



Review of Regional Governance Frequently Asked Questions and Answers

12 August 2013

The Northern Territory Government is committed to delivering a stronger local voice and quality services in regional and remote areas of the Northern Territory.

The review of local governance in regional and remote areas aims to make sure people living in regional and remote areas have a strong voice in local government and other government programs.

Since their formation in 2008, the shire councils have made strong progress in delivering remote services with sound management and strong accountability.

However, it is acknowledged that many residents feel disconnected from their shire councils and more needs to be done to strengthen the connections between the councils and their constituents and to improve council transparency and accountability to local residents.

What are the timelines for the review of regional governance?

Between November 2012 and March 2013, the Regional Governance Working Group developed a public discussion paper - "Options for Regional Governance in the Northern Territory". This was publicly released on 12 March 2013.

A three-month public consultation on the discussion paper occurred from 12 March to 21 June 2013.

A report on the consultation feedback - "Review of Regional Governance: Final Consultation Report" was published in August 2013.

A Bill to amend the *Local Government Act* is planned to be introduced in the August 2013 Legislative Assembly Sittings.

Consideration of the Local Government Amendment Bill is planned to occur in the October 2013 Legislative Assembly Sittings.

The Administrator's assent of the amended Act is expected to occur in November 2013.

The Minister has instructed the Department to undertake a stage 2 review which will address the sustainability of current and alternative regional council boundaries and operating methods. The report will be submitted for Government consideration by January 2014.

What are the results of the community consultation on the discussion paper "Options for Regional Governance in the NT"?

Community feedback has suggested that:

- There needs to be much stronger communication between councils and local residents. Many local people feel they aren't being told what council is doing and are not being listened to about what they need
- There needs to be more local input to council decision making
- There needs to be clear information provided about council programs, projects and spending in local communities
- There are too many local consultation groups with all levels of government and this is causing exhaustion and confusion
- Governments should channel all community consultation through the proposed Local Authority
- There is not enough local management and apparent responsiveness to requests for minor repairs and maintenance of roads and other council infrastructure and responses are slow
- Councils could provide more help with personal support services like assisting with completing official forms or collecting firewood for elderly residents. Community feedback has been that these services could be provided on a fee-for-service basis
- Councillors and members of the proposed Local Authority need more support to perform their local government roles effectively
- Members of the proposed Local Authority should receive an Allowance for their contribution to Local Authority business
- No new councils should be set up until it is clear that they can be shown to be sustainable within an agreed framework.

What changes are proposed to the *Local Government Act*?

The Government plans to amend the *Local Government Act* to introduce a new form of local government council which will be called Regional Councils.

The Government plans to transfer the regional and remote shire councils (MacDonnell, Central Desert, Barkly, Roper Gulf, Victoria Daly, East Arnhem, West Arnhem and Tiwi Islands shire councils) into this new form of council.

These councils will become Regional Councils. (The current small shire councils at Coomalie, Belyuen and Wagait will remain as shire councils.)

Regional Councils will be required by the legislation to establish Local Authorities in locations where the Minister determines. It is expected that over 60 Local Authorities will be established under the revised legislation.

The Minister for Local Government will issue Ministerial Guidelines that will set out the processes for establishing and conducting the business of the Local Authority. It is proposed that Local Authorities meet at least six times per year.

The proposed Ministerial Guidelines will be issued as a draft for public and stakeholder comment.

What is a Regional Council?

The Regional Council is a new form of local government that is designed to put community-level planning and service delivery at the forefront of council business. Planned amendments to the *Local Government Act* will require Regional Councils to establish Local Authorities in locations that are specified by the Minister for Local Government by Gazette notice. Currently the *Local Government Act* states that shire councils “may” establish local boards.

The Minister will approve Ministerial Guidelines that will set out the process the Regional Councils must follow in establishing, supporting and reporting to each of its Local Authorities. The current legislative framework does not specify how local boards operate. Some local boards have only met once in the last twelve months and some have not met at all.

