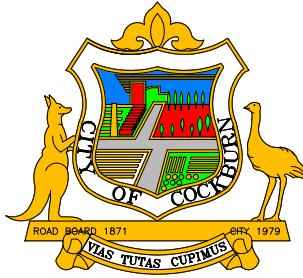


CITY OF COCKBURN



SPECIAL COUNCIL

AGENDA PAPER

FOR

WEDNESDAY, 26 AUGUST 2009

CITY OF COCKBURN

SUMMARY OF AGENDA TO BE PRESENTED TO THE SPECIAL COUNCIL MEETING TO BE HELD ON WEDNESDAY, 26 AUGUST 2009 AT 7:00 PM

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CITY OF COCKBURN**AGENDA TO BE PRESENTED TO THE SPECIAL COUNCIL
MEETING TO BE HELD ON
WEDNESDAY, 26 AUGUST 2009 AT 7:00 PM**

- 1. DECLARATION OF MEETING**
- 2. APPOINTMENT OF PRESIDING MEMBER (If required)**
- 3. DISCLAIMER (To be read aloud by Presiding Member)**

Members of the public, who attend Council Meetings, should not act immediately on anything they hear at the Meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.
- 4. ACKNOWLEDGEMENT OF RECEIPT OF WRITTEN DECLARATIONS OF FINANCIAL INTERESTS AND CONFLICT OF INTEREST (by Presiding Member)**
- 5. APOLOGIES & LEAVE OF ABSENCE**
- 6. PUBLIC QUESTION TIME**
- 7. DECLARATION BY COUNCILLORS WHO HAVE NOT GIVEN DUE CONSIDERATION TO MATTERS CONTAINED IN THE BUSINESS**
- 8 (SCM 26/08/2009) - PURPOSE OF MEETING**

The purpose of the meeting is to Review the City of Cockburn's submission on Local Government Reform.

9. COUNCIL MATTERS

9.1 (SCM 26/08/2009) - LOCAL GOVERNMENT REFORM PROCESS - FINAL SUBMISSION (1054) (SC) (ATTACH)

RECOMMENDATION

That Council submits a copy of the attached final submission on Local Government Reform to the Minister for Local Government.

COUNCIL DECISION

Background

The Minister for Local Government issued a directive in February this year that required the sector to consider structural review. This requirement is to culminate in submissions from Local Government that consider voluntary amalgamations as well as a review of Elected Member representation.

At the May 2009 Ordinary Council Meeting the Council received a copy of the City's Checklist that had been submitted to the Minister for Local Government. At that meeting it was resolved:

That Council:

- (1) *receives a copy of the completed Local Government Reform Checklist for the City of Cockburn;*
- (2) *initiates further dialogue with the City of Fremantle and Town of Kwinana on possible amalgamation options;*
- (3) *gives authority to the City of Cockburn's Working Group (Mayor Howlett, Deputy Mayor Allen and the CEO, Mr Cain) to engage in reform process discussions with other local governments that have a common boundary with the City of Cockburn should the need arise and to provide a report to Council following discussions with the City's neighbouring Councils; and*
- (4) *initiates community consultation as soon as practicable to ensure the voice of the Cockburn community is reflected on this matter.*

Since then the City has constructively engaged in dialogue with its neighbours, concluded community consultation and undertaken financial analysis as to the benefits of reform for the City of Cockburn. The final step in the review process is for Council to consider the report prepared by the City's officers and then make a final submission to the Minister.

Submission

N/A

Report

Structural reform of Local Government reform has been under consideration in Western Australia for many years. To date, reform has been very slow with the number of Local Governments far exceeding that of other States. While the West Australian Local Government Association (WALGA) had overseen industry dialogue, which resulted in the publication of its report - *The Journey: Sustainability into the Future* in September 2008, the Minister's announcement in February 2009 was intended to speed up consolidation of the sector, while still relying on self regulated change.

Although the Government provided limited direction in its earliest media statements, the following objectives were established after the process commenced:

- By August 2009 all Local Governments are to have made an informed decision on voluntary amalgamation.
- By August 2009 all Local Governments are to have decided the number of councillors required within a range of 6 to 9.
- To ensure that the local identity and community representation is maintained under a new governance model.
- Local governments are to explore membership of appropriate regional groupings.

In consideration of the above the City undertook a review process that included:

- regional dialogue with its neighbours,
- internal modelling of the benefits of a local amalgamation, and
- broad consultation with the community.

