7 June 2011, at which direction was provided to staff as to Council's preferred expenditure priorities and rate levels (including differential rates). On this basis, the draft budget has been prepared.

Staff have achieved a budget with a moderate end of year surplus, by including a 5.0% increase in rates.

In prioritising works and services for inclusion in the draft budget, staff considered the following factors:

- The determined need for the project;
- Whether the project has previously been committed to (particularly in relation to projects that require grant funding);
- The cost of the project and possible funding sources;

- Setting expenditure levels so that rate increases were prepared to allow for a balanced budget. A 5.0% increase was required to allow staff to include the majority of submitted budget requests, for the 2011/2012 financial year.

When examining the budget and considering adding projects not currently provided for, elected members should be mindful of the following:

- Each \$53,000 of additional expenditure equates to an approximate increase in rates of 1%;
- All salaries, wages and plant costs have been fully allocated, so that eliminating any project will result in a saving of the direct cost component of the project only, with salaries, wages and plant costs (or indirect costs) required to be re-allocated elsewhere in the budget; and
- Many projects contained within the draft budget have previously been committed to by Council, either by resolution, inclusion in the Plan for the Future, or other means.

Any Elected Member who has any query regarding the draft budget is encouraged to contact the Executive Manager Finance & Administration John Roberts, prior to the Council Meeting.

REPORT

Comments/Discussion

- Expenditure Budget
The draft budget for 2011/2012 includes the normal statutory works and services and capital expenditure items which improve the infrastructure assets of the Town with particular emphasis on footpaths, road resurfacing and drainage.
- Loan Borrowings
The major focus on previous future planning has been based on the philosophy of structuring Council's level of debt so that the requirement to borrow for annual infrastructure works was eliminated.

It is now recognised that in certain circumstances it may be more prudent to borrow money to fund major projects or capital acquisitions.

An additional loan has been included in this budget to fund a possible capital acquisition. The Town may have the opportunity to purchase the "Old Post Office" building located on Canning Highway, East Fremantle. Any purchase of this asset would be undertaken only in accordance with the requirements of the Local Government Act 1995 and the preparation of a business plan for the proposed purchase prior to undertaking the loan.

- Transfers from Reserves
Council will operate with the following Reserve Funds, following a rationalisation in previous years:
 - Plant Replacement Reserve
 - Staff Leave Reserve
 - Civic Building Reserve
 - Strategic Plan Reserve
 - Legal Costs Reserve
 - Office Reserve
 - HACC Reserve

The draft budget provides for the net transfer from Reserves of \$669,506 to fund the upgrade of buildings and the replacement of plant and vehicles.

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- Rates

Elected Members, during the Budget Forums, discussed the cost increases to local government in relation to the Consumer Price Index (CPI). The Western Australian Local Government Association (WALGA) has provided councils with a Local Government Cost Index (LGCI) as opposed to the general CPI.

As at May 2011 the forecast indices were as follows:

General CPI	3.5%
LGCI	3.5 to 4.5%
Wage Price Index	4.0 to 5.0%

The LGCI is based on the cost increase to the typical goods a local authority would purchase. The Town of East Fremantle draft budget has been based on a 5% rate increase. It is believed that this is a good balance between the requirement for the budget to keep up with cost increases particularly utilities, State Government levies and insurance, and the need to minimise rate increases for ratepayers.

- Waste and Recycling Service Charge

There is no separate service charge for the collection of recyclable and general domestic waste. The recovery of costs associated with these collections is incorporated in the rate charge.

There is a separate Commercial properties waste and recycling service charge which will increase from \$385 to \$405 per annum.

- Councillors' Meeting Fees and Allowances

Elected members currently receive entitlements in accordance with Section 5.98(1) of the Local Government Act 1995 (as amended) and Regulations 30, 33, 33(a) and 34 of the Local Government (Administration Regulations) 1996.

