EXTRACT FROM COUNCIL MINUTES – 22 AUGUST 2018

14.3
Local Government Board Review
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LOCAL GOVERNMENT BOARD REVIEW FINAL REPORT - VOLUNTARY AMALGAMATIONS & SHARED SERVICES OPTIONS

BACKGROUND

Clarence, Sorell, Tasman and Glamorgan-Spring Bay Councils jointly signed a memorandum of understanding with the State Government in 2015 to formalise arrangements for the development of a feasibility study into voluntary amalgamations and shared services proposals for the four South East Tasmanian Councils.

KPMG were the appointed contractor with the process concluding in September 2016 and the final report 'South East Councils Feasibility Study' received formally by Council at the December 2016 Ordinary meeting.

Community consultation was then carried out between March – May 2017 with residents and ratepayers advised of the results of the KPMG study and encouraged to complete a short on-line survey that asked if the respondent supported voluntary amalgamations and if amalgamations were to proceed, to rank the five potential options described in the study.

In total, 301 survey responses were received. Over 74 percent supported voluntary amalgamations. Similar response rates and amalgamation support were recorded in similar surveys undertaken by Sorell and Glamorgan Spring Bay councils. The results of the survey were formally accepted by Council at their June/July 2017 Ordinary meetings. In total 3761 letters were sent to residents and ratepayers: 750 unaddressed and 3011 addressed. Thirty two (32) were returned to Council uncollected.

Both Tasman and Sorell resolved to continue with the process and requested the Minister engage the Local Government Board to carry out a due-diligence review of the five options. After some delay both Clarence and Glamorgan Spring Bay decided in early 2018 not to participate further.

The Board commenced their review of three options for the two councils (1 - no change, 2 - further shared services and 3 - voluntary amalgamation), undertook public consultation and provided a draft confidential report to both Councils on 5th July seeking submissions from the councils by 20th July 2018. Following a review of those submissions a final report was released to the public on 3rd August 2018 (***attached***).

Unlike the KPMG report, this report found that there was limited potential for savings from staff reductions as both councils were below average full-time equivalent staff numbers for their council size, that an office and works crew/depot be maintained, and that there was also limited potential for additional shared service arrangements.

CONSULTATIONS

The Board undertook consultation during their review seeking written submissions and holding hearings across both Council areas and in Hobart. Staff and elected members were part of the consultation process.

Council provided the following submission:

> *Introductory Comments:*
>
> *Consultation Paper ("the Paper") has used 15/16 data when 16/17 audited financial and asset data was available. This created an unrealistic and outdated basis for the public 'snapshot' position of both Councils and may weaken the review process and public consultation. This is particularly with regard to:*
>
> - *references and assumptions based on outdated 10 year long term financial plans;*
> - *the operating revenue for Sorell inflated for one year by approximately $19m due to recognizing land under roads which had no cash/revenue value (also with inflated expenditure that year);*
> - *Tasman inflation rate for expenditure shown as 0.9% when LTFP is modelled on 2.5%;*
> - *Asset values and management/sustainability ratios not accurate or representative.*
>
> *Council acknowledges the financial gap analysis being prepared by an independent consulting firm based on the audited 16/17 financial statements, revised 17/18 operating and capital budgets and current 20 year long term financial plans. And that this current data is being used to verify the modelling assumptions made by the prior feasibility study that was based on 14/15 financial data and assumptions which have changed considerably since that time including:*
>
> - *Transparent asset condition and valuation assessments and associated methodologies.*
> - *Establishing and quantifying asset maintenance, renewal and replacement costs, associated FTE servicing requirements and determining required revenue.*
>
> *Consideration of Local Government Reform Matters:*
>
> *Without increased revenue generated from rates, fees / charges, State and Federal grants, Council property sales and / or combined with increased borrowings, are the public going to be content with the current expenditure forecasts on asset*

maintenance, asset renewal, new / upgraded assets and services if the status quo is retained?

It is the provision of new / upgraded assets that both Councils have the least capacity to deliver in a financially sustainable way with an increasing number of ratepayers, residents and visitors regarding this as unacceptable.

The merger will result in a comparatively large land area with dispersed assets and no change to current or medium term significant rate revenue generation (ie: commercial or industrial) that would change this situation. Also, that the ability to create rate revenue through the strategic release of land for industrial and residential growth is severely limited by the Southern Tasmania Regional Land Use Strategy, no State Policies and associated processes with State Planning Agencies to pragmatically stage a 20 year land supply.

