

**SOUTH EAST AVON REGIONAL TRANSITION GROUP
(S E A R T G)**

MINUTES

MEETING OF BOARD MEMBERS

SHIRE OF YORK – COUNCIL CHAMBERS
4:45PM MONDAY, 3 FEBRUARY 2014

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

1.1 Opening

The Chairman welcomed Attendees, in particular Members of the Local Government Advisory Board, stating that the Group looked forward to the Advisory Board's comments at the Meeting. Further, suggesting that given the Advisory Board's tight schedule, Report RTG-001-14 be dealt with in the first instance.

6. REPORTS

With the agreement of Attendees, Report RTG-001-14 was discussed at this juncture.

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| RTG-001-14 | LOCAL GOVERNMENT ADVISORY BOARD (LGAB) ASSESSMENT OF THE PROPOSAL TO AMALGAMATE THE SHIRES OF CUNDERDIN, QUAIRADING, TAMMIN AND YORK (File: rtg001-14) |
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Prior to the Advisory Board's presentation, the Chairman advised that he would provide comment on behalf of the SEARTG Group, summarised as follows:

- Thanked the Advisory Board for the manner in which proceedings were conducted in each of the four Participating Local Governments.
- Public meetings were considered to be well executed.

Local Government Advisory Board Report

- Reference was made to the number of submissions received by the Advisory Board, and the quote that "a substantial number of the submissions received were against the proposal".

- Report states that of 195 submissions received, 83% were against the proposal.
- Overall population of the four Participating Local Governments is in excess of 6,000 people, therefore 195 submissions represents 3.25% of the total population.
- Disagreed with the belief that the number received, and those against, was significant.
- Concerned that 3% of the population can influence the outcome of the proposed amalgamation.
- This highlights the need for a change in the poll provisions.
- There will always be people against proposed change.
- Hypothesised that if local government were to provide a new vehicle to residents, there would also be people against this.
- Attention was drawn to the Regional Business Plan, and the understanding that this Plan was based on assumptions.
- Agreed that “assumptions” form a normal part of the process, however believes that the Regional Business Plan highlights the difficulty of amalgamating small country local governments, whilst also demonstrating that it will never be much better than cost neutral to do so.
- Early planning by the SEARTG Group established that the Regional Business Plan must be at least cost neutral.
- The Regional Business Plan was to achieve improved capacity, not only improve the financial position.
- Whilst all four Participating Local Governments support amalgamation, there are individual issues of concern which need to be addressed before an amalgamation can proceed.
- On reading the Advisory Board’s decision, suggested that it would have been beneficial for the Advisory Board Members to have witnessed the process leading to preparation of the proposal.
- Individual issues of concern were dealt with in the early stages, with some being vocal disagreements.
- Expressed pride in the SEARTG Group’s approach in working through those issues, and coming to agreement on important matters such as representation.

- As a Board, there is belief that the SEARTG Group has the ability to work through any future issues.
- The hardest issues were dealt with through the process.
- Disappointment was expressed on behalf of the SEARTG Group on the Advisory Board's concern that the Participating Local Governments were not adequately prepared at this point in time to drive the change management process.
- Working with the SEARTG Group had been a privilege, refreshing, stimulating and exciting.
- Attention was drawn to the exemplary intellect and vision displayed by Elected Members and Chief Executive Officers of all the Participating Local Governments.
- Attendance at various Regional Organisation of Councils (ROC) meetings has demonstrated how advanced the SEARTG Group were by comparison.
- Each Participating Local Government will need to decide individually if they wish to proceed with the planned amalgamation.
- The possibility of proceeding with the current Regional Business Plan, if the issues raised were addressed now or in the future, was queried.

The Chairman concluded his comments, suggesting that there may be questions from the SEARTG Participants. Then, following the Chairman's invitation, Cr M Congerton provided comment as follows:

- Thanked the SEARTG Group for the opportunity to discuss the Advisory Board report.
- Attendees were advised that he intended to speak plainly.
- Suggested that earlier comments may be been predicated that a decision was made purely and simply on the public hearings and the number of submissions.
- It was clarified that the Advisory Board decision took into account a number of factors, and that the public meetings and submissions formed only one part of that process.
- Stated that the Advisory Board understood that the number of submissions received in the negative was small in comparison to the overall population, and reiterated that the decision was not based on this aspect alone.
- A number of conclusions were reached by the Advisory Board.

- Discussions with each individual Council, and with some Councillors, demonstrated that some were better prepared than others.
- Board Members had concerns in relation to the lack of approach taken by some communities.
- There was also evidence of some internal disagreement which was not completely resolved.
- The report therefore talks about the ability of the authorities to actively work together for a new entity.
- It was suggested that other Advisory Board Members may wish to comment.
- The Advisory Board felt that there were some concerns in relation to the Regional Business Plan.
- Consideration was given to the return on an investment of \$2.95M, with concern in this regard.
- The Regional Business Plan would have provided for a stronger community in terms of communication through infrastructure costs.
- Advised that the phraseology of the Advisory Board's report was not intended to upset, the intent was to offer honesty on the Advisory Board's decision.
- The Advisory Board's decision was unanimous, without the suggestion of review.
- The Advisory Board cannot prevent the presentation of another proposal.
- Further presentation was a decision for the SEARTG Group.
- There had been some suggestion of a three way proposal as opposed to the four way proposal considered.
- Clarification was provided that the proposal already considered cannot be resurrected.
- Any proposal put forward must be completely new.
- Acknowledged the work of Councillors and Mr D Carbone for the very good, in depth, Regional Business Plan developed.
- The Advisory Board acted on the information provided to it.
- The Advisory Board has undertaken a number of inquiries, with the SEARTG inquiry being the most vocal in terms of negativity.