Local governments have two broad choices in respect of paying these fees:

- (i) a fee per meeting
- (ii) an annual fee.

In respect of both of these options there is a prescribed minimum fee which must be paid and a prescribed maximum fee which can be paid. These minimum and maximum fees constitute the "prescribed range". Council may elect to pay any fee provided it is within that range.

The fee *per meeting* range is:

- \$ 60 - \$140 per Council meeting (Councillor)
- \$120 - \$280 per Council meeting (Mayor)
- \$ 30 - \$70 per Committee meeting (Councillor and Mayor)

The total fees paid to a council member other than the Mayor for attending meetings (whether of the council or of any committee) in each year is not to exceed \$7,000. In the case of the Mayor it is not to exceed \$14,000.

The *annual fee* range is:

- \$2,400 - \$7,000 (Councillor)
- \$6,000 - \$14,000 (Mayor)

Mayoral Allowance

In addition to the abovementioned entitlement, the Mayor is entitled to be paid a Mayoral Allowance (which used to be called the "Annual entertainment allowance for Mayors" and is also described as an "annual local government allowance for a Mayor") within the prescribed range.



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The minimum annual local government allowance for a Mayor is \$600. The maximum which can be paid in the case of the Town of East Fremantle is \$12,000.

Deputy Mayoral Allowance

In addition to their entitlement in regard to elected member meeting fees, a local government may decide (absolute majority required) to pay the deputy mayor of the local government an allowance of up to the prescribed percentage of the annual local government allowance to which the mayor is entitled, as above.

The prescribed percentage (i.e. maximum) is 25%.

Council has previously adopted the annual fee payment.

Based on the above information, the following allowances have been made in the 2010/11 draft budget:

Mayor Meeting Allowance	\$14,000
Annual Councillor Meeting Allowance	\$ 7,000
Mayoral Allowance	\$12,000
Deputy Mayoral Allowance	\$ 3,000

- Councillors' Expenditure Allowances

At the 6 July 2010 Council Meeting, Council adopted by an Absolute Majority, an amendment to Policy F1 to incorporate the following allowances for each elected member:

- (a) an IT allowance of \$1,000 per annum
- (b) an Internet allowance of \$700 per annum
- (c) a telephone landline allowance of \$360 per annum
- (d) a mobile phone allowance of \$340 per annum

Based on the above information, the following allowance have been made in the 2011/12 draft budget:

Elected Members expense allowance \$21,600

Statutory Requirements

Section 6.2 of the Local Government Act 1995 requires Council to adopt the annual budget by 31 August in each year.

Section 6.36 of the Act requires that Council advertise any proposed differential rate for a period of at least 21 days prior to imposing a differential rate. The closing date for submissions is 4 July 2011. As in previous years no submissions were received.

Relevant Policies

Nil

CONCLUSION

The proposed Budget for the year ending 30 June 2012 as attached should be adopted by Council.

1. The Budget estimates of Income and Expenditure for 2011/2012 including the supporting financial statements as amended;
2. The statement of 2011/2012 rating information:

Differential General Rate

- Residential rate is 6.4344 cents in the dollar of (GRV)
- Commercial rate is 9.3096 cents in the dollar of (GRV)
- Minimum General Rate for any Residential Property is \$759.00 and any Commercial Property is \$935.00

3. Fees and Charges

That all fees and charges shown in the 2011/2012 budget be adopted and imposed for the financial year ending 30 June 2012, in accordance with Section 6.16 of the Local Government Act 1995.

4. Administration Fee (payment by instalments)

That an administration charge of \$46.50 be imposed where payment of a rate or service charge is made by instalments except that eligible pensioners will be excluded from paying the charge as per Section 6.45(3) of the Local Government Act, 1995.

An administration fee of \$50 be imposed for all other special payment arrangements.