What is the best structure and model to address the socio-economic, demographic, investment and visitation forecasts for the south-east region as expectations of Councils increase whilst State and Federal performance, accountability and accessibility decreases?

The optimum model needs to be capable of addressing the possibility of rate capping, reduced FAG funding, mergers without transition and infrastructure funding, risks to TasWater dividends, the increasing cost and complexity of audit compliance with reducing positive returns with an ever tightening legislative framework around asset and financial transparency, sustainability and accountability.

Is the generation of sufficient revenue to provide the requisite supply of assets and services only able to be created through a boundary adjustment that provides access to more rate dense commercial and industrial land?

Should an assessment be carried out across the south-east region that identifies actual economic activity, movement and generation by industry / land value category? This is in regard to the economic 'mechanics' of residential growth, investment in the rural sector, intrastate/interstate/international visitation, employment location and movement and services availability and access.

Without a fundamental change to revenue generation for non-metropolitan Councils, it is submitted the current environment with these Councils not being able to sustainably meet expectations will not improve and may worsen.

Is genuine local government reform to achieve a more sustainable and equitable distribution of population, assets, land use and revenue generation instead a matter for the Tasmanian Electoral Commission to assess on a true regional basis rather than relying on the location of existing Councils and associated historic boundaries? Who is willing to deal with this transparently, comprehensively and with conviction to provide improved regional outcomes?

<u>Consideration of a Merger:</u>

Benefits of a merged Council can be:

- *financial sustainability including borrowing / gearing capacity;*
- *political influence / lobbying;*
- *reduced duplication (Council meetings, agendas, workshops, strategic and statutory reporting, policies, procedures, audit panels, compliance, EBA);*
- *efficiencies in asset maintenance and capital project delivery;*
- *increased capacity to provide wider spread of functions / services (including coordinated and strategic grant writing, economic development, community development);*
- *economies of scale through processing and procurement efficiencies including information management, ICT, finance, asset management and CRM software;*
- *strategic capacity in innovation and economic direction;*
- *employee career progression and skill attraction / retention through improved employment conditions (including leave coverage) and conversion of common service providers to employees;*
- *improved risk management and plant utilization;*
- *timing opportunity for State to meet transition costs and regional infrastructure project funding priorities.*

Merger may require the establishment of a local transition committee between when a decision to merge is made and the next election. With there being only two Council areas, the need for an initial (or any) ward system may be less.

The strategic focus of a merged entity will directly impact the structure and costs of the new organisation and required revenue in order to deliver determined levels of service.

With significantly different rates structures, a merger will likely result in changes to current rates per property with a staged implementation required to be adopted over four to five years with caps and collars and based on a review of rating methodologies.

With a merged entity, how would the new organization and elected members make better decisions about:

- *how assets are strategically planned and allocated, financed, managed, acquired and built;*
- *establishing the strategic direction and monitoring performance;*
- *representing the merged area at the Federal and State political level;*
- *being able to meet the communities expectations for services.*

Dis-benefits of a merged Council can be:

- *Loss of local representation and identity;*
- *Inadequate and unequal distribution of operational and capital expenditure;*
- *Loss of local employment and population;*
- *Loss of control / influence on operational matters and strategic direction;*
- *Risk of increased costs through rates adjustments.*
- *Large distances and travel times between population / administration centres serviced by poorer quality state tourist roads.*

STRATEGIC PLAN

The Tasman Strategic Plan 2015-2025 identifies the following key issues (where relevant) over the ten year period-

- Council understanding the strengths and weaknesses of the Municipal Area – identifying which ones to leverage and address respectively.
- Determining Council's capacity to support the community.
- Managing the community's expectations about the Council's role and responsibility.
- Managing the community's expectations about level of service.
- Ensuring adequate infrastructure and services, including public transport, to cater for recreational and other visitors.
- A narrow and static rate base in terms of growth and Council's ability to fund appropriate projects.
- Growing the funding base and the ability to co-fund projects to attract government funding.
- Maintaining our sense of place and purpose.
- Providing appropriate resources to support economic development into the future – attracting investment (new and current) into the Municipal Area.
- Identifying regional based projects that will also provide benefit to the Tasman Municipal Area.
- Security of infrastructure in the Municipal Area.
- The need for Council to invest additional resources into the …Single Statewide Planning Scheme process to ensure outcomes are in the best interest of the Municipal Area.
- The proposal for amalgamation of councils.
- Identifying and communicating Council's role in supporting and engaging industry sectors.

