

It was also enshrined in the Legislation that Local Government was not permitted to take advantage of Government Agencies paying rates by using differential rating for properties owned by the Crown, but the Crown was able to circumvent some of their agencies rate payments by inserting in some Acts anti competitive Legislation.

This relates in the most part to Power Generation Companies and some lands with National Parks.

As it is now some 10 years since the Financial Relationship between State and Local Government commenced it is now time it was reviewed.

LGAT Comment

Comment is as per **Item 11.1** above.

**11.4 Motion –Trails & Bikeways Funding Program
Council – Northern Midlands**

Decision Sought

That LGAT lobby the Minister for Infrastructure, Hon. Rene Hidding, advocating for the reinstatement of a State Government trails and bikeways funding program, the development of an inventory of what work is still required to fill in the many gaps in the network of trails and pathways, and the establishment of a permanent fund that will meet the growing demand now apparent in cycling tourism and in the use of bicycles for sport and leisure.

Background Comment

The former State Government's Trails and Bikeways Grant Program provided grants to Local Government and community groups for trails and bikeways construction projects; with the expectation that applicants would contribute at least half of the project funding. The Trails and Bikeways Grant Program has not been continued by the present State Government.

Bicycle Network promotes, advocates and supports bike riding in Tasmania as a healthy, enjoyable and environmentally sustainable form of transport, recreation and tourism, through engagement with the community, government and industry at all levels.

In early 2015 Bicycle Network wrote to Tasmanian Councils to express concern about the demise of the Trails and Bikeways Grant Program and argued the case for the reinvigoration of investment in quality trails and bikeways infrastructure by the State Government.

All Councils were asked for support in convincing the State Government to restore the Trails and Bikeways funding, begin an inventory of what work is still required to fill in the many gaps in the network of trails and pathways, and establish a permanent fund that will meet the growing demand now apparent in cycling tourism and in the use of bicycles for sport and leisure.

LGAT Comment

The Association is cognisant of the opportunities provided by grant initiatives such as the Trails and Bikeways Grant Program, and its discontinuation at this time is disappointing, particularly in light of burgeoning cycling tourism within the State.

The advice from State Government regarding its current budget situation and grant program funding appears self explanatory. The LGAT makes no additional comment at this point.

Tasmanian Government Agency Comment

The Government supports the objectives of the Trails and Bikeways Program and the opportunities it provided through funded projects. However, the current budget situation requires a tightening of grant program funding. The Trails and Bikeways Program was not able to be continued in such circumstances.

The Government is, however, committed to improving the health and wellbeing of Tasmanian communities and funded 41 projects under the Trails and Bikeways Program between 2008 and 2014. This represented a \$4.2 million investment which resulted in over \$13.2 million in trail and bikeway developments in Tasmania.

The Government recognises the growth and popularity of cycling tourism in Tasmania and, through Communities, Sport and Recreation Tasmania (CSRT), continues to provide support and advice to councils and other organisations regarding trails and bikeways projects.

12 INFRASTRUCTURE AND SERVICES**12.1 Motion – Responsibility for Forestry and Parks & Wildlife Roads
Council – Huon Valley****Decision Sought**

That the Local Government Association of Tasmania lobby the State Government to make a decision as to which of its Departments will be responsible for all Forestry Tasmania and Parks and Wildlife Service Roads throughout the State, determine a priority maintenance programme for these roads in conjunction with the relevant Council, provide sufficient budget funds to undertake the maintenance programs and undertake the work immediately.

Background Comment

The issue of responsibility and funding for Forestry and Parks Roads has been discussed at previous General Meetings of LGAT.

At the July 2013 General Meeting, a motion was put forward by Glamorgan Spring Bay Council and carried as follows:

That LGAT request the State Government to confirm who has responsibility for roads and bridges that were previously owned by Forestry Tasmania or Gunns and requests an outline of the future actions government is considering for these roads.

At the July 2014 General Meeting where a motion was put forward by Circular Head Council and carried as follows:

That the Local Government Association of Tasmania is asked to seek discussions with the State Government regarding negotiations on the handover of Forestry Tasmania roads to Parks, due to a negative effect that will occur on communities and tourism due to deterioration if no funding is available for continued maintenance.

The Tasmanian Government Agency comments in July, 2014 noted that legislation was then before parliament whereby the land is to be transferred for management by Parks & Wildlife Service and it is expected that appropriate funding will also be provided to manage the land.

Unfortunately, despite both motions, the matter remains unresolved to the extent that these roads remain in a poor deteriorating condition with no agency appearing to take any interest in or responsibility for those roads let alone any clear direction as to what maintenance programme will be undertaken long term and to what standard that these roads will be maintained.

This continues to have a detrimental impact upon communities who rely upon roads for access to enjoy their properties and for business purposes and for the Tourism industry as well.

Accordingly it is considered appropriate that the LGAT lobby the State Government to make a decision as to which of its Departments will be responsible for all Forestry and Parks Roads throughout the State, determine a maintenance programme for these roads in conjunction with the relevant Council, provide sufficient budget funds to undertake the maintenance programmes and undertake the work immediately.

LGAT Comment

The Association has been seeking State Government clarification regarding responsibility and future management intentions for former Forestry Tasmania roads since 2013, pursuant to the motions on this issue mentioned in the background comment above.

Since July 2014 the Association has raised the matter of former Forestry Roads at numerous meetings of the Premier's Local Government Council (PLGC), emphasising the concerns voiced by member councils regarding the ramifications for access, amenity and safety on affected roads if no framework is established for ongoing funding and maintenance.

In late 2014 the LGAT sought specific information from member councils in relation to significant roads and routes that are either currently being affected by a lack of maintenance funding or scheduling, or are likely to be affected in the future by the changes brought about by the transfer. From the information received a collection of 'case studies' was compiled and provided to State Government, outlining how the transferral of forestry roads and lack of organised maintenance had resulted in detrimental impacts and pressures being observed or borne by councils and local/regional communities.

The Association continues to pursue this issue through the PLGC and relevant State Government agencies. It notes the State Government comments above regarding a possible whole-of-government approach to road management and looks forward to exploring this proposition further.

Notwithstanding that the broader issue of responsibility for former Forestry roads remains unresolved, it was pleasing to see allocations in the 2015-16 State Budget for 'high priority' Parks infrastructure renewal and maintenance (\$8M) and for non-commercial Forestry activities, including road maintenance for public use (\$4M).

Tasmanian Government Agency Comment

Since early 2014, asset audits have focused on built infrastructure on land that was transferred to the management of the Parks and Wildlife Service (PWS) in December 2013.

The PWS is currently conducting an audit of the roads associated with this land to determine the extent of the road network and road conditions. These audits are expected to be completed by December 2015.

Audit results so far have identified that many of the bridges and culverts are at end of life.

Existing resources are used to manage public risk through the application of load limits and closures where bridges and culverts have failed.

Any remaining resources available for road maintenance are directed to roads accessing major parks and reserves where popular tourist and visitor facilities exist.

The Government is not in a position to maintain all roads to a standard previously maintained by Forestry Tasmania as many of these roads were constructed purely for the purposes of forestry timber harvesting operations.

The PWS has traditionally focused on management of natural resources, recreational and tourism facilities associated with parks and reserves. Whilst the PWS has had some road management responsibilities, they have relied on Forestry, Local Government or contractors to provide expertise in road management.

Recent funding announcements by both State Government (\$8 million for tourism infrastructure over 2 years) and the Federal Government (\$2.4 million for road and bridge catch-up works in the TWWHA extension area) will provide some means to address some of the road maintenance concerns raised by LGAT.

It has been identified that a holistic approach is now required that involves State and Local Government together with representative groups such as the Regional Tourism Organisations to determine which roads need to be retained for ongoing use and what order of priority should be applied to respective roading needs within the limited resources available. The Minister for Environment, Parks and Heritage has asked PWS to facilitate this discussion.

An interagency meeting has been held to discuss a possible whole-of-government approach to road management, and there are expected to be further discussions to progress this. Communications with Local Government would need to be considered as part of these discussions

13 PLANNING AND DEVELOPMENT

No Motions Received

14 ENVIRONMENT

14.1 Motion – Trawlers Targeting Small Pelagic Fisheries (SPF) Council – Break O'Day

Decision Sought

That LGAT lobby the major State and Federal political parties seeking a cessation in the use of super trawlers and industrial factory trawlers operating in Australian waters targeting small pelagic fisheries (SPF), pending an assessment of the impact of these activities on the biomass of the fisheries being targeted in Australia's Exclusive Economic Zone (EEZ).

Background Comment

We believe that the more spheres of Government that take up this issue placing pressure on the Federal Government to ban trawlers targeting small pelagic fisheries the better likelihood there is of success.

Large Industrial Factory Trawlers and Super Trawlers represent a massive increase in capacity to exploit the fishery at a time when there are unresolved questions over threats to dolphins and seals, stock biomass, how to avoid localised depletion and impacts on recreational fishers and commercial fishing industries.

The introduction of any form of industrial level fishing specifically targeting small pelagic fisheries or any for that matter that affects the food chain should never be allowed. It is reprehensible that the Federal Government is even considering this proposal to support a vessel that has already been part of the demise of this type of fishing around the world.

Whether the trawler is classed as a super trawler (ie over 130 metres in length) or a smaller factory trawler, the nets used by these trawlers still have the same capacity and still have the potential for the unwanted by catch as well as potential harm to dolphins and seals.

If an Industrial Super/Factory Trawler was to be allowed to fish in Australian waters and they were to fish off the East Coast of Tasmania the local and regional economy of St Helens would be irreversibly downsized. Losses in domestic and export fishery revenues and related employment will be significant. Alternative local/regional employment will not be available, and the majority of the profits from such an enterprise would all go overseas with no financial benefit to local commercial or recreational fisheries.

2012-13 Survey of Recreational Fishing in Tasmania, JM Lyle, KE Stark & SR Tracey, December 2014

"In the 12 months prior to October 2012 almost 98,000 Tasmanian residents aged 5 years or older fished at least once in Tasmania, representing an overall participation rate of 22%, or just under one in four Tasmanians.

Saltwater represented 79% of the effort.

Recreational fishers were estimated to have spent about \$93 million on goods and services relevant to fishing in Tasmania during 2012-13, equivalent to just over \$1000 per fisher.

In addition to direct expenditure, there is a significant investment in boats, with around 28,000 boats used for fishing in 2012-13, valued at about \$439 million."

\$93 Million per year.

\$14.8 Million GST for the state to do as it wants.

LGAT Comment

This matter was considered at the September 2014 election. The following motion was tested:

That LGAT supports the position of all state parties in their election commitments to lobby the major federal political parties in opposing super trawlers operating in Australian waters, and support immediate federal legislation to permanently ban super trawlers in Australia's Exclusive Economic Zone (EEZ) but not to affect current fishing operators.

Following the presentation made by Les Scott, Australian Longline Pty Ltd, there was much discussion and debate on this matter with consideration of various changes to the wording of the original motion. The original motion was eventually tested and lost 21 to 23.

Tasmanian Government Agency Comment

The Tasmanian Government supports appropriate sustainable fishing operations based on sound science and good process for implementing appropriate fisheries management regimes. It also supports the ongoing Commonwealth Government ban on 'super trawlers', which have been deemed under Commonwealth legislation as vessels larger than 130 metres.

The Small Pelagic Fishery (SPF) falls under Commonwealth jurisdiction, and is thus managed by the Commonwealth Government through the Australian Fisheries Management Authority (AFMA).

The Commonwealth Government has a documented, overarching Harvest Strategy Policy stipulating the performance that is required for all Commonwealth fisheries. This policy provides minimum benchmark levels that must be achieved, particularly around exploitation rates to ensure the long term sustainability of fish stocks.

The SPF is managed by catch quotas that directly control the amount of each species that may be taken each year. The SPF fishery has a Harvest Strategy in place that provides the decision making framework to set the total allowable catch limits - depending on the amount of scientific information available. This strategy recognises the ecological importance of these species and sets a correspondingly low rate of harvest as a proportion of total species biomass. These catch limits are also set independently of the number or size of vessels that might fish in a fishery.

The exploitation rates have recently been reviewed by the CSIRO with a report suggesting some exploitation rates should be amended down slightly, and that others might be increased marginally.

The *Geelong Star* is subject to a tailored Vessel Management Plan and to 'move on' provisions around proportions of the allowable catch that can be caught in an area before it must 'move on'.

The recent dolphin and seal deaths as a result of the *Geelong Star's* operations is being addressed by the Australian Government. The regulator, AFMA, is addressing this issue and additional measures are being imposed to protect dolphins and other marine mammals.

The Tasmanian Government encourages the Australian Government and its regulators to continue working with the recreational fishing sector and the small pelagic fishing sector to ensure that the science and management controls for freezer trawlers are properly understood.

Large freezer vessels operate in a number of other fisheries around the country and have done so for many years.

15 PUBLIC HEALTH & NUISANCE

No Motions Received

16 ANIMAL CONTROL

16.1 Motion – Dog Control Act Council – Southern Midlands

Decision Sought

That the Local Government Association of Tasmania, through either a separate working group or through referral to the Animal Management Officers Group, undertake a review of the provisions contained within the *Dog Control Act 2000* relating to the declaration (and subsequent management) of dangerous dogs, with the aim of identifying a more practical, timely, and cost effective process for dealing with dangerous dogs.

Background Comment

Following a declaration of a dangerous dog made by the General Manager in accordance with section 29 of the *Dog Control Act 2000*, the owner of the dog has the right to appeal against the declaration to the Magistrates Court (Administrative Appeals Division) within 14 days after service of the notice.

Firstly, an appeal may take many months to be scheduled before the Magistrates Court (Administrative Appeals Division), and assuming the dog(s) have been impounded pending the conduct of this appeal, significant costs are incurred in pound fees, which the majority of times cannot be recovered from the dog owner.

Note: In a recent case involving the Southern Midlands Council, two dogs were impounded for a period of approximately ten (10) months.

Following the appeal process, and assuming the Magistrate Court (Administrative Appeals Division) confirms the General Manager's declaration, notice must then be given to the owner to undertake the necessary works to comply with the 'control of dangerous dog' provisions prior to releasing the dog(s). The Act provides for a further twenty-eight days to comply with these requirements.

If the owner fails to comply, the General Manager may then proceed to destroy the dog, but prior to doing so must, notify the owner of the general manager's intention to destroy the dog. An owner served with such a notice may, within 14 days after being served with the notice, appeal to the Magistrates Court (Administrative Appeals Division) against the General Manager's decision to destroy the dog.

The Magistrates Court (Administrative Appeals Division) may order that this decision is confirmed or the decision be set aside. A process that may yet again take many months. Whilst the owner of a dog that is detained is liable for the costs of detaining the dog until it is released or destroyed, in some cases the owner may not have the resources to meet these costs and the Council finally bears the overall cost.

It can be seen that the current process is impractical; time consuming and extremely expensive, particularly given the involvement of the Magistrates Court (Administrative Appeals Division).

Whilst Council fully appreciates and values a persons' appeal rights, a more timely and cost effective system must be identified and implemented.

LGAT Comment

A number of Dog Act issues have been raised recently outside of the recent review of the Act.

LGAT is supportive of establishment of a working group at an appropriate time for a comprehensive review and will work with the Local Government Division on that basis.

Tasmanian Government Agency Comment

The State Government is not considering further changes to the *Dog Control Act 2000* aside from the issues raised in the *Dog Control Act 2000 Issues Paper 2013*.

If further changes to the Act are planned, the Local Government Division will consult with key stakeholders, including councils, to identify potential amendments.

17 COMMUNITY & SOCIAL DEVELOPMENT

17.1 Motion – Funding for Arts Initiatives Council – Launceston City

Decision Sought

That the Local Government Association of Tasmania make urgent approaches to both the Australian Government and the State Government respectfully seeking assurances that recent federal funding changes to arts initiatives will not adversely impact upon or disadvantage key local arts groups from convening viable arts activities and events across the State.

Background Comment

There are many vibrant arts communities across the State that demonstrably benefit the cities and regions in economic, social and cultural ways. Federal funding provides a critical platform for these activities, and this support is valuable in leveraging further investment from the State, Local Government and other partners. With recent changes to the delivery of federal arts funding previously administered through the Australia Council, there is uncertainty around the future of funding for a number of key local initiatives and programs. The Tasmanian community sees value in these programs continuing, and therefore the Council seeks support from Local Government through the LGAT to obtain some clarity and assurance around the Federal Government's on-going commitment to regional investment in the arts, for the benefit of the State.

LGAT Comment

The LGAT understands that a total of \$105 million (around 15 per cent of its previous budget) will be diverted from the Australia Council to fund a new entity called the *National Program of Excellence in Arts* (NPEA) where grants are decided by the Federal Arts Ministry. The purpose of the new NPEA is to 'expand' funding to a different range of artists and arts organisations, with an emphasis on attracting private-sector support.

The Australia Council will continue to be the principal Federal arts funding body, and will distribute approximately \$185m to artists and organisations annually. It is understood that the Australia Council's funding of the country's 29 major performing arts companies will continue unaffected.

18 CLOSE



Local Government Association Tasmania

General Meeting

Minutes

30 April 2015

**Derwent Entertainment Centre
Glenorchy**

326 Macquarie Street, GPO Box 1521, Hobart, Tas 7000

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**PROCEDURAL MATTERS.
RULES REGARDING CONDUCT OF MEETINGS**

13. WHO MAY ATTEND A MEETING OF THE ASSOCIATION

- (a) Each Member shall be entitled to send a voting delegate to any Meeting of the Association, such voting delegate exercising the number of votes determined according to Rule 16(a).
- (b) After each ordinary Council election, the Chief Executive Officer shall request each Member to advise the name of its voting delegate and the proxy for the voting delegate for Meetings of the Association until the next ordinary Council elections.
- (c) Members may change their voting delegate or proxy at any time by advising the Chief Executive Officer in writing over the hand of the voting delegate or the General Manager prior to that delegate taking his or her position at a Meeting.
- (d) A list of voting delegates will be made available at the commencement of any Meeting of the Association.
- (e) Members may send other elected members or Council officers as observers to any Meeting of the Association.

14. PROXIES AT MEETINGS

- (a) Up to 1 hour prior to any Meeting of the Association, a Member may appoint another Member as its proxy.
- (b) The form of the proxy is to be provided by the Chief Executive Officer and is to be signed by either the Mayor or General Manager of the Council appointing the proxy.
- (c) The Chair of the meeting is not entitled to inquire as to whether the proxy has cast any vote in accordance with the wishes of the Member appointing the proxy.
- (d) Proxies count for the purposes of voting and quorum at any meeting.

15. QUORUM AT MEETINGS

At any Meeting of the Association, a majority of the Member Councils shall constitute a quorum.

16. VOTING AT MEETINGS

- (a) Voting at any Meeting of the Association shall be upon the basis of each voting delegate being provided with, immediately prior to the meeting, a placard which is to be used for the purpose of voting at the meeting. The placard will be coloured according to the number of votes to which the Member is entitled:

| Population of the Council Area | Number of votes entitled to be exercised by the voting delegate | Colour placard to be raised by the voting delegate when voting |
|--------------------------------|---|--|
| Under 10,000 | 1 | Red |
| 10,000 – 19,999 | 2 | White |
| 20,000 – 39,999 | 3 | Blue |
| 40,000 and above | 4 | Green |

- (b) The Chairman of the meeting shall be entitled to rely upon the raising of a coloured placard as the recording of the vote for the Member and as evidence of the number of votes being cast.
- (c) Except as provided in sub-rule (d), each question, matter or resolution shall be decided by a majority of the votes capable of being cast by Members present at the Meeting. If there is an equal number of votes upon any question, it shall be declared not carried.
- (d) (i) When a vote is being taken to amend a Policy of the Association, the resolution must be carried by a majority of the votes capable of being cast by Members, whether present at the Meeting or not.
 (ii) When a vote is being taken for the Association to sign a protocol, memorandum of understanding or partnership agreement, the resolution must be carried by a majority of votes capable of being cast by Members and by a majority of Members, whether present at the Meeting or not.
 (iii) When a vote is being taken to amend the Rules of the Association, the resolution must be carried by at least two-thirds of the votes capable of being cast by Members, whether present at the Meeting or not.

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** Denotes Attachment*



SCHEDULE

This meeting is in response to member councils seeking differing inputs and perspectives from a range of disciplines as they contemplate a way forward (or not) with voluntary amalgamations and or strategic sharing of services.

10.00 Coffee on arrival

10.30 Confirmation of minutes of previous meeting

Introduction of Facilitator

Helen Rees

Frameworks for Change

10.45 Professor Graham Sansom

Director

Australian Centre for Excellence in Local Government

11.45 Rose Bruhn

Team Leader, Planning and Performance
City of Melbourne

12.45 Lunch

1.30 Mark Ryan

Chief Executive Officer
Tassal

2.30 Steve Crowe and Brent Reeman

Local Government Association of Queensland

3.30 Wrap Up and Next Steps

4.30 Close



The President welcomed Members and declared the Meeting open at 10.30am.

Apologies were received from

| | |
|----------------------|-----------------------|
| Mayor Carol Cox | Flinders Council |
| Mr Raoul Harper | Flinders Council |
| Mayor Bridget Archer | George Town Council |
| Mayor Daryl Quilliam | Circular Head Council |
| Mayor Duncan McFie | King Island Council |
| Ms Zoe Behrendt | King Island Council |

1. GOVERNANCE

1.1 CONFIRMATION OF MINUTES *

Kingborough Council/Waratah Wynyard Council

That the Minutes of the meeting held on 13 February 2015, as circulated, be confirmed.

Carried

Background:

The Minutes of the General Meeting held on 13 February 2015, as circulated, are submitted for confirmation and are at **Attachment to Item 1.1**.

On confirmation of the Minutes the President moved to Item 3, Other Business and Close.

2. PRESENTATIONS

2.1 GRAHAM SANSOM

Amalgamations: Where to Begin? What to Do?

An insight into Graham's experience with recent reform processes in New South Wales and elsewhere, focussing on the processes by which amalgamations are considered, modelling and information needs, and the conversations that need to be had with the community – when they should happen, what they should be about, and how they should be managed.