5. Payment of Rates by Instalments

The Town, in accordance with Section 6.45 of the Local Government Act 1995 offers the following payment options for the payment of rates:-

- One instalment
 - Payment in full within 35 days of the issue date of the annual rate notice.
- Two instalments
 - The first instalment of 50% of the total current rates plus the total outstanding arrears payable within 35 days of the issue date of the annual rate notice.
 - The second instalment of 50% of the total current rates payable by 28 December 2011
- Four Instalments
 - The first instalment of 25% of the total current rates plus the total outstanding arrears payable within 35 days of the issue date of the annual rate notice.
 - The second instalment of 25% of the total current rates payable by 26 October 2011.
 - The third instalment of 25% of the total current rates payable by 28 December 2011.
 - The fourth instalment of 25% of the total current rates payable by 29 February 2012.

The above instalment option is subject to an administration fee of \$15.00 for each of the instalments two, three and four, together with an interest charge of 5.5% per annum calculated on a simple interest basis as follows:

- 75% of the total current general rate calculated 35 days from the issue date of the annual rate notice to the date upon which the second instalment is due;
- 50% of the total general rate calculated from the due date of the second instalment to the due date of the third instalment; and
- 25% of the total general rate calculated from the due date of the third instalment to the due date of the fourth and final instalment.

6. Waste Service Charge

In accordance with Section 112 of the Health Act 1911 (as amended) the waste collection fee for commercial properties be set at \$405.00 per annum.

7. Interest Charges on Outstanding Rates

The interest to be imposed on all current and arrears of all rates for the 2010/2011 financial year is the rate of 11% per annum calculated on a simple interest basis. Such interest will be imposed on amounts that remain unpaid 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until such instalment is paid.



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8. Interest Charges on Outstanding Debts
The interest to be imposed on all current and arrears of non rate debtors for the 2010/2011 financial year is the rate of 11% per annum (calculated on a simple interest basis) on amounts that remain unpaid 35 days from the issue date of the original invoice or notice of debt.
9. Concessions and Discounts
Under Policy 117 Council provides a concession to ratepayers who use the Leeuwin car park and boat ramp facility. There are currently 69 ratepayers utilising the concession.

In order to provide a concession the Local Government Act (Section 6.12) requires that Council must resolve by an absolute majority at the time of the budget adoption to provide the concession.

The amount of concession to be granted is difficult to estimate as this is dependent on the number of times the car park/boat ramp is used by the ratepayer. However by way of an example, if the 69 ratepayers referred to above used the car park/boat ramp one (1) day a week from October to April (26 weeks) for a 4 hour period, this would equate to \$13,814 or \$200.20 per person.

RECOMMENDATION

That the following 2011/12 Draft Budget be adopted.

1. The Budget estimates of Income and Expenditure included within the 2011/2012 Draft Budget as attached to and forming part of the budget document be adopted.
2. The Schedule of Fees and Charges included and forming part of the notes to the 2011/12 budget be adopted.
3. In accordance with Section 112 of the Health Act 1911 (as amended) the rubbish collection fee for commercial properties be set at \$405.00 per annum.
4. The following rates be imposed on rateable land within the district. Differential general rates for rateable land within the district are as follows:
 - Residential rate is 6.4344 cents in the dollar of (GRV)
 - Commercial rate is 9.3096 cents in the dollar of (GRV)
 - Minimum General Rate for
 - any Residential Property is \$759.00
 - any Commercial Property is \$935.00
5. Payment by Instalments
The following options for payment of rates will be available:
 - (a) single payment within 35 days of rate notice issue;
 - (b) two instalments; and
 - (c) four instalments.
6. Interest Charges on Outstanding Rates
The interest rate to be imposed on all current and arrears of all rates for the 2011/2012 financial year is the rate of 11% per annum calculated on a simple interest basis on amounts that remain unpaid 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until such instalment is paid.
7. Interest Charges on Outstanding Debts
The interest rate to be imposed on all current and arrears of non rate debtors for the 2011/2012 financial year is the rate of 11% per annum (calculated on a simple interest basis) on amounts that remain unpaid 35 days from the issue date of the original invoice or notice of debt.
8. Parking Concessions
Council approve the concession for the use of the Leeuwin car park and boat ramp facility for the 2011/2012 financial year for East Fremantle ratepayers.
9. Elected Member meeting fees & allowances
The following elected member meeting fees and allowances be endorsed:

