



BURNIE
CITY COUNCIL

MINUTES

Special Meeting

TUESDAY, 2 OCTOBER 2018

7.00PM

CITY OFFICES, 80 WILSON STREET, BURNIE

ORDER OF BUSINESS

OPEN SESSION

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**MINUTES OF THE OPEN SESSION ORDINARY MEETING
OF THE BURNIE CITY COUNCIL
HELD AT THE CITY OFFICES ON TUESDAY, 2 OCTOBER 2018**

HOUR: 7.00 pm- 7.09 pm

TIME OCCUPIED: 9 minutes

PRESENT: Mayor A Boyd, Deputy Mayor S French AM, Ald R Bentley, Ald R Blake OAM, Ald T Brumby, Ald K Dorsey, Ald A Keygan, Ald S Kons and Ald C Lynch.

Officers in Attendance:

Acting General Manager (R Greene), Executive Manager Corporate Governance (M Neasey).

APOLOGIES: There were no apologies tendered.

AO268-18 COUNCIL ALDERMAN DECLARATIONS OF INTEREST

The Mayor requested Aldermen to declare any interest that they or a close associate may have in respect of any matter appearing on the agenda.

There were no declarations of interest.

ACKNOWLEDGEMENT OF COUNTRY

The Mayor commenced the Open Session with the Acknowledgement of Country.

The Burnie City Council acknowledges Tasmanian Aborigines as the traditional owners of the land on which we are meeting and on which this building stands.

COMMUNITY AND ECONOMIC DEVELOPMENT**AO269-18 CRADLE COAST AUTHORITY - RECONSIDERATION OF DEFERRED MATTER****FILE NO: 2/5/3**
PREVIOUS MIN: AO242-18

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

| | | |
|-----------|-------|--|
| Direction | 7 | AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE |
| Objective | 7.4 | A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes. |
| Strategy | 7.4.1 | Ensure a long term strategic focus drives financial policy and decisions. |

1.0 RECOMMENDATION:***“THAT Council consider the previously deferred matter Cradle Coast Authority – Withdrawal of Membership.”*****2.0 SUMMARY****Procedural Notes**

At the Council Meeting of 18 September 2018, the above report ‘Cradle Coast Authority – Withdrawal of Membership’ Item AO242-18 was presented in the Agenda.

The following procedural motion was carried. (There was no other motion put in relation to the matter).

“That the matter be deferred (Item AO242-18 Cradle Coast Authority Withdrawal of Membership).”

The matter was deferred to allow Aldermen to meet with representatives from the Cradle Coast Authority, to discuss matters raised in the Report. This meeting was held on 25 September 2018 at a Council workshop.

Should Council now be ready to consider the report, the above recommendation should be resolved before proceeding to the next report. This is a procedural matter for Council to agree to now return the report to the table.

These reports then follow:

First Report – Withdrawal of Membership

Item AO270-18 presents the deferred September report in its original form, for consideration. This report must be considered first as it is the original report returned for consideration.

Second Report – Membership Review

Item AO271-18 presents a further report with an alternative motion.

If the recommendation of the first report **is carried**, the second report AO271-18 should be received for noting only (its recommendation is an alternative and should not be put if the first one is carried).

ie *“That the information be noted”*.

This enables Council to formally receive and acknowledge the additional information in the second report.

If the recommendation of the first report AO270-18 **is lost**, then this second report AO271-18 should then be considered with its recommendation as set out.

COUNCIL RESOLUTION

Resolution number: MO344-18

MOVED: *Ald S Kons*

SECONDED: *Ald S French AM*

“THAT Council consider the previously deferred matter Cradle Coast Authority – Withdrawal of Membership.”

For: Ald R Blake OAM, Ald S French AM, Ald S Kons, Ald A Boyd, Ald R Bentley, Ald T Brumby, Ald K Dorsey, Ald C Lynch, Ald A Keygan.

Against:

CARRIED UNANIMOUSLY

COMMUNITY AND ECONOMIC DEVELOPMENT**AO270-18 CRADLE COAST AUTHORITY
WITHDRAWAL OF MEMBERSHIP**

FILE NO: 2/5/3
PREVIOUS MIN: NIL

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

| | | |
|-----------|-------|--|
| Direction | 7 | AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE |
| Objective | 7.4 | A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes. |
| Strategy | 7.4.1 | Ensure a long term strategic focus drives financial policy and decisions. |

1.0 RECOMMENDATION:

“THAT Council provide written notice of its intention to withdraw membership from the Cradle Coast Authority with a withdrawal date of 31 March 2020; and to provide the following reasons:

- 1) Council does not believe the Authority provides value for Burnie ratepayers***
- 2) Council does not believe the Cradle Coast Authority model reflects best practice in regional development governance due to:***
 - a) The lack of support for collaborative networks across the region***
 - b) The lack of engagement by, and leadership, from industry;***
 - c) The lack of a clear mandate from the broader region and its stakeholders to undertake regional economic development***
 - d) The region having few projects and initiatives where there are common benefits and costs across most of the region;***
 - e) The Authority does not have the size or scale to provide the necessary expertise to support member councils. This not only relates to technical skills but high level project management and stake-holder management skills.***
- 3) There is a lack of clearly defined roles and responsibilities between Councils, the Authority Representatives and the Board of the Authority.”***

2.0 SUMMARY

As part of its Financial Management Strategy, Council has been reviewing all operational areas to identify savings, with a view to reducing expenditure where it does not bring value to the ratepayer.

In 2018/19 Council has budgeted to contribute \$156,500 to the operational budget of the Cradle Coast Authority (“the Authority”). This is a significant expenditure item within Council’s budget, and as with all other areas of Council, required a review to ensure value is provided to Burnie ratepayers.

Council reviewed 30 months of Board meeting minutes from July 2015 to December 2017, to gain an overview of the regional development issues and projects being considered by the Board over that time.

During that time the Board listed twenty two initiatives for discussion and review, with two being implemented with major input from the Authority and a further three initiatives being implemented with some input from the Authority.

The other seventeen initiatives appeared to have been completed but with no clear outcome, are progressing slowly or did not appear to be progressing at all.

In reviewing the outcomes of the Authority in terms of value for Council and its ratepayers, Council also reflected on the model and role of regional development agencies such as the Authority, including undertaking a comprehensive literature review on the topic of regional development.

This further review highlighted a number of structural and systemic issues including:

- The lack of support for collaborative networks across the region
- The lack of engagement by, and leadership, from industry;
- The lack of a clear mandate from the broader region and its stakeholders to undertake regional economic development
- The region having few projects and initiatives where there are common benefits and costs across most of the region;
- The Authority does not have the size or scale to provide the necessary expertise to support member councils. This not only relates to technical skills but high level project management and stakeholder management skills.

A final issue identified is the lack of clearly defined roles and responsibilities between Councils, the Authority Representatives and the Board of the Authority.

It is concluded that the Authority does not currently appear to offer value for money for Burnie ratepayers, and due to the number of structural and systemic issues with the Cradle Coast Authority model it is unlikely this model will be able to provide sufficient value for ratepayers into the future.

Instead it is recommended that Council pursue loose alliances, or form coalitions with other Councils and stakeholders on a project by project basis, where Council will either directly or indirectly benefit by participation in these joint initiatives.

This can include assisting other councils to implement actions from the Sustainable Murchison Plan, and working with councils which will directly benefit from the Battery to the Nation initiative in lobbying and advocacy for enabling legislation.

3.0 BACKGROUND

Burnie City Council was a founding member of the Authority, a joint authority established by nine councils under the *Local Government Act 1993*.

