



Shire of Busselton
Geographe Bay

ADDENDUM NO. 2
to
Council Agenda

26 August 2009

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

Issue Date: 21 August 2009

SHIRE OF BUSSELTON

COUNCIL MEETING TO BE HELD ON 26 AUGUST 2009

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17. CHIEF EXECUTIVE OFFICER'S REPORT**17.1 PROPOSED LOCAL GOVERNMENT REFORM REPORT TO MINISTER FOR LOCAL GOVERNMENT**

SUBJECT INDEX:	Localities, Boundaries, Wards and Representation
STRATEGIC INITIATIVE:	5.1.2 Build organisational capacity through continuous service review and improvement
BUSINESS UNIT:	Chief Executive Office
SERVICE:	Council Support
DATE OF COMPLETION:	31 August 2009
VOTING REQUIREMENT:	Simple Majority
ATTACHMENT(S):	1. Minister for Local Government Circular No 3 2. Draft Submission - Local Government Minister

PRÉCIS

This report presents a draft submission to the Minister for Local Government in response to his structural reform initiatives for the consideration of the Council. The report has been drafted in response to directions and input from the Local Government Reform Team appointed by the Council, consisting of the Shire President, the Chief Executive Officer and Councillors Stubbs, Binks, Clarke and Tuffin.

The report identifies the Council's position that amalgamation is not necessary for this local government and identifies other initiatives for increasing its capacity to be a sustainable organisation. The key component of the reform team's recommendation is the formation of a voluntary regional organisation of Councils (vROC) with the Shire of Augusta-Margaret River, known as the CAPEROC.

BACKGROUND

In February 2009 the Minister for Local Government announced a State-wide reform program for the local government industry. In accordance with the Minister's program, at its meeting on 8 April 2009 the Council resolved to endorse a reform project team to meet and discuss reform issues with neighbouring Shires and any other appropriate Local Government in the South West as the project team thought fit.

The Council, following consideration of a Reform Checklist demonstrating the Shire's current position, resolved that it was of the view that amalgamation was not necessary for this local government. However, it was of the view that other types of structural reform should be considered. At the same time, the Council also resolved that its preferred outcome from the reform discussions was to enhance resource sharing and co-operation with neighbouring Shires and all South West Local Governments via a Regional Local Government and/or a voluntary Regional Organisation of Councils.

While the Council had identified a preferred outcome, the reform team would explore opportunities to improve social, economic and environmental capacity of the local community. Should potential amalgamation and/or boundary changes arise as the mechanism by which this could be achieved for the Shire of Busselton, this would be reported back to the Council as part of the reform team's recommendations to the Council for consideration for finalising the report to the Minister. However, should it be determined during the process that the mechanism by which this could be achieved would be in accordance with the Council's position, recommendations would be made as to the formation of a Regional Local Government and/or a vROC.

CONSULTATION

The Shire of Busselton's Reform Team met on three occasions on 13 May, 10 June and 24 June and then participated in a joint meeting with representatives from the Shire of Augusta-Margaret River on 2 July. A less formal meeting between the CEOs and Shire Presidents of the Shires of Busselton and Nannup was conducted on 9 June.

While potential for discussions with Capel were being explored, proposed meetings with this Shire were cancelled, primarily due to time constraints with the Shire of Capel working with other local governments and the Shire of Busselton's current focus on a strong partnership with the Shire of Augusta-Margaret River.

The Reform Team approved a project plan and sought expressions of interest from suitably qualified persons to develop and conduct stakeholder consultation to progress local consideration of reform.

An application for funding to the Department of Local Government was made, and the Shire of Busselton was recently advised "*that the Local Governance Reform Funding Assessment Panel has approved the Shire of Busselton's funding request for \$10,000 through the Local Governance Reform Funding Program to investigate reform options pertaining to:*

1. *amalgamation/boundary adjustments*
2. *representation*
3. *regional grouping*
4. *reform timeline."*

Following the application for funding, but prior to its approval, the reform team determined that it would be appropriate to delay the proposed community consultation process on the basis that the Shire had conducted an advertised submission process. In accordance with the Minister's guidelines, the comments from this process have been recorded and are included in the submission to the Minister.

The project team determined that it would delay any decision on the appointment of a consultant to facilitate a much broader program of community consultation pending the outcomes of this stage of the process. It was considered that the facilitated process, with a potential cost of \$10,000, would be more suitably

conducted should there be any (future) outcomes arising that were suggesting boundary changes or amalgamations.

STATUTORY ENVIRONMENT

The Reform Process has been undertaken at the direction of the Minister for Local Government. At this time, there are no other statutory considerations as there is no proposal for any amalgamation or boundary changes. The recommended vROC is proposed to be established in an advisory capacity only with both Councils to adopt terms of reference. The group will have no delegated powers.