2.2 ROSE BRUHN

Lean Thinking in Local Government

The core idea of lean thinking is to maximize customer value while minimizing waste. Simply, lean means creating more value for customers with fewer resources. Rose will provide an insight into the work undertaken by Melbourne City Council to become lean, what it means, how it works and the benefits.

2.3 MARK RYAN

A Private Sector Perspective on Mergers, Growing Businesses and Reducing Costs

Mark has extensive commercial, operational and strategic experience, having held high-level leadership positions in the private and government sectors. As the Chief Executive Officer of Tassal he has transformed a company that was on the brink and which has now developed a reputation of one of the world's finest in its class.

Mark will provide an insight into what is required to bring around efficiency and sustainability in the private sector and what lessons could be transposed to the Local Government arena.

2.4 STEVE CROWE AND BRENT REEMAN

What Do Strategic Shared Services Look Like

The Local Government Association of Queensland has embarked upon a series of initiatives to assist Queensland councils not only achieve efficiency but improve their overall financial sustainability. This has seen the creation of new business models to enhance performance and work smarter. Steve and Brent are leading this drive.

They will also share their insights and learnings from work and study tours in the United Kingdom where shared services and common platforms are commonplace.

3. OTHER BUSINESS & CLOSE

On confirming the Minutes of the previous meeting, the President declared the Meeting closed at 10.40am to allow the workshop presentations to commence.

| | | Business Arising | |
|-------------------------|---|--|---------------------------|
| 13 February 2015 | | | |
| Item No | Item | Action | |
| 2 | Items For Decision | | |
| 2.1 | Timing of General Meeting Papers | | Changes implemented |
| 2.2 | Community Satisfaction | | Refer Item 6.7 |
| 2.3 | Outstanding Motions Report | | Refer Item 4 |
| 2.4 | Role of Local Government Project | | Refer Item 6.1 |
| 2.5 | Workforce Development Survey | | Refer Item 6.5 |
| 2.6 | Presidential Election/Extension of Term | | No Further Action |
| 2.7 | Filling of Casual Vacancy on GMC | | No Further Action |
| 2.8 | Voluntary Amalgamations | That the Meeting consider the matters raised in this item and discuss issues of concern, possible strategies and/or tactics in relation to taking this process forward. That the April General Meeting be dedicated to discussing this issue. | Meeting Held 30 April |
| 2.9 | State Budget Consultations | | No further Action |
| 3 | Items for Noting | | |
| 3.1 | Elected Member Census | | Refer Item 6.3 |
| 3.2 | Legislation Update | | Refer Item 6.1 |
| 3.3 | Policy Update | | Refer Item 6.1 |
| 3.4 | GMC Elections | | No Further Action |
| 3.5 | BASS Strait Shipping Update | | No Further Action |
| 3.6 | State Owned Public Land | | No Further Action |
| 4 | Items for Discussion | | |
| 4.1 | One Vote Per Council - Derwent Valley Council | | Refer Item 7.2 AGM Agenda |
| 4.2 | Minuting of Council Votes | | Refer Item 10.1 |
| | | General Business | |
| 5.1 | Planning Task Force | That Members agree in principle to providing a 50% share towards the costs of a Local Government Planner participating in the transition to a single planning scheme, subject to working out the terms of reference and working arrangements That this contribution be included in Member subscriptions for the 2015/16 financial | Refer Item 6.4 |

Follow Up of Motions Report

Report to the General Meeting

LGAT has streamlined its reporting on Motions which have been passed at General Meetings.

This report details motions where LGAT is still pursuing an outcome.

| Local Government Legislation | |
|---|---|
| <p>"That the Local Government Association of Tasmania seek amendment to the Local Government (General) Regulations 2005 section 43, Expenses for councillors, which reads: "A councillor is entitled to be reimbursed for reasonable expenses in accordance with the policy adopted under Schedule 5 to the Act in relation to - ..." Sub-clause (c) to be altered from: "(c) Care of any child of the councillor" to: "(c) Care of any person for whom the councillor is responsible."</p> | <p>Passed: June 2009 Notes: Part of the Review of the Local Government (General) Regulations. Outcome substantially achieved.</p> |
| <p>That LGAT work in partnership with Councils and the Local Government Division to update the Regulations to improve the effectiveness and equity in relation to the Councillors Code of Conduct.</p> | <p>Passed: July 2013 Notes: See Legislation update this meeting. Outcome substantially achieved.</p> |
| <p>That the Local Government Association of Tasmania request the State Government to give priority to LGAT's previous request for the review of Section 87(1)(d) of the Local Government Act 1993 relating to the provision of exemptions for payment of rates for land owned or occupied exclusively for charitable purposes, with the express desire that the provision be amended to remove the ability of Church operated schools and nursing homes to receive an exemption.</p> | <p>Passed: September 2013 Note: The Australian Local Government Association is also looking at this issue and seeking some advice from the ATO regarding definitions of charitable and not for profit. The issue has been raised most recently with the Local Government Division in August 2014 but sits outside their current legislative review agenda.</p> |
| <p>That the LGAT request a change to the Local Government Act to ensure a Mayoral vacancy does not trigger a by-election if the vacancy occurs within 12 months of an election</p> | <p>Passed: July 2014 Notes: Referred to the Local Government Division (LGD) for consideration.</p> |
| <p>That the Local Government Association of Tasmania be requested to write to the State Government requesting an amendment to the Roads and Jetties Act 1935 to include under section 5 (2) all Municipal Areas in the State of Tasmania.</p> | <p>Passed: July 2014 Notes: From ongoing discussions with State Government and councils (including the General Manager of Derwent Valley Council, the original proponent council for this motion) it is noted that the broader intent behind the motion is to seek State Government consideration for an increase of the quantum (currently \$1.5M) of heavy vehicle registration revenue allocated to councils out of the Consolidated Revenue Fund, and at the very least to factor in CPI increases to that figure, which has not changed since 1996. On this basis LGAT will continue to advocate to State Government on behalf of councils that the registration revenue</p> |

| | |
|--|--|
| | allocation be reviewed and adjusted to reflect present requirements, whilst looking at all options that may enable this adjustment to be realised, including the method suggested in this motion. |
| That LGAT requests the State Government to amend the legislation relating to Local Government advertising, to remove the requirement for formal notices to be published in a newspaper circulating daily in the municipal area, instead requiring the information to be posted on a councils website front page. | Passed: July 2014 Notes: Part of the review of the Local Government (Meeting Procedures) Regulations – substantially complete. |
| That LGAT supports the establishment of a state-wide Local Government Performance Index (for benchmarking and performance ranking). | Passed: July 2014 Notes: Referred to Governance Working Group under the Role of Local Government Project. |
| Environment | |
| 1. That councils endorse the proposal to introduce a statutory waste levy of \$10 per tonne to be collected via public and private landfills; 2. That the funding be allocated on the basis of 20% to regional waste bodies; 10% to the Environment Protection Authority (EPA) and 70% to the Waste to Resources Funding Pool; 3. That these arrangements be on the basis that the funding is directly hypothecated to waste activities and is not consumed into the State Government Consolidated Fund; 4. That the Waste Advisory Committee be formally acknowledged within the legislation as having an integral role in the disbursement of funds from the Waste to Resources Funding Pool, providing recommendations to the EPA Board in accordance with relative priorities in the Waste to Resources Strategy. | Passed: July 2012 Notes: Was raised with the new Liberal Government in August 2014 through PLGC, as well as in the LGAT Election Manifesto (2014). At the December PLGC the Minister advised that the Waste Advisory Committee (WAC) has commissioned a study into the economics of introducing a landfill waste levy in Tasmania and its impact on the cost of living and that a final report on the study is due soon. The Government will consider the outcomes of the study and meet with the WAC in early 2015. The Government have expressed some reservations regarding the additional tax aspects of a levy and potential cost of living impacts. A further update will be provided at the next PLGC. |
| That the Local Government Association of Tasmania is asked to seek discussions with the State Government regarding the condition of Parks and Wildlife reserves due to the lack of funding and consider solutions and includes directing a specific amount of funding to parks and wildlife services for weed management | Passed: July 2014 Notes: See item on the State Budget. No further reporting on this item is required. |
| That LGAT lobby the ministers responsible for mines and our rivers to address the contamination of many of our waterways through heavy metal leachate from past mining operations and to provide an inventory of all such waterways and an action plan to end the contamination. | Passed: July 2014 Notes: LGAT has liaised with the Local Government coordinator of the EPA and Mineral Resources Tasmania in relation to this matter. A letter was sent to the Minister and he has advised that there is no plan to expand or augment the approach taken to date through the Rehabilitation of Mining Lands Trust Fund and focus on Savage River. An inventory of acid drainage from abandoned sites was carried out in the summer of 2000/01. No further work has been undertaken since this time. |

| Planning and Building | |
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| <p>That the Local Government Association of Tasmania lobby the Tasmanian Heritage Council for greater coordination of heritage initiatives, including provision of funding.</p> | <p>Passed: July 2013 Notes: Anticipate a range of discussions with HT in the near future in relation to the reduction of the State Heritage Register and will raise during those.</p> |
| <p>That the Local Government Association of Tasmania requests the State Government to amend the provisions of the Liquor Licensing Act, 1990 to require:</p> <ul style="list-style-type: none"> • That a liquor license cannot be granted until appropriate Planning or Development approval has been granted by the relevant Council; and further • That appropriate Planning or Development approval from the relevant Council or evidence that approval is not required must accompany a liquor license application or application to vary a liquor license. • That should planning or development approval not be required then the liquor licensing board be required to formally consult with the relevant council as part of its assessment process. <p>That we request that the State Government broaden the liquor licensing Act to take into account outlet densities and health and well being of the communities.</p> | <p>Passed: November 2010 Notes: LGAT made a submission "Review of the <i>Liquor Licensing Act 1990</i> Proposals Paper" in September 2014. This is the Association's second submission on the review of this Act.</p> <p>LGAT circulated the report to members and liaised with members in the drafting of the submission.</p> <p>Advice was received from the Department of Treasury and Finance on 23/12/2014 that the timeline for the completion of the Liquor Licensing Act 1990 Review has been extended until "early 2015".</p> <p>Legislation is currently before Parliament to amalgamate the Tasmanian Gaming Commission and Licensing Board into the Tasmanian Liquor and Gaming Commission and introduce a new decision making model for liquor regulation.</p> <p>The review of the Liquor Licensing Act is still underway. The State Government plans to introduce legislation resulting from the review by September 2015.</p> |
| <p>That the Local Government Association of Tasmania seek an amendment to the Building Act 2000 (and associated Regulations) to enable an accredited Builder/DESIGNER to be able to provide a certificate of compliance for buildings which are classified as Class 10a and are associated with a residential use.</p> | <p>Passed: July 2014 Notes: The LGAT has raised this matter with the State Government within the context of the current Building Regulatory Framework Review. Draft legislation is expected in August 2015., It is noted that Recommendation 9 of the Review's November 2014 Position Paper states that 'Building Work' should be defined in such a way as to exclude low risk work and exclude work which is subject to other regulatory or certification processes. As an example it cites allowing an accredited Builder/Designer to be able to provide a certificate of compliance for buildings which are classified as Class 10a.</p> |

| Roads and Infrastructure | |
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| That LGAT request the State Government to confirm who has responsibility for roads and bridges that were previously owned by Forestry Tasmania or Gunns and requests an outline of the future actions government is considering for these roads. | Passed: July 2013 Notes: Further to previous updates provided, the LGAT continues to seek further clarification from the State Government in relation to the responsibility and funding for former Forestry Roads and Bridges. Please note the 2015-16 Budget Summary Paper (within the General Policy Update) which outlines State funding allocations towards both Parks and Forestry roads. No further reporting on this item is required. |
| That the Local Government Association of Tasmania is asked to seek discussions with the State Government regarding negotiations on the handover of Forestry Tasmania roads to Parks, due to a negative effect that will occur on communities and tourism due to deterioration if no funding is available for continued maintenance. | Passed: July 2014 Notes: The Association continues to raise the matter of former Forestry Roads through the Premier's Local Government Council (PLGC) and other appropriate Government Departments and Committees. For more information, please note the LGAT's comment in relation to the Huon Valley Council's July 2015 motion on this same issue. Further, please note the 2015-16 Budget Summary Paper (within the General Policy Update) which outlines State funding allocations towards both Parks and Forestry roads. |
| That the goals of the R2R programme be re-examined through the Australian Local Government Association's Roads and Transport Advisory Committee, with a view to determining how they can better assist Councils to achieve sustainable, strategic asset management outcomes over the long term. That the R2R program's funding conditions should be reviewed accordingly. | Passed: July 2014 Notes: This motion was raised as part of RTAC's strategic meeting in February 2015 but, as at July 2015 remains an issue for further consideration by the Committee. |
| 1. That LGAT write to the responsible minister requesting that they seek changes to national electricity laws and regulations so that public lighting providers are required to better inform Local Government of the cost of existing and new public lighting. This should include disclosure of the generation, transmission and distribution charges associated with individual public lighting types, as well as the residual value of public lights. This information is a critical requirement for business case assessments of more efficient and environmentally sustainable public street lighting options. 2. That LGAT enter into discussions with Networks Tas to obtain further information about | Passed: July 2014 Notes: The Regulation Framework for energy/electricity is governed by the Australian Energy Regulator (AER). The process to determine the next Framework and Approach for the transmission and distribution of energy by TasNetworks is currently underway and LGAT, in consultation with members, has made a submission regarding public lighting. It is likely that further submissions will be required on public lighting and broader issues, and, given the area's complexity, may require expert advice to be purchased for the sector. In June, LGAT hosted a meeting with the AER Consumer Challenge Panel and offered members the opportunity to raise and discuss issues relating to energy supply from TasNetworks. 2. LGAT continues to discuss the issue of greater transparency in regards to information about the |

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| the generation, transmission and distribution charges associated with individual public lighting types, as well as the residual value of public lights. | generation, transmission and distribution charges, as well as the residual value of public lights with TasNetworks. LGAT has arranged a meeting with TasNetworks and interested councils on 25 June 2015 to discuss pricing for public lighting. |
| That LGAT survey councils to determine the specific infrastructure pressures being imposed on the sector as a result of the transfer of responsibilities for such infrastructure for Forestry Tasmania to the National Parks Service. That LGAT lobby the State Government highlighting the impact and imposts on councils and local economics as a direct result of this neglect. | Passed: November 2014 Notes: A report was provided to the PLGC and additional funding was announced in the State Government Budget (see item). LGAT is providing a further report to the Tourism Industry Supply Side Interdepartmental Committee on this matter. For more information, please note the LGAT's comment in relation to the Huon Valley Council's July 2015 motion on this same issue. No further reporting on this item is required. |
| Emergency Management | |
| That LGAT discuss with the State Government that in the event of a fire/flood the proposition of taking immediate action on temporary minor repairs to state roads and/or other infrastructure on the basis that funds are reimbursed within a reasonable time frame. | Passed: July 2012 Notes: Discussions are continuing with the Department of State Growth with the aim of getting an agreement such as an MOU in place so that councils can undertake immediate temporary action to DIER roads to minimise disruption to communities. |
| Local Government Business and Finance | |
| That the Local Government Association of Tasmania pursue with the newly elected Liberal Government the rating of Hydro and also the rating of all Crown Land that is leased for commercial developments including National Parks and Reserves. | Passed: July 2014 Notes: This matter is to be taken up as a topical issue at the next PLGC meeting. |
| That LGAT initiates discussion with Crown Land Services with the objective of establishing a fairer pricing model for annual leases and licences applied to private marine structures. | Passed: July 2014 Notes: The LGAT has made contact with Crown Land Services in order to further progress this matter. |
| That LGAT investigate options for councils in addressing continual complaints and frivolous claims from community members. | Passed: November 2014 Notes: LGAT has collected case studies and tools from other States and is preparing advice to General Managers. |

| Other matters | |
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| <p>That Members approve the development of a Memorandum of Understanding between the Association and Tasmanian Regional Arts (TRA).</p> | <p>Passed: March 2013 Notes: Following a period of uncertainty, TRA appointed a new Executive Director for the organisation in December 2014. Negotiations are still on hold regarding the MOU, in part due to reprioritisation of LGAT staffing resources.</p> |
| <p>1. That the Local Government Association of Tasmania lobbies the Federal Government to identify social enterprise as an investment priority and fund it as such through the Regional Australia Development Fund and other such funds as appropriate.</p> <p>2. That the Local Government association of Tasmania further lobby for any changes required to the guidelines of such funds to allow social enterprise to be funded by various Federal Government funds and that this be a long term project in the period 2015 – 2020.</p> | <p>Passed: July 2013 Notes: Not yet commenced. Will be discussed with ALGA.</p> |
| <p>1. That the Meeting note that it is intended to undertake the biennial State-wide Community Satisfaction Survey around May this year;</p> <p>2. That Members discuss whether they would like LGAT to explore expanding the State-Wide Community Satisfaction survey to allow for individual council level;</p> <p>3. That Members advise LGAT if they are considering commissioning an add-on to the State-Wide Community Satisfaction survey (that is additional questions or bigger sample); and</p> <p>4. That Members determine what, if any, new issues should be covered in the State-Wide Community Satisfaction survey, particularly in relation to the future conversations on voluntary amalgamation.</p> | <p>Passed: February 2015 Notes: See report this meeting.</p> |

ROLE OF LOCAL GOVERNMENT PROJECT STRATEGIC ACTION PLAN

Background

The Role of Local Government (RoLG) project is a collaborative project between the Tasmanian Government and local government. The project was established in 2012 by the Premier's Local Government Council (PLGC) in response to the ongoing public debate about the current and future role of local government. The objective of the project is to establish a clear understanding of the role and capabilities of local government, identify strengths and capability gaps, and develop actions to build a sector that is sustainable, efficient, effective and responsive to community needs.

The first stage of the project identified the eight roles of local government. The roles and their definitions are at attachment 1. The second stage of the project involved an assessment of councils' performance against the eight roles. The assessment included a local government self-assessment, a community survey, and a review of relevant publically available data that shed light on the performance of councils.

The Local Government Role Assessment Final Report (Final Report) was endorsed by the PLGC in August 2014. The Final Report provides an overview of the sector's performance across the eight roles of local government, an overview of some of the factors driving local government reform and proposes a range of reform opportunities. The Final Report identified that Tasmanian councils performed well in terms of nurturing the unique sense of place in small Tasmanian communities, community engagement, land-use planning, and service delivery and asset management. However, the Final Report also identified capability gaps in councils' performance related to strategic leadership, economic development, legislation, and cooperation.

Based on the recommendations of the Final Report, the PLGC agreed to establish four high-level working groups for the following priority areas: collaboration, economic development, governance (incorporating strategic leadership) and legislation. The working groups were the main mechanism to identify local government reforms supported by both spheres of government.

The Economic Development Working Group was established as the local government role assessment revealed that out of the eight roles of local government, this role was perceived as the weakest in terms of capability. It is

essential for local government to be able to have a role in revitalising local economies and building resilient and economically diverse regions. The Economic Development Working Group focussed on projects that will deliver jobs and economic growth, by building the capacity of local government to work at a regional or functional economy level to support economic development in their communities. The objectives of the economic development initiatives are to improve economic diversification and jobs growth in regions and ensure that small businesses are supported by their councils.

The Collaboration Working Group was established as the need to improve collaboration and cooperation was consistently identified throughout the local government role assessment. As most Tasmanian councils are operating in financially constrained environments the need to fully support and drive collaborative arrangements is critical to improve efficiency and long-term sustainability. The Collaboration Working Group focussed on opportunities to increase collaboration at the inter-council level and at between the State and local government sector. The objectives of the collaboration initiatives are to improve the scale and scope of shared service arrangements and to increase collaboration between State Government agencies and local government.

The Governance Working Group was established as the local government role assessment identified a need to build strategic leadership capability, improve elected members' understanding of their roles and responsibilities, and ensure decision makers have sufficient expertise to make informed decisions. Effective governance is essential as it underpins the political, corporate and operational roles of councils. The Governance Working Group took a two-pronged approach: one stream of work aims to enhance governance at the whole-of-council level while the second stream of work aims to enhance strategic leadership capability at the individual level. The objectives of the governance initiatives are to ensure that local government governance frameworks are appropriate and effective, to enhance strategic leadership capability of elected members and senior managers and to improve ethical behaviour and accountability in councils.

The Legislation Working Group was established as the local government role assessment found many councils, particularly small and rural councils, experience some degree of difficulty in delivering their legislative roles. It is essential for the effective and lawful operation of all councils to comply with and enforce their legislative responsibilities to a high standard. The Legislation Working Group focussed on two streams of work to identify what could be changed at a structural level to reduce the compliance burden on councils;

and identify the support needed to assist councils to meet their regulatory requirements. The objectives of the legislation-related initiatives are to improve the capacity of councils to implement and enforce legislation and regulatory requirements, reduce restriction and/or duplication within State Government and local government regulatory functions, and to optimise resourcing and management of regulatory functions within councils.

The working groups were tasked with developing a three-year strategic action plan to improve local government capability in the four priority areas. Membership for the working groups is provided at page 11. The working groups held their inaugural meetings in July 2014 to determine their scope and finalise their terms of reference. The terms of reference for each the four groups is available at:

www.dpac.tas.gov.au/divisions/local_government/role_of_local_government

. The PLGC working groups met on a monthly basis for six months to discuss issues, establish an evidence base and develop projects.

The following projects developed by the working groups aim to deliver a structured approach to local government reform which is 'owned' by councils, strengthens the relationship between the Tasmanian Government and the local government sector, and builds the capacity of councils to prosper in a rapidly changing world.