The Authority was established to be a regional voice for North West Tasmania, established by the nine Local Government Councils to represent and advocate the needs of the region.

The Authority aims to collaborate and facilitate a diverse range of projects and initiatives involving all tiers of government, industry and the community.

It has three areas of focus being Regional Economic Development, Natural Resource Management and Tourism.

Council commenced a review of its membership of the Authority in February 2018 and has considered this matter in a number of Workshops.

4.0 LEGISLATIVE REQUIREMENTS

The Authority has been established by participating councils as a joint authority under Division 4 of the *Local Government Act 1993*.

Section 38 of the Act requires a joint authority to make rules for its operation.

Section 54 (1) of the Cradle Coast Authority Rules provides for the withdrawal of a member Council. Subject to any requirements of the Act, a participating council may give written notice to the CEO of its intention to withdraw from membership of the Authority (Proposed Withdrawal Notice) provided that the Proposed Withdrawal Notice specifies a withdrawal date of not less than 18 months after the date of the Proposed Withdrawal Notice. The Proposed Withdrawal Notice must also specify in detail the reasons why that participating council is proposing to withdraw from the Authority.

The Rules, including Section 54 (1), were recently amended by member Councils.

Section 38 (5)(b) of the Act requires that the rules may be amended by the majority of the participating councils. The following table sets out the date in which at least eight of the nine member Councils considered and approved the Rule changes, the majority therefore meeting the requirements of the Act to effect the change.

| | |
|-------------------------|---------------|
| Latrobe Council | 14 May 2018 |
| Kentish Council | 15 May 2018 |
| Circular Head Council | 19 April 2018 |
| West Coast Council | 26 March 2018 |
| Burnie City Council | 20 March 2018 |
| Devonport City Council | 30 April 2018 |
| Waratah-Wynyard Council | 19 March 2018 |
| Central Coast Council | 19 March 2018 |

Under Clause 54 (7) of the Rules, Council may be required to pay a “Withdrawal Contribution Amount” being Council’s agreed proportion of any estimated net liabilities as at the effective withdrawal date.

5.0 POLICY CONSIDERATIONS

Council has adopted a Financial Management Strategy which includes a reduction in the general rate of 1% per annum for five years. Council is in the second year of its FMS Strategy and must find savings of approximately \$525,000 in 2019/20, \$525,000 in 2020/21 and \$400,000 in 2021/22.

A withdrawal of membership will see savings; however, this amount may be reduced due to other issues noted below.

Due to the length of the withdrawal notice period it is expected savings under the FMS will come into effect in the final two years of the Strategy.

6.0 FINANCIAL IMPACT

In 2018/19 Council has budgeted to make a contribution of \$156,500 to the Authority.

It is unclear of how the arrangements for Tourism and NRM would be considered by Authority on the withdrawal of a Participating Council, regardless consideration needs to be given should Council decide to withdraw.

Participating Councils contribute \$160,000 towards regional tourism that supports a funding arrangement with Tourism Tasmania to provide resources for product development and marketing of the region.

Council could explore entering into an arrangement with the CCA to continue to support the Cradle Coast Tourism Executive by continuing to contribute its proportion of the \$160,000 (approximately \$30,000). This amount is currently included in Council’s annual contribution.

Council also participates in the Regional Waste Management Group. It is unknown at this stage what arrangements could be put in place to continue Council’s involvement in this Group.

Depending on the response from other Councils, Council should be cognizant that its withdrawal may result in the Authority’s demise. This would have a financial impact on Council with the loss of rental and outgoings income from Portside (currently \$71,642).

With the renovations conducted by the Authority, Portside is an attractive contemporary office space and Council may be able enter into a new lease; however, under an agreement with the State Government Portside can only be used for community purposes. With the growth of the community services sector due to the roll-out of the NDIS, it is likely that Council will be able to find other tenants for the building.

Council may also be required to make a one off withdrawal payment under Clause 54 (7) of the Rules.

7.0 DISCUSSION

Council reviewed 30 months of Board meeting minutes from July 2015 to December 2017, to gain an overview of the regional development issues and projects being considered by the Authority over that time.

Of the twenty-two initiatives considered during this time, two had been implemented with major input from the Authority and with some success.

- Australian Masters Games, and
- Destination Action Plans.

Three others had been completed with some input from the Authority

- Coastal Pathway Plan,
- Cradle Mountain Master Plan, and
- Sustainable Murchison Plan.

Six initiatives appeared to have been completed but with no clear outcome

- Regional Events Strategy,
- Shared Services Review,
- Sister City Relationships,
- Industrial Land Strategy,
- Commuter Network, and
- Visitor Services Review.

A further eleven initiatives were either progressing slowly or did not appear to be progressing at all;

- Winter Events Strategy,
- Regional Economic Development Strategy,
- Industry Briefings,
- Regional Truck Wash Facility,
- Cruise Ships,
- NBN,
- Education Strategy,
- UTAS Development,
- Tourism and Employment Plan,
- Cradle to Coast Tasting Trail, and
- Tourism Product Development.

It is recognised that in some cases the lack of progress is outside the control of the Authority; however, in other cases it appears that there is a lack of high level project and stakeholder management.

Since the time of this review some projects have been further progressed, including the Authority assisting in gaining funding for the Cradle Mountain Masterplan and eastern section of the Coastal Pathway, as well as completing a Regional Event Strategy.

Further work has also been undertaken in relation to a regional approach to Cruise Ships and developing a Regional Futures Plan.

During this time member councils contributed more than \$4 million to core functions and discrete projects undertaken by the Authority.

Based on the above outcomes it is difficult to see how Burnie ratepayers are receiving value for money in relation to Council's membership of the Authority.

To assist Council in its decision making, a comprehensive literature review on the role of Regional Development Agencies was undertaken to understand what constitutes best practice in regional development. This can provide direction to Council as to whether it is possible for changes to be made to the Authority to provide better ratepayer value in terms of regional development outcomes.

It should be noted that Council should not expect every initiative undertaken by the Authority to have a direct benefit to the city, but that there should be regional benefits which will indirectly benefit Burnie in a majority of cases.

The literature review suggests that "effective regional development occurs through a collaborative relationship between institutional actors encompassing the public, private and community sectors and based on mutual trust and cooperation". In all literature the role of regional agencies to develop collaborative relationships across the region is critical to success.

The literature also suggests that there are a number of issues that are critical to the success of regional development agencies. These are:

- Regional economic development must be driven by, and have the full engagement of, business and industry,
- The development agency requires a clear mandate to undertake activities,
- A development agency should encompass the region within which the benefits and costs fall,
- The agency must have a clear understanding of local needs and preferences,
- The agency must have the scale and resources to employ expert staff

Collaborative Relationships across the Region

In almost all research on successful regional development agencies, the common feature is the strength of collaborative cross-sectoral relationships based on trust and cooperation.

Successful development agencies;

- facilitate and build robust relationships;
- coordinate activities at a multi-sectoral and multi-agency scale;
- collect, collate, analyse and disseminate information.
- Consolidates relationships
- Provides opportunities for informal networking

It would appear the Authority has found difficulty in developing clearly established networks with other levels of government, industry or community sectors. This has been identified as a key issue by the Authority during the development of the Futures Plan, however it is as yet unclear how ongoing networks will be established and maintained. The issue for the Authority in developing a framework to develop these networks, could be how it will relate to the existing governance framework of the Authority, given recent issues with the Tourism Sector.

Authority members may also find it difficult to accept that much of the Authority's work should be "soft" rather than managing infrastructure projects or attracting new developments. It should also be noted that this level of relationship building requires highly developed stakeholder management skills.