- There is a need to question why there was so much vocalisation against the proposal.
- Suggested the SEARTG Group may wish to ask questions of other Advisory Board Members.

General discussion followed, detailed as:

- Mr R Earnshaw
- Concurred with Cr M Congerton's comments.
 - Provided comment on the proposal presented.
 - The preferred option was to see amalgamations in stronger local governments.
 - Concern raised with the by product of the proposed amalgamation.
 - Proposal was hard to justify with disparate communities of interest.
 - Need to understand the communities of interest, the governance models, and representation, in line with an investment of \$2.95M for a cost neutral outcome, and the benefits of this.
 - The Advisory Board are not in a position to suggest what proposal may work.
 - Congratulated the Participating Local Government Chief Executive Officers on working through what is acknowledged as a difficult process.
 - It is difficult to bring communities along with the process.
 - Reiterates that it was not the negative submissions received that was the deciding factor.
 - Need to be honest with oneself in making a decision and taking all factors into account.
 - Believed that the "benefits were not there for the broader group".

- Chairman
- The benefit of the proposal is in increased capacity.
 - Members of the SEARTG Board may speak with the Minister for Local Government in this regard.
 - Capacity is an issue for small local governments in addressing issues such as aged care, health care, education, business development, land development, etc.
 - A larger organisation such as that proposed, would have the capacity to deal with such issues, have influence in speaking with Government Ministers, and would be “heard”.
 - Believes it is difficult to be heard as a smaller entity.
 - Suggested other Participants may wish to comment or ask questions.
- Cr M Congerton
- Responded to the Chairman’s comments.
 - The strength of the SEARTG was acknowledged.
 - All are aware of cost shifting, and the problems that exist with monetary input for local governments, particularly in the country.
 - If the Minister was prepared to invest \$2.95M for the four way amalgamation, this dialogue should be continued; in particular on assistance for the provision of infrastructure to ensure that communication streams are unified.
 - The SEARTG Group may wish to pursue such a discussion with the Minister.
 - Provided comment on additional staff detailed in the Regional Business Plan.
 - The SEARTG Group has the provision to share resources, and should continue in this regard.
- Chairman
- Suggested obtaining the \$2.95M funding would be the difficult part.
- Cr M Congerton
- Queried what the Minister may allocate the \$2.95M funding to, and suggested that this question be raised.

- Chairman
- Suggested that the funds may be utilised in other areas.
- Cr T Boyle
- Queried if Cr M Congerton was referring to a subsidiary model similar to SEAVROC which commenced some six years ago.
- Cr M Congerton
- Stated that there is merit in pursuing the resurrection of SEAVROC.
- Cr H Dullard
- Was disappointed to have to come to the conclusion that the Advisory Board did.
 - Has involvement in the amalgamation process at the Shire of Mundaring.
 - Knows where this process should go, and how difficult it will be.
 - There is need for a really strong team, preferably all on the same page, and all need to be absolutely clear on what it will take to compromise and to change.
 - These strengths were not evident in all the Participating Local Governments in relation to the proposal considered.
 - Concerns were raised that the internal machinations were not robust enough.
 - Believes SEAVROC may be the answer for the immediate future, with sound change management.
 - The SEARTG Group has great skills and expertise.
 - Disappointment was expressed for those who wanted the proposal to succeed.
- Chairman
- Extended thanks to Cr H Dullard for her comments.
 - There is no doubt that reform will remain on the agenda for the SEARTG Group.
 - The SEARTG Group have come too far to turn back now.

- Cr S Uppill
- Suggested that the timeline for reform was too short, and that this will be experienced by metropolitan authorities.
 - Concern was expressed in relation to the Advisory Board's comments on disunity.
 - A two year timeframe is insufficient.
 - The SEARTG Group commenced in February 2009 (SEAVROC).
 - Changeover of Councillors since commencement has brought with it different points of view.
 - Dissatisfaction with the Government and timelines provided in relation to the process.
 - An additional year was needed to "sell" the concept to the communities.
 - Comparison was made between the SEARTG Group proposal and the Narrogin/Cuballing proposal.
 - It was suggested that the proposal should have been put to the community for a decision.
 - Vocal residents may run for Council in the future, and will be faced with presenting proposals in the future.
- Cr H Dullard
- The submission considered was presented by those currently in those leadership roles.
- Cr M Congerton
- Putting the proposal to the community for decision would not have been the correct way of proceeding.
 - Consideration needs to be given to the cost of doing so, and the content of the Regional Business Plan.
 - If the decision had been made in the affirmative, there is no doubt that a poll would have been called.
- Cr S Uppill
- Comment was provided on the work, time, and effort undertaken by the SEARTG Group to progress to this point.