POLICY IMPLICATIONS

Any policy implications would generally be related to the formation of the vROC with the Shire of Augusta-Margaret River. It is proposed that following presentation of the submission to the Minister and feedback from his office, the Council will be presented with another formal report to consider the broader implications of the formation of a vROC, including resourcing and corporate plan consideration. At this time, the Council could also consider the membership of the group in accordance with the terms of reference.

FINANCIAL IMPLICATIONS

As with the policy implications, the financial implications will generally arise as a result of the formation of the vROC. This will be discussed further in a subsequent formal report to the Council. It is also noted that further community consultation may be required, however, it would be hoped that the Shire could still access the grant from the Local Governance Reform Funding should this be required.

STRATEGIC IMPLICATIONS

Undoubtedly, the local government industry in Western Australia will be reforming. Whether this is a one or multi-stage process is not yet known, however, being proactive in this regard is of key strategic importance and the positioning of this organisation to best provide for good governance of the District is vital to future strategic planning.

OFFICER COMMENT

The key issues are all covered in the attached report, which is the draft submission to the Minister for Local Government. It is noted that the draft submission has been written as if it has already been adopted by the Council, such that if it is, either as is or in an amended form, it can be forwarded to the Minister directly and the Council has had the opportunity to consider exactly what will be presented to the Minister.

There are two matters raised herein that are considered sufficiently important to include as additional information in the draft submission that has been prepared. With regard to the reduction of elected members across the industry, this would ordinarily be expected to deliver a higher standard on the basis of the same level

of competition for less positions. It is assumed that this is implicit in the position of the reform team that higher remuneration is deserved. However, it is suggested that an increased competitive process might not guarantee higher standards (justifying better remuneration) and that it should be coupled with mandatory training and standard attainment accordingly. Therefore, it is recommended that the submission to the Minister include a statement to this effect.

It is also recommended that the submission to the Minister should request that an outcome of this process he has instigated be to give direction to the industry about the important sustainability issue of Local Government Authorities addressing their asset infrastructure gap (difference between written down value and replacement value of all infrastructure assets under their care, control and maintenance). The standards should ideally be specified as regulated requirements.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Although the Minister has extended the deadline until the end of September, he has identified that he is still looking forward to receiving those submissions that are completed by the original deadline. Should the reform team's recommendations be generally supported, the submission will be presented by the original deadline. In the case of wide ranging changes being required, the Council will have until 30 September to respond.

OFFICER RECOMMENDATION

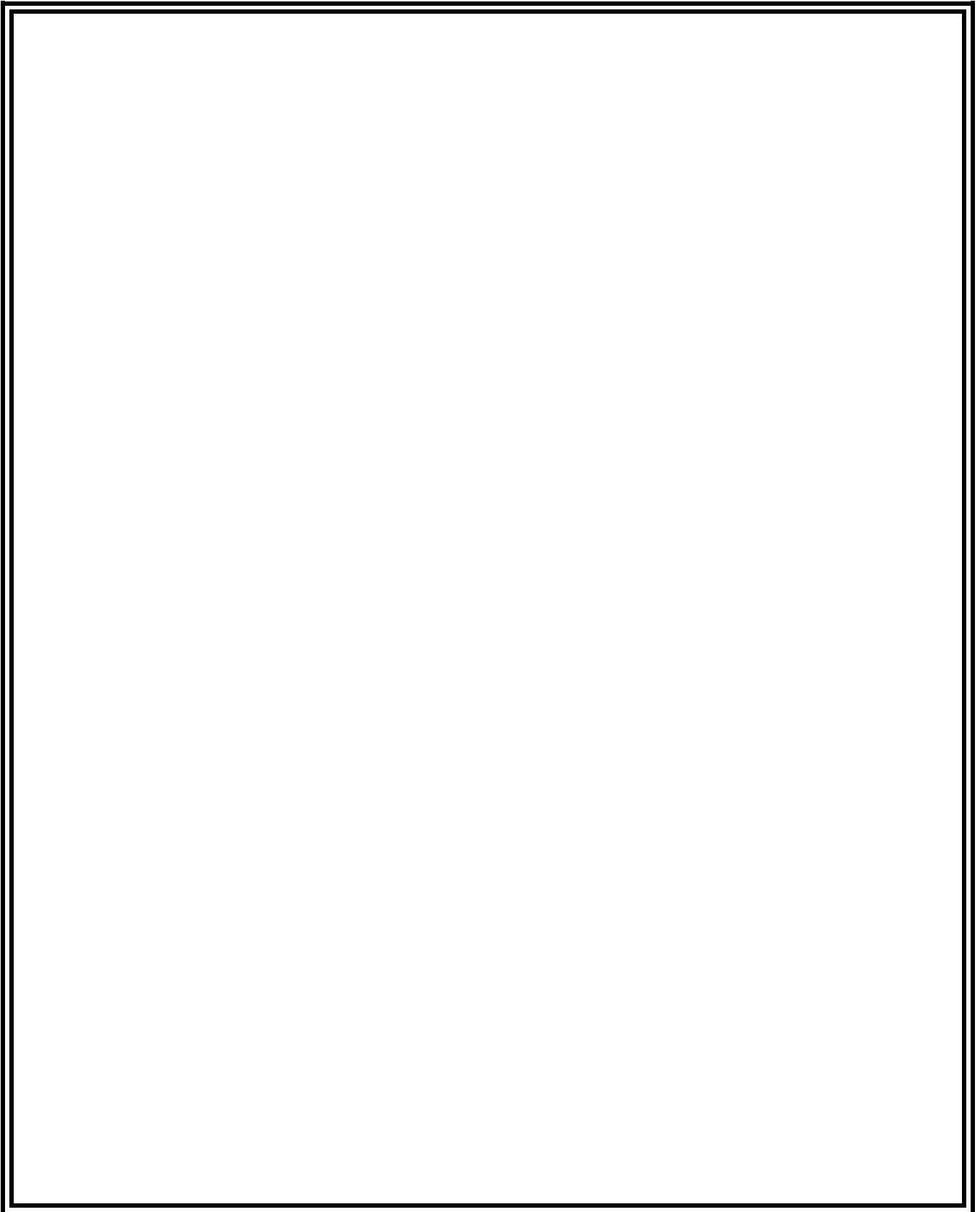
That the report "Reform Submission to the Minister for Local Government" be endorsed for forwarding to the Minister as the Council's formal position, subject to the following inclusions:

