

**Treasurer
Minister for Planning and Local Government**

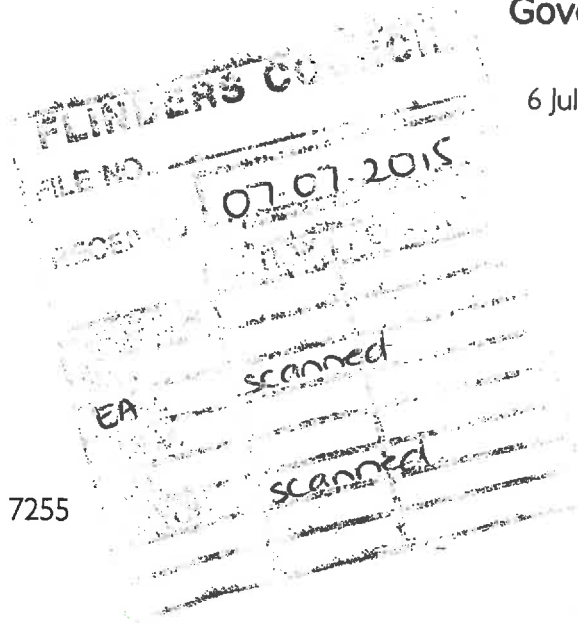
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6 July 2015

COPY

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



Dear Mayor

I want to acknowledge the positive approach taken by Councils across the State when considering either improved shared services and/or voluntary amalgamations as a way to improve benefits to ratepayers.

Almost all councils have informed me of the proposals they wish to put forward. However many of the proposals are at an early stage and need further development. While it has been a very positive start, I am keen to maintain the goodwill and momentum that has been built up.

I fully understand that you are considering fundamental and in some cases challenging reforms, and to assist in this process I have requested that the Department of Premier and Cabinet - Local Government Division (LGD) contact you directly in coming weeks to discuss the details of council proposals and the way forward from here. As it is approaching six months since I addressed councils in each region of the State, I am keen to get feasibility studies underway.

Without pre-empting outcomes, I note that a number of councils are now prepared to engage in feasibility studies at a regional level. Given the potential benefits of a much broader, regional approach to resource sharing, it would be disappointing if there were a small number of councils in each region not participating in such a major reform.

If you have been a council that has chosen to stay out of the process, I ask that you reconsider on the back of the emergence of significant proposals that are being considered in all three regions.

Following discussions with the LGD, and if your council thought it worthwhile, I would welcome the opportunity to meet with you and your partner councils to discuss the proposals you may wish to progress.

Furthermore as I have received a number of requests regarding the process to be followed in order to secure State Government funding. The process would be as follows:

1. Final detailed proposal submitted to Minister for Planning and Local Government.
2. State Government approves funding for the proposal.

3. The councils and the State Government sign a Memorandum of Understanding related to the project requirements and use of funds.
4. The partner councils would select the companies to tender for feasibility studies from a list of preferred providers established by the State Government following a rigorous tendering process.
5. In close consultation with the relevant council(s) a contract would be drawn up between the successful tenderer, the Council(s) and the State Government.
6. The partner councils would work closely with the successful consultancy to undertake the feasibility study.
7. The findings of the feasibility study would be presented to the partner councils and the State Government for consideration.
8. Pending the outcome of the feasibility study, the partner councils would then consult with their communities before making a final decision on whether to implement any changes.

Thank you taking this opportunity to investigate new and better ways of operating. I look forward to discussing your proposals in the near future.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Gutwein', with a long horizontal line extending to the right.

Peter Gutwein MP

Minister for Planning and Local Government