High priority projects

To commence in 2015

Projects to improve external environment

| | Project | Details | Project leader | Project support |
|---|----------------------------|--|----------------|-------------------------------|
| 1 | Statements of Intent (SoI) | <p>Develop an Economic Development SOI that will provide a high-level agreement between the Department of State Growth (DSG) and LGAT on how both agencies will work together to enhance the delivery of economic development activities. The SOI will provide the foundation for other economic development related initiatives identified in this Strategic Action Plan. It will include specific objectives to be achieved, define the roles and responsibilities of the parties, and nominate regular reviews of the efficacy of the arrangement.</p> <p>Establish an SoI between LGAT and State Government agencies in relation to key regulatory requirements which would provide for:</p> <ul style="list-style-type: none"> a) clear role delineation, guidance and assistance to councils in undertaking their roles; b) a dedicated and ongoing forum for strategic consultation with councils and other stakeholders; and c) joint development of tools and systematic review. <p>The high priority agencies are Public Health, Environment, and Land Use Planning</p> | LGAT | DSG LGD |
| 2 | Audit of shared services | <ul style="list-style-type: none"> a) Conduct an audit of shared services, to identify and analyse existing collaborative efforts across councils and their relative success. b) Using the audit as a basis; prepare a report on shared services to promote successes and identify opportunities/barriers for increased shared services. c) Develop guidelines to assist councils to measure the costs and benefits of shared service arrangements. | LGD | LGAT DHHS DPIPWE TPC |
| 3 | Increase statewide | <ul style="list-style-type: none"> a) Maximise existing opportunities for collaboration via State Government and | LGAT | |

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| | collaboration on procurement | <p>LGAT aggregated procurement processes.</p> <p>b) Explore options and opportunities for procurement arrangements of high value/high quantity items.</p> <p>c) Hold a forum to build awareness and capability related to procurement.</p> <p>d) Continue to identify aggregated purchasing opportunities in key infrastructure areas such as energy and street lighting.</p> <p>e) Develop a system to facilitate collaboration on major procurement projects. For example, councils embarking on major road projects might alert LGAT, and LGAT notifies councils where it identifies opportunities for potential savings through collaboration.</p> | | |
| 4 | Reduce red tape | <p>a) Establish a formal link between LGAT, LGD, the Coordinator-General and Regulation Reduction Coordinator (RRC) that will ensure regular contact, and the opportunity to address identified issues and new issues as they arise.</p> <p>b) Refer Regulation Reduction Report for whole-of-government issues to the RRC.</p> <p>c) Advocate for a Regulator's Compliance Code (such as used in the UK).</p> | LGAT | <p>LGD Coordinator-General RRC</p> |
| 5 | Identify significant regulatory issues | <p>a) Survey councils regarding the most significant compliance burden and analyse the results of the survey to reduce regulation that is high benefit and low risk and produce a basic report.</p> <p>b) Ask councils to identify top three compliance burdens across State Government legislation.</p> <p>c) Map, refer and advocate for regulatory changes identified as having potential to reduce costs for councils, reduce costs for customers or be more efficient or easier to apply with little resultant risk</p> <p>d) Compile the Regulation Reduction Report which identifies whole-of-government regulation reduction opportunities as well as opportunities relating to the <i>Local Government Act 1993</i>.</p> <p>e) Work with State Government agencies to ensure consistent application of terms</p> | LGAT | |

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| | | across legislation. For example, the term 'road' has multiple definitions. | | |
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Projects to build council capacity

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| 6 | Economic development collaboration | <p>a) Develop a cost effective statewide platform to collate and disseminate key economic and competitiveness data that can be aggregated at various scales. The integrated platform will help in the understanding of competitive opportunities and risks and monitor and manage change.</p> <p>b) Support and evaluate the piloting of collaborative models and projects that improve the competitiveness, productivity and resilience of local and regional economies.</p> <p>c) Support the implementation of suitable models throughout the local government sector.</p> | DSG | Regional authorities Councils |
| | | Identify related competencies/skills gaps in economic development at local and regional levels and develop mechanisms to address gaps, including training where appropriate. | LGAT | |
| 7 | Increase shared services/resources activity | <p>a) Develop a framework to assist councils to assess and evaluate the benefits of entering into shared service arrangements. This could include business case models, legal frameworks, and contractual templates. The framework should encourage councils to approach shared service arrangements asking 'why not?' rather than 'why?'.</p> <p>b) Discuss with councils the proposition of a vacancy control process whereby all future vacancies are assessed in the context of</p> | LGAT | |

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| | | whether collaboration opportunities exists. | | |
| 8 | Good Governance Guide | <p>a) Develop a 'Good Governance Guide' to establish a sector-wide understanding of what good governance is.</p> <p>b) Audit existing governance training and resources available to councils to identify gaps and overlaps.</p> <p>c) Develop leading practice tools and templates for councils to adopt. Specific areas to consider include:</p> <ul style="list-style-type: none"> • decision making; • financial planning; • strategic and corporate planning; • community engagement and participation; • delegations; • compliance; • risk management; • effective council meetings. | LGD | |
| 9 | Performance management | Develop a new local government performance management and benchmarking framework that promotes continuous improvement commencing with a review of the Sustainability Objectives and Indicators Report. | LGD | LGAT |

Medium priority projects

PROJECTS TO IMPROVE EXTERNAL ENVIRONMENT

| | Project | Details | Project leader | Project support |
|----|---|---|-------------------------|--------------------------------------|
| 10 | Coordinate export and overseas investment attraction activities | Develop a coordinated State Government and local government regional approach to export and overseas investment attraction activities which utilises state government expertise and aligns with state government strategies and activities. | Coordinator- General | Regional authorities Councils |
| 11 | Legislation audit | <ul style="list-style-type: none"> a) Leveraging off LGAT's legislative audit, undertake research with councils to assess the scale of statutory non-compliance within local government and identify key areas of concern. b) Develop action plans to address those key areas of concern. c) Ensure appropriate mechanisms and funding are in place to maintain the LGAT legislative audit; and d) Identify opportunities to build upon the audit, (eg multi-council procurement of software to report, analyse and trigger actions). | LGAT | |
| 12 | Increase sectoral and regional collaboration | <ul style="list-style-type: none"> a) Explore options for sector-wide and regional collaboration, resource sharing and shared services. b) Examine existing collaboration and the joint-venture models including interstate sectoral shared service arrangements (e.g. LGAQ) | LGAT | Councils Regional authorities |
| 13 | Reduce red tape in the Local Government Act 1993 | Using the Regulation Reduction Report as guide, commence a review of the Act to identify further regulation reduction opportunities. | LGD | LGAT |
| 14 | Consolidated enforcement and penalties Act | Investigate the potential to establish a separate Act of consolidated enforcement and penalties. This would ensure a consistent approach could be applied across all legislation with supporting standard templates. | LGAT | LGD Coordinator- General |

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PROJECTS TO BUILD COUNCIL CAPABILITY

| | Project | Details | Project leader | Project support |
|----|---|---|----------------|------------------------------------|
| 15 | Access to investment attraction information | Work with the Coordinator-General to develop a mechanism to increase council access to investment attraction information and to enable the sharing of council/regional sourced local knowledge/data. | LGAT | LGD Coordinat or- General |
| 16 | Governance for collaboration | Develop governance guidelines to assist inter-council collaboration in the preparation of submissions for regional funding. | LGD | LGAT |
| 17 | Improve compliance | <p>Develop tools and incentives including collaborative arrangements to better meet regulatory responsibilities and statutory compliance requirements:</p> <ul style="list-style-type: none"> a) Develop tools to improve outcomes and consistency across councils including training, guidance, promotion of leading practice, template contracts/MOUs and a small repayable fund to assist set up and mapping of appropriate cost recovery models. b) Identify mechanisms to ensure greater use of cross-regional or sub-regional regulatory services (with standardised processes and procedures). c) Identify whole-of-sector opportunities in relation to procuring hardware (eg portable technology) or software (eg applications) to deliver significant time savings and greater consistency and work with councils to deliver on those opportunities. d) Develop or procure a whole-of-sector self-assessment tool (like that used by Hunter Council) to enable councils to have a current picture of the effectiveness of their compliance system in meeting the objectives of council and various legislative regimes. e) Develop additional guidance for by-laws eg best practice templates, tools and process within local government | LGAT | |

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Low priority projects

PROJECTS TO IMPROVE EXTERNAL ENVIRONMENT

| | Project | Details | Project leader | Project support |
|----|--|--|-------------------|-----------------|
| 18 | Delivery of programs and services | <p>a) Facilitate shared access to community infrastructure – eg. Councils securing agreement to access facilities at their local schools.</p> <p>b) Engage with the Office of the Valuer-General with the aim of improving the response rate for valuations of new properties.</p> <p>c) Evaluate opportunities for improved service delivery of State Government services to the community via local councils</p> | LGAT | |
| 19 | Complaints process | Clarify the process for lodging behavioural complaints (such as bullying and harassment) to ensure that allegations of misconduct are investigated appropriately. | LGD | |
| 20 | Major infrastructure planning and delivery | Identify opportunities to share planning for the implementation of major infrastructure (such as energy, water, NBN etc) | DSG | LGAT |
| 21 | Register of government land holdings | <p>a) State and local government to collaborate to develop a register of Government land holdings which are suitable for potential development.</p> <p>b) Working with the single planning scheme, identify strategic sites (ie pick winners) and work across State/regions to focus on these.</p> <p>c) Determine mechanisms to maintain and audit information contained in the register.</p> | DPIPWE | LGAT Councils |
| 22 | Support small business | Encourage all councils to provide links to relevant business support websites. | Business Tasmania | LGAT Councils |
| 23 | Measure economic development performance | Determine key performance criteria related to the role of the State Government and local government in economic development to assist councils self-assess their effectiveness. This would include working to ensure alignment and consistency between State Government and local government KPIs. | LGAT | DSG LGD |
| 24 | Jurisdictional sharing of data | Improve the coordination and sharing of data between councils, the State Government and utilities including continuing to participate with | LGD | LGAT DPIPWE |

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| | | the Tasmanian Imagery Program to achieve aggregated tenders and negotiated pricing. | | |
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| 25 | Statewide Partnership Agreement on Communication and Consultation | Review the Statewide Partnership Agreement on Communication and Consultation to ensure that it is meeting the needs of the State Government and local government. | LGD | LGAT Councils |
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PROJECTS TO BUILD COUNCIL CAPABILITY

| | Project | Details | Project leader | Project support |
|----|----------------------------|---|----------------|-----------------|
| 26 | Governance self-assessment | a) Develop a governance self-assessment tool to assist councils identify their strengths and areas where, as a council, they may require additional support or training. b) Use the aggregated information to identify where resources should be allocated for training needs. | LGD | LGAT |

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MEMBERSHIP OF THE PLGC WORKING GROUPS

ECONOMIC DEVELOPMENT WORKING GROUP

Members

- Jonathan Wood, Deputy Secretary, State Growth (Chair)
- Bettina Cruise, Assistant Director, Local Government Division
- Lara Hendriks, Regional Manager, State Growth
- Katrena Stephenson, Policy Director, LGAT
- Robert Dobrzynski, General Manager, Launceston City Council
- Tony Ferrier, Deputy General Manager, Kingborough Council
- Sandra Ayton, General Manager, Central Coast Council
- Peter Murden, Economic Development and Marketing Manager, Central Coast Council

COLLABORATION WORKING GROUP

Members

- Allan Garcia, Chief Executive Officer, LGAT (Chair)
- Greg Brown, Deputy Director, Local Government Division
- Gary Swain, Deputy Secretary, State Growth
- Ron Sanderson, General Manager, Brighton Council
- Gary Arnold, General Manager, Kingborough Council
- Greg Preece, General Manager, Meander Valley Council

GOVERNANCE WORKING GROUP

Members

- Michael Stevens, Deputy Secretary, DPAC (Chair)
- Greg Brown, Deputy Director, Local Government Division
- Harriet Close, Senior Policy Analyst, Local Government Division
- Allan Garcia, Chief Executive Officer, LGAT
- Peter Brooks, General Manager, Glenorchy City Council
- Andrew Wardlaw, General Manager, Burnie City Council
- Simone Watson, General Manager, Huon Valley Council

LEGISLATION WORKING GROUP

Members

- Katrena Stephenson, Policy Director LGAT (Chair)
- Phillip Hoysted, Director, Local Government Division
- Carmen Kelly, Assistant Director, Local Government Division
- Mathew Grimsey, Executive Manager, Huon Valley Council
- Stephen Mackey, General Manager, Derwent Valley Council



Thursday, 28th May 2015

FACTSHEET: KEY POINTS BUDGET 2015-16

General overview and economic outlook:

The budget notes indicate that over the last twelve months there has been a solid improvement in Tasmania's economy. Business confidence and retail spending are high, 4200 jobs have been created and the building and construction sector has grown in size.

The Tasmanian Treasury estimates that the Tasmanian economy will grow by 2.5% in 2015-16, up from an estimated growth of 1.25% for 2014-15.

The Budget shows 2015-16 will result in a forecast deficit of \$58.5M, and is then projected to return to a surplus of a little over \$100M in the 2016-17 fiscal year (three years ahead of schedule). It is anticipated that the Government will remain Net Debt-free over the Forward Estimates.

Spending growth is forecast to be 1.1% per annum.

Revenue growth is forecast to be 2.8% per annum.

The Tasmanian State Government received a higher than expected GST outcome for the coming Budget year, \$151M, which it has acknowledged must be invested into productive job-creating infrastructure that will provide long term benefit.

Budget Priorities:

The Tasmanian Budget 2015-16 reflects the Tasmanian Government prioritisation of jobs creation and supporting initiatives, as well as a return to a fiscal surplus. There is a strong emphasis in the area of infrastructure, development and capital growth.

Key initiatives/highlights:

- The centre-piece of the budget is the \$315M Jobs package, which the government envisages will create 8000 new jobs.
- An extra \$100M has been allocated for frontline health services
- \$68M investment in high school infrastructure (the largest in two decades)
- Returning the budget to surplus next year.
- No new taxes.
- No new savings measures

Revenue

There are no new savings measures outlined in the 2015-16 Budget, the State is still predicted to derive beneficial revenue due to forecast growth in the State's economy, Final Demand and in employment.

It is anticipated that the State's own-source taxation revenue will increase over the next financial year by \$43.9M on the 2014-15 Budget; an increase of 4.5%.

Expenditure

Education

- \$68M for high school infrastructure across 13 schools around the State.
- \$7M for extension of 6 high schools to Years 11 and 12.

Health

- Health initiatives including infrastructure upgrades, service delivery outcomes and support for community health organisations e.g.
 - \$100M for a boost in Frontline Health
 - \$8.3M for maintenance and upgrades of hospitals and health centres across the State including Launceston General Hospital, Flinders Island Hospital and other rural health centres
 - \$2.4M over four years for Youth Mental Health Services
 - \$10M over two years for capital upgrades to patient transport
 - \$14.5M for a new regional cancer centre in Burnie

- \$4.8M for Ice and Other Drugs Strategy

Infrastructure

- \$179M additional funding committed to the 2015-16 Budget and Forward Estimates. Total infrastructure investment now totals \$1.8B over this 4 year period, including:
 - \$727.5M in total for roads funding, projects predominantly on the National Highway and State Road network.
- \$60M over three years for the Northern Cities Major Development initiative focussing on Launceston, Burnie and Devonport; including the Devonport Living City project and the Launceston UTas Campus relocation project.
- \$90M for North and North-East Regional Projects, including
 - Ravenswood Community Health Centre
 - Great Eastern Drive
 - St Helens and Prosser River bar-ways maintenance
 - Kings Meadows flood protection
- \$89M for North-West Regional Projects, including
 - Somerset CBD development
 - Murchison Highway
- \$5M Regional Revival Fund - New Projects Investment to facilitate the critical infrastructure required for major job-creating projects. The State Government will work with private investors and local councils to identify projects where support may be offered and there is a clear demonstration of benefit for regional communities and industry.
- \$2M for support to be provided to local councils for transport infrastructure comprising:
 - \$1.7M allocation to Department of State Growth to assist and support councils in the development of strategic road networks and the assessment of critical bridge infrastructure in order to deliver a sustainable heavy vehicle access network.
 - \$300K to construct newer, safer bus stops for Tasmanian students in regional areas. These stops will be identified by State Growth in consultation with local councils and operators.



Local Government Association Tasmania

2015 Elected Member Census

Preliminary Findings: A Snapshot

- 105 Elected Members completed the full census, a return rate of 40%
- 65% of respondents were male.
- Most respondents were from smaller councils with populations of less than 10,000 (45%), with 19% each from city councils and councils with populations of 10,000-20,000 people; and 17% from councils with a population greater than 20,000 (but not a city).
- The majority of respondents were aged 56-65 years (47%). Only one respondent was aged less than 25 years and one respondent over 76 years old.
- 77% of respondents are married or in a de facto relationship.
- Only 9.5% of respondents were not born in Australia.
- 60% of respondents were working full-time or self employed; 10% work part-time and 20% are retired.
- The main occupation category for those working is small business proprietor (20%), manager/executive (19%) and professional or technical role (13%).
- Over 70% of those working, did so in the private sector.
- The majority of respondents earn under \$66,000 per year (56%).
- 90% of respondents are members of organisations other than council, with around 50% members of service organisations and 40% members of sporting organisations and/or professional or business associations.
- 45% of respondents were newly elected in 2014 but 20% had served between 10 and 20 years on council and 2% had served more than 20 years on council.
- 22% of respondents were Mayors.
- 21% of respondents had spent 61-100 hours on their election campaign. This was the most frequent response, followed by 16% who had spent 11-20 hours. 16% spent less than 11 hours on their campaign.

- Most respondents (45%) campaigned for 1-4 weeks but 31% campaigned for 5-6 weeks and 22% campaigned for more than 7 weeks.
- Commonly respondents cited the desire to give back to the community as their motivation for standing for council but the encouragement of family, friends and existing councillors appears to play a strong role.
- 73% of respondents have undertaken training specifically related to their role as Councillor. This is impressive given the number of new elected members in 2014.
- Key opportunities are provided and taken up through the LGAT Annual Conference, LGAT Weekend Workshops for Elected Members and other offerings. 23% of respondents attended that Local Government 101 Training provided by LGAT in November 2014 and 39% were booked on the weekend training for February 2015. However Council based induction or training remains critical and was undertaken by 42% of respondents.
- The most likely reason elected members cannot attend training is an inability to get time off from paid employment or the travel distance required (23% and 18% respectively).
- Councillors indicated a high level of awareness of key documents, the exception being the new Ministerial Orders (relating to planning, audit panels and performance indicators). These were introduced in 2014. Only 78% said they had seen their council's consolidated policies so this may also be an area that needs renewed focus.
- When asked what issue were most important to the Local Government sector, the following rated highest (weighted averages) (in descending order):
 - Financial Sustainability;
 - Asset Management;
 - Economic Development;
 - Roads;
 - Infrastructure; and
 - Rate Determination.
- The areas that were deemed of least concern included
 - Domestic animal control;
 - Demographic change;
 - Skills shortages; and
 - Climate change.
- 99% of elected members responding were connected to email and for 93% this was their preferred method of communication.
- For the three key LGAT communications (the Magazine, the Newsletter and the Monthly Report) around 80% of respondents said they received them.
- There was a low level of awareness of and access to the LGAT extranet.

- 75% of respondents said they read the LGAT General Meeting papers which are a key source of information on policy and regulatory issues facing the sector.

Some key demographics were also sought via councils (not the census) and the return rate for this was as follows:

| Question | Return Rate (% of all Elected Members) | % of Respondents |
|---|--|--|
| First time on council? | 70 | 28% of respondents were first elected in 2014 |
| Gender? | 70 | 69% were male, 31% female |
| Age? | 46 | <ul style="list-style-type: none"> • 1.6 % were under 26 years old • 28% were aged between 26 and 50 years • 40% were aged between 51 and 65 years old • 29 % were between 66 and 75 years old • 1.6 % were over 75 years of age. |
| Workforce Status? | 68 | <ul style="list-style-type: none"> • 36% of respondents were in paid employment. • 29% were self employed. • 25% were retired. |
| Highest Education Level? | 53 | 16% and 19% of respondents had post graduate degrees or bachelor degrees respectively as their highest level of educational attainment. 19% had diplomas. For 26% secondary school was their highest level of educational attainment. |
| Aboriginal or Torres Strait Islander descent? | 66 | 3% of respondents were of Aboriginal or Torres Strait Islander descent. |
| Disability? | 66 | 3% of respondents had a disability. |

Further analysis will be undertaken over coming months to inform the Local Government Association of Tasmania's policy, program and training development.

- \$8M for Parks 'high priority' infrastructure renewal and maintenance over two years - incl. signage, fencing, walking and multi-use tracks, fire trails, roads, amenities and car parking. Priority projects will be identified in consultation with Local Government, regional organisations and other stakeholders.
- \$4M for non-commercial Forestry activities, including maintaining roads to a higher standard for public use, along with education, research and NFP tourism activities.

Planning

- \$2.6M for planning reform, including \$1.7M funding to accelerate the Planning Reform process in order to implement the reforms sooner. The Government aims to deliver a single Statewide Planning System ahead of schedule. The system will include reforms to streamline approvals processes, major projects approvals, Ministerial call-in powers and third party appeals.

Further issues of interest to local government:

- \$400K allocated to exploring Local Government reform
- \$300M to fund ongoing concessions, including
 - Local Government Rates - \$17M
 - Water and Sewerage - \$14M

Item 7.2 Local Government (Code of Conduct) Amendment Bill
Contact Officer: Katrena Stephenson

Decision Sought

- A:** That the Meeting agree that Mayors will write to MLCs in support of the Local Government (Code of Conduct) Bill, noting the significant consultation that has occurred with councils since 2010.
- B:** That the Meeting vote on the following recommendations (the recommendations relate to the numbered items in the background section):
1. That the single Code of Conduct Panel be able to investigate, hear and determine code of conduct complaints.
 2. Provide for some flexibility for councils to expand upon core elements in the Regulated (Model) Code of Conduct.
 3. Only allow for complaints regarding incidents/matters that have happened in the preceding 90 days.
 4. That there continue to be a requirement to pay a fee to lodge a complaint, noting that the fee is reimbursed if the complaint is upheld.
 5. That there remain an ability to withdraw a complaint.
 6. That given the need to contain costs and to deal with complaints expeditiously, legal representation not be allowed in Standard Panel Hearings
 7. That the legislation allow for a Code of Conduct complaint to be submitted locally to the General Manager to check that proper procedure has been adopted before forwarding to the Standards Panel.
 8. That the one month suspension sanction be changed to allow for up to three months suspension in order to offer and effective deterrent for bad behaviour.
 9. That the holding of an AGM is optional, to be determined by Council.
 10. That the Council be able, through a majority vote, to direct the General Manager to provide complete information (not redacted or removed) that the General Manager has withheld on the basis of deeming it private and confidential information relating to a person.