Mayor annual meeting allowance	\$14,000
Councillor annual meeting allowance	\$ 7,000
Mayoral allowance	\$12,000
Deputy Mayoral allowance	\$ 3,000
Elected Member expense allowance	\$ 2,400

Absolute Majority Resolution Required

Mayor Ferris thanked Mr Roberts and his staff for their work in compiling this year's budget.

Cr Lilleyman – Cr Olson

That the following 2011/12 Draft Budget be adopted.

1. **The Budget estimates of Income and Expenditure included within the 2011/2012 Draft Budget as attached to and forming part of the budget document be adopted.**
2. **The Schedule of Fees and Charges included and forming part of the notes to the 2011/12 budget be adopted.**
3. **In accordance with Section 112 of the Health Act 1911 (as amended) the rubbish collection fee for commercial properties be set at \$405.00 per annum.**
4. **The following rates be imposed on rateable land within the district. Differential general rates for rateable land within the district are as follows:**
 - **Residential rate is 6.4344 cents in the dollar of (GRV)**
 - **Commercial rate is 9.3096 cents in the dollar of (GRV)**
 - **Minimum General Rate for - any Residential Property is \$759.00**
 - any Commercial Property is \$935.00
5. **Payment by Instalments**
The following options for payment of rates will be available:
 - (a) **single payment within 35 days of rate notice issue;**
 - (b) **two instalments; and**
 - (c) **four instalments.**
6. **Interest Charges on Outstanding Rates**
The interest rate to be imposed on all current and arrears of all rates for the 2011/2012 financial year is the rate of 11% per annum calculated on a simple interest basis on amounts that remain unpaid 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until such instalment is paid.
7. **Interest Charges on Outstanding Debts**
The interest rate to be imposed on all current and arrears of non rate debtors for the 2011/2012 financial year is the rate of 11% per annum (calculated on a simple interest basis) on amounts that remain unpaid 35 days from the issue date of the original invoice or notice of debt.
8. **Parking Concessions**
Council approve the concession for the use of the Leeuwin car park and boat ramp facility for the 2011/2012 financial year for East Fremantle ratepayers.
9. **Elected Member meeting fees & allowances**
The following elected member meeting fees and allowances be endorsed:

Mayor annual meeting allowance	\$14,000
Councillor annual meeting allowance	\$ 7,000
Mayoral allowance	\$12,000
Deputy Mayoral allowance	\$ 3,000
Elected Member expense allowance	\$ 2,400

CARRIED
ABSOLUTE MAJORITY

176. HEALTH & GENERAL PURPOSES

176.1 Planet Footprint – The Environmental Scorekeeper

The Principal Environmental Health Officer instructed elected members on the use of the "Environmental Scorekeeper" software on the Planet Ark website to monitor the

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consumption of electricity, gas and water in selected Council buildings. She also circulated a publication prepared under a summer scholarship program jointly funded by SMRC Climatewise and Murdoch University of Energy and Engineering entitled "Micro Generation Opportunities in Southern Metropolitan Region" which elected members were welcome to peruse.

The Principal Environmental Health Officer and Manager Finance & Administration left the meeting at 7.17pm

177. ELECTED MEMBER DELEGATES' REPORTS**177.1 Cr R Olson – SMRC**

Cr Olson provided an update of matters relating to the SMRC including:

- a special meeting of the SMRC Regional Council to be held on Friday 8 July to receive a delegation from the South West Group Board regarding SMRC management structures
- the insurance payout and proposed rebuilding of the facility proposed to be completed in April 2012
- the DEC monitoring of neighbour complaints.
- City of Canning's withdrawal.

