

Treasurer
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19 February 2015

FLINDERS COUNCIL

FILE NO. COU 0400

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ACTION REPORT

MEMBERS

J.M.	
A.M.	
V.S.M.	
M.	
MAYOR	Scanned.

7255

Cr Carol Cox
Mayor
Flinders Council
PO Box 40
WHITEMARK FLINDERS ISLAND TAS 7255

Dear Mayor

Thank you for attending the recent regional meetings. I am pleased that all councils were represented, and I appreciated the open-minded attitude that local government representatives brought to the meetings.

The State Government has a vision of ensuring that Tasmania is the most competitive and attractive place in the country to live, work and invest.

I was very encouraged with the level of good will and open dialogue that occurred in relation to the matters discussed and I know that all of you came to these meetings with the best interests of ratepayers foremost in your thinking.

As I explained, the State Government is prepared to fund in partnership with councils the development of models that will answer the question: Is a shared services model/or a voluntary amalgamation model going to improve the benefits that ratepayers receive from local government?

I would encourage you to now lead a similar discussion around your council table and I am writing to reiterate the timeframe and process I discussed in my presentation for delivering on better outcomes for our local communities.

I am asking all councils to get back to me by the end of March, indicating their willingness to explore the option of voluntary amalgamations and/or shared service models. I appreciate that a significant number of councils wish to explore a shared services option; while I am open to this, my preference would be an examination of the amalgamation option at the same time in order to see which option delivers optimum outcomes for the community.

Once we have an indication of which councils are prepared to participate, I would expect local government would require some time for more detailed consideration of amalgamation/shared services proposals, within and between councils. By the end of May I would like councils to advise me of their intention to proceed to the feasibility study and community consultation stage of the process.

As I indicated, I will support councils to undertake feasibility studies of proposed amalgamations/shared services by providing up to \$25 000 for a feasibility study involving two councils, or up to \$50 000 for three or more councils. It is my expectation that participating councils will match State Government funding but I am happy to discuss this on an individual basis. As we discussed at the regional meetings, the feasibility studies should involve detailed modelling of options and could provide a basis for community consultation.

I will also support those councils who wish to enter into discussions with other councils by providing up to \$5000 for professional facilitation to guide discussion and decision making between participating councils.

During our discussions a number of councils raised important issues over administrative aspects of the process I outlined. I have asked the Local government Division to draft protocols for the implementation of the program as well as develop a Terms of Reference template for any feasibility study that may occur.

These documents will be circulated for discussion so that we are all in agreement on the protocols and Terms of Reference prior to the modelling taking place.

Please advise me whether your council intends to conduct modelling on an amalgamation and/or shared services model by Tuesday 31 March 2015. Once I have received your advice, I will ask the Local Government Division to work with participating councils to develop terms of reference for the feasibility studies.

A copy of the full timetable and process is attached. If you would like further information, or you have any questions about the process or the feasibility studies, please contact Phillip Hoysted, Director, Local Government Division, by phone on 6232 7014 or by email at Phillip.Hoysted@dpac.tas.gov.au

Yours sincerely



Peter Gutwein MP
Minister for Planning and Local Government

Attachment - Voluntary Amalgamations Program

Process	Timeframe
Councils indicate interest in understanding what benefits voluntary amalgamations could provide for Ratepayers.	March 2015
More detailed consideration of amalgamation proposal within and between councils. Councils advise Minister of intention to proceed to feasibility study and community consultation.	April/May 2015
Undertake feasibility study and conduct community consultations.	June-September 2015
Participating councils consider outcomes and report back to local community.	October-December 2015
Next Steps: Don't proceed further or request Local Government Board (LGB) to conduct Formal Review	January-March 2016
Following advice, Minister requests LGB to conduct a review of amalgamation proposals. Board reviews conducted as required under Local Government Act 1993.	March – September 2016
If positive recommendation is received from LGB, discussion on transitional funding – if required – and timing of amalgamation.	September-December 2016
Executive Orders are made to implement any amalgamation changes.	As required