Industry Leadership

The literature review also suggests that regional economic development must be primarily driven by industry, often in collaboration with the university or knowledge sector.

This is an acknowledgement that it is business and industry which provide the investment in both capital and human resources to create products which bring revenue into the region.

However, economic growth also requires innovation for regions to remain competitive, with global trends indicating regions with a high level of collaboration between industry and universities have the greatest chance of success.

This creates an imperative for regional agencies to be led by industry, or to have strong engagement with industry and the knowledge sector to harness the drivers of economic growth.

A review of the Authority suggests the lack of industry engagement is a significant weakness in achieving regional development outcomes.

The industry sector is not well represented on the Board of the Authority, and there has been little evidence until the recent work on the Futures Plan, of engagement with industry.

Without ongoing industry engagement and leadership, it is difficult to see how the Authority can meet its objective of facilitating economic development.

A commitment to industry leadership would require a review of the governance arrangements of the Authority, with local government acting as a supporter and enabler of industry led initiatives rather than local government taking the lead.

There is little evidence that member councils would have an appetite for this approach.

Regional Mandate

A key issue raised through the literature review is the need for regional agencies to have a mandate to undertake the work of regional development. This is important as the agency must provide leadership in terms of building relationships and achieving outcomes on behalf of many agencies, industry partners and local communities.

A key issue for the Authority is that it has no formal mandate across the broader region to undertake its work. Unlike all other tiers of government, the Cradle Coast Authority Board is not elected, and therefore not representative.

In many aspects the Authority fulfils the role of a quasi-autonomous non-governmental organisation (QANGO), and a review of literature about these types of entities suggests the issues facing the Authority are similar to those noted internationally about non-elected groups.

This creates a significant issue for the Authority's focus on Regional Governance to achieve social and economic outcomes which relies on the input of communities and institutions that have had no direct say in how the Authority is constituted.

Also, unlike the Sustainable Murchison Plan, Making Burnie 2030 and other council strategic plans, many of the key stakeholders who need to be involved to achieve the Authority's objectives (education, business and industry, social services, local communities) have not been engaged at the required depth to own the actions of the Authority. Once again this is not a criticism of the Authority, rather it highlights the significant challenges faced by a regional authority attempting to lead across remote and disparate communities, multiple sectors and a myriad of government agencies.

Unlike most Council's, the Authority does not have the depth of networks or relationships, , to engage with those stakeholders in a meaningful way. As the Authority has no formal mandate to govern or achieve the proposed outcomes, it must rely on its ability to persuade others to partner with it, or to be invited by others to facilitate activities. This requires a high degree of leadership, stakeholder engagement and diplomacy which to date appears to be a weakness of the Authority.

Benefits vs Costs

A critical element in regional development is defining "the region". Without a clear understanding of who the region is, it is unlikely that an agency will effectively undertake its activities.

The OECD has written that a region is best defined by understanding the common benefits and costs that can be identified in a geographic area. Unless key stakeholders can recognise clear direct or indirect benefits, they will be unlikely to allocate resources to a regional development initiative.

There would appear to be very few initiatives that have a full “regional” benefit; or where the costs of a particular project are seen to be of benefit the entire region. There are numerous examples of this over the recent history of the Authority.

- Devonport Council’s “Living City” initiative not being viewed by the Authority as a regional project;
- Circular Head and Waratah-Wynyard Council’s Bass Highway upgrade not promoted by the Authority as a significant regional project during the State election;
- Burnie City Council’s desire to share the costs of supporting Cruise Ships not seen to be of enough value to other council’s to justify them contributing to the cost of this support.

These examples should not be viewed as a criticism of the Authority, rather it should be viewed as a reflection of the nature of the north west region. A review of economic and demographic data indicates the disjuncture between the eastern and western ends of the coast, and the even greater disjuncture between King island and the West Coast and other parts of the region.

There appears to be little relationship between various areas of the north west due to the different economic drivers and the lack of resident movement between these areas; particularly for employment activities.

The draft Futures Plan recognises the area of economic activity between the two airports as defining the region. A better understanding of the region might be gained by acknowledging a region of this size requires two airports, along with two hospitals.

It is therefore not difficult to recognise that where part of a region sees very little direct or indirect benefit from initiatives in another section of the region, that it will be unwilling to dedicate resources, whether financial or in-kind, towards that initiative.

The question for consideration by Council is whether there are enough “whole of region” initiatives that local government agencies can support and resource through the Authority, or whether there is a different model that will provide better and more efficient outcomes, and therefore be of more value to Council.

One suggested response is that initiatives could be undertaken at a sub-regional level which better reflects the economic and demographic profile within the north west, where benefits and costs are truly shared, and where “coalitions of the willing” are easier to sustain. The Sustainable Murchison Plan is a case in point, and not only reflects the connections between industry, communities and the delivery of government services, but also highlights a common commitment to work together on projects for which there are direct or indirect benefit, to which these Councils are willing to commit resources. This is currently being explored by Circular head, Waratah-Wynyard and Burnie City Councils.

There should also be a recognition that such a “coalition of the willing” may include local government areas outside the traditional understanding of the region, and instead reflect the dynamic relationship between industry across the state. The most current example of this is the six councils of Central Highlands, Northern Midlands, Kentish, Burnie, West Coast and Circular Head who will most directly benefit from the Battery to the Nation initiative, partnering to lobby the Federal Government for enabling energy legislation.

It is through this broader and nimble approach to collaboration and partnerships which could provide much greater value to ratepayers.

Understanding of Local Needs and Preferences

The Authority currently has few mechanisms to capture and analyse local industry and community needs. This issue has been identified during the early stages of developing the Futures Plan however no clear pathway forward has been identified.

The issue for the Authority is the significant resourcing required to capture and analyse local needs, and then to resource a response to these needs.

This then creates the issue of how to prioritise the allocation of finite resources in a manner that appears fair to all members.

Access to Expert Staff

The literature on regional development agencies also highlights the need for regional development agency staff to have high levels of technical, project management and stakeholder management skills.

This is because the task of regional development agencies is to provide support to stakeholders on initiatives that are cross-community, cross-sectoral and cross-agency. By its very nature, regional development work is complex, not only in meeting technical challenges and managing major projects that are beyond the scope of a local authority, but primarily in sustaining collaborative relationships.

The issue of access to expert staff is problematic for a small organisation such as the Authority. The level of skills expected of the Authority may be unrealistic given the level of resourcing provided by member Councils.

It is extremely difficult to see how the Authority can engage with communities, businesses and governments to the level required to achieve its objectives within its current resourcing and structure. To suggest otherwise reveals a naivety about the level of engagement required to bring about complex social and economic change.

It should be noted that through its activity in the field of Collective Impact nationally, Council consistently receives feedback from other sectors about the absence of local government leadership in collaborative place-based efforts to address socio-economic issues. And yet it is

common for local government to establish regional agencies tasked with the very activity it is either unwilling or unable to do.

As it is unlikely that member Councils would be prepared to invest further in the Authority, it is difficult to see how this issue can be resolved.

Roles and Responsibilities

Of real concern to Council is the lack of clarity around roles and responsibilities between Councils, the Cradle Coast Authority Representatives and the Cradle Coast Authority Board.

From the review of the Authority it would appear that considerable work needs to be undertaken to ensure that member councils are clear about the role and responsibilities of the Authority, both as a Board, Representatives and member councils.