The CEO and Mayor made further comment.

The Minute Secretary left the meeting at 7.30pm.

178. REPORTS OF CHIEF EXECUTIVE OFFICER**178.1 Local Government Reform**

By Stuart Wearne, Chief Executive Officer, on 1 July 2011

PURPOSE

The purpose of this report is to advise elected members of a "Review of Perth Metropolitan Boundaries and Governance Models" which was announced by the Minister for Local Government and the Premier, on 24 June 2011.

BACKGROUND

Elected members are aware, from numerous previous reports and discussion of the Minister's "Local Government Reform" process which he initiated in February 2009.

Without going through the whole chronology – both the Minister and Premier repeatedly indicated that the core objective was to reduce the number of elected governments in Western Australia. The stated primary basis of their position was concerns about the economic viability of a number of local governments (with particular reference made to the number of small rural councils) and concerns that the Commonwealth was, in many cases, declining to make grants to WA local governments, on the basis that they were too small.

With respect to the first issue, previous reviews had suggested a number of (generally very small) rural local governments may not be economically viable.

With respect to the second claim, the CEO is unaware of any evidence being put before the sector on this issue. Certainly the Federal Government has made no public statement in that regard.

Initially the stated objective of the Minister and Premier was to reduce the number of local governments in mainland (ie excluding Christmas and Cocos (Keeling) Islands) WA from 139 to at least less than 100, ie at a minimum, a reduction of 40.

Later however it became clear, from correspondence from the Minister, that he had a much larger number of reductions in mind.

In September 2010 the Minister wrote:

“Only 31 local governments of the 139 are what I consider to be sustainable in the long term.”

This suggested the Minister wished to see the end of 108 of the State’s 139 mainland local governments.

Yet the outcome, despite the Minister’s relentless efforts, has, to date been:

- No metropolitan mergers
- 1 merger in the country

The country merger is the amalgamation between the City of Geraldton-Greenough and the Shire of Mullewa to form the City of Greater Geraldton, which occurred today.

(It is acknowledged that several other amalgamations are potential possibilities, subject to the outcome of related Regional Transition Group decisions and subsequent poll processes)

Nevertheless, in short, to 1 July 2011, the number of mainland local governments has only reduced from 139 to 138 and this may remain the case.

Thus, by the Minister and Premier’s own key measure of success, the Minister’s “reform” process must be seen as having failed to date – both in terms of the degree to which it has been embraced by the local government sector and in terms of its outcomes.

Prior to the recent announcement, the status quo with respect to local government reform was that the model of Regional Transitional Groups and Regional Collaborative Groups was continuing and the Minister had recently legislated in terms of a raft of strategic planning requirements for local government, under the heading “new Integrated Planning & Reporting Framework”.

Despite these initiatives it was widely recognised that the Minister, who remains committed to significant reductions of local governments in WA yet could not convince the sector of the need for voluntary amalgamation and yet knew he could not achieve forced amalgamations when this was opposed by the National Party, might look to another, more feasible approach to achieve amalgamations, including processes involving the metropolitan area only.

REPORT

The CEO attended the announcement, however the Mayor was unable to attend due to a previous engagement and the short notice given.

Attached, as A & B respectively, is a letter released by the Minister on the day of the announcement and a similar circular of the same date.

This is the only material received from the government to date.

COMMENT

The rationale for the review (provided by the Minister and Premier) was essentially that:

- (i) Perth’s boundaries were unchanged since the 1900’s (technically incorrect) and yet there had been a number of impacts (eg economic, environmental, population, housing etc) since then. In the light of those impacts more desirable boundaries may be identified.
- (ii) 70% of WA’s population lives in Perth, ie it was logical to review boundaries which affected the greater number of people.
- (iii) similarly, new development and population pressures was greatest in Perth

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- (iv) WA was part of Asia and needed to be more competitive and local government needed to be part of that process.
- (v) there were a huge number of mining resource projects under way or waiting in the wings.
- (vi) there had been an "inadequate response" to the "earlier review", such that no "coherent view" had been produced.