It further specifies Council's vision for the Tasman municipal area (where relevant) is to:

- Make Tasman an inspirational place to live and visit.
- Improve cultural and recreational opportunities for everyone.
- Maximise the attributes of the region.
- Provide the opportunity for sustainable growth.
- Diversify and increase our revenue base.
- Increase the working population.
- Increase and facilitate the opportunities for local employment.

- Provide for the ageing population.
- Turn our part time residents into full time residents.

In addition to operational activities, the Strategic Plan identifies the following key focus areas for the Council for the next ten years:

- Develop productive advocacy, alliance and engagement partnerships.
- Continue to develop and maintain supportive relationships with the community.
- Manage the opportunities and challenges associated with increased visitation to the area.
- Strive for a balance between development, environment and lifestyle and retain natural, heritage and social values.
- Identify funding needs and revenue opportunities.

ANNUAL PLAN
Relevant Key Focus Area –

<u>1.0 – Develop productive advocacy, alliance and engagement partnerships</u>

> 1.5 – Determine Council's preferred outcome in relation to voluntary amalgamation / common service modelling with Sorell Council including any necessary boundary changes and ensure the following outcomes are achieved:
>
> 1. Be in the interests of ratepayers.
> 2. Improve the level of service for communities.
> 3. Preserve and maintain local representation.
> 4. Ensure the financial status of the entities is strengthened.

<u>5.1 – Identify Funding Needs and Revenue Opportunities</u>

> 5.4 – Continue to explore and implement local government common services and associated opportunities to maximise sustainable operational and financial efficiencies and profitability.

LEGISLATIVE REQUIREMENTS

Refer Board report Part 9 – Transitional Process.

RISK IMPLICATIONS

The principal risks associated with this process have centred on:

- the manner and methodology around community consultation at the initial KPMG feasibility study, during the Board review process and post the release of their final public report; and
- the completeness and robustness of financial and asset data to form the modelling undertaken by KPMG and the Board.

COUNCIL POLICY

No specific policy considerations required, however, the four guiding principles from the inception of this process three years ago remain (refer above).

The tasks undertaken by Council (and Sorell) remain consistent with the original project program as outlined below:

- All Councils to receive the final KPMG report by December 2016;
- All Councils to undertake public consultation about that report for two to three months from February 2017 based on a consistent strategy;
- Councils to consider public feedback and determine by the end of 2016/17 if they are to continue with exploring voluntary amalgamations and if so, based on what preferred option(s);
- Assuming there are at least two neighbouring Councils who have adopted the same option, a due diligence process to be undertaken through a formal review process to be carried out by the Local Government Board; and
- Consideration of Board findings by Council and final determination. In the event an amalgamation is to proceed, it would be expected that this process would commence/take effect prior to the 2018 Local Government election.

HUMAN RESOURCE AND FINANCIAL IMPLICATIONS

Considered below and within the Board report.

REPORT

The Board report comprehensively considers the review scope and ultimately recommends both Councils should merge.

Rather than replicating large sections of the Board report, the following comments and additional matters are considered relevant to assist Council's position on whether or not to adopt the Board's recommendation.

1.0 Long Term Financial Plan 2015 – 2038 ("LTFP")

1.1 It is acknowledged both the Board and their consultants (Crowe Horwath) appropriately utilised the formally adopted LTFPs of both Councils as their basis for financial modelling of the three options. These LTFPs were adopted by Sorell in June 2017 and by Tasman in January 2018.

1.2 Since that time, both Councils have further critically reviewed their LTFPs with more accurate and representative financial and asset management data including the inputting of 18/19 operational and capital budgets.

1.3 It is acknowledged that both Councils have benefitted from the Board process of review and critique in delivering an improved and updated LTFP adopted by Council at the Ordinary June 2018 meeting (***attached***).

1.4 It is recognized that with any financial modelling, the base inputs and assumptions will greatly affect outcomes and over differing timeframes. In the context of the objectives for the Board report, and what each Council is to then determine as to their position/decision, the significance of these outcomes and timeframes must be recognised.

1.5 Short of the Board reviewing their modelling by utilising the updated LTFP, however, it is acknowledged the outputs and recommendations generated provide one set of proposed financial outcomes which find:

- To remain sustainable, Tasman Council will require an additional $2m over the next 20 years;
- If the shared services arrangement was to cease, Tasman Council would require an additional $3500 per rateable property over the next 20 years;
- A merger will generate savings of $250k p/a and a sustainable entity with ongoing operating surpluses; and
- A reduced rate burden of $11.3m over the next 20 years at $920 per rateable property or $660 per person.