- a) A statement in the Council's position regarding elected members, after the statement that it is considered that the fees, allowances and expenses for elected members, as limited by the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996* need to be reviewed to ensure the desired outcome of equitable governance and community representation is able to be achieved that:

"Any consideration of increasing remuneration should be undertaken in conjunction with the introduction of mandatory training and standards attainment for elected members."

- b) A concluding statement in the Council's position that:

"An outcome of the reform process for all Western Australian Local Governments that is considered of vital importance is direction regarding the matter of asset infrastructure gap. It is recommended to the Minister that standards relating to addressing the difference between written down value and replacement value of all infrastructure assets under the care, control and maintenance of a local government are embedded in regulations."





**Minister for Local Government; Heritage;
Citizenship and Multicultural Interests**

Our Ref: M0901459

TO ALL MAYORS AND PRESIDENTS

CIRCULAR N^o 3-2009

**CHANGES TO LOCAL GOVERNMENT REFORM SUBMISSION DEADLINE AND
LOCAL GOVERNMENT VOTING SYSTEM**

In light of recent announcements made at Local Government Week, and a formal request by the Western Australian Local Government Association, I would like to formally advise all local governments that an extension has been granted for submission of reform proposals.

I look forward to receiving those submissions that are completed by the original 31 August 2009 deadline. However, an extension to 30 September 2009 will be granted to those local governments who may wish to re-evaluate their current position, and require additional time to consult with their communities and develop their proposals.

In addition, it gives me great pleasure to formally advise you that the first-past-the-post (FPTP) legislation completed its passage through State Parliament on Thursday, 13 August 2009. This will enable the FPTP system of voting to be implemented in time for local government elections on 17 October this year.

The change of voting method had been consistently requested by the local government sector, and the Government has worked to secure this important outcome for you.

The return to FPTP voting is an important step in protecting local government from the influence of major political parties and the rise of political factions within councils. Compared to the PPV system, FPTP is more timely, fairer and simpler. This makes the electoral process easier to understand and more accessible to people with a genuine interest in serving their local communities.

A handwritten signature in black ink, appearing to read 'John Castrilli'.

**Hon G M (John) Castrilli MLA
MINISTER FOR LOCAL GOVERNMENT; HERITAGE;
CITIZENSHIP AND MULTICULTURAL INTERESTS**

18 August 2009



REFORM SUBMISSION TO THE MINISTER FOR LOCAL GOVERNMENT

(Draft for consideration for adoption by the Council)

ATTACHMENTS: Draft Terms of Reference for Proposed CAPEROC

Introduction

The Shire of Busselton has considered a range of reform options following direction from the Minister for Local Government in February 2009 to prepare a Reform Submission for presentation to the Minister by 31 August 2009.

The Shire of Busselton has undertaken the processes outlined in the Minister's directions and has been rated a category two local government following the checklist assessment. The Shire has considered options relating to amalgamation and regional groupings of Councils.

This Reform Submission presents the Council's position that amalgamation is not required or desirable at this stage for a range of reasons as presented in this submission. This position is from the perspective of the Shire of Busselton as a local government area with demonstrated and predicted significant population growth.

The Council does however acknowledge that there are other local governments in its vicinity that may, at a later stage, seek to explore the potential for boundary changes and/or amalgamations. The Council is open to continuing reform discussions with these local governments as and when required, and where relevant in conjunction with the Shire of Augusta-Margaret River as a partner in these discussions.