- Cr M Congerton
- Reiterated that the Advisory Board's decision was not solely based on the submissions received.
- Cr S Uppill
- Drew attention to Participants working full time in their businesses, as well as being full time for their respective communities.
- Dr S Silcox
- Advised that the easier path for the Advisory Board would have been to put the proposal to a poll. The Advisory Board however believed that it was not appropriate to do so.
 - Suggested that if Participants were in the Advisory Board's position, the same decision would have been made.
 - Would liked to have seen an amalgamation and some type reform, with the SEARTG Group being proactive in this regard rather than having forced reform at a later stage.
 - It would have been easier to refer the matter to a poll.
 - Did not believe an amalgamation could be justified at this point.
 - The Advisory Board is not in a position to make alternative recommendations to the SEARTG Group.
 - Has a personal view that there are alternatives that the Group may wish to look at.
- Mr R Earnshaw
- Queried the suggestion of putting the matter directly to a poll and how that would reflect on the Advisory Board.
 - Putting the matter directly to a poll would discount the entire process.
- Cr S Uppill
- Provided comment on the clarity of the Advisory Board's report and the decision made.
- Mr R Earnshaw
- Referred to the final paragraphs and conclusion of the Advisory Board's report.

- At this point in time the Advisory Board does not believe the proposed amalgamation is the way to go.
 - That is not to say that in six months time that the Group cannot progress to a successful proposal.
- Chairman
- Considered the difficulty to be in maintaining the enthusiasm of the SEARTG Group.
 - The SEARTG Group had embraced reform from the beginning.
 - Provided comment on former Minister Castrilli's announcement on reform, with the SEARTG Group (SEAVROC) being the first to embrace the concept.
 - Drew attention to an early meeting in Kellerberrin where attendees were opposed to the proposed reform.
 - The Chairman, along with ex Cr G Cooper and Cr P Hooper, were in attendance at the Kellerberrin meeting, were in support, and looked at ways of achieving reform.
 - Expressed the SEARTG Group's disappointment at the Advisory Board's decision, and cited the positive approach and effort to date.
 - Reiterated the difficulty expected in maintaining enthusiasm to continue with reform.
 - The Advisory Board's decision has deeper implications for the whole of the wheatbelt.
 - Those against the reform process are already speaking in negative terms of the Group's efforts given the decision.
 - Attention was drawn to the high level of experience of all Attendees, in particular past and present SEARTG Board Members, and Advisory Board Members.
 - The Advisory Board has possibly identified some of the issues that the State Government will need to address if reform is going to take place.
 - Assessment is required on whether amalgamation is the way of reform for rural local governments, or whether subsidiary legislation is the preferred process.

- Mr R Earnshaw
- Suggested that there are other avenues to achieving reform, such as boundary changes.
 - In this scenario, one local government is consumed in the process, without poll provision implications.
 - This is not an amalgamation, and entails a completely different, yet easier process.
 - The SEARTG Group may wish to think about other such models in order to move forward.
 - Is happy to meet with Participating Local Governments and discuss such options.
 - The SEARTG Group had experienced “a slight set back” with the Advisory Board’s decision, but there were ways of moving forward.
 - Acknowledged the SEARTG Group’s efforts over an extensive period of time.
 - If the SEARTG Group believes that reform is right for the region, a way forward needs to be established.
 - The issue is that the Regional Business Plan does not provide sufficient evidence that the proposed amalgamation is workable.
 - The Advisory Board believes that the community would not support the SEARTG Group in its proposal.
 - If the SEARTG Group wishes to move forward, different models need to be looked at.
 - Media has reported the Minister’s support of the amalgamation.
 - The Advisory Board however demonstrated its independence from the political position by determining in the negative.
 - Drew attention to the metropolitan process, where a significant number of proposals have been for boundary changes, with the need to question why this has occurred.
 - Suggested that there is something to be learned from the metropolitan outcomes.

- Advised that one local government can be consumed in a boundary change; that this can be an agreed approach, and without the process being aggressive.
 - This process can then be repeated in a phased approach.
 - The amalgamation process entails a full spill of staff and councillors, whereas the boundary change process is different.
 - There are different models that may be considered to deliver the desired outcomes, with a staged approach being a strategic choice.
 - Lessons would be learned from the initial stage of a phased process, with the gains obtained being consolidated in subsequent stages.
 - Advised the SEARTG Group, that “it is not all over”, there are other options that the Group may wish to consider.
 - Unfortunately, the Advisory Board did not consider that the proposal put forward justified the move to amalgamation at this point in time.
 - Again, acknowledged the volume of work undertaken.
- Cr T Boyle
- Queried if Mr R Earnshaw was suggesting that the Group proceed with the reform process without the involvement of ratepayers.
- Chairman
- Boundary changes were considered by the SEARTG Group, however this was believed to be a less popular option than that proposed.
- Mr R Earnshaw
- Advised that he had detailed one model, however there were others to consider.
- Cr P Hooper
- Initially took the decision personally.
 - The SEARTG Group took on board that they “were agents of change”.

- Understood the implications of such change, and knew it would be difficult.
 - Boundary changes were discussed.
 - Early discussions with Minister Simpson demonstrated that he was unaware at that time that he was in a position to sign off on a boundary change.
 - The wheatbelt cannot continue with a total of 41 local governments.
 - Queried how east of the SEARTG Group would work, if the model presented could not work for the four Participating Local Governments who invested considerable effort in the process.
 - Believes the implications of the Advisory Board's decision reach beyond the SEARTG Group.
 - Despite the decision, the SEARTG Group will continue its efforts.
 - The SEAVROC grouping worked well with proven benefits.
 - Other local governments have expressed an interest in obtaining shared services through the SEAVROC model.
 - Sought input from the Advisory Board on "where rural local governments now go".
- Cr M Congerton
- The Advisory Board is unable to answer the question, as it does not commence proposals.
 - Feedback from Cunderdin, Quairading and Tammin residents expressed concern in amalgamating with York, as the communities of interest were considered to be considerably different.
 - This feedback was evident during the public hearings, however does not personally agree with the sentiment.
- Cr S Uppill
- Indicated that the residents "did not want to listen", and "did not understand the Regional Business Plan."