The most obvious and immediate queries the above responses give rise to are:

- (i) if the local government make up of Perth was such a significant issue in terms of WA's global competitiveness, why had this review only been thought of at this time?
- (ii) where is the evidence that Perth's metropolitan local government structure is hindering the economic prosperity and sustainability of WA as the Minister and Premier suggests?
- (iii) particularly given the massive number of mining projects which the Premier referred to, obviously all in regional WA, why were regional local governments being excluded from such a review?
- (iv) what happened to the concern about the sustainability of many rural local governments?
- (v) if the supposedly "lost" Commonwealth grants was a genuine issue, why exclude regional WA, which contains almost 80% of WA's 141 local governments?

The Minister was in fact asked why the country was excluded however he essentially ignored the question and just snapped "the metropolitan area is now our priority".

The Premier stressed the individual credentials of the members of the independent panel and pointed to the objectivity and "arms length from government" nature of the process.

At the same time he stated it was clearly expected the report would recommend a "substantial reduction in the number of metropolitan local governments", envisaging only 15-20 metropolitan local governments (of the current 30 including Serpentine-Jarrahdale) remaining.

At the time the Terms of Reference were not available, however these have now been received (see Attachments A & B) and the fourth dot point clearly indicates a pre-determined position on the number of metropolitan local governments.

The fourth dot point reads:

"Identify new local government boundaries and a resultant reduction in the overall number of local governments to better meet the needs of the community."

It is also obvious the fourth dot point significantly pre-empts the third and fifth dot points which suggest the Panel will independently conclude on this "improved" and "effective" local government structures.

The fourth dot point suggests a pre-determined position (or directive to the Panel) that a reduced number of local governments would "better meet the needs of the community".

It was noteworthy that, despite the review, the Minister wishes all of the other "reform" initiatives and requirements, including the considerable work the newly prescribed Integrated Planning and Reporting Framework gives rise to, to continue.

In other words, for the Town to expend considerable resources on long term strategic planning under one reform agenda when under another reform agenda the plan is for the Town to cease to exist!

The Premier also advised that whilst he maintained the commitment to no forced amalgamations in this term of government, "no guarantee" could be given with respect to the next government (should his government be returned), particularly in the case of local governments which had been identified as non cooperative.



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WALGA

Through a media statement (see Attachment C), WALGA President Troy Pickard quickly and enthusiastically welcomed the review yet:

- (i) did so with no consultation with their members, on the basis that it was consistent with WALGA's earlier decision (see below).
- (ii) did so despite WALGA not having been consulted about the proposal beforehand notwithstanding WALGA is included on one of the two advisory groups. (WALGA in fact only found out about the announcement because Mr Pickard was written to as Mayor of Joondalup.)
- (iii) did so despite the limited nature of the review being at odds with the statewide review which WALGA had, in February this year, called for.

WALGA's decision at that time was as follows:

"That the State Government be encouraged to:

1. *Declare its vision for the local government sector;*
2. *Conduct a state-wide governance review based around the recognition of local governments as metropolitan, regional or rural;*
3. *Establish policies, processes and resources for local government reform based on the outcomes of the review; and*
4. *Engage with the local government sector in the suggested review process."*

Council had no issue with those resolutions.

However, despite citing the WALGA decision in his attempted justification of the review, the Minister's announcement:

- Contains no vision (it just says the review will provide this);
- Does not involve a state wide review but is confined to the metropolitan area only ie an area made up of economically viable and relatively large local governments when compared with the situation of many small and economically unviable country local governments, which had been the focus of his earlier review.