Overview

Stage 1

The Shire of Busselton completed the checklist assessment and submitted it to the Minister as required by the end of April 2009 following the Council's adoption of the checklist on 8 April 2009. At the time the Council considered the checklist it resolved it was of the view amalgamation was not necessary for this local government. However, it was of the view other types of structural reform should be considered.

At the same time, the Council also resolved its preferred outcome from the reform discussions was to enhance resource sharing and cooperation with neighbouring Shires and all South West Local Governments via a Regional Local Government and/or a voluntary Regional Organisation of Councils.

Having resolved that, the Council formed a reform team to pursue such opportunities with any neighbouring Shires it deemed necessary. While the Council had identified a preferred outcome, the reform team would explore opportunities to improve social, economic and environmental capacity of the local community.

Should potential amalgamation and/or boundary changes arise as the mechanism by which this could be achieved for the Shire of Busselton, this would be reported back to the Council as part of the reform team's recommendations to the Council for consideration for finalising the report to the Minister. However, should it be determined during the process that the mechanism by which this could be achieved would be in accordance with the Council's position, recommendations would be made as to the formation of a Regional Local Government and/or a voluntary Regional Organisation of Councils.

Stage 2

The Shire of Busselton's Reform Team met on three occasions on 13 May, 10 June and 24 June and then participated in a joint meeting with representatives from the Shire of Augusta-Margaret River on 2 July. A less formal meeting between the CEOs and Shire Presidents of the Shires of Busselton and Nannup was conducted on 9 June.

While potential for discussions with Capel were being explored, proposed meetings with this Shire were cancelled, primarily due to time constraints with the Shire of Capel working with other local governments and the Shire of Busselton's current focus on a strong partnership with the Shire of Augusta-Margaret River.

The Reform Team approved a project plan and sought expressions of interest from suitably qualified persons to develop and conduct stakeholder consultation to progress local consideration of reform.

An application for funding to the Department of Local Government was made, and the Shire of Busselton was recently advised "*that the Local Governance Reform Funding Assessment Panel has approved the Shire of Busselton's funding request for \$10,000 through the Local Governance Reform Funding Program to investigate reform options pertaining to:*

1. *amalgamation/boundary adjustments*
2. *representation*
3. *regional grouping*
4. *reform timeline.*"

Following the application for funding, but prior to its approval, the reform team determined that it would be appropriate to delay the proposed community consultation process on the basis that the Shire had conducted an advertised submission process.

In accordance with the Minister's guidelines, the comments from the community consultation have been recorded and are included in this submission. The comments applauded the Council's decision to advise the Minister that amalgamation was not warranted and supported the examination and progression of resource sharing and cooperation with neighbouring Shires.

The project team determined that it would delay any decision on the appointment of a consultant to facilitate a much broader program of community consultation pending the outcomes of this stage of the process. It was considered that the facilitated process, with a potential cost of \$10,000, would be more suitably conducted should there be any (future) outcomes arising that were suggesting boundary changes or amalgamations.

Stage 3

Following the meeting with the Shire of Augusta-Margaret River it was apparent that, at least as far as the sustainability of the Shire of Busselton (and Shire of Augusta-Margaret River) is concerned, both reform project teams were of the view that the establishment of a vROC between the two Shires would enhance the Shires' triple (quadruple) bottom-line capacity. No boundary changes were considered necessary and amalgamation was not required.

With regard to the position of the Shire of Nannup, it is acknowledged that the Shire has been assessed by the Department of Local Government as a category three local government where significant structural reform including amalgamation and formalisation of regional groupings is required to ensure long term community and organisational benefit in order that the needs of the current and future generations are met. However, it is also noted that at this juncture the Shire of Nannup's stated position is to pursue opportunities with its eastern neighbours and to only consider options with the Shire of Busselton, or other neighbours, should this be identified as a preferred outcome during its community consultation process.

The Shire of Capel, as it is currently understood, has a position that it is sustainable and is seeking to maintain its autonomy, however, potential amalgamation(s)/boundary adjustments with various neighbouring local governments may be an outcome of the Structural Reform process. Any potential for Capel to be involved in amalgamation/s or boundary changes with other local government authorities may require closer examination by the Shire of Busselton at a later time.

Stage 4

At its meeting on 26 August 2009, the Council considered a formal report and recommendations from the project team and resolved to proceed with this Reform Submission to the Minister. The content of this Reform Submission has been endorsed by the Council of the Shire of Busselton.