- Cr M Congerton
- Understood these factors.
 - Queried how it was possible to move on from that emotive position.
 - At the Quairading public hearing it was queried if the Advisory Board would consider amalgamating Cunderdin, Quairading and Tammin.
 - This could not be considered unless a proposal to this effect was presented to the Advisory Board.
 - A joint amalgamation proposal may be considered by those respective authorities.
 - Albeit there were a number of factors which brought about the Advisory Board's decision, the most significant was the communities concern on merging with York.
 - This aspect is a shame, as York was the catalyst of the four way merger because of its strengths, for example its ratepayer base.
 - Community feedback in this regard centred on the difference in communities of interest, in particular broad acre farming versus hobbyist and tourism.
 - On moving forward, the SEARTG Group has work to do in this area.
 - It is anticipated that there would be less opposition to the suggested Cunderdin, Quairading and Tammin merger.
- Executive Officer
- Raised concerns with viability and service delivery on the three way merger as discussed.
 - York's inclusion permitted the move from ad-hoc to daily service availability.
 - Improved service delivery was the measurement used.
 - The merger of three small local governments will retain ad-hoc service delivery.
 - A \$600,000 saving was detailed with five Councils.
 - Beverley brought numbers into the equation.

- The aim was to provide good services at a cheaper cost.
 - Reducing to four Councils was at a loss of \$500,000.
 - Reducing to three Councils would create a loss situation.
- Mr R Earnshaw
- Believed it was a shame that Beverley withdrew from the process.
- Mr M Congerton
- Queried why Beverley withdrew.
- Cr P Hooper
- Suggested that the withdrawal was the result of a “well engineered campaign by three ex Shire Presidents”.
- Chairman
- From experience, has determined that the wheatbelt should move to four local governments, namely Narrogin, Northam, Moora and Merredin.
 - Rationale being that this is the only way that the wheatbelt will gain political support from the State and Federal Governments.
 - The challenge will be how to bring about such change.
 - Drew attention to the SEARTG Group’s trip to South Australian amalgamated councils, stating that there was a common theme of success, with small towns well represented, and improved service delivery as a result.
 - All the South Australian local governments visited were seeking larger amalgamations.
- Cr M Congerton
- The structure is in place to get there and this has already been outlined.
 - Reiterated the suggestion of a boundary adjustment; proposing that this may be in place for twelve months prior to the next adjustment in a staged process.
- Mr R Hooper
- Has read the Advisory Board’s Mid West report and the Narrogin/Cuballing report, and the associated business plans. It is difficult to understand how these were approved and not the SEARTG Group proposal.

- The approved groupings had lesser numbers and finances than the SEARTG proposal.
 - The SEARTG proposal was developed through a collaborative effort over a period of seven years.
 - Appreciates the points raised today.
 - The residents' fears of merging with York, is replicated by York residents who have a fear of merging with Northam.
 - Believes the State Government has already planned the "City of Avon".
 - Concerned about the implications of the Advisory Board decision on the four Participating Local Governments who may be unsustainable as a result, and facing the possibility of reduced resource sharing.
 - If York did not provide services, where and how would the remaining Participants obtain these services?
 - With the trust within SEARTG and SEAVROC, this Group will move beyond the Advisory Board's decision.
 - It is understood that there is more that sits behind the Advisory Board decision than that detailed in the report.
- Cr M Congerton
- Took on board Mr R Hooper's comments.
- Chairman
- Sought further comments or questions.
- Cr T Boyle
- Earlier Ministerial advice was "amalgamate or we will amalgamate you".
 - The SEARTG Group took a proactive approach to this advice, and developed what was considered to be a very good model.
 - The success of this group has been evident through both SEAVROC and the SEARTG.
 - Subsequent to this success, Ministerial advice was to take it to the next stage, with Beverley deciding to withdraw from the process.

- Queried the threat of forced reform indicated in the early stages of the process.
- Cr M Congerton
- Advised that under current law, amalgamation cannot be forced.
 - The State Government would need to change the Local Government Act in order to permit this.
 - Had the Minister changed the legislation, a compulsory amalgamation could have been undertaken across the State.
 - The current situation has resulted from only minor legislative changes being made to date.
- Cr T Boyle
- Queried Ministerial ability to make boundary changes, such as creating the “City of Avon”.
- Dr S Silcox
- The Minister is able to put forward such a proposal, as was done with the metropolitan area.
- Cr M Congerton
- Advised that the SEARTG Group were equally able to present such a proposal.
- Dr S Silcox
- Concurred that the SEARTG Group were able to present such a proposal.
 - Reiterated that the Minister was in favour of the SEARTG proposal, however accepted the Advisory Board’s recommendation.
- Cr T Boyle
- Understood the Advisory Board comments in this regard.
- Mr R Earnshaw
- Attention was drawn to the fact that the Regional Transition Group process was voluntary.
- Cr T Boyle
- Confirmed his understanding of the voluntary process.