In that regard, it is questionable, in the Chief Executive Officer's view, for Mr Pickard to attempt to reconcile the difference by claiming the review *"should be expected to provide insights and learning that may then assist the process being extended to regional centres and remote areas"*.

Neither the Minister nor the Premier made the slightest suggestion of this.

It should be noted in addition to (ii) above the WALGA decision had specifically included:

"Engage with the local government sector in the suggested review process."

and this did not occur.

- (iv) most striking is what Mr Pickard *failed* to comment on, which was that the Terms of Reference and the Premier's comments indicate that in terms of at least smaller and no doubt medium sized metropolitan local governments, the review appears simply a means to a predetermined end.

If not, why the fourth term of reference, which simply repeats one of the Minister's stated goals with respect to the original reform process.

In Mr Pickard's defence:

- he did describe the review as a "welcome start", indicates he expected more.
- he does note that whilst the review is limited to the metropolitan area, this does at least accord with part of WALGA's call for a review which recognises there are different issues pertaining to metropolitan, regional and small rural local governments.



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Committee for Perth

The Committee for Perth has, predictably, applauded the announcement.

This organisation, established in 2006, is a pro business group which claims it wishes to promote change which improves the “cultural diversity, economic prosperity, sustainability and amenity of Perth”.

It is anti regulation, pro amalgamation and pro development, being for example a strong proponent of the Development Assessment Panels which commence today.

It is possibly instructive to note the Committee advises *“The work of the Committee for Perth is fully funded by our members with Foundation Members being our greatest contributors and we acknowledge: Alcoa, ANZ, Bankwest, BHP Billiton, Ernst & Young, Freehills, Rio Tinto, The West Australian, Wesfarmers, WesTrac and Woodside.”*

Their media statement (attached as D) was issued so quickly after the Minister’s announcement it is assumed they had an advance copy of the announcement.

Interestingly much of their media statement mirrored the Premier’s words (or vice versa).

CONCLUSION

Whatever the view of Council, this is just another development which Council will have very little real input into.

It smacks of a desperate move by the Minister to retain his portfolio and reputation in the face of a significantly mismanaged “reform program”.

The lack of any reference to country local governments strongly suggests the exercise is largely political, based on the simple reality that the government needs to support of the anti amalgamation Nationals to stay in government.

With no personal disrespect is intended towards the selected independent panel (and the government is to be congratulated for adopting this approach as opposed to a Minister directed Departmental based approach), the full independence of the process must be questioned when the Terms of Reference and the Premier’s comments indicate a significant pre-determined outcome.

It is important that WALGA properly reflects its members’ views on this issue. The WALGA President immediate and enthusiastic embracing of the review, despite the significant issues which its origins and Terms of Reference give rise to, is of concern.

As the second smallest metropolitan local government, there is no question that the Minister and Premier would see this review as a means of achieving their previously stated wish for the Town to be abolished.

Meanwhile, whilst the ultimate outcome remains to be seen, what is undoubted is that the Town, through its officers, will be obliged to prepare more reports; carry out more research, compile and submit more information; attend more meetings and all of which will be at the expense of attending to the *Town’s* assessed priorities.

RECOMMENDATION

For discussion.

General discussion took place.

Elected members unanimously indicated agreement with the concerns and queries raised by the CEO in his report and in discussions, and signified support for the CEO to seek clarification with respect to those concerns and queries from appropriate parties.



5 July 2011

MINUTES

179. CONFIDENTIAL BUSINESS

Nil.

180. NOTICES OF MOTION BY ELECTED MEMBERS FOR CONSIDERATION AT THE FOLLOWING MEETING

Nil.

181. MOTIONS WITHOUT NOTICE OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

Nil.

182. CLOSURE OF MEETING

There being no further business, the meeting closed at 8.21pm.

*I hereby certify that the Minutes of the meeting of the **Council** of the Town of East Fremantle, held on **5 July 2011**, Minute Book reference **162.** to **182.** were confirmed at the meeting of the Council on*

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Presiding Member