The recent review of governance arrangements may go some way to developing a more rigorous approach to governance of the Authority, however three recent examples may indicate that the issue is about unclear expectations of roles and responsibilities rather than governance arrangements.

Three examples of this in the past 12 months are:

1. The Representatives passing a Motion at its August 2017 meeting for the Board to explore a regional funding model for Cruise Ships. This Motion was not actioned until Council followed up with the CCA in February 2018.
2. There was some confusion about who was leading the Cradle Coast Shared Services Project, with some councils believing this was the role of the Authority, while the Authority believed it was facilitating the completion of a report and believed the Councils were leading this project;
3. At a Representatives meeting in May 2018, Hydro Tasmania provided an overview of the Battery to the Nation initiative. This project will require public and private investment of over \$5 billion and result in 3,000 jobs, primarily in the north west. This initiative has been closely linked with national energy legislation as a key enabler. However, despite the significance of this project to the region, no further action was taken by either Councils, the Representatives or the Board of CCA to assist this project to progress. This was despite the clear connection between the project and the passage of the National Energy Guarantee legislation, and most of the region being part of the Braddon by-election where this could have been a major issue.

In discussions around this final issue, it became clear that there were differing expectations about who should be responsible for progressing such issues.

Such confusion around roles and responsibilities are unhelpful, particularly given the complex environment the Authority operates within. Given this does not appear to have

been identified or addressed in the most recent governance review it is likely that such confusion will continue.

During the literature review, attention was given to an article about why regional development agencies fail. The reasons given include:

- Confusion about mission and role – with the agency not having a clear mandate
- Weak justification – and the lack of a clear strategic framework
- Competition from other stakeholders and agencies
- Staffing – with very few individuals having the mix of skillsets required to undertake the work of regional development
- Political and private sector interference
- Inability to adapt to constant change

From the review of the Authority, a number of these common issues have been identified and would suggest that unless there is the political will to address, the Authority will continue to have difficulty in meeting its objectives and to provide value to ratepayers.

8.0 RISK

The key risk to Council is reputational, in that it will be seen to be not supporting a regional approach to issues.

However, it should be made clear that Council is supportive of regional approaches, and is currently either taking the lead on, or contributing substantially to, a number of regional initiatives.

These include:

- Lobbying the Federal Government for legislation to enable the Battery to the Nation project,
- Lobbying for the release of promised funding for the North West Generation Ready Package,
- Coordinating a response to the Federal announcement regarding Forestry Hubs
- Developing the Economic Case for the Cradle Coast Coastal Pathway project
- Supporting the implementation of the Sustainable Murchison Plan,
- Being a partner with other Councils on two Shared Services projects,
- Assisting other Councils in Tasmania and nationally, in implementing a Collective Impact approach to social issues
- Being an active member of the Cradle Coast Futures Plan Working Group
- Leading the development of a regional planning scheme
- Being an active member of a number of other regional groups

Council needs to be very clear in all communications that it supports, and will continual to support a regional approach, but it does not believe the current CCA model provides value to its ratepayers.

9.0 CONSULTATION

Council has discussed this issue at a number of workshops.

REPORT NOTE

This report has been authored by the Acting General Manager, due to the General Manager (on leave) holding a position on the Cradle Coast Authority Board.

COUNCIL RESOLUTION

Resolution number: MO345-18

MOVED: Ald S French AM

SECONDED: Ald K Dorsey

“THAT Council provide written notice of its intention to withdraw membership from the Cradle Coast Authority with a withdrawal date of 31 March 2020; and to provide the following reasons:

- 1) Council does not believe the Authority provides value for Burnie ratepayers***
- 2) Council does not believe the Cradle Coast Authority model reflects best practice in regional development governance due to:***
 - a) The lack of support for collaborative networks across the region***
 - b) The lack of engagement by, and leadership, from industry;***
 - c) The lack of a clear mandate from the broader region and its stakeholders to undertake regional economic development***
 - d) The region having few projects and initiatives where there are common benefits and costs across most of the region;***
 - e) The Authority does not have the size or scale to provide the necessary expertise to support member councils. This not only relates to technical skills but high level project management and stake-holder management skills.***
- 3) There is a lack of clearly defined roles and responsibilities between Councils, the Authority Representatives and the Board of the Authority.”***

For:

Against: Ald R Blake OAM, Ald S French AM, Ald S Kons, Ald A Boyd, Ald R Bentley, Ald T Brumby, Ald K Dorsey, Ald C Lynch, Ald A Keygan.

LOST

COMMUNITY AND ECONOMIC DEVELOPMENT**AO271-18 CRADLE COAST AUTHORITY
MEMBERSHIP REVIEW**

FILE NO: 2/5/3
PREVIOUS MIN: AO242-18

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

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| Direction | 7 | AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE |
| Objective | 7.4 | A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes. |
| Strategy | 7.4.1 | Ensure a long term strategic focus drives financial policy and decisions. |

1.0 RECOMMENDATION:

“THAT Council:

- 1) Note the Report AO242-18 “Cradle Coast Authority – Withdrawal of Membership” from the 18 September 2018 Council Agenda; and***
- 2) Advise the Cradle Coast Authority and its member Councils of its concerns with the Authority and request the following actions be undertaken by June 2019:***
 - a) Develop and report on implementation of a plan for the support of collaborative cross-sectoral networks across the region;***
 - b) Implement structural changes to ensure greater industry engagement and leadership within the Authority;***
 - c) Complete MoU’s with industry, education and government partners outlining and agreeing to the roles of each party on progressing actions by the Authority;***
 - d) Member Councils to identify and commit to an Action Plan for progressing priority regional projects – this commitment will include the provision of additional in-kind support to assist the Authority in progressing the Action Plan.***
 - e) Implementation of actions to ensure the Authority has the capacity and capability for high level stake-holder management and project management;***
 - f) That member Councils, Authority Representatives, the Board and CEO develop and document clearly defined roles and responsibilities.”***

2.0 SUMMARY

At its meeting of 18 September 2018, Council were provided with a report proposing to provide written notice to withdraw membership from the Cradle Coast Authority. A procedural motion was carried to defer the matter.

The matter was deferred to allow Aldermen to meet with representatives from the Cradle Coast Authority, to discuss matters raised in the Report.

Following receipt of a letter from the Chief Representatives of the Authority, Aldermen met with the Chief Representative, Deputy Chief Representative, Chair, CEO and Industry Development Manager at a Workshop on 25 September 2018.

The Cradle Coast Authority has also written to Council responding to the Report.

A copy of the letter and a Briefing Note (both of which were provided to Aldermen prior to workshop on 25 September) are **attached**.

3.0 BACKGROUND

As part of its Financial Management Strategy Council undertook a review of the Cradle Coast Authority, to ensure that the funds expended on membership of the Authority provided value to Burnie ratepayers.

The Report concluded that the Authority does not currently appear to offer value for money and due to a number of structural and systemic issues believed it was unlikely this model will be able to provide sufficient value for ratepayers into the future.

4.0 LEGISLATIVE REQUIREMENTS

The legislative requirements relating to this report were noted in the September report AO242-18.

5.0 POLICY CONSIDERATIONS

Policy considerations relating to this report were noted in the September report AO242-18.

6.0 FINANCIAL IMPACT

The financial considerations relating to this report were noted in the September report AO242-18.

Should Council adopt the recommendation, Council will be required to find commensurate savings in other areas of operations to achieve its FMS target.

7.0 DISCUSSION

The report on the Cradle Coast Authority – Withdrawal of Membership was publicly released prior to the September Council meeting. As a result, Aldermen received a letter and briefing note from the Authority responding to the Report.

