

## **SUBMISSION**

### **LOCAL GOVERNMENT AMENDMENT (REGIONAL SUBSIDIARIES BILL) 2010**

This submission has been prepared by the Forum of Regional Councils (FORC) whose membership consists of the five metropolitan Regional Councils and the City of Greater Geraldton.

FORC is a voluntary alliance whose purpose is to focus on waste management processing and disposal issues that relate directly to members. FORC member Councils serve a total population of around 1,350,000 people and collect around 900,000 tonnes of Municipal Solid Waste (MSW) for processing and disposal annually.

The Forum of Regional Councils is supportive of the principles contained within the Amendment Bill however believes that if the principles were applied to Regional Local Governments, as currently provided for in Division 4 of the Local Government Act 1995, the same outcomes could be achieved. In fact many of the benefits provided for in the Amendment Bill address issues which have long been an impediment to the efficient running of Regional Councils. This is particularly so in relation to the onerous compliance burden faced by Regional Councils. The ability to appoint independent board members with particular expertise may have appeal to some Regional Councils dealing with particular functions of a complex nature.

The Forum of Regional Councils would ask consideration is given to:

- The intended legal status of Regional Subsidiaries given that s3.62 of the Local Government Act states that a Regional Council is a body corporate and no such statements to this effect are made in relation to Regional Subsidiaries in the Bill.
- Guidelines being in place to assist the Department of Local Government in recommending a Regional Subsidiary over a Regional Council or vice versa.
- Extending the scope of the Bill to allow two (2) or more Regional Councils to be able to form a Regional Subsidiary.
- The operation of Regional Subsidiaries relies on both regulation and a charter. Neither of these are known at this time. This could lead to significant variation if left solely to those preparing the charter. There is a preference for a greater part of these matters to be in the legislation, for example: winding up provisions, annual returns and the important governance rules.
- There has been some reference to the Bill being similar to South Australian legislation. It is the understanding of the Forum of Regional Councils that this is not necessarily the case.
- The development of this Private Member's Bill, because of the content, is very important to Regional Councils and may benefit by being government led.

In conclusion, I would reiterate that FORC is generally supportive of the thrust of this Bill and with some modifications (addressed above) could have application to our members.