1.6 As the Board relevantly finds, any Council can determine their resourcing requirements for service provision and asset supply/performance and achieve a benchmark of >1% operating surplus ratio, however, it is the capacity of the ratepayers to accommodate any increases and over what timeframe that are critical.

1.7 The following summary of amendments and comments apply to the updated Tasman LTFP:

- Indexing of FAGs reduced from 2.5% to 2%.
- Reduced operating surplus p/a.
- New/upgraded asset allocations for transport and drainage asset classes only included for years 4 to 8 with associated reduced cash balance forecast over years 6 – 10.
- Impacts of Stormwater System Management Plan development to achieve compliance with Urban Drainage Act will not be known until end of 18/19. Further, that these Plans will directly inform the stormwater asset management plan and LTFP maintenance, renewal and upgrade forecasts and Council's ability to generate required funds.
- Is based on an asset management policy, strategy and AM plans for transport and buildings with land improvements and stormwater to be revised during 18/19.
- Other than years 4, 14 and 21, depreciation/amortisation/impairment is higher than asset renewal replacement. The latter, however, is directly informed by AMPs with allocations to asset renewal/replacement meeting these thresholds.
- Underlying surplus ratio of >1% of operating revenue forecast other than for years 8 – 9.

1.8 Relevantly, the LTFP basis over the 20-year forecast period is on the assumed continuation of a common General Manager and current common service arrangements. How realistic is this assumption continuing through to 2038?

1.9 It is submitted this presents a significant risk to Council as modifications to these assumptions will likely result in operating deficits without either an associated reduction in services (expenditure) or an increase in rate revenue.

1.10 A 1% general rate increase would currently generate an additional $40k.

1.11 For 18/19, Council has budgeted to utilise common services at a cost of $520k with the majority being provided through Sorell Council at $357k. Based on recent trends/performance, it is likely these costs will higher both at mid-year budget review and EOY taking into account activity levels, customer service demands and operational requirements to satisfy the Annual Plan and compliance. Sourcing these functional areas (where available) through the private sector would add significant cost. Conversely, Sorell is reliant upon the common service model to offset employee costs and should this cease, would then incur operating deficits and be required to determine organisational impacts from staff employed specifically to provide services to both Councils. This is further detailed below in Common Services.

1.12 Should either Council engage their own General Manager, this would further increase the pressure to increase revenue to minimise an operating deficit. Both Councils are saving considerable costs in not having to engage their own General Managers.

1.13 Tasman's ability to generate sufficient revenue to sustain even current service levels, asset maintenance/renewal/replacement/upgrading, staff resources and a competitive workplace is challenging. In the context of what is considered contemporary local government service and asset provision in 2018 and into the future, it is difficult to see how Council can achieve parity. This further extends into what type of organisation Tasman wants to provide and be considered as an employer into the future to attract and retain suitable/qualified staff and relevantly, what it can afford by way of competitive salaries and career progression/opportunities.

2.0 Rates

2.1 A key consideration in any merger is that of rates impact and in the context of Tasman and Sorell, this will be an issue due to the complicated rates structure of Sorell, the differing basis of AAV and CV and one variable rate for Tasman compared with 23 differential rates for Sorell, with associated complicated remissions.

2.2 Sorell Council, the Board, the consultants and the Local Government Division have all reviewed and considered how the Sorell rates structure could be simplified since 14/15. However, in all of the modelling undertaken the impacts to the industrial, commercial and primary production valuation categories are significant.

2.3 Whilst the Local Government Act provides for rate capping, it is submitted that legislative change is required to introduce rate collars similar to the water and sewer reform process. Merging such fundamentally different rate revenue models will likely require a minimum 5-year implementation cycle.

2.4 It is further noted the modelling done by the consultants indicates a transition between the two Council rate structures could be achieved within a 10% increase annually over five years. This is unlikely to be satisfactory to the ratepayers regardless of whether the matter of no prior municipal area or ratepayer class cross-subsidising is offered as a benefit. And in particular, if the increases resulting from merging two different rate structures do not directly improve the merged Councils' financial capacity to deliver more new / upgraded asset capital works and to appropriately resource service levels i.e. staff.

2.5 A merger would (albeit unavoidably) provide an opportunity to completely review the rating structure across a larger catchment and population base and be informed by a new strategic and operational direction linked to service levels, asset and LTFP's.