Of greatest concern to the Authority was that Council had not raised its concerns formally with the Authority through its Representatives, nor had it been given an opportunity for it and other member councils to address these concerns.

As a result, Council deferred dealing with the Motion at its September meeting, and met with Representatives in a Workshop setting.

While not dealing with each of the issues raised in the Report in detail in the Workshop, the Authority representatives highlighted their belief that the Authority was best placed to provide regional leadership, and that through working with Council, the concerns identified in the Report could be addressed.

As a result, an alternative recommendation has been developed which recommends the response Council requires from the Authority to address its concerns. Each element addresses a concern raised in the previous Report.

- a) *Develop and report on implementation of a plan for the development and support of collaborative cross-sectoral networks across the region;*

As was noted in the September Report, the common feature of successful regional development agencies is the strength of collaborative cross-sectoral relationships that are developed and maintained.

The Futures Plan being developed by the Authority will require this level of collaboration across the region, however it is important that member councils see this as a critical element of any activities the Authority undertakes, and should be given a priority.

- b) *Implement structural changes to ensure greater industry engagement and leadership within the Authority;*

The literature reviewed in preparing the September report also suggested that regional economic development must be primarily driven by industry, often in collaboration with the university or knowledge sector.

As was noted in that Report, without ongoing industry engagement and leadership, it is difficult to see how the Authority can meet its objective of facilitating economic development.

The Futures Plan being developed by the Authority recognises the need for industry engagement, however it will be important that governance structures

are in place to ensure industry leadership is recognised and responded to effectively.

The Authority has advised that it is currently reviewing its committee structure, which may be the means of ensuring the relevant governance structure is in place.

- c) *Complete MoU's with industry, education and government partners outlining and agreeing to the roles of each party on progressing actions by the Authority;*

As was identified in the September Report, a key issue raised through the literature review is the need for regional agencies to have a mandate to undertake the work of regional development. This is important as the agency must provide leadership in terms of building relationships and achieving outcomes on behalf of many agencies, industry partners and local communities.

It has been recognised that due to its structural model the Authority must work hard and effectively to gain a mandate to undertake leadership activities across sectors and communities.

A suggested means of achieving this could be in the development of Memorandum of Understandings with partner organisations, to ensure there is clarity and agreement on the Authority's role in delivering outcomes on behalf of the region. While MoU's do not negate the need for building strong relationships and networks, they do assist in providing clarity around agreed roles and responsibilities. This can provide confidence for the Authority in providing regional leadership.

- d) *Member Councils to identify and commit to an Action Plan for progressing priority regional projects – this commitment will include the provision of additional in-kind support to assist the Authority in progressing the Action Plan.*

A key question raised in the September Report was regarding the nature of regionalism on the north west, and whether the actual structure of the region assisted the Authority in carrying out regional development activities.

The response from other member councils and the Authority is that there can be and should be a defined Cradle Coast region, and that as nine local government areas working together many challenges can be addressed and opportunities realised.

The Futures Plan being developed by the Authority should identify these regional challenges and opportunities, and provide the means for councils to commit to these regional priorities. It may also identify sub-regional and inter-regional priorities, and the Authority and member councils should be able to recognise these as valid alternatives and seek to incorporate these initiatives into the Futures Plan.

The Futures Plan should include an Action or Implementation Plan setting out the detailed activities, responsible parties, time frames and performance indicators to be undertaken, which all member councils should commit to.

Council should also insist that other member Councils fully participate in regional activities.

The Futures Plan will require the engagement and participation of all councils through working groups, and active participation in localised initiatives. Member Councils should be prepared to commit in-kind support to assist Authority staff to carry out priority regional activities.

Participation by member Councils in Futures Plan initiatives should be reported on as part of the Authority's Annual Plan.

- e) *Implementation of actions to ensure the Authority has the capacity and capability for high level stake-holder management and project management;*

The literature on regional development agencies also highlights the need for regional development agency staff to have high levels of technical, project management and stakeholder management skills.

As noted above, this will be a critical element in achieving the Authority's outcomes, particularly around the Futures Plan.

Member Councils should encourage the Board to resource professional development opportunities and mentoring support for management staff, as well as seek partnerships with other agencies and/or member councils to second appropriately skilled staff to assist the Authority in implementing initiatives.

- f) *That member Councils, Authority Representatives, the Board and CEO develop and document clearly defined roles and responsibilities.*

A key issue identified through the September Report, and in discussions with representatives from the Cradle Coast Authority, is the need for clarity around the roles of the various parties within the Authority.

Much of the discussion at the Workshop was around the role of the Authority Representatives in providing direction to the Board on behalf of the Member Councils, and the need for their role to be clear in both communicating on behalf of, and reporting back to, their councils.

However, Council also has an expectation that the CEO's role is one of analysing the external environment for threats and opportunities, and responding quickly to them through the Board, Authority Representatives and member councils.

As was noted in the September Report, there is also a need for all parties to clearly articulate who is responsible for driving specific initiatives, and for the necessary authority to be provided to whomever is delegated this leadership role.

As John Carver notes in his writings on Governance, roles and responsibilities and delegation of authority may change depending on the initiatives or the personnel involved at any particular time. Being clear about roles and responsibilities, and the level of delegated authority, should be a priority for all parties.

Should Council accept the recommendation, it is effectively showing confidence in the Authority to be able to address Council's concerns. However by providing a timeframe, Council is expecting these issues to be addressed with some urgency.

8.0 RISK

There is a risk that the Authority or other member councils may not support Council's proposed actions, which will result in continued uncertainty about Council's involvement and the future of the Authority.

In taking the proposed action, Council is addressing the concerns of other parties within the Authority, and providing an opportunity to work together to address specific concerns. It may be during this process that the concerns of other councils which have not been openly expressed may also be identified and addressed.

9.0 CONSULTATION

Council has met with representatives of the Cradle Coast Authority in discussing its concerns.

REPORT NOTE

This report has been authored by the Acting General Manager, due to the General Manager (on leave) holding a position on the Cradle Coast Authority Board.

ATTACHMENTS

1. [CCA Letter - 14 September 2018](#)
2. [CCA Response to Report - Briefing Note 17 September 2018](#)

COUNCIL RESOLUTION**Resolution number: MO346-18****MOVED: Ald T Brumby****SECONDED: Ald S French AM****“THAT Council:**

- 1) Note the Report AO242-18 “Cradle Coast Authority – Withdrawal of Membership” from the 18 September 2018 Council Agenda; and**
- 2) Advise the Cradle Coast Authority and its member Councils of its concerns with the Authority and request the following actions be undertaken by June 2019:**
 - a) Develop and report on implementation of a plan for the support of collaborative cross-sectoral networks across the region;**
 - b) Implement structural changes to ensure greater industry engagement and leadership within the Authority;**
 - c) Complete MoU’s with industry, education and government partners outlining and agreeing to the roles of each party on progressing actions by the Authority;**
 - d) Member Councils to identify and commit to an Action Plan for progressing priority regional projects – this commitment will include the provision of additional in-kind support to assist the Authority in progressing the Action Plan.**
 - e) Implementation of actions to ensure the Authority has the capacity and capability for high level stake-holder management and project management;**
 - f) That member Councils, Authority Representatives, the Board and CEO develop and document clearly defined roles and responsibilities.”**

For: Ald R Blake OAM, Ald S French AM, Ald S Kons, Ald A Boyd, Ald R Bentley, Ald T Brumby, Ald K Dorsey, Ald C Lynch, Ald A Keygan.