- Dr S Silcox
- Agreed that the SEARTG Group had a good model.
- Cr M Duperouzel
- Provided lengthy comment on the negative decision without the Advisory Board coming back to the SEARTG Group to review matters of concern.
 - The model proposed could not be “proved” as there was “nothing to prove it on”.
 - Community negativity should have been investigated further.
 - Does not believe the 3% negativity is a true representation of community feeling.
 - This is evident through speaking with residents on the street, rather than only those who attended the public hearings and voiced their opposition.
 - The four Participating Local Governments have worked harmoniously for some time, including changeover of Councillors during this period.
 - Areas of concern have been dealt with at the table.
- Mr R Earnshaw
- The Advisory Board can only act on a proposal placed before it.
 - The process included public hearings, receipt of submissions, and meetings with various parties.
 - To revisit areas of concern could take considerable time, and would not fit the timeframe provided to the Advisory Board.
 - It would be impractical to be continually addressing areas of concern as suggested.
 - The process requires a point of finalisation.
 - If the SEARTG determines it is appropriate, it may present another proposal for consideration.
 - The Advisory Board report does not detail any negativity to the Regional Business Plan itself.

- There was however concern in relation to community consultation and the capacity of the Participating Local Governments to address the issues.
 - There was considerable deliberation on the proposal, and the report is a culmination of those discussions.
 - It is difficult to encapsulate all discussion however the report details the salient points to the reader.
- Cr M Duperouzel
- It is difficult to accept the decision.
 - A comparison was drawn between the input of the Advisory Board and the work undertaken by the SEARTG Group.
 - Suggested that perspective could be gained by talking to people in the street, and queried the Advisory Board's assistance in revisiting this aspect.
- Cr M Congerton
- Queried if the same experience would be shared in each Participating Local Government.
 - Commented on the negative feedback received as part of the Advisory Board process.
- Cr M Duperouzel
- Stated that people do not like change.
- Cr M Congerton
- Did not discount the change factor.
 - Reiterated that there was a lot that sits behind the decision, not just the negative submissions received.
- Dr S Silcox
- As an Advisory Board Member, is disappointed that the focus is on the negatives of the report.
- Cr M Duperouzel
- Stated that this is how he read the report.
- Dr S Silcox
- Reiterated his disappointment, however took the comments on board.

- It was not the intent of the Advisory Board or its report to focus on the negative.
 - Other factors played a large role in the decision making, inclusive of Beverley's withdrawal from the process.
 - The business case was much stronger with Beverley's inclusion.
 - The negative comment contained in the report is unfortunately true, and there is some disconnect.
 - There are alternative methods to engage the community.
 - Stated that he is conscious there will always be opposition and negativity toward change.
 - It was disappointing that Beverley chose to withdraw from the process.
 - Beverley's inclusion was believed to be the best model, and this model may have been successful.
- Mr G Fardon
- There is no guarantee that this would have been successful.
- Chairman
- The Advisory Board's comments highlight the difficulty in assessing a proposal from the outside.
 - Success needs all parties to "be there for the journey"; perhaps Beverley's withdrawal was the right decision at the time.
 - Being a part of that journey provides an insight into the internal politics and processes undertaken.
- Cr M Congerton
- Unfortunately the Advisory Board is unable to be a part of that journey.
- Chairman
- The SEARTG Group accepts and respects the Advisory Board's decision.
 - As stated previously in the media, understanding comes from living in, and being a part of, the community.

- Reiterated an earlier comment, that if new vehicles were purchased for everyone, that there would still be 3% opposed to the purchase in a small community.
- Cr H Dullard
- Stated that this was no different in larger communities.
- Dr S Silcox
- Stated that the 3% opposition was an unknown until presented at a poll, the figure could increase or decrease at that time.
- Cr P Hooper
- Interesting comment provided by Dr S Silcox.
 - Lengthy comment was provided on:
 - Putting the proposal to a poll.
 - Understanding the four communities.
 - The prospect of one town voting it down.
 - Recent elections and community behaviour at this time.
 - Highest return remaining below 50% of the population.
 - Petitions containing signatures in excess of the overall population, due to the inclusion of visitors to the area.
 - With the exception of one, all Councillors in support of the reform were returned to office.
 - This indicates that the public were not substantially opposed.
 - There was a strong vocal minority who demonstrated democracy at work.
 - Will not give up on structural reform.
 - If the State Government believes that reform is something that must happen in the wheatbelt, they may need to take the compulsory approach.
- Cr M Duperouzel
- Suggested that if another proposal was developed, there would be fear that this too would be unsuccessful.
- Chairman
- Maintaining enthusiasm will be difficult.

- Cr J McRae
- Advised on her recent appointment to office.
 - Disappointed that as community leaders, the Group did not appear to be taking on board the Advisory Board's comments in relation to communication with the community.
 - Hard to digest, however there are other ways of communicating with the community.
 - Beverley communicated, and stood by their community.
 - There is a strong need to utilise alternative methods of communication with the community.
 - Councillors need to "start the conversation".
 - Advised participation in a strong vocal group who were opposed to the proposal.
 - Leaders need to communicate with the community to maintain direction.
- Chairman
- Advised that he would be happy to discuss Cr J McRae's comments with her at another time.
 - Further comment or questions were sought from attendees.
- Cr B Caporn
- Early focus was on money for regions.
 - Funding has been reduced.
 - Advice from the Grants Commission that population across a region attracts more funding than individual councils.
 - The Advisory Board were requested to provide confirmation on this funding aspect.
- Cr M Congerton
- Not being a Grants Commission member cannot comment.
- Mr R Earnshaw
- In respect of the Grants Commission, population does drive financial grants (general purpose not roads).