2.6 The Board proposes the following mitigation strategies (that don't require legislative amendments):
- Application of differential rating by locality and broad rating categories (16 differential rates);
- Fixed charge;
- Rate increase cap limiting rate increases to within a maximum of 10% rate change for any ratepayer year-to-year.

3.0 Shared Services

3.1 Current resourcing gaps across Tasman and Sorell exist in:
- Governance
- Risk Management
- Economic Development
- Community/Youth Development
- Regional Statutory and Strategic Planning
- Grant submissions

3.2 These need addressing regardless of whether the Councils merge but of course carry with them increased employee costs.

3.3 The current shared services arrangement provides the following functional areas to Tasman:
- Statutory Planning (Brighton)
- Strategic Planning (Statewide Planning Scheme preparation only - Glamorgan Spring Bay & related project work - private contractors)
- GIS (Sorell)
- Works Manager (Sorell)
- Facilities Co-ordinator (Sorell)
- Civil Capital Works (Brighton)
- Environmental Health (Sorell)
- Plumbing Permit Authority (Sorell)
- Building Surveying (Sorell)
- Development Engineering (Sorell)
- Finance (Sorell)
- Human Resources (Sorell)
- ICT (Sorell)
- Asset Management (private contractor)
- WHS / Compliance (Southern Midlands)
- Regulatory Services admin (as needs basis – Sorell)

3.4 Converting the above Sorell-supplied functions into employees of a merged Council would provide a number of operational benefits through improved co-ordination and integration. Extending this to all shared services would further improve how Council provides functional coverage and customer service.

3.5 Of the above functional areas, the Works Manager is considered unable and impractical to be sourced through the private sector.

3.6 Of the remaining functional areas, sourcing these through the private sector would increase costs by an estimated 25% as a minimum or $127k at current levels.

3.7 Backup of professional, technical and specialist administration functions during leave periods remains difficult without the increasing use of private contractors (if available).

3.8 With a merger, converting the common service functions to employees whilst addressing the resourcing gaps in other areas is likely to increase net employee costs.

3.9 With regard to the capacity and need to increase functional coverage at Tasman and Sorell, there is no available immediate or future common service supply. Further, there are no Councils within the Common Service Joint Venture who are strategically positioning themselves or increasing resources to supply into the model. The prior principal supplier of Brighton Council (commencing in 2007) no longer has this activity as a priority and is reducing its presence/capacity.

3.10 The common service model whilst having supplied Tasman the minimum functional coverage over a ten year period, cannot be considered an appropriate long term supply model. It is particularly demanding on those employees carrying out the functions and also on Tasman staff bearing the brunt of dissatisfied customers with the partial and infrequent coverage and turnover of common service employees.

3.11 The likelihood of Tasman being able to secure appropriately qualified and experienced staff at necessary FTE levels and on competitive salaries without an associated rate increase is not apparent. This situation has not changed over the past ten years. For a small rural Council in 2018 and only located an hour from a capital city, having to rely on (in effect) a relationship/trust based supply model to purchase 16 specialist functions and with the requisite skills, experience and resilience of the employee, it is submitted that this cannot reasonably be considered a sustainable business model.

4.0 Representation

4.1 Concerns have been expressed regarding the prioritising and delivery of maintenance and capital works programs across a merged Council. Asset management has developed significantly over the past seven years where routine maintenance and asset renewal/replacement are managed through predictive software that considers and models detailed asset condition reporting, inspection, risk management, useful life and service level data and thresholds. Annual programs are produced that also meet minimum LTFP benchmarks for sustainable re-investment.

4.2 Councillors in their statutory function to adopt annual operating and capital budgets are significantly constrained to influencing new and upgraded asset capital works only, and only where funds are available after operating and asset renewal/replacement costs have been allocated. With both Councils, on average, these funds are limited as is their cash position. Additional borrowings require an associated long-term operating position that enables loan servicing costs to be met.

4.3 Council in their submission to the draft Board report provided the following transitional approach:

- Appointment of an independent Commissioner.
- Retention of all Councillors during the transition phase and up until the next election of a new Council.

- Creation of a transition committee/working group comprising the independent Commissioner, both Mayors and either a defined number of Councillors or potentially open to all Councillors who wish to participate.
- Provide for 9 Councillors to be elected in the new Council (but apply a cap of 11 if required).
- Retention of the proposed electoral district / ward system for one term.
- First term to commence October 2019 but only be for three years to tie in with normal election cycle.
- Notwithstanding this, consideration be given to a transition period that is less than 12 months if this can be achieved.
- Proposed name of Tasman Peninsula Council is not supported. Need to consider alternatives.