Against:

CARRIED UNANIMOUSLY



14 September 2018

Mayor and Aldermen
Burnie City Council
80 Wilson Street
BURNIE TAS 7320

Dear fellow Aldermen

We are writing regarding the notice of motion for decision at your next Council meeting recommending that written notice be provided of your intention to withdraw membership from Cradle Coast Authority (CCA).

We are disappointed this recommendation has come to you without any discussion from your representatives at our CCA Representatives meeting or an opportunity to specifically discuss these matters with you at one of your workshops.

We understand we must constantly review cost of operations, expenditure and value to ratepayers within our own municipal area, however, we would like to also ask you to consider the following:

- What value do you place on a region which is strong, united and respected by government and industry?
- What value do you place on nine Councils working together on major regional projects, tourism, NRM, economic development, shared services, planning or waste management?
- What value do you place on the power of nine Councils advocating together for what matters in their region?

It is often much harder to see the bigger vision, the region as a whole instead of our own patch, but if you see any value in working regionally, then it needs your goodwill, leadership and support to make it happen. It needs all nine councils to show goodwill, leadership and to take ownership of our future.

Over the last three years we have been working to reimagine the role and purpose of the CCA and there has been significant change and progress made. There are such positive things happening in the CCA and we feel that our Councils are working together better than ever before.

We have also gained the respect of government and industry who prefer to engage with nine Councils through the CCA rather than all of us individually. If we are constantly under threat of our owners pulling out, it makes it almost impossible for our Councils, Representatives, Board, management or staff to have any confidence in the future.

CRADLE COAST AUTHORITY ABN 55 279 164 790
1-3 Spring Street | PO Box 338, Burnie Tasmania 7320
P: (03) 6433 8400 | F: (03) 6431 7014
E: admin@cradlecoast.com | www.cradlecoast.com

If the CCA is not of value for the region in the eyes of your Council, then please be part of the solution in ensuring it is. We need leaders, not leavers.

Council's \$156K contribution leverages almost \$3M from local, state and federal government for NRM, tourism and economic development. In the last 12 months, through the CCA, we have seen over 5,000 additional visitors and \$8M in economic benefit from the AMG, \$60M in state and commonwealth funding for Cradle Mountain and approximately \$10M for the coastal pathway. We do not believe that this would have been the case if we were not united.

We would ask you on behalf of the CCA Representatives Committee that you consider deferring your decision on this motion until there is an opportunity for the Chief Representative, Deputy Chief Representative, CCA Chair and CEO to attend a workshop with your Council to discuss the value of the CCA to our region.

Yours sincerely



Mayor Jan Bonde
CHIEF REPRESENTATIVE



Mayor Peter Freshney
DEPUTY CHIEF REPRESENTATIVE

BRIEFING NOTE



TO BURNIE CITY COUNCIL ALDERMEN
FROM CHAIR, CRADLE COAST AUTHORITY
DATE 17 SEPTEMBER 2018

SUBJECT RESPONSE TO COUNCIL'S CCA WITHDRAWAL OF MEMBERSHIP PAPER

ISSUE

This note addresses key issues used to support the recommendation that Burnie City Council withdraw from the CCA due to a lack of value for its rate payers.

KEY POINTS

- Council's \$156K contribution (offset by \$70K in rental from CCA) leverages \$3M in local, state & federal government contributions for regional economic development, natural resource management, & tourism/visitor economy activities
- In the 30 months under review, CCA has attracted more than \$60M in funding commitments to the region
- Council subscriptions have reduced by approximately 28% since 2014
- Financial commitments from state & federal governments for the Coastal Pathway & Cradle Mountain Master Plan have been possible because of the agreed support & solidarity across the region
- A new Corporate Plan developed in 2017 with input from industry, business, community & council leaders has provided CCA with greater clarity of expectations & roles
- The Futures Plan, to be launched in December, developed with input from regional economic development experts, industry, business & government (local, state & federal) representatives has developed the role & focus areas for CCA

ANALYSIS

The attached commentary responds to specific matters (*italicised*) in the report that are presented to support the recommendation to withdraw from the CCA.

The information demonstrates that there has been & continues to be extensive investment by CCA & councils to address historical cultural legacies & a genuine commitment to work collaboratively on issues of regional significance that cannot be addressed at a local level efficiently or effectively.

ATTACHMENTS

1. Response to Key Matters Raised in BCC Meeting Paper "CCA Withdrawal of Membership"

Responses to Key Matters Raised in BCC Meeting Paper "CCA Withdrawal of Membership"**RECOMMENDATION**

"That Council provide written notice of its intention to withdraw membership from the CCA with a withdrawal date of 31 March 2020; & to provide the following reasons:

1. Council does not believe the CCA provides value for Burnie ratepayers
 - Council's \$156K contribution, representing 0.5% of councils total expenditure, leverages \$3M from local, state & federal governments.
 - In past 12 months, \$60M in state & commonwealth funding has been attracted to the region under the CCA model.

Council does not believe the CCA model reflects best practice in regional development governance due to:

- (a) *The lack of support for collaborative networks across the region*
 - CCA works extensively with industry, business, community & government partners through formal & informal networks.
 - It is currently discussing a city deals model with the State Government.
 - CCA has developed a 1-week (24 – 28 Sept) program of activities with international expert focussed on supporting the development of business & industry networks.
- (b) *The lack of engagement by, & leadership, from industry;*
 - Industry has been consulted & engaged in the development of a new Corporate Plan (2017) & the development of the Futures Plan (2018).
- (c) *The lack of a clear mandate from the broader region & its stakeholders to undertake regional economic development*
 - Corporate Plan developed with input from industry, business, community & council leaders has provided CCA with greater clarity of expectations & roles.
- (d) *The region having few projects & initiatives where there are common benefits & costs across most of the region;*
 - The Regional Australia Institute's report (2018) prepared for CCA, identified a number of issues that could only be addressed efficiently & effectively at a regional scale.
 - CCA Representatives explored skills & education with industry at their August meeting & agreed on the need to work collaboratively.
- (e) *CCA does not have the size or scale to provide the necessary expertise to support member councils. This not only relates to technical skills but high-level project management & stakeholder management skills.*
 - CCA's lean operating model relies on the active & genuine contribution & involvement of councils to work collaboratively to address issues.
 - New Corporate Plan & Futures Plan articulate the roles & responsibilities of councils & CCA
2. *There is a lack of clearly defined roles & responsibilities between Councils, the CCA Representatives & the Board of the CCA.*
 - This has been clarified under the new CCA Rules, Corporate Plan & Futures Plan, articulating the roles & responsibilities of councils & CCA to address issues of regional significance in an efficient & effective manner.

Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

Legislative Commitments (page 3)

- Under Clause 54 (7) of the Rules, Council may be required to pay a "Withdrawal Contribution Amount" being Council's agreed proportion of any estimated net liabilities as at the effective withdrawal date.*
- It is very possible that the withdrawal of council will result in the demise of CCA.
 - Under this clause & scenario, councils will be responsible for significant liabilities including loan for renovations, contractual obligations & employee entitlements (contracts etc).

Financial Impact (page 4)

- Council could explore entering into an arrangement with the CCA to continue to support the Cradle Coast Tourism Executive by continuing to contribute its proportion of the \$160,000 (approximately \$30,000). This amount is currently included in Council's annual contribution.*
- It is very possible that the withdrawal of council will result in the demise of CCA.
 - A new organisation would need to be created to undertake tourism & NRM activities resulting in significant establishment costs & short to medium term impact on the delivery of services.

Discussion (page 5)

"Council reviewed 30 months of Board meeting minutes from July 2015 to December 2017, to gain an overview of the regional development issues & projects being considered by the CCA over that time.