Below is some explanatory material for each of the recommendations.

1. It is proposed to Amend the Bill to remove the inquiry/investigation powers of the Standards Panel (to sit with another body) and the Panel would just hear and determine the case. LGAT asserts this fails to recognise that the nature of complaints, are on the whole, relatively low order behavioural matters that do not require extensive investigation. This is a vastly different model than has been in place and does not relate to any issues raised by the sector at any time. It would

LGAT General Meeting 22 July 2015 - Additional Item for Decision

significantly increase the complexity of determining cases and the costs and would require a substantial rewrite of the Bill and further consultation further delaying any improvements to the current process.

It should be noted that the Director of Local Government can already undertake higher order investigations regarding alleged breaches of the Act and that indeed these must be referred to the Director by the Standards Panel. Further in the Bill currently before Parliament, a code of conduct complaint regarding half or more councillors is referred to the Director because such a complaint may be indicative of a potential breach of powers or functions of councillors under the Act. It also might be an indication of other systemic issues within a council that require further investigation.

A related amendment proposed suggests removing references to the Panel conducting an investigation but this would mean that, as is currently the case, the Standards Panel would have to have a hearing on every matter and has not flexibility to resolve an issue without a hearing. This has been an issue of concern for the sector, raised as far back as 2010 and LGAT asserts the flexibility is desirable to ensure appropriate efficient resolution of complaints.

2. The Legislative Council have indicated a preference to remove the ability of councils to vary the model code of conduct. Currently Councils may adopt any code. In 2012 LGAT developed a model code to improve consistency of approach, particularly in relation to how breaches were defined, based on feedback from Standards Panel Members.

It is anticipated that some councils may wish to go into more detail on some matters and to be able to make sure that it is locally relevant and matches with existing council policies. This is particularly important in code of conduct matters relating to councillor expenses and gifts and benefits, for which a number of councils have developed local policies to strictly control such matters. Some councils may wish to supplement the model code of conduct to elaborate on their ideas around good governance. Some councils may also wish to include detailed procedures in their code of conduct for dealing with internal disputes between councillors.

Allowing a council to vary the model code also provides opportunity for discussion on aspects of good ethical behaviours and gain a common understanding of what is expected of each other, particularly if linked to a post election review cycle.

3. Currently a complaint must be lodged within 90 days of an incident occurring. Some members of the Legislative Council have suggested that this be amended to within sixty days after the general public or the complainant become aware of the alleged contravention of the code of conduct (whomever first became so aware).

There is a risk the proposed amendment would mean that a code of conduct complaint could be lodged at any time, for example years after the alleged contravention. It would also be significantly difficult to define 'awareness' and has potential to be used maliciously.

4. It has been proposed that there be no fee to lodge a code of conduct complaint.

Each complaint will come at some cost to the council, even if deemed frivolous and vexatious. There has to be some deterrent from such complaints. The fee will likely be on par with Standards Panel referral fee and is refundable where the complaint is

upheld.

5. It has been suggested that the legislation should remove complainant's ability to withdraw from a code of conduct complaint

The Bill currently allows a complainant (or two complainants jointly) to withdraw from a code of conduct complaint, by notice in writing to the general manager or the Code of Conduct Panel, at any time prior to the final determination of the complaint by the Panel. The Bill also outlines the notification requirements relating to a withdrawn code of conduct complaint.

The Bill provides that a code of conduct lodgement fee is returned if the complaint is withdrawn by the complainant.

It is considered appropriate to allow a code of conduct complaint to be closed at the wish of the person who made the complaint. There are various reasons why a complainant may want to withdraw their complaint, such as:

- their concerns have been resolved (eg through mediation);
- they no longer wish to proceed with the complaint; or
- they have agreed to withdraw the complaint as part of a resolution of a related case under another law.

While LGAT has concerns about automatic reimbursement of lodgement fees upon withdrawal (with a preference for this to be determined by the Panel on a case by case basis), we strongly support the ability to withdraw a complaint as this has been noted as a problem by Members over a number of years.

6. A proposed amendment provides that a complainant or councillor against whom the complaint is made may be represented by an advocate.

The Bill already allows that a complainant or councillor against whom the complaint is made may be represented by an advocate who is not an Australian lawyer, at the consent of the Panel. The Code of Conduct Panel is not a court, proceedings are non adversarial and it is important to keep costs low and processes streamlined given the nature of complaints (relatively low level matters).

Any person involved in a complaint may seek legal advice; the only restriction under the Bill is that legal representation at a hearing is not permitted.

With a three member Code of Conduct Panel and a right of review to the Magistrates Court, there are sufficient protections for councillors built into the new code of conduct complaint framework.

7. It has been proposed that all complaints be lodged centrally through the Code of Conduct Panel Executive Officer. The Bill provides that a code of conduct complaint is lodged with the general manager of the relevant council. If the code of conduct complaint meets the requirements of the Act, the general manager is to refer it to the Executive Officer.

It is important that there is someone within a council that can receive a person's code of conduct complaint. This ensures that the system is accessible to ratepayers. Further, it is considered appropriate for a complaint to be lodged with a general manager because this position is more independent than a mayor or deputy mayor.

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A General Manager has no involvement in a code of conduct complaint aside from the purely administrative step of receiving a complaint, checking that it meets prescribed requirements and forwarding it to the Code of Conduct Panel for initial assessment.

It is important to note that a General Manager is obliged to refer a complaint to the Executive Officer.

There may be an increase in costs associated with the Executive Officer receiving code of conduct complaints and assessing whether the complaint meets the prescribed requirements. This is because the Executive Officer is only paid when the position is required. The Bill has been designed to keep council costs as low as possible. Facilitating ratepayer access to the system would also be more difficult compared to allowing a person to lodge a complaint with their council.

8. It has been proposed that there be an increase from the Panel's one month suspension sanction (in relation to the determination of a code of conduct complaint) to three months.

Consultation with LGAT Members found there was a preference to have an ability to make stronger sanctions for more serious Code of Conduct breaches.

9. The Legislative Council expressed concern with regard to dropping the requirement to hold an AGM. This amendment was requested by Local Government given the poor attendance of AGMs across many councils making this an inappropriate use of council resources for community engagement. The requirement predated the changes in community engagement, particularly since the advent of social media. The broader Tasmanian community was also consulted on this proposed change with minimal feedback or concern raised.

10. The Bill as currently drafted allows (Clause 5 (b) (7), (8) and (9)) for a Council (by majority vote) to overturn the decision of a General Manager to withhold information on the basis it is private and confidential. The amendment suggested is that this power should be provided to the Director of Local Government (not the Council). While this allows for independent scrutiny it would also slow down progression of any decision-making related to the withheld information.

It should be noted there is already provision in the Act to appeal to the Director of Local Government (s339E).

The Current Bill can be viewed at www.thelaw.tas.gov.au (Bills Currently Before Parliament).

The second reading debate in the Legislative Council is available through Hansard on the www.parliament.tas.gov.au website (see 25 June, 2015).

Current Policy

There have been a number of significant consultation processes with our sector since 2010 and this matter has been the subject of several successful motions and numerous reports to the General Meeting.

Budget Implications

Movement of the support to the Standards Panel away from LGAT will free up some resource to progress and support some other Member activities. There will be a cost to each council which is subject to a Code of Conduct complaint.

CORP 1

Northern Midlands Council
Bank Reconciliation as at 30 June 2015

| Summary of Cash Transactions | June-15 | Year to Date |
|-------------------------------------|------------------------|------------------------|
| Opening Balance | 10,485,855.74 | 7,249,091.04 |
| Add: Receipts | 2,375,490.39 | 19,780,370.39 |
| | 12,861,346.13 | 27,029,461.43 |
| Less: Payments | 1,455,957.52 | 15,624,052.82 |
| Closing Balance all Accounts | \$11,405,408.61 | \$11,405,408.61 |

Summary of Investments and Other Balances as at 30 June 2015

| | |
|-------------------------------------|------------------------|
| Bank Balances and Cash | |
| Trading Accounts | 2,421,272.04 |
| Fixed Deposits | 8,988,867.23 |
| 24 hr At Call Account | 5,008.44 |
| Cash Advances | 600.00 |
| | <u>11,415,747.71</u> |
| Unbanked collections | - |
| | <u>11,415,747.71</u> |
| Less | |
| Unpresented Cheques | 10,339.10 |
| | <u>10,339.10</u> |
| Closing Balance all accounts | \$11,405,408.61 |

Northern Midlands Council

Schedule of Investments as at 30 June 2015

| External Investments | Investment Date | Maturity Date | Interest Rate% (note 1) | Purchase Price (note 2) | Maturity Value (note 2) |
|---|-----------------|---------------|-------------------------|-------------------------|-------------------------|
| Tasmanian Public Finance Corporation - Call Account | 1/06/2015 | 30/06/2015 | 2.00 | 5,008 | 5,016 |
| Commonwealth Bank - 24hr Call Account | 24/06/2015 | 30/06/2015 | 1.90 | 4,990 | 4,992 |
| Commonwealth Bank - Term Deposit | 4/06/2015 | 4/08/2015 | 2.45 | 1,000,000 | 1,004,095 |
| Commonwealth Bank - Term Deposit | 18/05/2015 | 17/07/2015 | 2.50 | 1,500,000 | 1,506,164 |
| ANZ Term Deposit | 12/03/2015 | 12/09/2015 | 2.90 | 1,055,457 | 1,070,887 |
| Westpac Banking Corporation | 12/03/2015 | 14/09/2015 | 2.81 | 1,658,772 | 1,682,525 |
| Bass & Equitable - Term Deposit | 25/05/2015 | 23/11/2015 | 2.70 | 1,371,516 | 1,389,981 |
| ANZ Term Deposit | 14/05/2015 | 14/05/2016 | 2.80 | 1,277,499 | 1,313,367 |
| My State Financial - Term Deposit | 25/05/2015 | 25/05/2016 | 3.30 | 1,120,633 | 1,157,715 |
| Total Investments | | | | 8,993,876 | 9,134,742 |
| Actual Interest Earnings Year to Date: | | | | 298,349 | |

note 1 - For the Tasmanian Public Finance Corp and CBA Call Accounts, Interest Rate is Variable, the interest rate shown represents the rate for the month ending at the date of the statement.

note 2 - The Tasmanian Public Finance Corporation and CBA Call Accounts are shown at its value at the date of the statement, as term and interest rate are not fixed a maturity value can't be determined.

NORTHERN MIDLANDS COUNCIL

Summary of Rates and Charges Levied, Remitted and Collected as at 30 June 2015

| | This Financial Year 30-Jun-15 | to | Last Financial Year 30-Jun-14 |
|---|----------------------------------|----|----------------------------------|
| Arrears bought forward 1 July | 933,430.68 | | 356,670.64 |
| ADD Current Rates Levied including Supplementary Lists and Penalties | 9,100,293.84 | | 8,803,943.20 |
| Gross Rates and Charges Demanded | 10,033,724.52 | - | 9,160,613.84 |
| LESS Rates and Charges Collected | 86.48% 8,676,825.77 | | 85.99% 7,877,520.84 |
| LESS Remissions and Discounts | 5.24% 526,227.37 | | 5.57% 510,387.56 |
| Total Credits | 91.72% 9,203,053.14 | | 91.56% 8,387,908.40 |
| UNPAID RATES AND CHARGES TO 30 June 2015 | 8.28% \$ 830,671.38 | - | 8.44% \$ 772,705.44 |
| Variance from last year | | - | |
| | -0.16% | | |

FINANCIAL MANAGEMENT STRATEGY

| | |
|----------------------------|--|
| OBJECTIVE | To articulate actions Council proposes to follow to achieve its financial targets. |
| STATUTORY AUTHORITY | Section 70A(1) and (2) of the LGA 1993 requires Council to prepare a financial management strategy for a municipal area. |
| VERSION | 20 July 2015 - Minute No/15 |

STRATEGY

1 PURPOSE AND INTENT OF FINANCIAL MANAGEMENT STRATEGY

This strategy is to maintain and where warranted improve the long-term financial sustainability whilst implementing the objectives of the Northern Midlands Strategic Plan, providing the preferred service levels and equitably generating appropriate levels of revenue.

2 FINANCIAL PRINCIPLES

The Financial Management Strategy is based on the following key financial principles

- Achieve an underlying surplus position over the long term
- Prudent management of assets and liabilities
- Achievement of intergenerational equity.

3 FINANCIAL MANAGEMENT STRATEGIES

The key financial management strategies to be employed by Council include:

Rating Strategy

Rates will be levied having regard to the principles of taxation and in particular, council will seek to balance the capacity to pay principle (those with a greater capacity to pay should pay more than those with a lesser capacity to pay) and the benefit principle (all who benefit from a service should contribute towards its cost).

Council will consider the following factors when setting rates and charges each year:

- the level of services to be delivered and the cost of those services
- the capacity of the community to pay for those services
- the level of other revenue including State and Commonwealth funding.

Fees and Charges Strategy

Council will review fees and charges each year with a view to balancing the community need for the service provided and the capacity of the community to pay for that service. Council

adopts the general philosophy that users should pay for the service provided, but recognises that full cost recovery may not be appropriate in all situations.

Other Revenue Strategy

Council will generally seek to maximise revenue from non-rate sources by;

- making submissions to the State Grants Commission regarding the equitable distribution of Commonwealth Financial Assistance Grants (FAGs).
- applying for grants to assist in funding new capital projects and operating projects consistent with the objectives of Councils Strategic Plan.

Service Delivery and Cost Management Strategy

Council will regularly review service levels and delivery to ensure they are delivered as efficiently as possible and continue to meet the needs of the community.

Any additional expenditure highlighted in new strategies developed throughout the year will be considered through the budget process.

Council will focus on cost management and achievement of value for money when spending Council funds.

Asset Management Strategy

The asset management strategy is to enable Council to:

- show how its asset portfolio will meet the service delivery needs of its community into the future,
- enable Council's asset management policies to be achieved, and
- ensure the integration of Council's asset management with its long term strategic plan.

4 FINANCIAL AIMS AND TARGETS

In accordance with the Local Government (Management Indicators) Order 2014, council will calculate the following performance indicators and assess long term performance against the benchmarks and targets set below.

| Ratio | Definition | Benchmark/ Target |
|-------------------------------|--|-------------------|
| Underlying surplus or deficit | Means an amount that is the recurrent (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for a financial year less the recurrent expenses of the council for the financial year. | greater than zero |
| Underlying Surplus Ratio | the underlying surplus or deficit of a council for a financial year divided by the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of | greater than zero |

| | | |
|---------------------------------|---|-------------------|
| | charge or other income of a capital nature) of a council for the financial year | |
| Net Financial Liabilities | the amount of net financial liabilities of a council for a financial year divided by an amount that is the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for the financial year | greater than zero |
| Net Financial Liabilities Ratio | the amount of net financial liabilities of a council for a financial year divided by an amount that is the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for the financial year | greater than -50% |
| Asset Renewal Funding Ratio | the current value of projected capital funding outlays for an asset identified in the long-term financial plan of a council divided by the value of projected capital expenditure funding for an asset identified in the long-term strategic asset management plan of a council | greater than 90% |
| Asset Sustainability Ratio | the amount of capital expenditure by a council in a financial year on the replacement and renewal of existing council plant, equipment and infrastructure assets divided by the annual depreciation expense of the plant, equipment and assets for the financial year | greater than 100% |
| Asset Consumption Ratio | in relation to an asset class required to be included in the long-term strategic asset management plan of a council, means an amount that is the depreciated replacement cost of an asset divided by the current replacement cost of the asset | greater than 60% |

FINANCIAL MANAGEMENT STRATEGY

Background

Philosophy A financial management strategy is the key articulated actions a council proposes to follow to achieve its financial targets. The strategy should in most circumstances be based on the council maintaining or where warranted improving its long-term financial sustainability whilst providing preferred service levels and equitably generating appropriate levels of revenue.

Legislation Sections 70A(1) and (2) of the Tasmanian *Local Government Act 1993* requires councils to prepare a financial management strategy for the municipal area.

The financial management strategy is to:

- a) be consistent with the strategic plan for the municipal area
- b) contain at least the matters that are specified in an order made under section 70F as required to be included in a financial management strategy

Section 70E requires the financial management strategy to be reviewed at least every 4 years and the general manager to notify the Director as soon as practicable after the council adopts a financial management strategy.

The *Local Government (Content of Plans and Strategies) Order 2014*, Clause 6(2) requires the financial management strategy to include the following matters:

- a) an overview of the purpose and intent of the strategy
- b) the financial principles that are to guide the determination of the financial management strategies
- c) the key financial management strategies that are to be employed
- d) the financial aims and targets of the council.

The *Local Government (Management Indicators) Order 2014*, Clause 3 includes the following definitions:
Asset consumption ratio, means an amount that is the depreciated replacement cost of an asset divided by the current replacement cost of the asset.

Asset renewal funding ratio means an amount that is the current value of projected capital funding outlays for an asset identified in the long-term financial plan of a council divided by the value of projected capital expenditure funding for an asset identified in the long-term strategic asset management plan of a council.

Asset sustainability ratio means an amount that is the amount of capital expenditure by a council in a financial year on the replacement and renewal of existing council plant, equipment and infrastructure assets divided by the annual depreciation expense of the plant, equipment and assets for the financial year.

Net financial liabilities means an amount that is the amount of the liquid assets of a council for a financial year less the total liabilities of the council for the financial year.

Net financial liabilities ratio means an amount that is the amount of net financial liabilities of a council for a financial year divided by an amount that is the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for the financial year.

Underlying surplus or deficit means an amount that is the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for a financial year less the recurrent expenses of the council for the financial year.

Underlying surplus ratio means an amount that is the underlying surplus or deficit of a council for a financial year divided by the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for the financial year.

The Local Government (Management Indicators) Order, Clause 4 specifies that the following financial management indicators are to be included in the financial statements of councils:

- (a) net financial liabilities
- (b) net financial liabilities ratio
- (c) underlying surplus or deficit
- (d) underlying surplus ratio.

The Local Government (Management Indicators) Order, Clause 5 specifies that the following asset management indicators are to be included in the financial statements of councils:

- (a) asset consumption ratio
- (b) asset renewal funding ratio
- (c) asset sustainability ratio.

Maturity

Tasmanian Audit Office recommendations

Report No 4 of 2013-14 on the **Financial Statements of Local Government Authorities 2012/13** Volume 3 Part 1 summarised the financial sustainability of local governments:

Too many councils continue to report operating deficits as evidenced by:

- the consolidated (all councils) average (over the past seven years) Operating surplus ratio was below our benchmark of zero with 15 councils averaging less than zero over this period
- in 2012-13 the 29 councils generated combined net operating deficits of \$7.547m with 16 councils reporting deficits totalling \$15.871m
- We recommend all councils develop plans with the objective of achieving positive operating surplus ratios.

From an asset management perspective the situation is stronger with:

- councils expending on average 90% of their depreciation expense on existing non-current assets, less than our 100% benchmark but improving
- all but seven councils having prepared long-term asset management and long-term financial management plans
- for those councils with such plans, five recorded Asset renewal funding ratios lower than our 90% benchmark
- road asset consumption ratios were better than our 60% ratio benchmark (p.23).

The Report also listed recommended benchmark targets for the 'ratio' indicators listed in the Local Government (Management Indicators) Order. These are as follows:

Asset consumption ratio: greater than 60% (in total and possibly by asset class)

Asset renewal funding ratio: at least 90%

Asset sustainability ratio: at least 100%

Net financial liabilities ratio: between negative 50% and zero

Underlying surplus or deficit ratio: greater than zero (p.25).

Report No 5 of 2013-14 **Infrastructure Financial Accounting in Local Government** recommended:

21. An integrated approach to financial management should be supported by the development of financial management strategies in conjunction with the development of the long-term financial plan as a single integrated financial planning document (p 10).

Guidelines

In most circumstances a **financial strategy** should be based on the principle of achievement of ongoing financial sustainability whilst at the same time generating revenue and delivering preferred services equitably (both in regard to various current classes of residents and ratepayers and to different generations of residents and ratepayers over time). The best way to achieve this is for the financial management strategy to focus on maintaining, or incrementally moving towards achievement of a small underlying operating surplus.

The actual reported under-lying surplus or deficit can vary between years for various reasons unrelated to a change in a council's financial strategy or 'under-lying' performance. This could include for example, fluctuations in the receipt of operating grants or significant abnormal expenses such as losses on disposal of assets. For this reason, it is best to look at the trend under-lying result or the result on average over the medium term (say a 5 year period). Even then results need to be analysed to take account of the circumstances and events giving rise to the reported outcomes. For example, if a council is only incurring an operating deficit because of costs associated with an activity it doesn't need or intend to provide in future, then its other service levels are still likely to be financially sustainable.

If a council currently has a significant under-lying operating deficit it could, for example, set itself a target to progressively improve this result and achieve a surplus over say a 5 or 10 year period. Its long-term financial plan should be based on gradual trend improvement over time. Its annual budget in any given year should be set within the constraint of achievement of a step target for that year (that is consistent with progressive achievement of the longer-term target).

The financial strategy necessary to achieve an annual and longer-term underlying operating result target may for example include:

- various proposals to increase rate and/or other own source revenue over and above any increase in operating cost levels
- greater reliance on the use of debt (see Practice Summary No.10 **Role of Debt in Local Government** for further discussion regarding the use of debt)
- disposal of surplus assets, and
- changes in service levels and actions to improve productivity (both of which may impact on otherwise proposed future capital and recurrent expenditure).

Each council's financial strategy needs to have appropriate regard to its own operating environment. A decision for example to increase rates or not (for all or some classes of ratepayers) may take into account the council's existing relative rating levels and the financial circumstances of its community.

If the council needed to improve its projected under-lying operating result it may for example decide to instead delay proposed new, additional capital works (which are likely to add to long-run costs) and reduce some existing lower priority service levels in order to be able to continue to provide other higher priority ones on an ongoing basis.