4.4 The Board is proposing as options a transitional Council comprising:
- an independent Commissioner and two Councillors (one from each prior Council area); or
- an independent Commissioner, the two Mayors and two Councillors (one from each prior Council area); and
- Remaining Councillors would sit on Interim Community Boards.

4.5 A new election would be for nine Councillors and options for electoral districts (for up to two terms):
- three electoral districts each comprising three councillors –
  - 1. Sorell and Midway Point;
  - 2. Southern Beaches and rural Sorell to Copping; and
  - 3. from Copping south including Forestier and Tasman peninsulas; or
- two electoral districts based on current municipal areas.

5.0 Other

5.1 The Board is recommending the Government consider providing transitional assistance to support the Interim Council and staff to bring the operations of the Councils together.

5.2 A merged Council would address the current duplicity of increasing governance and risk management including:
- financial reporting, statutory and performance audits of the Tasmanian Audit Office;
- Audit Panels;
- Annual Plans and Annual Reports;
- Council meeting and workshop agendas and attendance;
- Risk management and compliance including emergency management;
- Enterprise Bargaining Agreements;
- Council and management/operational policies and procedures.

5.3 The above aside, there will also be opportunities to minimise internal transactional duplication, however, the majority of work outputs would not significantly differ and will continue to need to be sustainably resourced in addition to previously specified resourcing gaps. As indicated previously, overall employee costs may well increase from current levels for both Councils. The government potentially offering to assist with transition costs needs to be further clarified to determine the extent to which it would extend beyond an immediate transition exercise for ongoing operational and capital/infrastructure costs.

5.4 The consultants propose transitional costs of $600k with a year 1 net benefit of -$463k and ongoing savings of $136k. The Board forecasts ongoing savings of $250k.

5.5 No detailed service level assessment (current and future) has been carried out to determine what is desired, required and affordable. Maintaining the status quo of the two Councils severely limits any potential to improve these.

5.6 Asset assumptions built into the LTFP won't significantly change with a merger i.e. asset age, remaining useful lives, condition assessment data and componentised unit rates and useful lives. Unit rates are expected to continue to increase with an associated increase in depreciation that must be funded through operating revenue i.e. principally rates.

5.7 Operational savings achieved in SA and Vic during the 1990's merger reforms were 3-5% and 8-9% respectively.

5.8 The present opportunity before both Councils as providers of assets and services to the growing south-east region to improve their strategic capacity, financial resilience, service delivery and relevance, and that this opportunity through co-operative operational and Councillor relationships is rare in the Local Government sector, potentially may not occur again for some time.

5.9 Further, there are only two councils out of 29 that have reached this stage after three years and the State Government is ready to assist those councils who have done the requisite work and positioned themselves to make an informed decision.

Resolution 07/08.2018/C

Moved: Cr P Fenerty Seconded: Cr D Moser

i. "That Council resolves to receive the Local Government Board Review Final Report".

Carried Unanimously

Resolution 08/08.2018/C

Moved: Cr D Moser Seconded: Cr M Stacey

ii. "That Council resolves to adopt the Local Government Board recommendation to voluntary amalgamate Tasman and Sorell Councils into a new council incorporating the existing municipal boundaries".

MOTION LOST

For – Mayor Heyward, Councillors Moser and Stacey

Against – Deputy Mayor Spaulding, Councillors Skeggs, Fenerty and Hull

RECOMMENDATION 09/08.2018/C

Moved: Cr Seconded: Cr

ii. "That Council resolves to adopt the Local Government Board transitional process recommendations incorporating:

a) The total number of persons to be elected as councillors of the new amalgamated Council be nine;

b) That up to three electoral districts be created as a transitional measure for one local government term based around:

1) Tasman Municipality (and adjacent areas of Sorell);
2) Rural Sorell and Southern Beaches;
3) Sorell and Midway Point; and

c) An interim Council be appointed for a period of up to 12 months and comprise five members with an independent Chairperson, the two Mayors of the existing Councils and a Councillor nominated by each of the existing Councils; and

d) Current Councillors be appointed to act in the role of 'Interim Community Board' for the transition period until the election no later than October 2019."

RECOMMENDATION 10/08.2018/C

Moved: Cr Seconded: Cr

iii. "That Council resolves to seek a commitment from the Tasmanian Government to provide transitional assistance to support the Interim Council and staff."