Implemented with some success

1. Australian Masters Games ➤ AMG drew 5,000 visitors & over \$8M in economic benefit along with significant exposure for the region.
2. Destination Action Plans ➤ Developed for 9 local government areas.
➤ Common theme areas are being addressed by CCA.

Completed with some input

3. Coastal Pathway Plan ➤ Engineering investigation completed addressing outstanding issues & making remaining sections development ready.
➤ Attracted \$15M commitments including \$4M for Wivenhoe to Heybridge section.
4. Cradle Mountain Master Plan ➤ Member of Heads of Agency Project Control Group.
➤ Attracted \$60M in state & federal funding.
5. Sustainable Murchison Plan ➤ Advisor & participant in development of Plan.

Completed with no outcome

6. Regional Events Strategy ➤ Completed & presented to councillors & aldermen on 18 July 2018 & agreed on the need to collaborate.
➤ Workshopped with GMs on 9 August 2018 with agreed outcome including events working groups for council officers.

17 September 2018

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Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

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| 7. <i>Shared Services Review</i> | <ul style="list-style-type: none"> ➤ Project managed in accordance with MoU between State & Councils. ➤ Workshopped opportunities with GMs on 3 May 2018 |
| 8. <i>Sister City Relationships</i> | <ul style="list-style-type: none"> ➤ Deferred following State Government delays & withdrawal of financial support. |
| 9. <i>Industrial Land Strategy</i> | <ul style="list-style-type: none"> ➤ Completed & with Councils. |
| 10. <i>Commuter Network</i> | <ul style="list-style-type: none"> ➤ Completed but unable to get support from Government to operate & maintain. |
| 11. <i>Visitor Services Review</i> | <ul style="list-style-type: none"> ➤ Completed with actions within CCA control implemented. ➤ Key reform initiatives not supported by councils. |
| Progressing slowly or no progressing at all | |
| 12. <i>Winter Events Strategy</i> | <ul style="list-style-type: none"> ➤ Merged with Regional Events Strategy (completed). |
| 13. <i>Regional Economic Development Strategy</i> | <ul style="list-style-type: none"> ➤ Ongoing with \$80K Australian Government support. ➤ To be launched in December 2018. |
| 14. <i>Industry Briefings</i> | <ul style="list-style-type: none"> ➤ Briefings to Representatives have been provided over last 18 months by John Perry (Coordinator General), Robbins Island Renewable Energy Project, Battery of the Nation (x2), NBN, Planning Reforms, Skills & Education (UTas, TasTAFE, Beacon, Dept of Education), Tas Liberal & Labor leaders in lead up to state election. ➤ December briefing will focus on visitor economy with Premier/Minister for Tourism, TTas CEO & TICT CEO attending. |
| 15. <i>Regional Truck Wash Facility</i> | <ul style="list-style-type: none"> ➤ Agreed at meeting in 2015 that BCC would lead. |
| 16. <i>Cruise Ships</i> | <ul style="list-style-type: none"> ➤ Facilitated industry education workshops & meetings with cruise ships operators. ➤ Coordinated & led "famils" for cruise ship representatives. |
| 17. <i>NBN</i> | <ul style="list-style-type: none"> ➤ Advocated for better NBN including to Senate Inquiry as well as working with industry groups to assist developing hubs for specific business areas. ➤ Conducted industry workshop with the Australian Computer Society on 21 August 2018. |
| 18. <i>Education Strategy</i> | <ul style="list-style-type: none"> ➤ Representative's last meeting explored opportunities for regional response. ➤ Will be further workshopped as part of cluster week. ➤ Education & skills are the first focus area of the Futures Plan. |
| 19. <i>UTAS Development</i> | <ul style="list-style-type: none"> ➤ UTas NW Advisory Board member. ➤ Provided support & advocacy in various forums & meetings. |
| 20. <i>Tourism & Employment Plan</i> | <ul style="list-style-type: none"> ➤ Unsure of what this is |

Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

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|-----------------------------------|---|
| 21. Cradle to Coast Tasting Trail | <ul style="list-style-type: none"> ➤ Auspiced by CCA with financial, administrative & project support. ➤ Working closely with C2CTT on planning for \$200K grant. |
| 22. Tourism Product Development | <ul style="list-style-type: none"> ➤ Addressed in new Destination Marketing & Management Strategy. |

"The literature also suggests that there are a number of issues that are critical to the success of regional development agencies. These are:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Regional economic development must be driven by, & have the full engagement of, business & industry | <ul style="list-style-type: none"> ➤ Futures Plan has involved extensive discussion & input from the region's industry, business & community leaders. ➤ Futures Plan Advisory Group, overseeing the development of the Plan, comprises representatives from state & federal government agencies, UTas, industry & business bring issues & matters to the table for discussion & input from their networks. |
| <ul style="list-style-type: none"> • The development agency requires a clear mandate to undertake activities | <ul style="list-style-type: none"> ➤ Corporate Pan developed with input from industry, community & council representatives clarifies expectations & role of CCA. ➤ Futures Plan & other activities since then, including numerous industries & skills development workshops, have reset the CCA's scope in line with agreed new mandate. |
| <ul style="list-style-type: none"> • A development agency should encompass the region within which the benefits & costs fall | <ul style="list-style-type: none"> ➤ The demise of CCA would mean that there was no agency encompassing the region that was able to represent councils' interests with government on issues of regional significance. |
| <ul style="list-style-type: none"> • The agency must have a clear understanding of local needs & preferences | <ul style="list-style-type: none"> ➤ As part of the Futures Plan, the Regional Australia Institute & local demographer, Amina Keygan Consulting, have investigated current & emerging needs & preferences for the region. |
| <ul style="list-style-type: none"> • The agency must have the scale & resources to employ expert staff" | <ul style="list-style-type: none"> ➤ This is an issue which is addressed by engaging skills appropriate to the needs at the time required. For example, with the Futures Plan about to be launched, a new Industry Manager has been recruited to replace current manager responsible for developing the Plan. |

Collaborative Relationships across the Region (page 6)

"In almost all research on successful regional development agencies, the common feature the strength of collaborative cross-sectoral relationships based on trust & cooperation.

Successful development agencies;

- | | |
|--|---|
| <ul style="list-style-type: none"> • facilitate & build robust relationships; | <ul style="list-style-type: none"> ➤ MoUs with UTas, National Park Services & Tasmanian Aboriginal Council. ➤ Discussing formalised agreement with State Government under a city deal approach. |
|--|---|

Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

- *coordinate activities at a multi-sectoral & multi-agency scale;*
 - To coordinate activities & agencies, the Futures Plan identifies the respective roles & responsibilities (governance) required to support regional economic growth.
- *collect, collate, analyse & disseminate information*
 - CCA has an economic & community profile subscription that collects & analyses information.
 - Regional Australia Institute's report (2018) prepared for CCA analysed current & emerging national & international trends & implications for region to be addressed in Futures Plan.
- *Consolidates relationships*
 - MoUs with stakeholders have consolidated roles & responsibilities for addressing key challenges & issues for the region.
- *Provides opportunities for informal networking"*
 - CCA hosts a range of networks between council officers (ED, finance, tourism, EA & NRM) along with business & industry.
 - CCA's NRM & Tourism committees provides networks into key aspects of the region's economy.

Industry Leadership (page 7)

The literature review also suggests that regional economic development must be primarily driven by industry, often in collaboration with the university or knowledge sector.

The industry sector is not well represented on the Board of the Authority, & there has been little evidence until the recent work on the Futures Plan, of engagement with industry.