A council's financial strategy also needs to have regard to maintaining or realising achievement of other appropriate financial targets. Generally speaking, the targets should be based on maintaining or progressively moving towards realisation of Council's approved targets or the benchmark targets recommended by the Auditor-General.

There may be circumstances though when other targets are more appropriate. A council for example with a significant stock of very long-lived assets may, through its asset management planning work, identify that there will be many periods where annual asset renewal needs are less than annual depreciation and some when they are much higher. As such where a council has good asset management planning information it would be best to focus on achieving an asset renewal funding ratio outcome of close to 100% over the medium term and allow its asset sustainability ratio target to vary in accord with its strategic asset management plan projected needs.

Similarly some councils with high levels of growth may find that they need to raise high levels of borrowings for necessary capital works to support this growth whilst also achieving a satisfactory under-lying operating result over time. As a consequence their net financial liabilities ratio target may possibly and justifiably exceed the Auditor-General's benchmark maximum negative target ceiling.

The important thing is for a council to ensure that the financial targets it sets for itself are relevant for its circumstances and consistent with the achievement of its financial objectives. It then needs to ensure that the financial strategies it adopts will help it achieve these objectives.

Contacts

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326 Macquarie Street, Hobart 7000 | GPO Box 1521, Hobart, Tasmania 7001
E: reception@lgat.tas.gov.au | W: www.lgat.tas.gov.au

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Lake Leake Community Social Club Inc.

Proposal to
Northern Midlands Council

Re-Restoration of Coghlan's Cottage ...Lake Leake

Dear Councillors,

Further to my conversation with Wayne Chellis some time ago, it was unanimously agreed by our members (approx 250) that we put this proposal before you for your consideration.

NOTE all work would be undertaken by our Members at no cost to Council.

Wayne did stipulate that Council would not be prepared to allocate funds or services to the project, but any reasonable proposal would be considered.

He indicated that if successful two immediate actions would need to take place as a priority.

- 1. The removal of several sheets of Asbestos by a certified person and the appropriate disposal of that waste.**
- 2. That a Cyclone/Paling Fence be erected on the western side of the cottage which has a steep embankment, thus eliminating potential accidents.**

These would be done as a first priority

Our Club is now an Incorporated Association and has Public Liability Insurance of Ten Million Dollars.

(see attached Documents)

Our aims and objectives

To restore "Coghlan Cottage" to near its original condition and then rent the Cottage to anglers and other interested groups.

We would request that similar guidelines that govern the shack owners in the Camp Area be applied to this Cottage. All electricity would be paid for by our club including reconnection fees.

We are seeking a long term Lease/License (maybe a peppercorn type) in exchange for our ongoing maintenance and management.

The accrued funds from rental would help our club going forward, at the same time offering much needed rental for anglers outside of the camping facilities.

All work would be carried out by volunteer tradespeople of which we have a very diverse compliment in our club.

We estimate restoration would take 12 to 24 months as a club project.

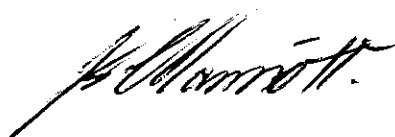
We are also mindful of the history of Coghlan Cottage (2 people being born there) and have approached Terry Coghlan (family member) to supply us with as much history as possible to wit he has agreed to do so.

It is our intention to then mount as much as practical (history) on the internal walls of the cottage thus leaving a lasting legacy for generations to come.

We believe this is a great opportunity for both Council and our club to do something positive and preserve this building for future generations.

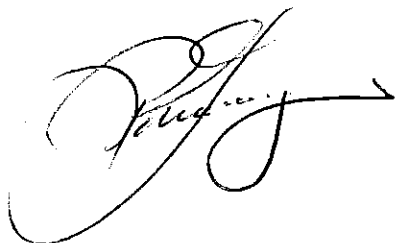
On behalf of our club we are pleased and excited to put this proposal before Council for your consideration and look forward to your reply.

SignedGlen Marriott

A handwritten signature in cursive script, appearing to read "Glen Marriott".

President

Signed.....Phil Gorringe

A handwritten signature in cursive script, appearing to read "Phil Gorringe".

Secretary

On behalf of Members Lake Leake Community Social Club
Inc.

Work Schedule for Proposed Couglan's Cottage Restoration

- Priority 1..Remove Asbestos Sheets(5) and dispose
2..Erect Paling/Cyclone fence on western side

Restoration Schedule..Cont.

1. Reclad Exterior
2. Rewire and have power restored to cottage
3. replace windows
4. repair ridge capping and wash down roof
5. Replace ceiling linings in both rooms
6. install free standing wood heater into fireplace
7. Redo Hobbs and brick in new hearth
8. Connect water to cottage
9. Fit s/steel sink to kitchenette
10. Paint interior ceilings and walls
11. Pull-up old f/coverings and sand and polish floors
12. rebuild old external stone wall
13. Line and gravel external area for BBQ area
14. New internal heavy weight curtains
15. General tidy up and fit out plates, cutlery beds etc.

Proposed work would be done over 12-24months and carried out as per induction requirements

State of Tasmania
Department of Justice

TASMANIA

Associations Incorporation Act 1964
Section 8

Incorporation Number: **IA11670**

Certificate of Incorporation

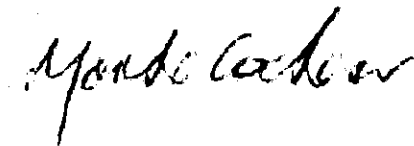
This is to certify that

LAKE LEAKE COMMUNITY SOCIAL CLUB INC.

is, on and from the tenth day of March 2015

Incorporated under the Associations Incorporation Act 1964.

Dated this tenth day of March 2015



Commissioner for Corporate Affairs



Level 4, 142 Elizabeth Street, Hobart TAS 7000
 GPO Box 375, Hobart TAS 7001
 t 03 6231 3360 f 03 6231 6053
 e enquiries@steadfasttaswide.com.au | www.steadfasttaswide.com.au
 Steadfast Taswide: Hobart | Launceston | Devonport | Burnie



TAX INVOICE
 This document is a tax invoice for GST

Lake Leake Community Social Club Inc
 C/- P Gorringer
 PO Box 59
 CAMPBELL TOWN TAS 7210

Invoice Date: 23/02/2015
Invoice No: 266498
Our Reference: LAKE L DG

Should you have any queries in relation to this account,
 please contact your Account Manager
 Deb Glover

Class of Policy: Business Insurance
Insurer: CGU Insurance Limited
 Level 5 188 Collins Street HOBART 7000
 ABN: 27 004 478 371
The Insured: Lake Leake Community Social Club Inc.

NEW POLICY
Policy No: 15T0803046
Period of Cover:
 From **23/02/2015**
 to **23/02/2016** at 4:00 pm

YOUR DUTY OF DISCLOSURE
 PLEASE READ IMPORTANT
 NOTICE OVERLEAF

NON-DISCLOSURE

Your Premium:

| Premium | UW Levy | Fire Levy | GST | Stamp Duty | Broker Fee |
|----------|---------|-----------|---------|------------|------------|
| \$530.00 | \$0.00 | \$0.00 | \$60.00 | \$12.31 | \$70.00 |

Steadfast Taswide Insurance Brokers

TOTAL \$672.31

(A processing fee applies for Credit Card payments)

**Paying Via
 Direct Debit**

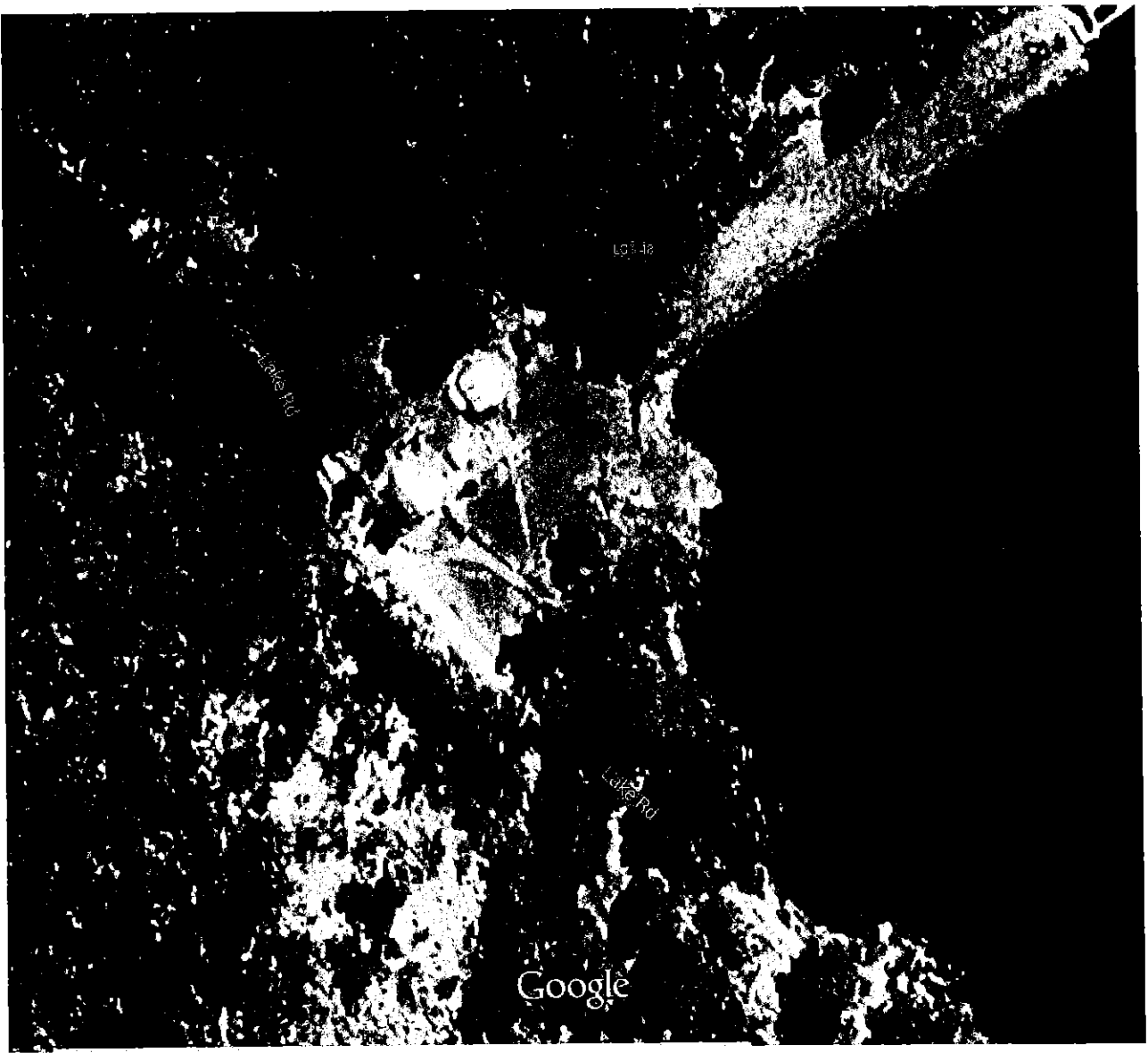
Steadfast Taswide Insurance Brokers

Our Reference: LAKE L DG
Invoice No: 266498
Due Date: 23/02/2015

Premium \$530.00
 U'writer Levy \$0.00
 Fire Levy \$0.00
 GST \$60.00
 Stamp Duty \$12.31
 Broker Fee \$70.00

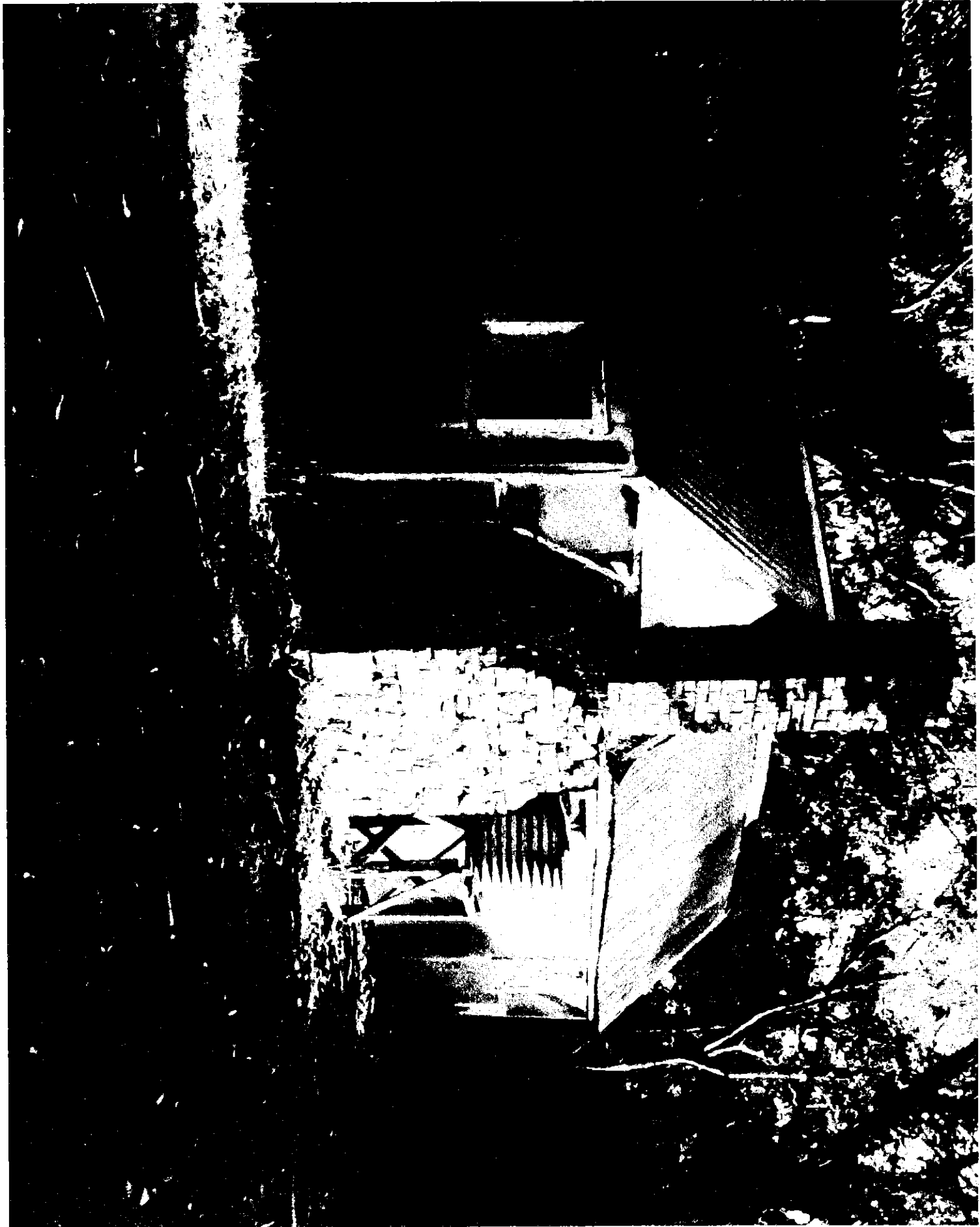
**Paying Via
 Direct Debit**

AMOUNT DUE \$0.00



Traffic, Bicycling, Directions

Imagery ©2015 CNES / Astrium, Map data ©2015 Google 20 m



COOPER'S COTTAGE

Northern Midlands Rural Processing Centre

Report and recommendations

Adopted by NMC 16 / 2 / 2015

February 2015, Final



SGS
Economics
& Planning

Independent insight.



This report has been prepared for Northern Midlands Council. SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

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1 BACKGROUND

1.1 Project background

The Northern Midlands Council *Strategic Plan 2007-2017* requires:

- Identification of a centrally located site to be able to be developed for a rural storage and processing centre.
- Preparation of a land use management plan for the identified site, to facilitate and support planning scheme provisions.

Council's Economic Development Committee has identified:

- The precinct at the Midland Highway end of Powranna Road as a suitable site for rural storage and processing.
- That the precinct at Burlington Road also requires a land use management plan.

1.2 Project scope and context

The Burlington Road Precinct is limited to the land adjoining both sides of Burlington Road, including the Petuna hatchery, and the entire property on which the Cressy Research Station is located (see Figure 1).

The Powranna Road Precinct is limited to the land adjoining both sides of Powranna Road, from the Midland Highway to the end of the Powranna dragway (see Figure 2).

1.3 Project objectives

The project objectives are as follows:

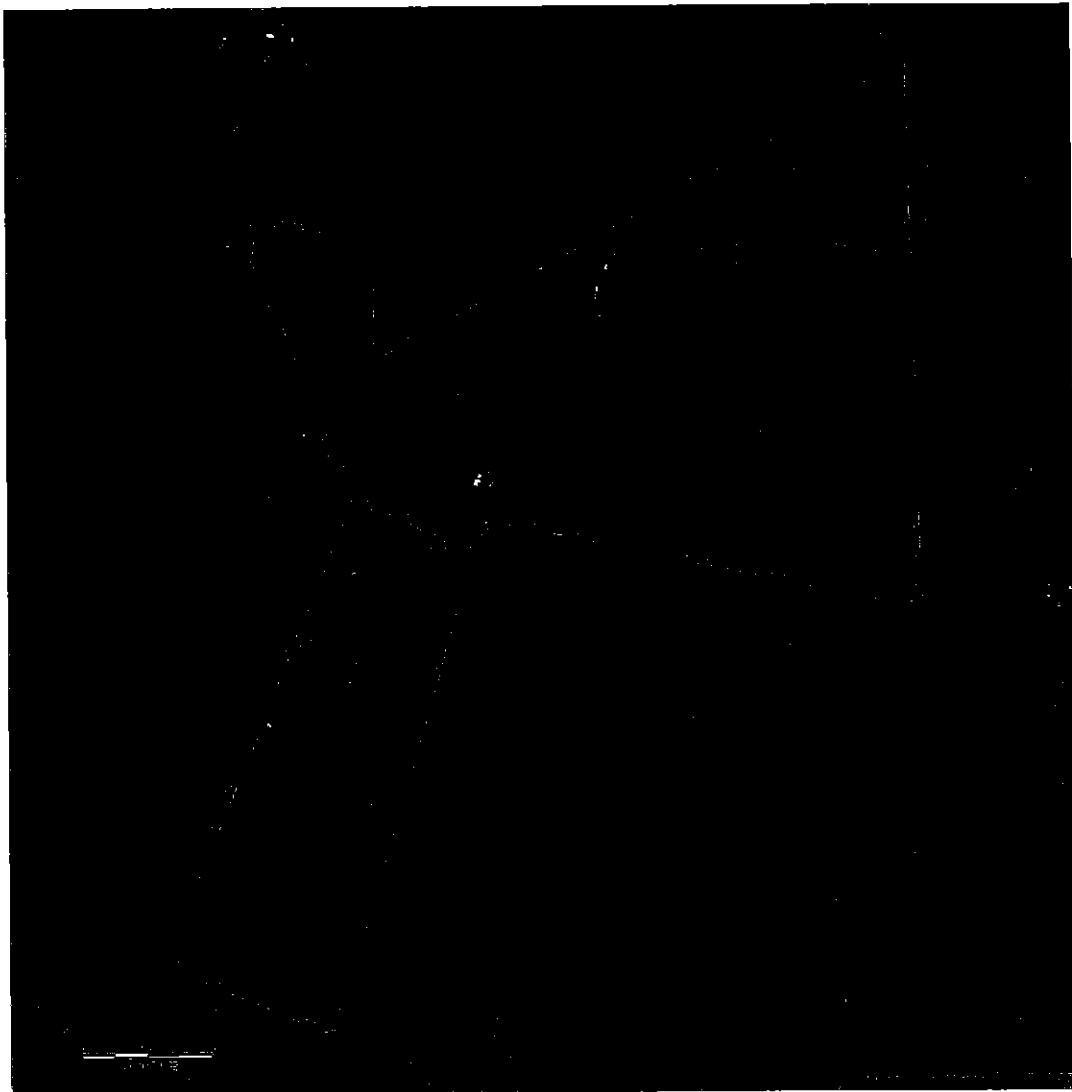
1. Review the existing businesses in the precinct, and recommend how the Council can support their further growth and strengthen their position.
2. Identify suitable business to attract to the precinct, including rural storage and processing at Powranna Road, and recommend how the Council can attract such businesses to the precinct.
3. Identify and recommend the extent of the precinct for a 15-20 year timeframe of development.
4. Produce a site development plan, with mapping, for the precinct with:
 - Recommendations to support the growth and strengthen the position of existing businesses.
 - Clear identification of the nature of businesses to be attracted and prohibited.
 - Recommendations on how the Council can attract such businesses.
 - The extent of the precinct, potential road and lot layout and service provision.
5. Produce a concept plan for the precinct, showing current occupancy and identifying future development opportunities.