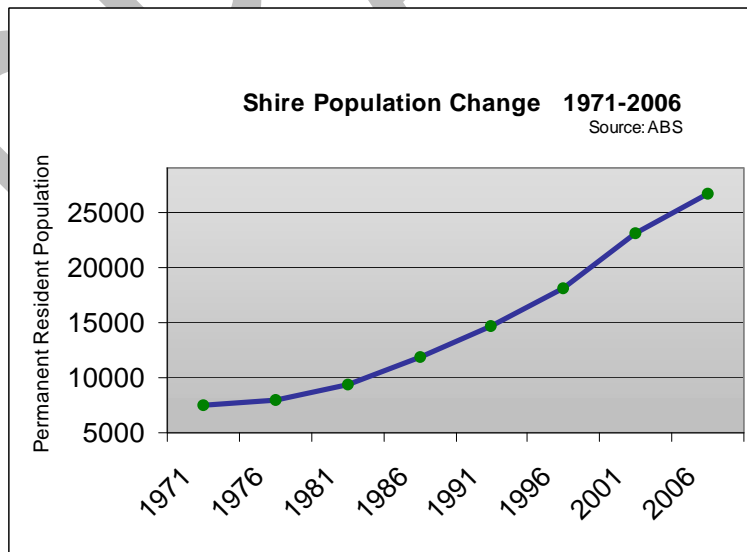
Process in Detail

The reform team, at its final meeting on 13 August 2009, formalised a suite of recommendations to be presented to the Council for its consideration. Potential amalgamations were again discussed, and the team determined that it reaffirmed its position that amalgamation was not required or desirable at this stage. The Council has also resolved this position.

This position is based on a range of factors, including the sustained growth of the Shire of Busselton, the Council's opinion that the Shire of Busselton's strategies and plans for the future of the District will ensure the Shire's organisational and financial sustainability and the Council's desire to ensure effective local representation in local government.

The 2006 Census data confirm that the Shire of Busselton is one of the fastest growing non-metropolitan Local Government areas in the State, growing by 3566 persons between 1991 and 1996, 4941 between 1996 and 2001, and 3539 between 2001 and 2006. The ABS preliminary 2006 estimate of resident population is 26,638, an increase of 15.3% during the inter-censal period. The Shire achieved an average annual growth rate of 4.9% between 1996 and 2001 and 2.9% between 2001 and 2006. In percentage terms, this was well above the State average of 1.6%.

The rate of the Shire's population growth is also emphasised in that it contributed 2.24% of the State's overall population increase while only containing approximately 1.29% of the State's total population.



ASSUMPTION	2011	2016	2021	2026
WAPC projections (WA Tomorrow, 2005)	30,100	33,300	36,500	-
Australian Bureau of Statistics for the Department of Health and Ageing (Statistical Local Area Population Projections, 2007 to 2027)	31,175	35,383	39,575	43,673

During the process, a key component of the Shire of Busselton's reform team's work was to examine in detail the checklist that had been endorsed by the Council to identify whether current Corporate Plan actions were sufficient to address the gaps identified in the checklist. The team considered a report on the gap identification process from team member Cr Ian Stubbs at its meeting on 24 June 2009. The conclusions of the report were supported and are discussed further to follow.

The Department of Local Government, upon receiving the Shire's final checklist, also conducted an assessment of its contents, rating the Shire of Busselton as a category two local government (*structural reform including amalgamation/boundary changes and formalisation of regional groupings should be considered to enhance organisational and financial capacity to meet current and future community needs*) and identifying various shortcomings. It is noted that the then Acting CEO queried the Department's assessment on various bases and while certain aspects of the assessment were revised, the category two rating remained.

The Shire of Augusta-Margaret River achieved a category one rating (*evidence indicates that there is existing organisational and financial capacity to meet current and future community needs. Local Governments should still consider reform opportunities which enhance service provision to local and regional communities*) and its assessment is also discussed in this report to identify potential strengths and corresponding weaknesses between the two Shires. The proposed CAPEROC partnership would offer a framework for both Shires to exchange expertise in the areas assessed to be requiring attention.

Areas requiring attention (as assessed by the Department)

- * Limited financial planning strategies to supplement the Strategic Plan.

The Department assessed that while there was a five year financial plan in place with identified funding strategies for recurrent and operating costs, there were limited demonstrable linkages to the Strategic Plan.

Note: The Shire of Augusta-Margaret River was assessed by the Department to have a key strength of comprehensive strategic planning with identified funding strategies.

- * Limited demonstrable evidence of an overarching corporate staff attraction and retention strategy in place to build organisational capability.
- * Limited demonstrable evidence of a strategic approach adopted for staff to undertake professional training and development opportunities.

While the information relating to proficient organisational capacity provided to the Department to accompany the checklist was assessed as above, it is evident that the Shire has further significant evidence of strategies to support the organisation's capacity in these areas. The Shire provided its Leadership Plan (Strategic Human Resources Plan) in response to the proficient organisational capacity question in the checklist. It has become clear that in order for the Department's assessment to reflect the actual significant level of strategies in place, further detail around each of the strategies in the Leadership Plan will need to be provided.