Reform Process. The Structural Reform Guidelines in late February 2009 recommended a five stage review process consisting of:

1. Completion of a Local Government Reform Checklist – March / April. [With submission by 30 April 2009]
2. Identification of suitable regional partners for amalgamation and commencement of consultation – April / May.
3. Development of a regional reform submission – May / June.
4. Finalisation of the submission, including a proposed timetable for amalgamation – June / July.
5. Submission of the reform proposal to the Minister by 31 August 2009.

The City submitted its Checklist by the April deadline, but only received a response to it on 22 July 2009. While that response, which is included in the City's Submission, reported very favourably on the City and placed it in the top of the four categories, it was not possible to use the reply to guide development of stages 2 – 4 of the above process.

Following Council's decision in May, constructive dialogue was undertaken with the City of Fremantle, Town of Kwinana and City of Melville. The issue of reform was also broadly considered at the South West Group, a voluntary regional grouping of all southern metropolitan Councils and at WALGA's Southern Metropolitan Zone. In the case of the two latter organisations it was decided the best way to tackle consultation was on a one to one basis between neighbouring Local Governments.

While the City had proposed consideration of amalgamation with the leadership of the City of Fremantle and Town of Kwinana, there was no support for this by these neighbours. Similarly the City of Melville only wished to discuss a boundary adjustment. As such steps 2 – 4 in the above process could not be undertaken in partnership.

Independently, the City did undertake some of its own financial modelling, which showed that amalgamation would result in economic benefits of savings of at least \$9M pa. The other analysis conducted by the City showed the impact Cockburn has on regional delivery of services, as well as the strength and capacity of the City to provide a platform for regional reform.

So at the completion of the review process the City is not able to present a collegiate proposal for local amalgamation of Councils, but does not that an amalgamation has the potential to provide financial benefits.

Community Consultation. To elicit the community's views the City undertook a comprehensive media awareness process. This included:

- Advertising on the City's website, local newspapers, in the *Cockburn Soundings* and through direct mail to the City's community groups;

- A survey of residents, comprised of a telephone survey of 200 residents and an option for hard copy replies downloaded from the website, which was also posted to community associations; and
- A community forum held on 24 July to discuss the survey findings and seek further input into the final submission.

Despite the extensive nature of the advertising campaign, the issue of Local Government reform has failed to engage the community. Advice received from other Local Governments was that they encountered similar results, with only those undertaking one to one surveys gaining a sizeable number of responses on this matter.

The consolidated results of the City's survey did show a preference for amalgamation, with 58% for this and 42% of respondents against. The favoured options were for a merger with Melville (35.5%) and Fremantle (29%). The least favoured option was for amalgamation with Kwinana (8.5%). Other scenarios, which included multiple combinations with East Fremantle and Kwinana as part of the mix, also only generated low levels of community support.

As the City had not considered a merger with Melville would provide a good regional outcome; as this would create the largest Local Government in the State surrounded by much smaller neighbours, it was felt that a better balance would be for any merger to occur with Fremantle. All financial modelling undertaken focussed on the potential benefits of an amalgamation with Fremantle, for both Cities.

Regionally if this were to occur it would leave the majority of the southern metropolitan Council's (ie Melville, Cockburn, Rockingham and Mandurah) with populations well above 100,000, making them similar in scale to the City's of Joondalup, Wanneroo, Swan and Stirling. The only exception would be East Fremantle and Kwinana. While the latter still has considerable growth potential, ideally East Fremantle would be encouraged to amalgamate with a larger neighbour under this scenario.

Boundary Adjustments. The City also considered the requirement for boundary adjustments. From 1902 until now the City has been involved in 15 different boundary modifications, the most recent of which occurred in 2003. The City considered each of its borders separately as part of the submission, as in some cases it has multiple neighbours along each.

In summary the recommendations were:

- Southern Boundary – the boundary is well established and there hasn't been an approach from Kwinana to adjust it. The only advantage of change would be to bring the Latitude 32 development under the control a single Local Government. As

to date, Kwinana and Cockburn have jointly agreed to most Town Planning amendments affecting this area, the rationale for change is not sufficient to seek a boundary adjustment.

- Eastern Boundary – informal discussion occurred with the Cities of Canning, Armadale and Gosnells on this alignment. There was no proposal from these Local Governments to amend the current boundary. The only advantage of a change would be to bring the natural resource area covering the Jandakot Water Mound under the oversight of fewer Local Governments. But as all Local Governments had been cooperating with the State on the management of this important area, this was not seen as sufficient an issue to warrant boundary adjustment.
- Northern Boundary – this is shared with the Cities of Fremantle and Melville. There has been no formal approach from Fremantle for modifications, but there has been considerable media speculation that they would seek this outcome, in order to improve that City's viability. The City of Cockburn's Elected Members resolved that they would not support ceding parts of Cockburn in order to prop up the capacity of a neighbouring Local Government. No modification of the boundary with Fremantle has been recommended.
- Melville did approach the City seeking transfer of a portion of Leeming to them that lies within the City of Cockburn. After reviewing the financial impact that this would have on residents, as well as the range of services provided by Cockburn to this community, this approach has not been supported. The City believes the better boundary between itself and Melville lies along Farrington Road, as is the case for the majority of the border.