- Development of the Futures Plan has involved extensive liaison with industry.
- CCA has & is brokering a new MoU with UTas to formalise its contribution to the development of the region.
- CCA Board had industry representative until mid-2017 when the Director's term expired & it was agreed with Representatives to defer recruiting until after the Rules review was completed & the Futures Plan was further advanced with clarity of focus areas to ensure that the vacancy supported CCA's objectives.

Regional Mandate (page 8)

"A key issue raised through the literature review is the need for regional agencies to have a mandate to undertake the work of regional development. This is important as the agency must provide leadership in terms of building relationships & achieving outcomes on behalf of many agencies, industry partners & local communities."

- Corporate Plan developed with industry, community & council participation has provided a mandate for CCA to address issues that will improve the current & future prosperity of the region, tackling issues of regional significance not already being addressed by other agencies or opportunities to scale-up existing initiatives.
- Futures Plan has been designed to identify these issues & is being managed by an Advisory Group comprising representatives from industry, community & government (local, state & federal) providing expert input & conduit for broader industry networks.

Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

- "A key issue for the CCA is that it has no formal mandate across the broader region to undertake its work. Unlike all other tiers of government, the Cradle Coast CCA Board is not elected, & therefore not representative. "
- This is not a flaw, but a virtue of the model recognised by Government for its independent & professional Board of Directors.
 - Feedback from Government is that this approach is favoured for significant issues & projects.
- "Unlike most Council's, the CCA does not have the depth of networks or relationships, to engage with those stakeholders in a meaningful way. As the CCA has no formal mandate to govern or achieve the proposed outcomes, it must rely on its ability to persuade others to partner with it, or to be invited by others to facilitate activities. This requires a high degree of leadership, stakeholder engagement & diplomacy which to date appears to be a weakness of the Authority."
- CCA is a vehicle to support councils on issues of regional significance.
 - Under CCA's lean operating model, it relies on Council's local networks to work effectively & efficiently. This approach requires a mature & genuine commitment to collaboration & partnership by council partners.
 - Until the CCA's mandate was agreed with Representatives, on behalf of their Council's, in 2017, CCA did not have a clearly articulated purpose, other the ad-hoc projects, on which to engage & advocate stakeholders on behalf of the region.
 - Futures Plan provides CCA with an evidence-based understanding of the current & emerging issues that need to be addressed to support the economic development of the region.

Benefits Vs Costs (page 8)

"There would appear to be very few initiatives that have a full "regional" benefit; or where the costs of a particular project are seen to be of benefit the entire region. There are numerous examples of this over the recent history of the Authority.

- Devonport Council's "Living City" initiative not being viewed by the CCA as a regional project;
 - In August 2014, the Living City Project was agreed & has been supported since, as a project of regional significance with CCA providing letters of support & media releases.
- Circular Head & Waratah-Wynyard Council's Bass Highway upgrade not promoted by the CCA as a significant regional project during the State election;
 - Councils nominate projects of regional significance via Representatives meetings or to the CCA for discussion at a Representative's meeting.
 - This project was not nominated by the respective councils for the State or Federal By-Election.
 - It was presented to Representatives at August 2018 meeting & agreed to be an issue of regional significance.
- Burnie City Council's desire to share the costs of supporting Cruise Ships not seen to be of enough value to other councils to justify them contributing to the cost of this support.
 - It is understood that BCC's decision not to support the provision of a financial commitment for the Cultivate proposal was an issue that influenced the decisions of councils.

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Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

- *There appears to be little relationship between various areas of the north west due to the different economic drivers & the lack of resident movement between these areas; particularly for employment activities.*
 - Whilst there are defined sub-regional labour markets, the region is highly interactive with regard to trade & the transfer of commodities.
 - For example, timber products produced in the Circular Head area are exported via Devonport. Mining products from the West Coast are exported from Burnie. The success or otherwise of each is interdependently linked.

Understanding of Local Needs & Preferences (page 10)

"The CCA currently has few mechanisms to capture & analyse local industry & community needs."

- CCA uses a range of means to capture information & intelligence. Through networks such as the Chambers of Commerce (CCA hosts a quarterly joint meeting with the three Presidents along with CEO being on the Devonport CoC Executive until July 2018) it receives information on local business, it has been closely involved with Switch (Cradle Coast Innovation) supporting "business pitch" forums & information sessions, hosts economic development & tourism staff from councils to discuss issues & attends a large number of community & business network events.
- CCA uses an online economic & community profile service to analyse data & trends.

"The issue for the CCA is the significant resourcing required to capture & analyse local needs, & then to resource a response to these needs."

- Agreed
- To avoid unnecessary duplication of resources (with extra \$\$) across the region, CCA relies on councils to provide local intelligence via its meetings with council officers, General Managers, Representatives & community/business groups.

Roles & Responsibilities (page 11)

"Of real concern to Council is the lack of clarity around roles & responsibilities between Councils, the CCA Representatives & the CCA Board."

The Representatives passing a Motion at its August 2017 meeting for the Board to explore a regional funding model for Cruise Ships. This Motion was not actioned until Council followed up with the CCA in February 2018.

- CCA was in contact with BCC during October with concerns that there was not sufficient support for financial assistance & that further information was required.
- Tourism Tasmania was invited & presented information on the economic benefits & opportunities for the region at the November Reps Meeting.
- A meeting was scheduled with BCC officer in December but deferred when CCA officer admitted for emergency dental surgery with subsequent meeting date delayed due to competing diaries of BCC & CCA officers.

Response to Burnie City Council Meeting Paper "CCA Withdrawal of Membership" (18 Sept 2018)

There was some confusion about who was leading the Cradle Coast Shared Services Project, with some councils believing this was the role of the Authority, while the CCA believed it was facilitating the completion of a report & believed the Councils were leading this project;

- CCA fulfilled its role in accordance with the Memorandum of Understanding between the State Government & Councils that required it to coordinate the project.

At a Representatives meeting in May 2018, Hydro Tasmania provided an overview of the Battery to the Nation initiative. This project will require public & private investment of over \$5 billion & result in 3,000 jobs, primarily in the north west. This initiative has been closely linked with national energy legislation as a key enabler. However, despite the significance of this project to the region, no further action was taken by either Councils, the Representatives or the Board of CCA to assist this project to progress. This was despite the clear connection between the project & the passage of the National Energy Guarantee legislation, & most of the region being part of the Braddon by-election where this could have been a major issue."

- CCA in discussion with Minister Barnett's office provided a letter of support & media release in the lead up to discussions re the National Energy Guarantee.
- CCA received a letter of gratitude from the Minister's office for its assistance & support.

AO272-18 NON AGENDA ITEMS

In accordance with the requirements of Regulation 8(5) of the *Local Government (Meeting Procedures) Regulations 2015* a matter may only be discussed at a meeting if it is specifically listed on the agenda of that meeting.

Council by absolute majority may decide at an ordinary meeting to deal with a matter that is not on the agenda if the General Manager has reported:

- (a) the reason it was not possible to include the matter on the agenda; and
- (b) the matter is urgent; and
- (c) that advice has been provided under section 65 of the *Act*.

There were no non agenda items.

There being no further business the Mayor declared the Meeting closed at 7.09pm.

CERTIFICATION OF MINUTES AS A TRUE RECORD

These minutes are confirmed as an accurate record of the Special Meeting of Burnie City Council held on 2 October 2018.

Confirmed:



Andrew Wardlaw, GENERAL MANAGER

Confirmed:



Alwyn Boyd, MAYOR