The Leadership Plan supports a range of current and proposed initiatives. This overarching plan has a significant number of initiatives for attraction and retention and also includes a strategic approach to professional training and development. Attraction and retention of staff is established as a key objective of the Chief Executive Officer and the following strategies are already in place:

- * Purchased leave, parental leave;
- * Reward and recognition, staff awards, staff Christmas function, social events;
- * Flexible hours with time in lieu and executive time off arrangements;
- * Wellness program, employee assistance program, safety focus;
- * Professional development, training, study assistance policy and budget, leadership training and coaching program, LGMA Challenge team;
- * Recruitment program with future online recruitment abilities, relocation reimbursement, onboarding processes;
- * Guiding principles, team building policy, issues resolution focus including formal policy;
- * Benchmarking, parity reviews and matrixing program, documented policy to guide equity in remuneration.

The organisation's requirements for professional training and development are collated and analysed in a coordinated manner to ensure the requirements are met and the accomplishment of the requirements is in the most efficient and effective manner. To support this objective, the following processes are in place:

- * Performance reviews include a training and development plan for a significant period of time;
- * A training calendar is published and supported;
- * Skills and competencies auditing to be undertaken and there is a central register of qualifications;
- * Forward plans and budgets include allowances for training and development, including wages for training undertaken outside of normal work hours, travel and accommodation;
- * Senior managers participate in a structured and consistent leadership development program;
- * Adopted practices and procedures to support training and development, study assistance and professional development;
- * Training identified through incident, accident and hazard reporting is coordinated;
- * All project proposals and plans scope training requirements to be delivered and addressed;
- * Compulsory training is identified and is supported and implemented across the Shire;
- * Staff survey and exit interview information feeds into training requirements;
- * Work experience policy and program to support development of the workforce and community, along with a focus on traineeships and cadetships.

Note: The Shire of Augusta-Margaret River was assessed by the Department to have a key strength of a comprehensive organisational approach to staff attraction and retention, and training and development policies to build organisational capacity.

- * Limited demonstrable evidence of a formal organisational approach to attract employment and investment to the district.

The Busselton Shire has recognised the need for a formal organisational approach to attract employment and investment to the district and the Council allocated \$75,000 for the development of a Regional Economic Development Strategy in partnership with the Shire of Augusta-Margaret River. The Council has endorsed the draft Regional Profile (which will be used as part of an attraction strategy) together with the vision and focus areas. The Strategy and program of activities will be completed by September.

The strategy will provide the rationale of what investment to attract to the region to complement the existing industry base and create sufficient employment to achieve the vision of economic sustainability. The strategy will also identify potential changes to planning, approval processes and policies to create an environment that encourages this investment.

Note: The Regional Economic Development Strategy is a key partnership with the Shire of Augusta-Margaret River, underpinned by a Memorandum of Understanding. The implementation of the finalised strategy will be a core focus area for a re-established CAPEROC for the economic, social and environmental benefit of both Shires.

- * Limited evidence to substantiate organisational and financial capacity to improve or increase service provision, reflective of limited demonstrable financing strategies to supplement the strategic plan.

The organisation has recognised, in accordance with the recommendations of the Report; "The Journey – Sustainability into the Future: Shaping the Future of Local Government in Western Australia" that local governments should prepare and publish a Strategic Plan for a minimum of ten years. As part of that plan, an accompanying financial plan should also be published that demonstrates the local government's ability to service its Strategic Plan outcomes, in addition to its long term asset management plans.

There are existing organisational plans in place to incorporate these requirements during the forthcoming review of the Shire of Busselton's Strategic Plan and the need for strong demonstrable Strategic Plan linkages to the long term Financial Plan is recognised. The Shire also has a low debt service ratio (DSR) as identified in the June 2009 (unaudited) financial statements at 2%. The Council has previously adopted a maximum DSR of 10% in accordance with Departmental guidelines and the financial sustainability assessment conducted by an independent expert.

If the departmental assessment about future financing strategies (for example how to fund the gap between the replacement value and the written down value of the Local Government's infrastructure assets) is what is referred to in the Shire of Busselton having a non-demonstrated financial capacity to respond, then this is agreed. Councillor Stubbs, however, notes that this is a problem shared by many local government authorities.

It is also noted that the Department's assessment identified effective environmental management; commencement of asset and infrastructure planning through a structured program; ability to process building applications and statutory reporting timeframes efficiently; evidence of effective partnerships negotiated with the State Government; and planning for demographic change as the Shire of Busselton's key strengths.

The Shire of Augusta-Margaret River was assessed as requiring improvement in relation to partnerships negotiated with the State and Commonwealth Government and private sector to attract local investment and enhance service provision to the community; regional planning outcomes and with delays in meeting statutory compliance reporting requirements. There are areas of commonality between Augusta-Margaret River's identified areas for improvement and Busselton's key strengths.