1.4 Project Method

The project method comprised:

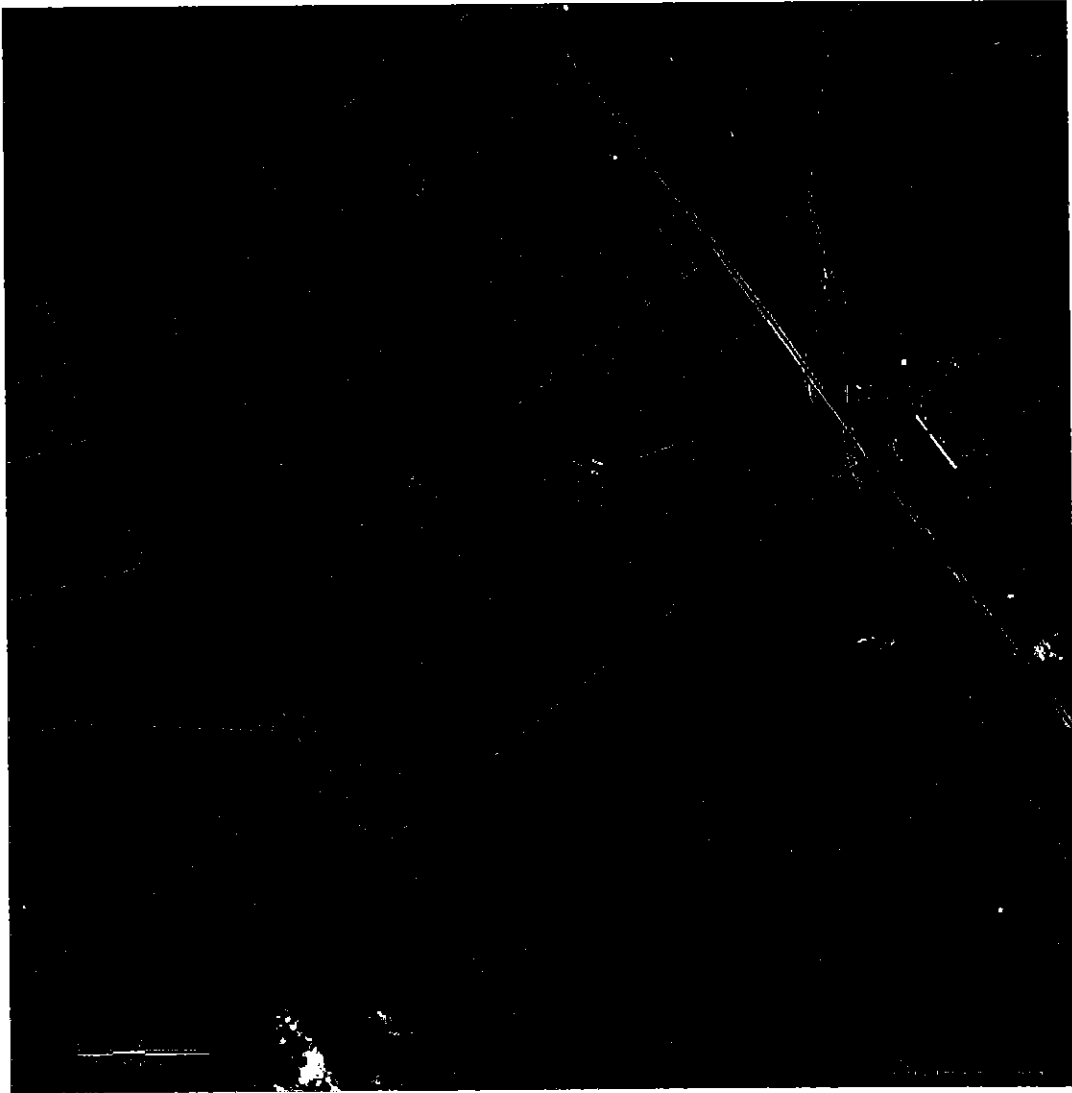
- Desk based research into the economic performance and growth opportunities for agriculture and rural industries in Northern Tasmania,
- Review of industrial land demand and supply conditions in the Northern Midlands
- Analysis and projections of land demand for rural industries
- GIS analysis of precinct characteristics and planning conditions
- Workshops with land owners and operators of the two precincts, farmers in the Northern Midlands and industry representatives and Government
- Interviews with key stakeholders
- Precinct planning to determine preferred planning conditions and lay-out of the precincts

FIGURE 1. BURLINGTON ROAD PRECINCT



Source: SGS Economics and Planning

FIGURE 2. POWRANNA PRECINCT



Source: SGS Economics and Planning

2 AGRICULTURE AND RURAL INDUSTRIES

2.1 Northern Midlands Economy

The economy of the Northern Midlands is relatively specialised in a limited number of key industries¹:

- Agriculture, forestry and fishing
- Manufacturing²
- Wholesale trade
- Transport and warehousing, and
- Rental, hiring and real estate services.

Figure 3 compares the Northern Midlands economy to the economy of Tasmania using location quotients³. Those Northern Midlands industries above the red line have a greater specialisation than Tasmania.

The Northern Region has experienced a decline in traditional manufacturing industries such as clothing and textiles, metal product and equipment manufacturing and wood processing. Food processing has experienced significant fluctuations in production.

Contrary to the trend across Northern Tasmania and Tasmania as a whole, the number of jobs in both manufacturing and wholesale trade within Northern Midlands has increased quite significantly over the 2006 to 2011 period (manufacturing by 12.5 per cent and wholesale trade by 29 per cent). This reflects a significant shift of employment towards Northern Midlands.

The Northern Midlands Council is strategically located near Tasmania's main north-south corridor and in between major agricultural production areas and the ports of George Town, Devonport and Burnie.

The TRANSLink industrial estate adjacent to Launceston Airport has experienced significant growth and is home to a diverse range of businesses including the Statewide Independent Wholesalers and Woolworths distribution centres.

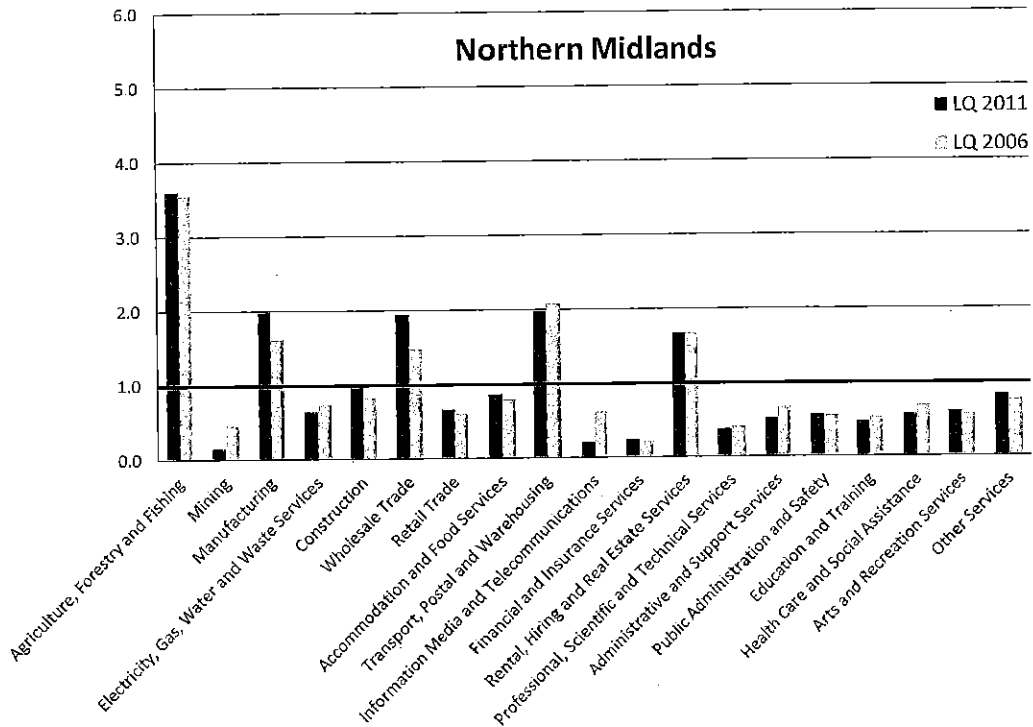
Within the category agriculture, forestry and fishing, the vast majority of employment is within agriculture, i.e. 11.6% of total employment. Forestry represents 0.5% of employment and fishing and aquaculture is negligible.

¹ Industry categories are standard descriptors use by ABS, and therefore basis of most statistics

² Includes rural processing activities which represents 5.4% of total employment in the Northern Midlands (refer to section 2.4).

³ A location quotient compares the share of employment in a particular industry with the share in the wider region, in this case Tasmania

FIGURE 3. LOCATION QUOTIENTS FOR NORTHERN MIDLANDS*, 2006-2011



Red line represents LQ=1 which represents the average level (for Tasmania) of specialisation for each industry
 * compared to Tasmania

Source: SGS (2013) based on data from ABS Census, 2006 & SGS

Since 2011, the Midlands Irrigation Scheme has been rolled out, and is currently generating significant investment in agricultural production, especially dairy farming and cropping. While more recent statistics for generating Location Quotients are not yet available, it is anticipated that the LQ for agriculture, manufacturing, wholesale trade and transport and warehousing will have increased further since 2011. The economy of the Northern Midlands will increasingly rely on agriculture and related industries.

2.2 Agricultural production

In order to meet market expectations in regards to productivity and price, the average size of farms in Australia continues to increase. There has also been a long term drop of employment relative to production as a result of mechanisation and computerisation of farm processes. The average farm size in the Northern Midlands is between 965 and 1,180 hectares, higher than the average size of the Southern Midlands which is between 624 and 763 hectares, excluding land set aside for conservation and areas not used for agricultural production (ABS, Agricultural Commodities 2010-11). This positions Northern Midlands relatively well to accommodate increasing farm sizes.

TABLE 1 AGRICULTURAL PROFILE NORTHERN MIDLANDS

| | |
|---|---------------------|
| Average farm size | |
| - Northern Midlands | 965-1,180 ha |
| - Southern Midlands (for comparison) | 624-763 ha |
| Value of agricultural commodities production (2010-11) | |
| - Northern Midlands | \$ 131 mln |
| - Northern Tasmania | \$ 452 mln |
| - Tasmania | \$1,152 mln |
| Northern Midlands contribution to Northern Tasmania | 28% |
| Value Add agricultural sector (2010-11) | |
| - Tasmania | \$ 1.8 bn (8% GSP) |
| - Northern Tasmania (SGS broad estimate) | \$ 706 mln |
| - Northern Midlands (SGS broad estimate) | \$ 205 mln |
| Value Add agricultural sector (2012-13) | |
| - Tasmania | \$ 1.86 bn (8% GSP) |
| Employment agriculture | |
| - Northern Midlands | 656 (12.4%) |
| - Tasmania | 10,220 (4.8%) |

Source: compiled data ABS

The *Tasmania Economic Development Strategy (DEDTA)*, identifies the availability and cost of suitably skilled labour as a key challenge for the agricultural sector. The capacity to export produce to mainland and international markets is impacted on by the high cost, volume capacity constraints and sub-optimal supply chain logistics. This cost disadvantage is a key issue facing Tasmanian producers.

Value of agriculture

Table 2 below shows the breakdown and total value of agriculture in Northern Tasmania in 2010-11⁴. It shows that in this year the total gross value of agriculture within Northern Tasmania was \$451.8 million. Of all types of agriculture, livestock and livestock products are of the biggest value to the region. Vegetables for human consumption have a local value of \$70.3million, while fruit has a local value of \$26.4 million. In 2011-12, the total value of agriculture within Northern Tasmania was \$468.9million, an increase of \$17.1 million.

The Northern Midlands is one of the most important agricultural areas in Northern Tasmania. During 2010-11, the total value of agriculture in the Northern Midlands was \$130.7 million, or 28% of all production in the region. As with the Northern Region, livestock and livestock products were of biggest value to the Northern Midlands, followed by vegetables for human consumption and cereal crops. Compared to the wider region, the Northern Midlands produce relatively many crops.

⁴ Please note, many inputs into this dataset were not available for publication and that value is therefore likely to be higher

TABLE 2. VALUE OF AGRICULTURAL COMMODITIES, NORTHERN TASMANIA

| Type of agriculture | Northern Tasmania | Northern Midlands |
|---|----------------------|----------------------|
| | Gross value \$mln | Gross value \$mln |
| Broadacre crops – Hay | n/a | 0.0 |
| Broadacre crops - Cereal crops | 12.6 | 10.4 |
| Broadacre crops - Legumes for grain | 0.3 | 0.2 |
| Broadacre crops - Oilseeds | 0.5 | 0.5 |
| Broadacre crops - Other crops | n/a | 1.6 |
| Sub-total Broadacre crops | 13.4 | 12.7 |
| Horticulture - Nurseries, cut flowers and cultivated turf | 3.4 | 0.0 |
| Horticulture - Vegetables for seed | 4.1 | 0.9 |
| Horticulture - Vegetables for human consumption | 70.3 | 21.1 |
| Horticulture - Fruit | 26.4 | 0.3 |
| Horticulture - Fruit - Pome fruit | 8.2 | 0.0 |
| Horticulture - Fruit - Stone fruit | 0.7 | 0.0 |
| Horticulture - Fruit - Other orchard fruit | 0.1 | 0.0 |
| Horticulture - Nuts | 0.1 | 0.0 |
| Horticulture - Fruit - Berry fruit | 6.1 | 0.2 |
| Horticulture - Fruit - Plantation fruit | 0.0 | 0.0 |
| Horticulture - Fruit - Grapevines | 11.2 | 0.0 |
| Sub-total Horticulture | 130.6 | 22.5 |
| Livestock - Livestock slaughtered and other disposals | 104.5 | 23.6 |
| Livestock - Livestock products | 167.5 | 39.2 |
| Sub-total Livestock | 272.0 | 62.8 |
| Agriculture - Total value (\$) | 451.8 | 130.7 |

Source: ABS catalogue 7503.0 Value of Agricultural Commodities Produced, Australia 2010-11

The gross value is the value placed on recorded agricultural production at the wholesale prices realised in the market place.

2.3 Implications of the roll-out of irrigation scheme

The Midlands Water Scheme enables more intense grazing and cropping. The Midlands Water Scheme was rolled out over 2013 and 2014 and is currently operational. Previously, the Lower South Esk (2013) and the Cressy Longford Irrigation Schemes (1999) were established, and have since been operational and used by farmers in the Northern Midlands.

The historically large farm size may be a key advantage of the Midlands in attracting and sustaining viable (large) farms. The Northern Midlands and the northern parts of the Southern Midlands may be best positioned, in terms of farm size, soil capabilities and distance from the main ports to leverage of the water scheme.

To enable the transition to higher value and more intensified agricultural activities those farm operators aiming to benefit from the irrigation scheme are required to invest capital into alternative production methods. The *Tasmanian Economic Development Strategy* (TEDS, 2012) mentions that access to affordable capital is an issue for farmers. Many farm operators in Tasmania are near or into their retirement age. Their ability and willingness to invest to benefit from the irrigation scheme may be limited. Planning for succession is not always undertaken (TEDS, 2012). Those farmers that will invest to benefit from the irrigation scheme are a mix of the existing local champions and a number of next generation farmers; the younger generation of existing farm families and/or new farmers from elsewhere.

The roll-out of irrigation schemes can significantly increase agricultural production and drive food processing, support services and transport and warehousing. The roll-out of the Midlands Irrigation

Scheme represents a \$104 million investment in the region, covering parts of both the Southern and Northern Midlands. It is claimed the investment could create up to 300 on farm jobs, and additional flow-on effects in agricultural servicing, processing industries and logistics (Media release by The Hon. Tony Burke, 14-05-2012).⁵ Protected cropping, or greenhouse production is another opportunity for the Northern Region.

Input-output modelling completed by SGS has determined that, in addition to the 300 direct jobs created⁶, a further 49 indirect jobs within the Northern and Southern Midlands will be created by the roll-out of the Midlands irrigation scheme. These jobs primarily concern rural processing activities (meat and dairy processing especially) and rural support services (see definition next section 2.4).

This does not include the creation of jobs associated with irrigation schemes that have already been introduced. In addition, there are a number of private irrigation schemes being rolled out that will further contribute to growth in production and flow-on effects in supporting industries. While the Midlands Irrigation Scheme covers areas in both the Southern and Northern Midlands, the Burlington Road and Powranna Road precincts are well positioned to at least accommodate some indirect jobs associated with the irrigation scheme..

2.4 Employment in rural industries

Rural industries comprise the following uses:

- **Rural processing activities** that involve the processing and/or packaging of agricultural produce. These activities generally require land consisting of medium to large lots with sufficient buffer from nearby (sensitive) uses, allowance to operate 24/7, to be close to the agricultural source and close to export gateways and/or the market.
- **Rural support services** that involve a wide range of services and activities delivering services, materials, resources and other inputs for agricultural production. These activities include wholesale/retail operators, such as Roberts. These activities need to be close to the agricultural producers.
- **Intensive or industrialised agricultural production activities** that operate 24/7 and involve high value produce using state of the art growth processes. In recent years, the State Government has investigated the potential for greenhouse production at specific industrial precincts. Early investigations concluded Tasmania has a favourable climate for greenhouse crop growing. These activities that grow high perishable, high value add produce need to be close to export gateways (primarily airports) and have good access to affordable power (such as pressurised, liquefied gas).

The abovementioned activities are sometimes operating from rural land and/or co-located with farming businesses.

⁵ SGS Economics and Planning, Southern Midlands Economic Development and Landuse Strategy (Stage 1) (2012)

⁶ Estimate provided by the Minister

Employment in rural industries

Table 3 shows employment in relevant industries – rural processing, rural support services and industrialised/intensified agriculture – for the Northern Midlands and Tasmania. The intense/industrialised agriculture sub-sector includes intensive agriculture activities including ‘open air’ vegetable growing and ‘protected or covered’ vegetable growing, whereby the latter is usually the more intense form.

TABLE 3 EMPLOYMENT BY INDUSTRY, NORTHERN MIDLANDS

| Industry | Northern Midlands | | Tasmania | | Variance (%) |
|---|-------------------|-------------|---------------|-------------|--------------|
| | Jobs (no.) | Jobs % | Jobs (no.) | Jobs % | |
| Rural processing | | | | | |
| Food Product Manufacturing | 235 | 4.8% | 5,265 | 2.6% | 2.3% |
| Beverage and Tobacco Product Manufacturing | 12 | 0.2% | 660 | 0.3% | -0.1% |
| Textile, Leather, Clothing and Footwear Manufacturing | 13 | 0.3% | 641 | 0.3% | 0.0% |
| Sub-total | 260 | 5.4% | 6,566 | 3.2% | 2.1% |
| Rural support services | | | | | |
| Agriculture and Fishing Support Services* | 42 | 1.1% | 392 | 0.2% | 0.9% |
| Agricultural Product Wholesaling* | 35 | 0.9% | 424 | 0.2% | 0.7% |
| Sub-total | 77 | 3.1% | 826 | 0.4% | 2.5% |
| Industrialised/intensified agriculture | | | | | |
| Nursery and Floriculture Production* | 7 | 0.2% | 227 | 0.1% | 0.1% |
| Mushroom and Vegetable Growing* | 26 | 0.7% | 927 | 0.4% | 0.2% |
| Fruit and Tree Nut Growing* | 3 | 0.1% | 740 | 0.4% | -0.3% |
| Aquaculture* | 9 | 0.2% | 1,136 | 0.5% | -0.3% |
| Sub-total | 45 | 1.2% | 3,030 | 1.4% | -0.3% |
| Total | 382 | 8.5% | 10,412 | 5.1% | 3.4% |

Source: ABS Census, Place of Work. 2 and 3 digit ANZSIC level data (2011)

* denotes 3 level ANZSIC data. All other data is 2 level ANZSIC data.

The data shows that, of all relevant industries within Northern Midlands, the rural processing industry is the biggest employer (260 jobs), accounting for over five per cent of employment in the municipality. This is mainly a result of ‘food product manufacturing’. The rural support services industry employs around 77 people and accounts for three per cent of total employment. The industrialised/intensified agriculture sector employs 45 people, equating to just over one per cent of total employment in Northern Midlands. Most employment within this sector is in ‘mushroom and vegetable growing’.

Northern Tasmania is strategically located to accommodate rural industries as is evidenced by the employment data. Compared to Tasmania, Northern Midlands has a higher proportion of employment these sub-sectors, particularly support services (3.1 per cent compared to 0.4 per cent in Tasmania).

3 LAND FOR RURAL INDUSTRIES

3.1 Industrial land demand and supply analysis

Industrial Land Demand Tasmania (2011)

A 2011 SGS report⁷ on industrial land demand found that the Northern Region experienced a moderate uptake of industrial land between 2006 and 2011. Importantly, most growth occurred at the outer fringes of Greater Launceston in the Northern Midlands (TRANSlink site near the airport). The total uptake of vacant industrial land between 2006 and 2011 was approximately 50 hectares.

TABLE 4. APPROXIMATE UPTAKE OF FORMERLY VACANT INDUSTRIAL LAND, 2006-2011

| Municipality | Number of lots | Land area (ha) |
|-------------------|----------------|----------------|
| Break O'Day | 25 | 7.5 |
| Dorset | 6 | 2 |
| Flinders | 0 | 0 |
| Launceston | 40* | 1.3* |
| Meander Valley | n/a | n/a |
| Northern Midlands | 27 | 38 |
| West Tamar | 15 | 1.5** |
| Total | 113 | 50.3 |

Source: SGS survey for Industrial Land Demand Tasmania – Short to Long Term 2011-2041 (2011)

* Original estimates are development approvals for industrial sites and warehouses and include alterations to existing sites. Land area estimates were derived from Council data on approved floor areas. These were calculated on the basis of standard floorspace to site ratios.

** Estimates based on an assumed average lot area of 1,000 square metres.

*** Excludes George Town Council

A survey undertaken as part of the project identified that the most common constraints for firms searching for industrial land were:

- a lack of appropriate servicing and infrastructure of vacant land
- encroachment of sensitive uses such as residential areas
- unsuitability of existing vacant land, and
- suboptimal location of vacant land in relation to transport infrastructure and available workforce, and
- uncertainty regarding planning regulations and authorities (what is allowed and what not?).

⁷ Industrial Land Demand Tasmania (2011)

Industrial land demand by industry category

The following section discusses demand for industrial land within Tasmania and Northern Tasmania. Demand is broken down by industry, as follows:

- **Export oriented industries** manufacture and process products that are largely sold outside of the local area.
- **Local service industries** make up uses that deliver trades and goods to consumers, or the local population. Local service industries include activities such as builders, building supplies, plumbers, car and smash repair stations and manufactured building products.
- **Transport, warehousing and wholesales**, which are intermediate industries driven by both population and export growth and trends to gain higher efficiencies and Just-In-Time distribution processes.
- **Bulky goods retailing** which is driven by population growth and the matured life cycle of this sub-sector.

The short, medium and long term, land demand projections for Northern Tasmania are summarised in Table 5. In the short term, industrial land demand for Northern Tasmania is projected to be between 28 and 40 hectares. Medium term demand is projected to be between 88 and 127 hectares, while long term demand is projected to be between 194 and 277 hectares.