Elected Member Representation. The final part of the structural review process required the City to consider reducing the number of Elected Members. Since 2000, the City has had 10 Elected Members, comprising a popularly elected Mayor and three wards each of three Councillors.

One of the difficulties for the City is the relatively inequitable outcome that a cap of 9 Elected Members has for large Local Governments, compared to that for smaller authorities. Under its current growth projections, Cockburn will end up with an elector to ward councillor ratio of 1:8,888, up from a base of 1:5,666 presently. When compared to the newly approved cap of 8 Councillors for the Town of Kwinana, which has a current ratio of 1:3,500 councillors to electors and will probably end up with a final ratio much less than Cockburn current position, reducing Cockburn's Elected Members by one does appear unfair to Cockburn residents.

Alternative ward structures were considered, however, in a preliminary workshop for Elected Members, 16 different scenarios were generated. These included various ward options under different merger scenarios as well as combinations only involving the City. As a popularly elected Mayor would be retained, this would leave 8 ward Councillors. The most logical solution for this distribution of Elected Members; given the geographic layout of the City and future growth patterns, is for a two ward structure (i.e. an East and West ward).

But the Administration has also recommended that no final decision on this be adopted by the City, as there remains the potential for the Government introduce compulsory changes to Local Government. Conceivably such a scenario may require the City to merge with a smaller neighbour. Therefore any new ward structure chosen at this stage could prove unworkable in a merger scenario and unnecessarily impact residents at this time.

Regional Groupings. This is the least contentious issue for the City. The current groups it belongs to; ie the South West Group, the Southern Metro Regional Council and WALGA's South Metro Zone, well serve the City's interests. The City also retains membership of a range of other commercial and voluntary associations that it uses to promote economic and community development. No changes to any regional political group have been proposed.

Conclusion. The City has constructively considered the need for and options available to it for Local Government reform. It has taken a leadership role locally, promoting consideration of amalgamation options. These, however, have not attracted a voluntary partner. The City's administration remains willing to consider amalgamation, as this would deliver financial benefits for ratepayers and residents.

The City has also considered options to reduce its Elected Member numbers, but notes that the cap proposed by the Minister would lead to inequitable outcomes for the City's Councillors, when compared to neighbouring smaller Local Governments. As the City is still aware that the Government may mandate reform, which may involve the City in an amalgamation, it is recommended that this matter be reviewed before a final position on Elected Member numbers is adopted by the Council.

At WALGA's recent State Local Government conference the Premier, Minister for Local Government and Leader of the National Party all reminded delegates of the need to undertake reform, lest the Government is forced to facilitate this outcome. The City supports a proactive response from the Local Government sector in response to this challenge; so that control of this agenda remains with the sector, unlike the outcomes in other States where reform has occurred.

Strategic Plan/Policy Implications

Governance Excellence

To develop and maintain a financially sustainable City.

Budget/Financial Implications

The City received \$10,000 in assistance from the State Government to undertake community consultation.

Legal Implications

N/A

Community Consultation

Details of consultation are included in the body of this report.

Attachment(s)

City of Cockburn's Submission on Local Government Reform

Advice to Proponent(s)/Submissioners

The two residents who made submissions were advised that this matter would be considered at the August Special Council Meeting (SCM). Details of the SCM were also advertised in the local newspapers.

Implications of Section 3.18(3) Local Government Act, 1995

N/A

10. (SCM 26/08/2009) - RESOLUTION OF COMPLIANCE (SECTION 3.18(3), LOCAL GOVERNMENT ACT 1995)

RECOMMENDATION

That Council is satisfied that resolutions carried at this Meeting and applicable to items concerning Council provided services and facilities, are:-

- (1) integrated and co-ordinated, so far as practicable, with any provided by the Commonwealth, the State or any public body;

- (2) not duplicated, to an extent Council considers inappropriate, services or facilities as provided by the Commonwealth, the State or any other body or person, whether public or private; and
- (3) managed efficiently and effectively.

COUNCIL DECISION

11. CLOSURE OF MEETING

Nil