The report submitted by Cr Ian Stubbs, and supported by the project team, concluded that the deficiencies that had been identified at that time (prior to receipt of the Department's assessment) would most likely be found in most, if not all, local governments. It also concluded that the Shire of Busselton was in a strong position and that there was not anything that had been identified during the process that could be gained from amalgamating with any other local government.

The matter of the number of elected members was addressed by the reform team. During these discussions it was identified that any reduction in the number of elected members could impact on the members' abilities to provide effective representation to the community and this is a key consideration for a local government.

While there was some desire to potentially retain the existing level of representation, the team acknowledged the guidelines set by the Minister.

The WA Local Government Association has maintained that the consideration of the number of elected members should be separate to the reform process and there has been some suggestion of a study into the impacts of reducing the number of elected members, although this has not proceeded.

It is considered that a smaller number of elected members would be appropriate but only on the basis that the current restrictions on remuneration for elected members are reviewed to ensure the levels are commensurate with the workload, which is potentially increased when numbers are reduced.

The Council's position

The Council of the Shire of Busselton reaffirms that it does not believe that amalgamation is required or desirable at this stage, on the basis that:

- * There is substantial evidence of existing and predicted population growth and revenue growth for the medium and longer term as demonstrated in this submission, and as also referenced in the 2006 Local Government Advisory Board Inquiry into Structural and Electoral Reform for both the Shire of Busselton and the Shire of Augusta-Margaret River;
- * There are differing local communities of interest between the townships of the Shire of Busselton and Augusta-Margaret River townships and hamlets;
- * There are identified positions of other neighbouring local governments that have not included the discussion of amalgamation or boundary adjustments with the Shire of Busselton at this time;
- * There is a strongly expressed need for effective local representation and governance in local government;
- * The Shire of Busselton is geographically large and has geographically displaced servicing requirements;
- * There have been effective boundary adjustments initiated previously;

- * The organisation has the ability to address the matters requiring attention as identified by the Department of Local Government in its assessment of the Shire of Busselton's checklist;
- * The Shire of Busselton and the Shire of Augusta-Margaret River have identified a strong potential partnership for the benefit of both Shires;
- * The Shire of Busselton has and is further developing positive collaborative partnerships with both the State Government and the Federal Government, and with other Shires in the South West Development Commission's area.

The Council of the Shire of Busselton endorses a proposal to establish a CAPEROC (Capes Regional Organisation of Councils) with the Shire of Augusta-Margaret River in accordance with the draft terms of reference to progress the delivery of increased capacity for both Shires.

The objectives of the CAPEROC will be:

- * To explore opportunities to foster Economic Development in the Capes Region;
- * To explore avenues to foster tourism in the Capes Region and improve the coordination of major regional events;
- * To safeguard, strengthen and grow the Margaret River and Geographe brands;
- * To explore opportunities to undertake projects of mutual benefit to the two Shires eg Rails to Trails network;
- * To develop opportunities to undertake capacity building activities for Councillors and staff in the two Shires;
- * To explore opportunities to develop funding submissions on a regional basis;
- * To evaluate possible resource sharing arrangements between the two Shires;
- * To identify skill shortages and to undertake workforce planning on a regional basis;
- * To explore opportunities to simplify and standardise policies in the region where appropriate;
- * To consider the feasibility of establishing a Capes Regional Council.

Deleted: ow

The proposed CAPEROC is the key component of the Shire of Busselton's reform process as at 31 August 2009 in order to improve the social, economic and environmental capacities of the Shire of Busselton. The Shire is open to further developing relationships with the Shire of Nannup and the Shire of Capel, in conjunction with the Shire of Augusta-Margaret River if necessary, should either Shire seek to discuss boundary changes, amalgamations or further development of an expanded regional organisation of Councils or additional regional organisation of Councils.

The deficiencies identified in the Department of Local Government's checklist assessment outcome (revised) are being addressed by a suite of existing plans and strategies or can be further developed within the framework of the CAPEROC.

Other reform initiatives will be progressively discussed and examined when and if they are identified, either through continuing liaison with the Shire of Nannup and the Shire of Capel, or through the CAPEROC partnership with the Shire of Augusta-Margaret River.

In accordance with the guidelines set by the Minister, the Council acknowledges the desired level of elected member representation is between six and nine. In the interests of maintaining an appropriate elected member to elector ratio and recognising the continued growth in the Shire of Busselton, along with the geographically large area of the local government, the Council would support a reduction in the number of elected members to a minimum of nine. However, this would be on the basis that remuneration levels for elected members were commensurate with the workload associated with the role. It is considered that the fees, allowances and expenses for elected members, as limited by the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996* need to be reviewed to ensure the desired outcome of equitable governance and community representation is able to be achieved. The role of a local government elected member needs to be accessible and achievable in a financial management sense by a broad range of people.