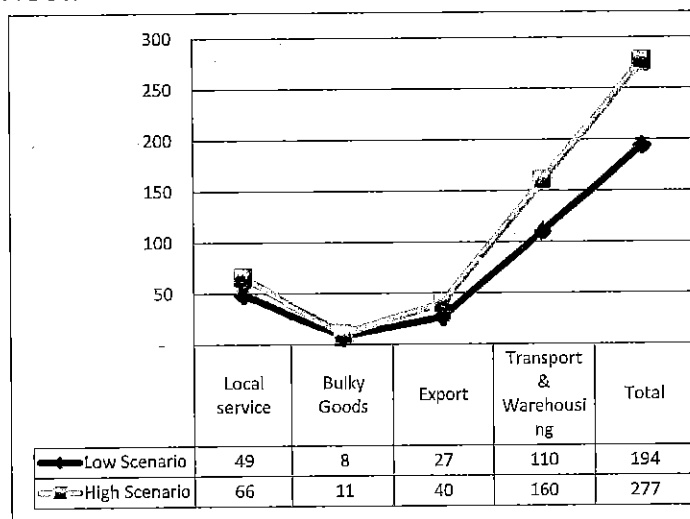
TABLE 5. SUMMARY OF INDUSTRIAL LAND DEMAND PROJECTIONS BY REGION

| Range | 2011-2016 | | 2011-2026 | | 2011-2041 | |
|-----------------|-----------|------|-----------|------|-----------|------|
| | Low | High | Low | High | Low | High |
| Northern | 28 | 40 | 88 | 127 | 194 | 277 |

Source: SGS (2011)

Long term (2011 to 2041) demand for industrial land in Northern Tasmania is expected to be between 194 and 277 hectares (Figure 4). Most demand will be from the Transport and Warehousing industry, followed by the local service industry,

FIGURE 4. INDUSTRIAL LAND DEMAND BY CATEGORY (IN HA) 2011-2041



Totals for Northern Tasmania

Source: SGS (2011)

At the municipality level, Table 6 shows projected demand for local service industries within the Northern Midlands. Under the low scenario there is short term demand for 0.4 hectares and long term demand for 2.4 hectares of land for local service industries. Under the high scenario, there is short term demand for 0.5 hectares and long term demand for 3.3 hectares.

TABLE 6. INDUSTRIAL LAND DEMAND FOR LOCAL SERVICE INDUSTRIES, NORTHERN MIDLANDS

| | 2011-2016 | 2011-2026 | 2011-2041 |
|--------------------------|-----------|-----------|-----------|
| Low scenario (hectares) | 0.4 | 1.2 | 2.4 |
| High scenario (hectares) | 0.5 | 1.5 | 3.3 |

Source: SGS, Industrial Land Study Northern Tasmania (2013)

Vacant industrial land

Excluding large industrial parcels in Tonganah and Bell Bay, there are 319 vacant industrial lots in Northern Tasmania (Table 7). Vacant industrial land in Northern Midlands represents 22 per cent of total vacant land in Northern Tasmania.

TABLE 7. VACANT INDUSTRIAL LOTS, NORTHERN TASMANIA

| Council | Vacant land (ha) | Share (% of sub total) |
|-----------------------------------|------------------|------------------------|
| Break O'Day | 7 | 2% |
| Dorset (excl Tonganah) | 48 | 15% |
| George Town (excl Bell bay) | 27 | 8% |
| Launceston | 74 | 23% |
| Meander Valley | 79 | 25% |
| Northern Midlands | 70 | 22% |
| West Tamar | 14 | 4% |
| Sub total | 319 | 100% = (13%) |
| Tonganah Industrial Resource Zone | 128 | (5%) |
| Bell Bay | 2,029 | (82%) |
| Total | 2,476 | (100%) |

Source: SGS, Northern Tasmania Industrial Land Study (2013)

Note: Industrial sites at Tonganah and Bell Bay have been excluded as these locations comprise large, traditional heavy manufacturing precincts, together comprising 87% of total vacant industrial land area.

There are 64 vacant industrial land parcels throughout the Northern Midlands, covering a total area of around 70 hectares, over four precincts (SGS, Northern Tasmania Industrial Land Study, 2014):

- The TRANSLink industrial precinct is the most significant precinct in Northern Midlands. The site is well located to accommodate regionally significant industries in the categories of transport and warehousing and also export oriented industries. The precinct is less suitable for rural processing due to sewage infrastructure capacity constraints.
- Perth is well located along major transport routes (Midland Hwy and Illawara Rd). Perth is well located for local service industries, servicing Perth and the surrounding area and for transport and warehousing due to its close proximity to agricultural resources and a main transport route.
- The vacant land at Longford will likely cater for local service industries and possibly agricultural servicing/supporting industries. The industrial precinct is well established and accessible from Illawara Rd (part of key north-south transport route to the Devonport and Burnie ports) via Tannery Rd.
- Campbell Town functions as a rural-regional centre and is along the main north-south transport corridor of the Midland Hwy. Industrial activities would mostly be local service industries, and with the roll-out of the regional irrigation schemes, there may be some growth potential for those industries servicing agricultural firms.

The vacant industrial land in Perth, Longford and Campbell Town could accommodate rural service industries, and may accommodate some of the expected demand that is generated by the growth in agricultural production. However, some rural industries such as storage and packaging is often better located within Rural Resource land and not industrial land, which due to its higher market value, is better suited to accommodate higher value adding activities.

TABLE 8. VACANT INDUSTRIAL LAND, NORTHERN MIDLANDS

| Precinct | Vacant land (no. Lots) | Vacant land (total area ha) | % of total area |
|---------------|------------------------|-----------------------------|-----------------|
| Campbell Town | 2 | 8.8 | 12% |
| Longford | 3 | 2.6 | 4% |
| Perth | 1 | 0.4 | 1% |
| TRANSLink | 58 | 59 | 83% |
| Total | 64 | 70.8 | 100% |

Source: SGS, Industrial Land Study Northern Tasmania, 2013

3.2 Land demand for rural industries

Land demand for rural industries will be driven by the growth in the agricultural sector, which is expected to be significant according to all stakeholders consulted. Assuming a moderate production growth rate in rural industries of 2% per annum, total demand for land for rural industries (excluding intensive agriculture) in the Northern Midlands is between 3.5 and 7.5 ha over the next fifteen years. This includes the effects of the roll-out of the Midlands Irrigation Scheme.

These types of activities may be accommodated on rural resource or industrial zoned land.

The land demand for intensive agriculture is difficult to estimate and depends strongly on the intensity and type of growing. Especially protected cropping in greenhouses is an activity which may be accommodated on either rural resource or industrial land.

This demand would be *partially* in addition to industrial land projections as part of the Northern Tasmania Industrial Land Strategy. In short, up to about 7.5 ha of land demand may need to be accommodated in the Rural Resource zone over the next 15 years.

4 CURRENT PRECINCT USE AND CONDITIONS

4.1 Burlington Road precinct

Zoning and planning conditions

The majority of the Burlington Road precinct is covered by the Rural Resource zone (see Figure 5). The Utilities Zone applies to a small portion of the precinct, aligning with Brumbys Creek.

Rural Resource Zone

The purpose of the Rural Resource Zone is:

- To provide for the sustainable use or development of resources for agriculture, forestry, mining and other primary industries, including opportunities for resource processing.
- To provide for other use or development that does not constrain or conflict with resource development uses.
- To provide for economic development that is compatible with primary industry, environmental and landscape values.
- To provide for tourism-related use and development where the sustainable development of rural resources will not be compromised.

The local area objectives of the zone recognise the significance of primary industries to the rural economy and state that primary industry uses should be protected for long-term sustainability. The objectives also recognise that, *“prime and non-prime agricultural land resources provide for variable and diverse agricultural and primary industry production which will be protected through individual consideration of the local context.”*

Furthermore, that *“processing and services can augment the productivity of primary industries in a locality and are supported where they are related to primary industry uses and the long-term sustainability of the resource is not unduly compromised.”*

The zone states that, *“the visual impacts of use and development within the rural landscape are to be minimised such that the effect is not obtrusive.”*

The following table identifies permitted and non-permitted uses within the zone.

TABLE 9. RURAL RESOURCE ZONE USES

| Permitted uses | Qualifications |
|--|---|
| No permit required | |
| Natural and cultural values management | |
| Passive recreation | |
| Resource development | If not for: <ol style="list-style-type: none"> Plantation forestry on prime agricultural land Controlled environment agriculture on prime agricultural land Intensive animal husbandry on prime agricultural land A dwelling Forestry or plantation forestry on non-prime agricultural land. |
| Utilities | If for existing uses and the cartilage does not increase by more than 30% as at the effective date and not located on prime agricultural land. |
| Permitted | |
| Business and professional services | If for a veterinary centre or similar specialist animal breeding or care services |
| Domestic animal breeding, boarding or training | If not on prime agricultural land |
| Community meeting and entertainment | If for existing premises used for public purposes |
| Crematoria and cemeteries | If for crematoria and not on prime agricultural land |
| Extractive industries | If not: <ol style="list-style-type: none"> Located on prime agricultural land For a Level 2 activity[#] |
| Food services | If for existing uses and the cartilage does not increase by more than 30% as at the effective date |
| Hotel industry | If for existing uses and the cartilage does not increase by more than 30% as at the effective date |
| Residential | If for existing uses or home-based businesses in an existing dwelling |
| Resource development | If not for: <ol style="list-style-type: none"> Plantation forestry on prime agricultural land Controlled environment agriculture on prime agricultural land, unless depended upon the soil as the growth medium Intensive animal husbandry on prime agricultural land |
| Resource processing | If directly associated with produce from the subject site |
| Sports and recreation | If for existing uses and the cartilage does not increase by more than 30% as at the effective date |
| Visitor accommodation | If for existing uses and the cartilage does not increase by more than 30% as at the effective date |

Source: Northern Midlands Council Interim Planning Scheme (2013)

[#] Level 2 activities are those industrial and municipal activities considered to have a high potential for emitting pollutants and/or causing environmental harm.

The zone also identifies a number of discretionary uses including bulky goods sales, business and professional services, educational and occasional care, emergency services, equipment and machinery sales and hire, extractive industries, food services, general retail and hire, hotel industry, motor racing facility, recycling and waste disposal, residential, research and development, resource development, resource processing, service industry, sports and recreation, tourist operation, transport depot, utilities, vehicle fuels sales and service, and visitor accommodation.

The objectives of discretionary uses include to:

- Provide for an appropriate mix of uses that support the Local Area Objectives and ensure that the location of discretionary uses does not compromise the consolidation of commercial and industrial uses.

- Protect the long term productivity capacity of prime agricultural land by minimising conversion of the land to non-agricultural uses or uses not dependent on the soil as a growth medium, unless an overriding benefit to the region can be demonstrated.
- Minimise the conversion of non-prime land to non-primary industry use except where that land cannot be practically utilised for primary industry purposes.
- Uses are located such that they do not unreasonably confine or restrain the operation of primary industry uses.
- Uses are suitable within the context of the locality and do not create an unreasonable adverse impact on existing sensitive uses or local infrastructure.
- The visual impacts of use are appropriately managed to integrate with the surrounding rural landscape.

A further objective of the zone relates to irrigation districts and aims to ensure that land within irrigation districts proclaimed under Part 9 of the *Water Management Act* is not converted to uses that will compromise the utilisation of water resources.

The zone also includes more specific details regarding building location and appearance as well as subdivision, which is only allowed in circumstances where productive capacity of land for resource development and extractive industries will be improved.

Utilities Zone

The purpose of the Utilities Zone is to:

- Provide land for major utilities installations and corridors.
- Provide for other compatible uses where they do not adversely impact on the utility.

The following table identifies permitted and non-permitted uses within the zone.

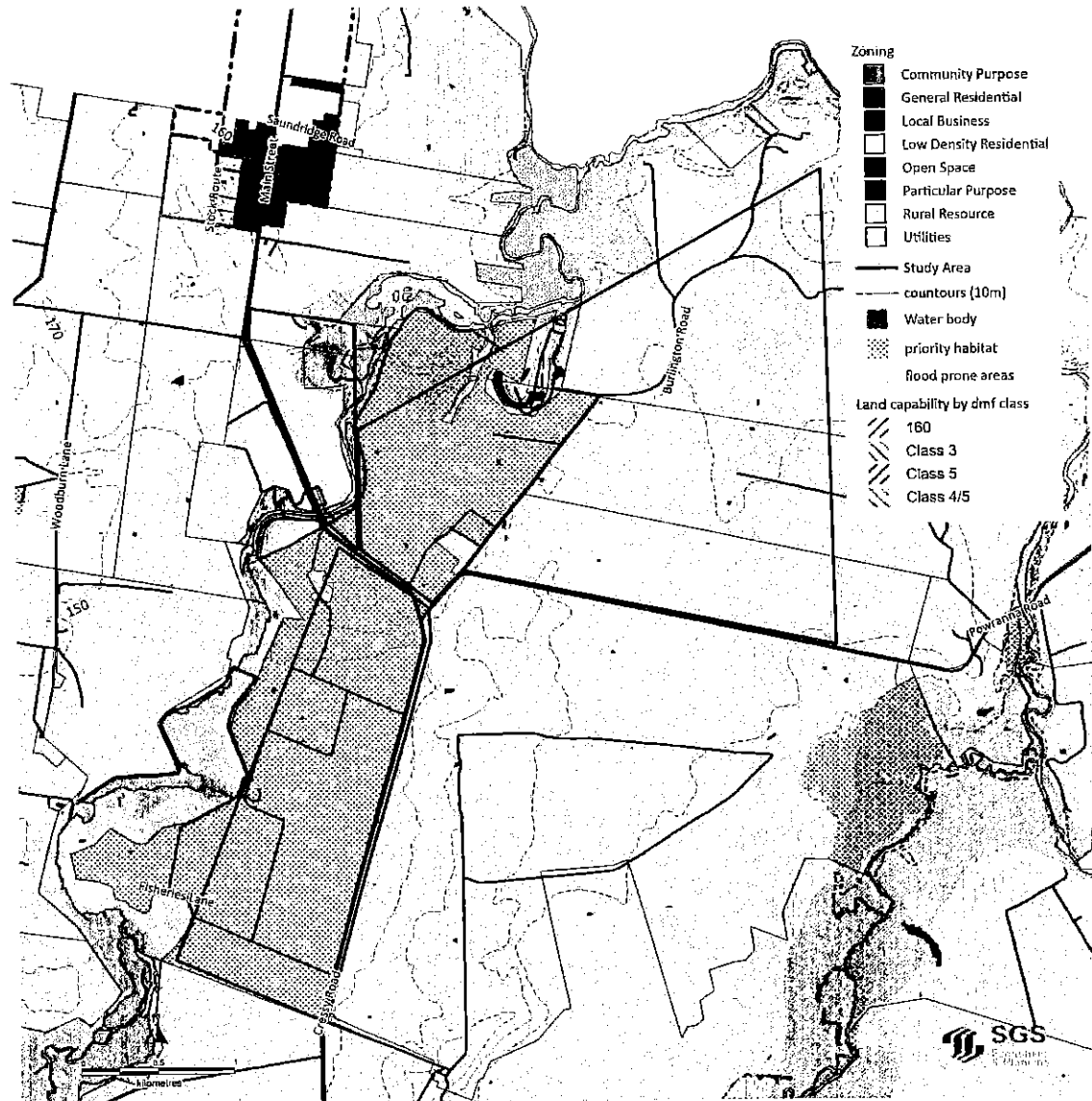
TABLE 10. UTILITIES ZONE USES

| Permitted uses | Qualifications |
|--|--|
| No permit required | |
| Natural and cultural values management | |
| Utilities | If for minor utilities |
| Permitted | |
| Recycling and waste disposal | |
| Transport depot and distribution | If a bus terminal or taxi depot/stand or railway station within the road/rail corridor |
| Utilities | If not for minor utilities |
| Vehicle parking | If a 'park and ride' facility |
| Discretionary | |
| Extractive industries | |
| Passive recreation | |
| Sports and recreation | |
| Prohibited | |
| All other uses | |

Source: Northern Midlands Council Interim Planning Scheme (2013)

The zone aims to ensure that uses do not compromise the capacity of utility services and that building design and siting considers impacts to adjoining lots. Buildings must be set back from all boundaries a minimum distance of three metres.

FIGURE 5. BURLINGTON ROAD PRECINCT, ZONES



Current uses

The Burlington Road precinct is a large rural zone located along Brumby's Creek. All uses within the precinct are dependent upon the fresh, quality water of the creek. Existing uses along Burlington Road include:

- An abattoir (Tasmanian Quality Meats). The majority of production, 80 to 90 per cent, is for international exports. The red meat rendering operations adjacent to the abattoir are proposed to expand to include rendering chicken waste. The abattoir transports using containers via Devonport and/or Burnie ports.
- Tasglobal Seeds, which leases part of the Cressy Research and Development Station from DPIWPE.
- The remainder of the CRDS is used by the Tasmanian Institute for Agriculture (TIA), UTAS. TIA currently uses 30 ha along Burlington Rd for feedbase and cereal cropping research, development and extension (RD&E) activities. The site is also used by BOM as a measurement station.
- A salmon hatchery. The hatchery is well located given the expansion of salmon farming within Tasmania is focussed on the west coast, and less so in the south. The hatchery mainly delivers to west coast salmon farming operations.

- A berry farm. The farm covers around 4.5 hectares and provides mainly for the Tasmanian market. Some other agricultural uses take place on the site, including grazing. The site includes a number of huts which are used for accommodation during fruit picking season.
- A seed cleaning plant is located on the other side of the creek along Cressy Road.
- The remainder of the land is mainly used for grazing.

It is estimated that the current annual turnover of the operators in this precinct is well over \$70 million. All existing operators that participated in the consultation⁸ indicated to be expanding operations by at least 25% over the next three years. All operators all reported to be investing significantly.

Land ownership

Most of the land, approximately 1,099 hectares and consisting of 13 titles, is privately owned. The remainder is Authority land, either owned by Hydro Tasmania (8 titles over 66 ha) or by DPIPW (4 titles over 477 ha), waterways and road easements.

All land directly adjacent to Brumbys Creek is owned by Hydro Tasmania (Hydro Electric Commission).

Land characteristics

Figure 5 identifies the land capability within the precinct.

Given the area is not supplied by an irrigation scheme, the berry farm, salmon hatchery and abattoir – which have an annual production of approximately \$70 million – are dependent upon water from the creek.

The availability and water quality from Brumbys Creek is important to operators in the Burlington Precinct. A DPIPW report from 2000, identified low salinity levels, considerable variation in pH (acidity) over time (5.6 to 7.8) generally within range for healthy aquatic ecosystems, low levels of suspended solids (less than 7 µg/L), low phosphorus concentrations (median 9 µg/L) and low nitrogen levels. The report did identify faecal contamination of the Creek, possibly linked to entry of stock into the waterway. The report identified a number of environmental issues including cool water releases, the maintenance and enhancement of water quality, habitat quality, faecal contamination, erosion of banks and lack of clarity in terms of riparian ownership.

Identified issues associated with the precinct include road crests, sealing and storm water near the abattoir. With expected increase in levels of activity, there is a need to consider an upgrade of the road and related stormwater issues.

The power supply at Burlington Rd is unreliable and poses significant risks to the operations, especially the salmon hatchery and storage of berries. There may be a more reliable connection if the precinct was connected to the Cressy supply. Alternative and, renewable power sources may need to be considered.

Some of the existing uses within the precinct are sensitive to biosecurity issues or contamination by nearby uses. The grass trial sites are also sensitive to impacts from other nearby seed varieties.

⁸ One or two operators did not participate in the workshops

Other characteristics are:

- The Northern Midlands are strategically positioned with good access to gateways. The precinct itself is accessible from Longford (en route to Devonport or Burnie), over Cressy Road, and via Powranna Rd which accesses onto the Midlands Highway. The precinct is in close proximity of Launceston Airport, which would be important for potential exports of high perishable goods to mainland and export markets.
- Relatively flat land
- Rural land categories range between 4 and 5 but land is mostly not categorised⁹, and
- The Crown land area is identified as priority habitat.

4.2 Powranna Road precinct

Zoning and planning conditions

Zoning within the precinct consists of Environmental Management, Recreation and Rural Resource zones (see Figure 6).

Rural Resource Zone

See detailed description of this zone in Burlington Road Precinct section on page 14.

Environmental Management Zone

The purpose of the Environmental Management Zone is to:

- Provide for the protection, conservation and management of areas with significant ecological, scientific, cultural or aesthetic value, or with a significant likelihood of risk from a natural hazard.
- To only allow for complementary use or development where consistent with any strategies for protection and management.

Uses within this zone that do not require a permit include natural and cultural values management uses and passive recreation uses.

Discretionary uses include:

- Emergency services
- Extractive industry
- Pleasure boat facility
- Resource development
- Sports and recreation
- Tourist operation
- Utilities (if not for minor utilities)
- Visitor accommodation.

All other uses are prohibited within the Environmental Management Zone.

⁹ Land Capability Classification System (LCCS). Land capability assessment is an interpretive and somewhat subjective system for evaluating a suite of resource information. It provides a ranking of the ability of an area to support a range of agricultural activities on a sustainable basis. The classification system comprises seven classes ranked in order of increasing degree of limitation in relation to agricultural use, and decreasing order of agricultural versatility. Class 1 is the best land and Class 7 the poorest. Class 4 is considered marginal for cropping activities. The State Policy for the Protection of Agricultural Land seeks to protect prime agricultural land from conversion to non-agricultural uses. It achieves this by setting constraints as to how prime land can be used. Prime land is considered to be land that is classified as Class 1, 2 or 3 by the agricultural land classification system, Tasmania

An objective of the zone is to *“ensure that the design and siting of buildings responds appropriately to the natural values of the site and causes minimal disturbance to the environment.”* Development must not exceed 20 per cent of the site and building height must not exceed six metres. Buildings must be setback a minimum of 10 metres to all boundaries. Buildings for a sensitive use must be set back a minimum of 200 metres to the Rural Resource Zone.

Recreation Zone

The Recreation Zone aligns with the Tarmak International Dragway.

The purpose of the Recreation Zone is to:

- Provide for a range of active and organised recreational use or development and complementary uses that do not impact adversely on the recreational use of the land.