- As an example, in a four way amalgamation, road grant funding would be the accumulation of the four.
 - Financial grants will be calculated differently, and are driven by population.
 - In the modelling of a four way amalgamation, a reduction in financial grant funding will not occur until years 5 or 6.
 - However, the financial grant pool increases by 5-7% per year, so the reduction is addressed in some way by this increase.
 - Significant movements in other local governments may affect this equation.
 - There are a number of other State and Federal grants which are also driven by population.
 - It is possible that the four way amalgamated population of 6,500 may have improved access to some grants.
 - This would be significantly improved in populations of 20,000-30,000.
- Cr M Congerton
- Queried if the Executive Officer had analysed a three way proposal.
- Executive Officer
- A specific analysis had not been done.
- Cr M Congerton
- Queried the Executive Officer's earlier statements in relation to a three way proposal coming in at a loss, suggesting that there must be some savings involved.
- Executive Officer
- Advised that any savings would be absorbed in service delivery.
- Cr M Congerton
- Stated that if the Minister were to provide \$2.95M for a four way proposal, then there may be funds available for a three way proposal, which would make this a viable option.
 - This may be given some consideration.

- Executive Officer
- The SEARTG proposal was based on improved service delivery, without this there was little attraction to amalgamate.
 - Amalgamation must bring benefit to the community, with improved services providing this.
 - Any savings identified were utilised to provide those service improvements across the region.
- Cr M Congerton
- There are other local governments across Australia who utilise the services of another major local authority.
 - Some services are provided “gratis” under a sister local government relationship.
 - Suggested this relationship could be developed by York.
- Executive Officer
- Confirmed that shared services were already in place across the Group.
 - Shared services are provided on an ad-hoc basis as needed.
 - Tammin does not have a permanent town planner or health surveyor.
 - The Regional Business Plan modelling provided for services to be available full time in each locality.
- Dr S Silcox
- Advised that a Memorandum of Understanding (MOU) between local governments could provide such services.
- Executive Officer
- Provision of services comes at a cost.
 - As a result, costs will increase for those councils seeking provision of additional services to their community.
- Dr S Silcox
- Collectively there would be town planning facilities available.
 - There is nothing stopping Tammin from having an agreement for the provision of services on an as needs basis; this would achieve the same outcome with resource sharing.

- This is potentially a way to further the model, so that resource sharing becomes more obvious and less of an issue in moving forward.
- Executive Officer
- York currently provides services to the other three Participating Local Governments, including planning, health, building and ranger services.
 - Quairading are providing environmental services.
 - Shared services were developed through the SEAVROC Group, which proved to be an excellent model for this purpose.
 - Early political advice to the Group was that they must consider amalgamation first, before contemplating service delivery by voluntary regional organisations.
- Dr S Silcox
- There is a problem between what the Advisory Board is or isn't able to do, and "political speak".
 - A proposal is unable to be approved because of political comment.
 - The Advisory Board cannot be held accountable for political comment.
- Executive Officer
- This Group is happy to work through the SEAVROC grouping under a subsidiary model such as the South Australian model.
 - This is not permitted, with advice that amalgamation must be given consideration.
- Dr S Silcox
- A Regional Council can be established.
- Cr H Dullard
- This has already been done.
- Executive Officer
- The Group investigated the South Australian model, however this required legislation to be amended.

- Cr M Congerton
- Advised that the issues raised at this meeting will be discussed at a forthcoming meeting with the Minister, including what if anything can be done to move forward.
 - The Group's disappointment will also be expressed to the Minister, albeit he is already aware of this.
- Mr G Fardon
- Attention was drawn to the remaining transitional cost funding, with advice that options will be explored to access these funds if still available.
 - Asked Cr M Congerton to make the Minister aware of the transitional funding matter, and that the Group were keen to continue shared services where possible.
 - The preference is for aligned IT connectivity to permit full resource sharing.
 - This Group's original preference was for a "cooperative group path" rather than amalgamation.
- Chairman
- Advised that contact had been made with the Minister in relation to scheduling a meeting to discuss issues raised.
 - Suggested that discussion on Report RTG-001-14 be brought to a conclusion.
 - The focus of this Group has been on the reform required to make the Participating Local Governments sustainable, and the Group has been proactive in this regard.

The Chairman took the opportunity of thanking the Advisory Board Members for their input and consideration of the SEARTG proposal. Further, apologies were extended for not formally introducing Cr Mel Congerton, Cr Helen Dullard, Dr Shayne Silcox and Mr Ross Earnshaw at the beginning of the meeting.

Members of the Advisory Board withdrew from the Council Chambers at 5:53pm.

The Chairman then drew attention to the Notice Paper before the meeting, resuming from Item 1.2 – Announcement of Visitors.

1.2 Announcement of Visitors

Invitations extended to:

- Ms Caroline Tuthill - Senior Project Officer - Department of Local Government.
- Mr Tony Brown – Executive Manager, Governance and Strategy – Western Australian Local Government Association.
- Ms Joanne Burges – Regional Cooperation Manager – Western Australian Local Government Association