CAPES REGION ORGANISATION OF COUNCILS

DRAFT TERMS OF REFERENCE

1.0 INTRODUCTION

The Councils of the Shires of Augusta-Margaret River and Busselton (hereinafter called the "Councils") following a resolution of the respective Councils hereby establish a Voluntary Regional Organisation of Councils (VROC), such VROC to be known as the **Capes Region Organisation of Councils**, (hereinafter called **CAPEROC**).

The Councils jointly appoint to the VROC those positions whose names appear in Section 4.0 below. Membership of the CAPEROC shall, unless otherwise specified, be for a term ceasing **at the date of the Local Government election** in the year the Shires' local government elections are held, after which time the Councils may appoint members for a further term.

The CAPEROC shall act for and on behalf of the two Councils in accordance with provisions of the Local Government Act 1995, local laws and the policies of the respective Councils and this Instrument.

2.0 NAME

The name of the Voluntary Regional Organisation of Councils shall be the **Capes Region Organisation of Councils (CAPEROC)**.

3.0 OBJECTIVES

CAPEROC seeks to enhance the capacity of both local governments to deliver social, economic and environmental benefits to their communities and the region.

The objectives of the CAPEROC are:

- To explore opportunities to foster Economic Development in the Capes Region;
- To explore avenues to foster tourism in the Capes Region and improve the coordination of major regional events;
- To safeguard, strengthen and grow the Margaret River and Geographe brands;
- To explore opportunities to undertake projects of mutual benefit to the two Shires eg Rails to Trails network;
- To develop opportunities to undertake capacity building activities for Councillors and staff in the two Shires;
- To explore opportunities to develop funding submissions on a regional basis;
- To evaluate possible resource sharing arrangements between the two Shires;
- To identify skill shortages and to undertake workforce planning on a regional basis;
- To explore opportunities to simplify and standardise policies in the region where appropriate;
- To consider the feasibility of establishing a Capes Regional Council.

4.0 MEMBERSHIP

The membership of the CAPEROC shall be:

1. The Presidents of the two Shires;
2. Two Councillors appointed by each Shire, and
3. The CEOs of the two Shires.

5.0 PRESIDING MEMBER

The role of Presiding member shall be rotated between the two Shires on an annual basis and the administration of the meetings will be conducted by the Shire from whom the Presiding Member is appointed. The Deputy Presiding Member shall be appointed by the alternative Shire from the Presiding Member.

The Presiding Member shall ensure that minutes of the proceedings are kept and that business is conducted in a less formal manner than Council meetings but in accordance with the accepted rules of conduct for the two Shires' Council and committee meetings.

The Presiding Member must cast a second vote if the votes of the members present are equally divided.

The Local Government Act 1995 places responsibility for speaking on behalf of the Councils with the Presidents, or the CEOs if the Presidents agree. Statements on behalf of the CAPEROC shall be by joint communiqué and by the respective Presidents.

The members of the CAPEROC with the exception of the respective Presidents are to refrain from speaking publicly on behalf of the CAPEROC, or to issue any form of written material purporting to speak on behalf of the CAPEROC without the prior approval of the respective Presidents.

6.0 MEETINGS

The CAPEROC shall meet on a quarterly basis or as required.

- 6.1 Notice of meetings shall be given to members at least 5 days prior to each meeting.
- 6.2 If any member is absent from 3 consecutive meetings without leave of the CAPEROC, they shall forfeit their position on the CAPEROC. The respective Council shall be informed, who will then appoint a replacement for the balance of the member's term of appointment.
- 6.3 The Presiding member shall ensure that detailed minutes of all meetings are kept and shall, not later than 5 days after each meeting, provide both Council with a copy of such minutes.
- 6.4 All members of the Committee shall have one vote. If the votes of the members present are equally divided, the person presiding is required to cast a second vote as is required under the Local Government Act.

7.0 QUORUM

Quorum for a meeting shall be at least 50% of the number of offices, whether vacant or not. A decision of the CAPEROC does not have effect unless it has been made by a simple majority.

8.0 NO DELEGATED POWERS

The CAPEROC has no delegated powers and is a facilitation, advocacy and advisory body established to assist both Councils to achieve greater effectiveness and efficiency.

9.0 TERMINATION OF COMMITTEE

Termination of the CAPEROC shall be by decision of either Council or jointly to discontinue participation in the Voluntary Regional Organisation of Councils.

10.0 AMENDMENT TO THE INSTRUMENT OF APPOINTMENT AND DELEGATION

This document may be altered at any time by the two Councils jointly passing a motion of their respective Councils on the recommendation of the CAPEROC, or independently by joint decision of the two Councils.

11.0 COMMITTEE DECISIONS

CAPEROC decisions shall not be binding on the two Councils and need to be ratified by either Council.

AMRS COUNCIL RESOLUTION OCM-_____DATED _____.

BUSSELTON SHIRE COUNCIL RESOLUTION OCM-_____DATED _____.