Under this zone, a permit is not required for natural and cultural values management or passive recreation activities.

Discretionary uses under this zone include community meeting and entertainment, crematoria and cemeteries, emergency services, tourist operation, pleasure boat facility (if for marina), utilities (if for minor utilities), and visitor accommodation.

All other uses are prohibited.

Utilities Zone

See details for Utilities Zone on page 14 of this report.

Current uses

The Powranna Road precinct is located close to the Midlands Highway. The precinct currently includes:

- Tasmania’s premier stock saleyards (both Elders and Roberts)
- A sports facility
- Potato and grain storage facilities, and
- A dragway facility (the Tarmak International Dragway)

The stock sale yards, have been established for 15 years and has expanded significantly over the past 12 to 18 months following the closure of the southern stockyards (Brighton). Stockyards typically require some nearby grazing land for livestock if farmers require a few days to arrange transport for cattle after purchase.

The stockyards will continue to expand. The operators of both stockyards plan to centralise their operations with the Powranna Sales Yards becoming the main sale yards for the state.

Production of grain is expected to grow significantly in Tasmania with the increasing demand from the dairy industry. Consequently, demand for storage facilities is expanding and investment in storage near and at the Powranna Rd precinct is expected over the next two years.

Land ownership

Most of the land is privately owned. The precinct includes ten privately owned titles that add to 1,900 ha. Parks and Wildlife Services (PWS) own and manage 268 ha of land which comprises the Environmental Management Zone.

Land characteristics

A considerable proportion of the Powranna Precinct contains priority habitat which lies within the Rural Resource, Environmental Management and Recreation zones. The land is flat to undulating, and land use consists mostly of bush and pasture.

Land within the precinct is not irrigated and has no reticulated water. However, the stockyards access to water via a pipeline to the Esk River.

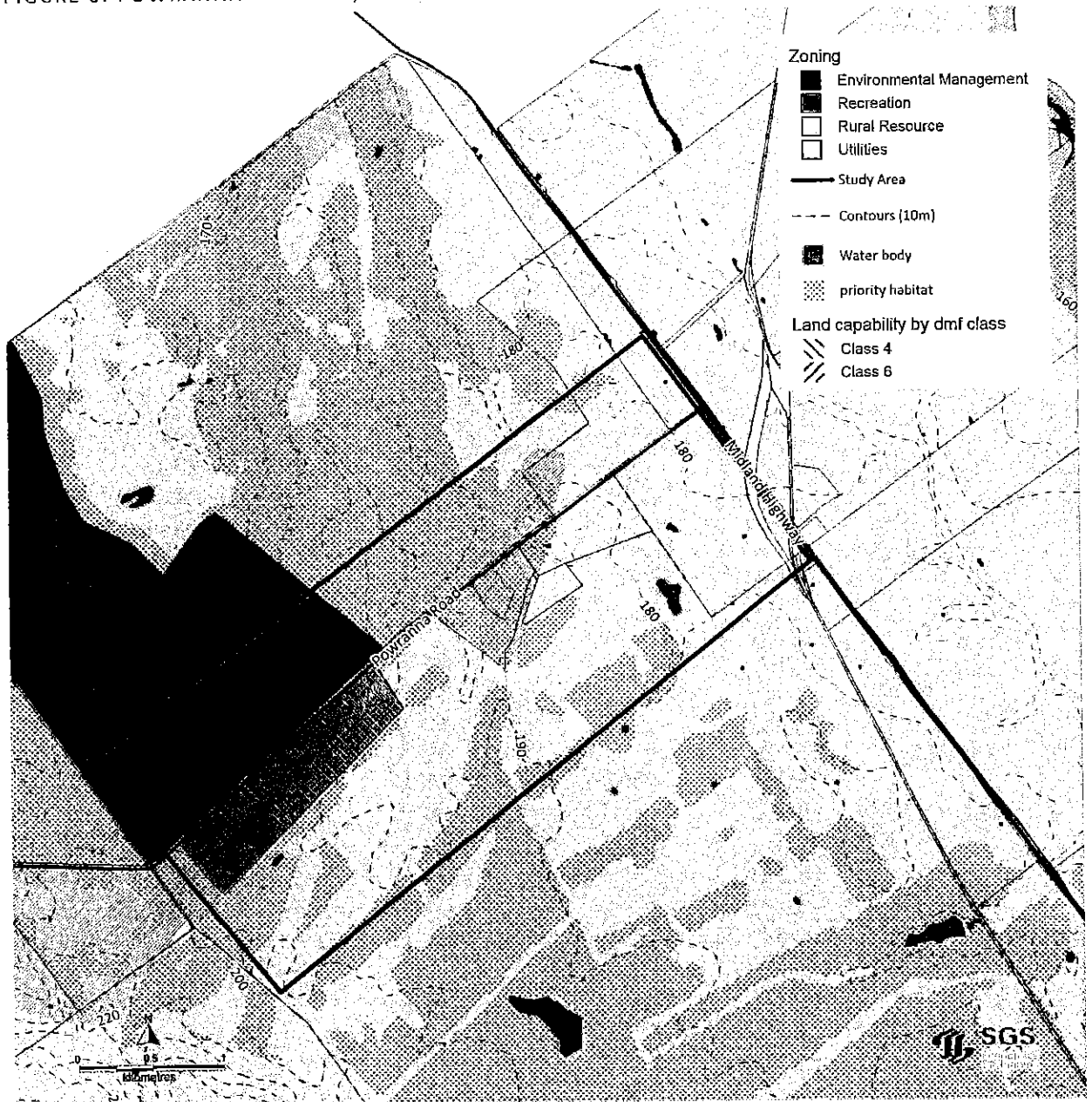
North of Powranna Road, situated along the highway, is a rural contractor. A large feed lot – which is used for meat exports to Asia – is located across the highway. The attenuation distance around the feedlot is 2,000 metres. Use of land within this distance is constrained due to health, contamination and/or biosecurity risks.

A rail line, approximately three to four metres below ground level, dissects a portion of the precinct through land owned by Roberts.

Other characteristics are:

- The Northern Midlands are strategically positioned with good access to gateways. The precinct itself is accessible from the Midlands Highway. The precinct is in close proximity of Launceston Airport, which would be important for potential exports of high perishable goods to mainland and export markets.
- While not currently irrigated, water could potentially be made available more widely from the Esk River
- Relatively flat land
- Rural land categories range between 5 and 6 while some land (mostly the stock yards) has not been categorised, and
- Areas of priority habitat are in the Environmental Management Zone, and scattered across the precinct.

FIGURE 6. POWRANNA PRECINCT, ZONES



Source: SGS

5 ECONOMIC DEVELOPMENT RECOMMENDATIONS

In terms of overall economic development, a range of issues and opportunities exist that need to be addressed at either the precinct, local or regional level, and which involve either action by Council and the business community or advocacy on wider strategic issues.

Overall, there are significant economic development opportunities for agriculture and rural industries in Tasmania, and the Northern Midlands specifically. The roll-out of the Midlands Irrigation Scheme represents an important change in the way agriculture can perform and grow in the region, enabling the irrigation of about 10,000 ha of previously non-irrigated land¹⁹.

The Northern Midlands are strategically located in the centre of extended agricultural land, access to the airport and access on the Midlands and Bass highways that connect to the major urban centres and ports.

Dairy, seed production and cropping are all expected to grow significantly. Demand for processing and support services are expected to grow rapidly as well within the next five years. While there is a current oversupply of dairy processing capacity, it is anticipated this oversupply will no longer exist in five years time. Demand for meat processing is also expected to expand drastically, as well is demand for grains and storage of grains.

5.1 Regional and State level issues and opportunities

There is a range of regional or State level issues and opportunities that are best addressed at the State and/or regional level, in collaboration with other stakeholders and interest groups. The wider issues are:

- Attracting and access to investment capital
- Availability and training of professional staff
- Protection of productive agricultural land, and
- The cost of doing business in Tasmania, including transport cost disadvantage for Tasmanian farmers and operators.

Investment and capital

Availability of investment capital has been raised as an issue at various levels. Local farmers indicate to experience issues in accessing capital, while at the same time large scale investment capital appears to become increasingly available. There appears to be a mismatch between the scale of demand and supply for investment capital. According to consulted stakeholders (among which Rabobank, Tasmanian Irrigation, TFGA) investors are keen to invest capital sums of over \$100 million in investment ready packages that include professional management teams, farm land and supply chain. There are examples of regions in Australia and New Zealand where programs have been successful in bundling farm investment opportunities into larger scale packages.

¹⁹ The Scheme has a catchment of over 50,000 ha. The water capacity is sufficient to irrigate 10,000 ha (interview Tasmanian Irrigation, Chris Oldfield, 11 November 2014).

Farmers consulted see opportunities to cooperate in terms of branding and marketing at a local or regional level. Marketing should occur in a targeted manner, seeking specific export markets and clients. During consultation an example was raised where a processing plant targeted two large super market chains in Indonesia. Stakeholders agreed a targeted approach is required to open up potential export markets.

Availability and training of professional staff

Stakeholders at both the local and regional or State level acknowledged there is a mismatch between the availability of professional staff such as agronomists and demand. Farms and corporations indicate having difficulty finding well trained staff in Tasmania. The number of agriculture students at UTAS is alleged to have dropped below ten. Several stakeholders indicated there was a need to lift the profile of agriculture as an industry to have promising careers in.

At the same time, one recently graduated agronomist from UTAS involved in the workshops indicated gaining work experience in Tasmania was difficult. There may be a need for a tailored work experience program to better align skills with demand.

Protection of productive agricultural land

Productive agricultural land, especially close to settlements, is being compromised by residential and other conflicting land uses. Stakeholders consulted, among which TFGA and agricultural consultants, agree that minimum lot sizes are not an effective way of protecting agricultural land from other uses. Increasingly, intensive agricultural uses such as horticulture, require relatively small land areas (well below the proposed 40 ha minimum lot size). As part of the current planning reform, which is led by the State Planning Reform Taskforce, there is a need to advocate for effective measures to protect agricultural land.

The cost of doing business in Tasmania

Although not confirmed by all stakeholders, the cost of doing business in Tasmania exceeds the cost elsewhere in Australia. While the transport disadvantage may be part of that (next paragraph), there may be an opportunity to reduce red tape.

While there is a transport equalisation scheme to overcome the additional cost of transport for Tasmanian producers, vice versa, mainland producers can benefit from the scheme bringing produce into Tasmania at a more competitive rate than Tasmanian producers.

Recommendations

These State significant issues require a broad strategic approach to growing agriculture and rural industries in Tasmania.

There is currently at least one (loosely organised) interest group which includes individuals from Ruralco, Elders, Rabobank, Macquarie Franklin, Meander Valley and Launceston City Councils and others with a keen interest in supporting the agricultural sector in Tasmania. The investment capital issue is one of the key topics of interest, as well as the education of professionals seeking a career in agriculture.

There is an opportunity for Council to take an active involvement and represent its agricultural sector in such a group. In addition, there are existing industry bodies such as TFGA and Dairy Tasmania.

5.2 Local level issues and opportunities

Rural industries precinct

Processing activities are generally located either close to the resources (i.e. agricultural production land) or close to key export gateways, such as ports. Storage of products intended to be used for agriculture (such as grains to feed stock) are best located close to the grazing lands.

There is an obvious and good rationale to concentrate rural industries in precincts. It enables efficient use of infrastructure and services, and enables investment attraction in common infrastructure and services. The current ad hoc development of rural industries makes it difficult to service effectively. There may also be conflicting use and encroachment issues, which are easier to manage if industries are co-located within precinct.

The Northern Midlands are strategically located to accommodate rural industries for the wider region. This includes:

- Processing and packaging of agricultural produce, although sites close to export gateways may have a comparative advantage to sites close to the resources. High perishable goods are however best located close to the source,
- Storage and agricultural supplies to be used in the wider agricultural region. The Northern Midlands are strategically located to service a wide catchment, and
- Protected cropping and agricultural production that is not dependent on land capabilities (industrialised agricultural production). The North and Northwest of Tasmania have a favourable climate for these uses.

Processing, packaging and industrialised agricultural production require affordable power (gas), access to water, sewage, gateways and road infrastructure.

Storage and agricultural supplies need to be centrally located in an agricultural catchment area and well accessible by road. Access requirements to power, water and sewage are lower than for processing and industrialised production.

Consulted stakeholders suggested the identified two precincts (Burlington Rd and Powranna Rd) may not necessarily be the only locations for rural industries precincts. There is a need to establish the feasibility and optimal locations for rural industries precincts in the Northern Midlands. Regional Development Australia – Tasmania has indicated there may be opportunities for support in preparing a feasibility analysis and business case for an application for funding of feasible projects.

Investment opportunities

There are a number of corporations, with Driscoll's as a leading example, currently significantly investing in production capacity in the Northern Midlands. To enable and support investment there is an opportunity to engage with existing investors to establish the key investors, a proper understanding of the plans and needs of these investors. Potential areas where Council could potentially assist include identifying available suitable land, identifying infrastructure and service requirements and possibly in bringing together demand and supply for casual and seasonal workers.

Affordable housing for seasonal workers

Accommodation for seasonal workers was identified as a key constraint by local farmers especially those involved in horticulture and cropping.

Availability of seasonal and casual workers

Demand for casual workers is significant among farmers. Casual staff require some level of training. Retaining casual staff is an issue which requires farmers to repeatedly attract and train staff. Workers generally prefer non-casual work and therefore often leave for more secure jobs.

In short, there is a need to coordinate local jobs and training. Since all farmers require casual staff there may be an opportunity to train and pool staff to establish a more secure base of staff while casual staff

receive a more stable supply of work. A suggested example by Skills Tasmania of how this could be addressed is the skills/labour hub in the Huon Valley which aims to meet local needs.

Collaboration on common interests

The workshops with farmers and operators from the two precincts were seen as a useful tool to discuss and address common issues. It was recognised that farmers do not tend to work together even when there are clear common interests, especially at the precinct and local level. Common interests include:

- Road and infrastructure issues
- Opportunities for common branding
- Targeted marketing of export markets, and
- Supply chain issues and opportunities.

Meetings of farmers and operators at the precinct and/or local level can contribute to knowledge sharing and concerted efforts in areas of infrastructure provision, supply chain and marketing and exports. Council is recommended to take a coordinating role, thereby also enhancing Council's understanding of issues and opportunities and possible involvement of Council in addressing some of these.

As highlighted in the Burlington Rd precinct plan (next section), there are specific issues that affect operators at the Burlington Rd precinct:

- **Road condition**
Vehicle movements over the unsealed section of Burlington Rd are expected to further increase. To enable and support future economic growth and road safety it is recommended to investigate the feasibility of hardening road, taking into account existing freight task, expected future growth, safety and overall appeal of the precinct to potential investors.
- **Unreliable power supply**
The unreliable power supply is a common interest to the operators at Burlington Rd. There is a need to explore alternative connections (Cressy township) and/or alternative power sources such as gas or renewable sources with storage of power rapidly becoming more affordable.

6 PRECINCT PLANS

6.1 Precinct Plan for Burlington Road

The Burlington Road Precinct is currently used by a number of intensive agricultural uses, research and processing. Future uses should be compatible with these uses and sufficient buffer should be maintained to prevent encroachment by residential uses and other uses that could adversely impact on activities within the precinct.

The purpose of the Burlington Rd precinct is to accommodate:

- Intensive agriculture (including aquaculture)
- Agricultural research and testing, and
- Some agricultural processing, where it does not adversely impact on other uses.

Due to the importance of Brumbys Creek for fresh water provision for existing uses, any future uses should not pose risk to the water quality, including biosecurity issues. Any new and change of use should demonstrate any contamination and/or biosecurity issues are properly managed.

Uses that introduce materials and resources not related to agricultural production and/or processing activities should be prevented.

A separation distance or buffer around the precinct is required to prevent encroachment by residential and other uses that may impact on the uses within the precinct. The purpose of this separation distance would be to provide a buffer between the precinct uses and future uses outside the precinct so that issues such as noise impacts, odours and hours of operation will not affect adjacent sensitive uses. The required buffer distance will depend on the type of existing and future land use in the Burlington Rd precinct and the relative 'sensitivity' of the adjacent uses.

The water quality of Brumbys Creek needs to be conserved. It is recommended to investigate water quality conditions and to consider establishing riparian buffers around the Creek to manage water quality. Key stakeholders to consult with are Hydro Tasmania, DPIPW and most likely NRM North. DPIPW has developed Environmental Best Practice Guidelines which includes a guideline on managing riparian vegetation¹¹. Any existing area management plans may need to be reviewed and updated.

Intensive agriculture overlay, zoning and uses

The existing zoning allows for development of intended uses for the precinct. The current zoning is therefore to be maintained. However, some of the discretionary uses for the Rural Resource Zone potentially conflict with existing uses and the protection of water quality, and should not be permitted.

These include:

- Bulky goods retailing
- Equipment and machinery sales and hire
- Extractive industries
- Food services
- Emergency services
- General retail and hire
- Motor racing facility
- Recycling and waste disposal
- Service industry

¹¹ DPIPW, Waterways & Wetlands Works Manual 2003

- Sports and recreation
- Tourist operation, and
- Transport depot, utilities, vehicle fuels sales and service.

The following uses are to be discretionary:

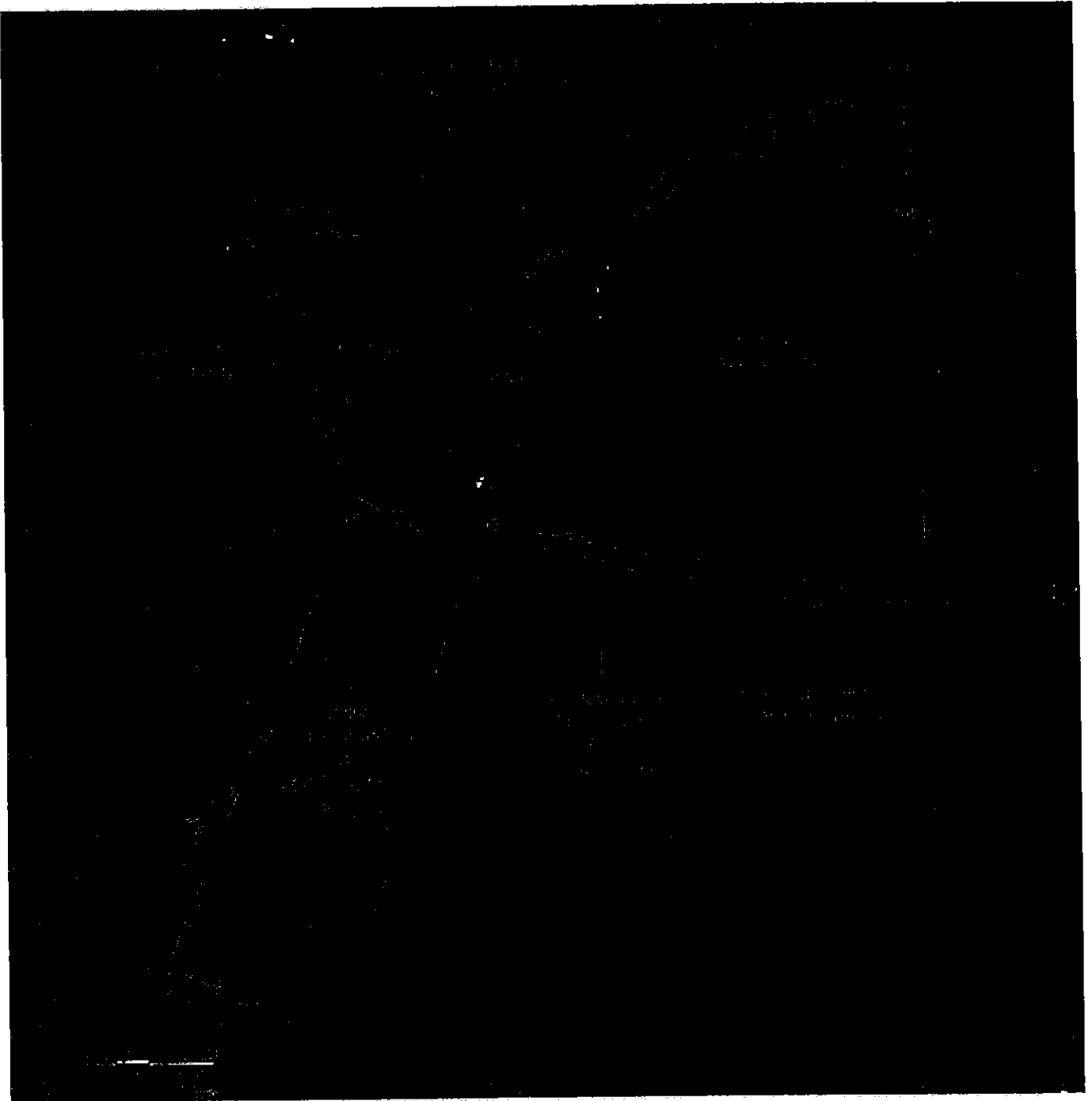
- Residential (only small scale, temporary accommodation for workers)
- Research and development (only no impacts on water quality and existing uses)
- Resource processing (only agricultural resources processing), and
- Visitor accommodation (only small scale, temporary accommodation for workers)

An **intensive agriculture overlay** will effectively manage the intended uses for the precinct.

Infrastructure issues at the Burlington Rd precinct are:

- **Road condition**
Vehicle movements over the unsealed section of Burlington Rd are expected to further increase. To enable and support future economic growth and road safety it is recommended to investigate the feasibility of upgrading the road and stormwater issues, taking into account existing freight task, expected future growth, safety and overall appeal of the precinct to potential investors.
- **Unreliable power supply**
The unreliable power supply is a common interest to the operators at Burlington Rd. There is a need to explore alternative connections (Cressy township) and/or alternative power sources such as gas or renewable sources with storage of power rapidly becoming more affordable.

FIGURE 7 BURLINGTON ROAD PRECINCT PLAN MAP¹²



¹² The initial objective was to provide a potential road and lot layout and service provision. While the strategic intent of the precincts and their components have been established it would be untimely to provide further detail as this is more appropriately determined depending on the nature of the development opportunities that arise.