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

2.1 Present

| | | |
|----------------------|-------------------|---------------------------|
| Shire of Cunderdin | - Cr R Carter | - Shire President (Chair) |
| Shire of Cunderdin | - Cr C Gibsone | - Deputy Shire President |
| Shire of Cunderdin | - Cr T Harris | - Councillor |
| Shire of Cunderdin | - Cr D Whisson | - Councillor |
| Shire of Cunderdin | - Mr P Naylor | - Chief Executive Officer |
| Shire of Quairading | - Cr B Caporn | - Deputy Shire President |
| Shire of Quairading | - Cr J McRae | - Councillor |
| Shire of Quairading- | - Mr G Fardon | - Chief Executive Officer |
| Shire of Tammin | - Cr S Uppill | - Shire President |
| Shire of Tammin | - Mr B Jones | - Chief Executive Officer |
| Shire of York | - Cr M Reid | - Shire President |
| Shire of York | - Cr M Duperouzel | - Deputy Shire President |
| Shire of York | - Cr P Hooper | - Councillor |
| Shire of York | - Cr T Boyle | - Councillor |

| | | |
|--|------------------|------------------------------------|
| Local Government Advisory Board | - Cr M Congerton | - Chair |
| Local Government Advisory Board | - Cr H Dullard | - Member |
| Local Government Advisory Board | - Dr S Silcox | - Member |
| Local Government Advisory Board / Department of Local Government and Communities | - Mr R Earnshaw | - Manager Reform Implementation |
| Department of Local Government | - Ms C Tuthill | - Project Manager |
| Dominic Carbone and Associates (DCA) | - Mr D Carbone | - Executive Officer |

2.2 Apologies

Nil.

2.3 Leave of Absence

Nil.

3. DEPUTATIONS/PRESENTATIONS

3.1 Deputations

Nil.

3.2 Presentations

The following provided input on the Local Government Advisory Board's assessment of the amalgamation proposal during discussion on Report No 001-14 (refer pages 1 through 26 of these Minutes):

- Cr Mel Congerton - Chairperson
- Dr Shayne Silcox - Member
- Cr Helen Dullard - Member.
- Mr Ross Earnshaw - Manager Structural Reform, Department of Local Government and Communities

4. CONFIRMATION OF MINUTES

- 4.1 South East Avon Regional Transition Group Board Meeting held at the Shire of York Council Chambers on Friday, 20 December 2013.

MOVED Cr B Caporn, Seconded Cr M Duperouzel, that the Minutes of the South East Avon Regional Transition Group Board Meeting, held at the Shire of York Council Chambers on Friday, 20 December 2013, be received.

CARRIED UNANIMOUSLY

Business Arising from Minutes

Nil.

5. ANNOUNCEMENT BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

6. REPORTS

| |
|---|
| RTG-001-14 LOCAL GOVERNMENT ADVISORY BOARD (LGAB) ASSESSMENT OF THE PROPOSAL TO AMALGAMATE THE SHIRES OF CUNDERDIN, QUAIRADING, TAMMIN AND YORK (File: rtg001-14) |
|---|

With the agreement of Attendees, this report was discussed at the beginning of the meeting (refer pages 1 through 26 of these Minutes).

7. BOARD MEMBERS' MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

8. NEW BUSINESS OF AN URGENT NATURE

Nil.

GENERAL BUSINESS**1. Way Forward and Meeting with the Minister**

- | | |
|-------------------|--|
| Chairman | <ul style="list-style-type: none"> • Queried “where to from here”? |
| Cr P Hooper | <ul style="list-style-type: none"> • Suggested that the Executive Officer be requested to facilitate a day long meeting for the Group to determine the path forward. • The meeting to be held in a month or so, will provide each Participating Local Government the chance to discuss “where to from here”. • Resurrecting SEAVROC is a possibility, however will have implications. • Does not believe that a decision on the way forward can be left for too long. • Suggested the option that Cr M Congerton floated needs to be explored, along with available funding in this regard. |
| Chairman | <ul style="list-style-type: none"> • The Minister advised that a meeting with the SEARTG Board would be “on the agenda sooner rather than later”. |
| Executive Officer | <ul style="list-style-type: none"> • Correspondence to the Minister has been prepared in this regard. • Contact with the Minister’s office indicated that the meeting will be scheduled expediently. |

- Indications are that the Minister is anxious to meet with the Group.
 - Need to detail topics of discussion for the proposed meeting.
 - Topics would include the remaining transitional funding, and if this would be available to pursue alternative options.
- Cr P Hooper
- Considers it vital to seek the funding, as it may be utilised for the metropolitan process.
 - Given the work undertaken by this Group, it is important that the SEARTG communities obtain the benefit of the funding allocation.
- Chairman
- Sought input on the funding matter from Ms C Tuthill.
- Ms C Tuthill
- Confirmed that the funding will not be utilised for the metropolitan process.
 - Advised that the Group should be proactive with the Minister and provide options for alternative models.
 - Believed the Minister will be open to dialogue with the Group.
 - Also suggested that the Group be innovative and creative with the options to put to the Minister.
- Cr S Uppill
- The Group will be more knowledgeable following the meeting with the Minister.
 - Advised that the Minister was not well received at the mid December 2013 meeting held in Kellerberrin, in particular in relation to his statement that he “did not have the appetite in this term of government”.
 - This statement leads to Chief Executive Officers believing their positions are secure for another four years.
 - Concern that dialogue with the Advisory Board, and lack of political direction, is causing frustration.

- The Minister may not “have the appetite”, but strong direction is required.
 - Frustration in doing what is required of the Group, only to be told that communication has not been sufficient.
 - It is difficult for the Group to remain on track.
 - Reasonable to request that the Group be innovative, however the Minister needs to provide guidance.
 - South Australian local governments were again looking at amalgamation two years ago.
 - Clarity is required between the State Government requirements and those of the Advisory Board.
- Chairman
- The Minister indicated his support of the Group, and surprise at the Advisory Board decision.
 - This response from the Minister is encouraging.
 - Queried the number of Participants to meet with the Minister.
- Executive Officer
- The request will be for four SEARTG Board Members and the four Chief Executive Officers.

The Chairman sought confirmation from Participants that they agreed with the proposed correspondence requesting to meet with the Minister.

It was then:

MOVED Cr T Boyle, Seconded Cr S Uppill, that the Executive Officer forward correspondence to the Minister for Local Government:

- (a) ***Requesting a meeting to discuss the South East Avon Regional Transition Group (SEARTG) proposal outcome; and***
- (b) ***That four SEARTG Board Members, and the four Participating Local Government Chief Executive Officers be in attendance.***

CARRIED UNANIMOUSLY

Following the Executive Officer's suggestion of a further meeting, Cr P Hooper suggested that this should be determined following the proposed meeting with the Minister.

The Chairman suggested that the next meeting be scheduled for March 2014, with the Executive Officer concurring that a determination be made following the proposed meeting with the Minister.

General discussion followed, detailed as:

- Chairman
 - Suggested that the Group start thinking about "Plan B", with this to be raised at the February round of Council meetings to seek direction.

- Cr S Uppill
 - Advised that discussions had determined that Council were not in favour of boundary changes.

- Mr G Fardon
 - Suggested that this was "amalgamation by stealth", and is a worse process than what the Group had been through.

- Executive Officer
 - Did not support the boundary change proposal.

- Cr T Boyle
 - Spoke against the boundary change proposal.

- Cr P Hooper
 - Provided comment on the incongruous metropolitan process where:
 - The Shire of Serpentine Jarrahdale will be split and absorbed by Murray and Armadale, and this has been determined to be a boundary change; and
 - The Shire of Swan will absorb Mundaring, yet this has been determined as an amalgamation.
 - It would appear that "the left and right hand are not in sync".

- Mr R Hooper
- Raised concern that the Advisory Board process does not allow advice on the level of consultation.
 - Drew a comparison between the Mid West, Narrogin/Cuballing, and the SEARTG Group reports.
 - Queried the definition of consultation.
 - Discussed maintaining public interest over a short period, as opposed to a number of years in the SEARTG's case.
 - Need for the Department to provide definitive guidelines on the level and type of consultation required.
 - If the Advisory Board is to use consultation as a reason for rejecting a proposal, there needs to be definitive guidelines and direction provided.
 - Every local government will be required to have a communication plan.
- Cr J McRae
- Council is not an inviting place given its formality.
 - Councillors must commence the conversation, for example booths in local shows.
- Mr R Hooper
- This was done by Beverley.
- Cr J McRae
- Concurred that Beverley had a booth at agricultural show, as well as undertaking a survey.
 - Beverley's communication took a number of forms, not just a letter in the mail.
 - Communication needs to be an "engagement".
- Ms C Tuthill
- Communication needs to be a two way conversation.
- Cr J McRae
- Concurred with Ms C Tuthill's comment.
 - Believes that Councillors are about community.

- There are people in the community considered as leaders as they get things done.
 - Councillors are part of a government body which undertakes work for the community, but are not the only leaders in the community.
- Mr R Hooper
- Again questions the Advisory Board’s decision on the three proposals discussed, and whether the two that were approved had “the correct level of consultation”.
 - Each of the Participating Local Governments, including Beverley, made every effort in relation to consultation.
 - Engagement needs to be right from the start of the process and maintained throughout.
- Chairman
- Suggested that discussion conclude in relation to this matter.
 - Referred to a quote by ex Cr G Cooper that “major change will take two or three goes to get acceptance”.
 - Unless you are “at the coal face” having discussions with politicians, trying to get support for the community, it is difficult to understand what is required to progress with an advantage rather than a disadvantage.
 - Draws attention to being “the leader wearing the hat in the politician’s office”, which this Group has done at both State and Federal level.
 - Looks forward to input by Cr J McRae, as with all Participants.
 - It may take the Group two or three goes to reach acceptance; and this may be in a different form than the original proposal.
- Mr G Fardon
- Took the opportunity of extending sincere gratitude to the Executive Officer and Mr D Long for the way in which they conducted themselves throughout the process.
 - It has been an expensive process, in both time and dollars.

- Albeit the outcome is not as desired, a lot of good research and planning documents have been the positive.
- Again extended thanks from the SEARTG Board Members, past and present, and the Chief Executive Officers to Dominic Carbone and Associates.

2. Chief Executive Officers Meetings

Mr G Fardon

- Advised that the Chief Executive Officers have agreed to continue to work closely, unless informed otherwise by their respective Councils.
- There are a number of projects to be completed, such as policies, delegations, local laws, etc, as well as strengthening resource sharing arrangements.
- Meetings will occur on a regular basis; the last meeting was held in Tammin with the next to be in March 2014.
- Sought confirmation that the Chief Executive Officer meetings are to continue.

Chairman

- Thanked Mr G Fardon for his comments, and provided full endorsement for the gratitude extended to the Executive Officer and his associates.
- Suggested that all four Participating Local Governments will endorse the continued working alliance between the Chief Executive Officers.

9. NEXT SOUTH EAST AVON REGIONAL TRANSITION BOARD MEETING

As agreed at the SEARTG Board Meeting of 5 April 2013, meetings will be held on the first Thursday of each month, unless there is insufficient business to address.

It was noted that a meeting will be called following the proposed meeting with the Minister for Local Government.

10. CLOSURE OF MEETING

The Chairman took the opportunity of thanking all for their attendance and input, stating that he would look forward to development of “Plan B” and meeting in March 2014.

There being no further business, the Chairman declared the Meeting closed at 6:11pm.