As a first step, council boundaries will not change but the roles and responsibilities of elected councillors and Local Authority members will.

It is planned that the Minister for Local Government will issue Ministerial Guidelines that will require:

- The Local Authority to meet at least six times per year
- The Regional Council to consider the minutes of each Local Authority meeting at the next available meeting of the Regional Council
- The Local Authority to participate in the development of its community plan, the Regional

Council plan, and the setting of the Regional Council’s budget priorities

- The Regional Council budget to identify expenditure at the community level
- The Regional Council to allocate specific funds for each Local Authority to be spent on activity areas determined by council policy and in accordance with the minuted recommendations of each Local Authority as approved by the Regional Council
- The Regional Council financial statements to include a Note on the budget for each Local Authority area or community
- The Regional Council annual report to include information on local projects and service delivery.

What is a Local Authority?

It is proposed that each Local Authority will consist of the elected Regional Councillors from the relevant council area (council ward) and nominated community members.

Most community feedback has been that people want to decide on the members of their Local Authority through discussion and consensus rather than by an election.

The Regional Council would consider the nominations and confirm the members of the Local Authority. One of the regional councillors will be appointed to be the Chair of the Local Authority.

It is proposed that the Ministerial Guidelines will require the agenda for Local Authority to include as a minimum:

- The Regional Council’s response to matters raised at the previous Local Authority meeting
- The Regional Council’s report on council services in the Local Authority area
- A report on the Local Authority’s specific budget allocation
- A report on the response to complaints received by the Regional Council concerning services delivered in the Local Authority area
- Visitor presentations.

It is proposed that ordinary members who are not otherwise paid to participate in Local Authority meetings will receive an Allowance that will be paid by the Regional Council. It is expected that Regional Council staff and Northern Territory government staff who are members or participate in Local Authority meetings will be paid by their employer and will not receive an additional allowance.

The draft Ministerial Guidelines will be released for public comment and the Department of Local Government will consult the local government sector and the community on suggested amendments and practical implementation.

What are the next steps?

The draft Ministerial Guidelines for the establishment and operation of Local Authorities will be released for public comment. The Department of Local Government will consult with the local government sector and other community stakeholders concerning suggested amendments and practical implementation of the draft Ministerial Guidelines.

A Bill to amend the *Local Government Act* will be introduced into the Legislative Assembly during the August 2013 sittings.

It is anticipated that the amendment Bill will be debated in the Legislative Assembly during the October 2013 sittings and come into effect by November 2013.

In November and December 2013, it is anticipated that the Minister for Local Government will establish eight Regional Councils and specify the locations at which (more than 60) Local Authorities will be established. It is anticipated that the inaugural meetings of newly established Local Authorities will commence being held early in 2014.

The Minister has instructed the Department to undertake a stage 2 review which will address the sustainability of current and alternative regional council boundaries and operating methods. The report will be submitted for Government consideration by January 2014.

Who will decide what improvements are made to regional governance?

The Minister for Local Government will make the final decision about how to improve local government and the services it delivers in regional and remote areas.

The Minister has instructed the Department of Local Government to consult with councils and community stakeholders on the specific Guidelines that will apply to councils under the revised *Local Government Act*.

Are council boundaries going to change?

No changes will be made to council boundaries without further consultation with the community residents and key stakeholders.

It is clear from public consultation that community members and stakeholders are concerned to ensure that the Government does not simply establish new bodies that are set up to fail.

The Department of Local Government will be doing detailed work in this area and reporting back to government by January 2014.

Any proposed boundary changes will be the subject of further consultation and subject to a detailed financial analysis.

What impact will the changes have on funding?

The NT Government has increased the total NT Operational Subsidy to shire councils by \$5 million per year starting in 2013-14. Some of this increase in funding will be required to support the establishment and operation of Local Authorities that will increase the strength of the "local voice" in regional and remote local government councils.

Any future arrangements that impact on funding will be implemented in a managed way to allow councils adequate time to plan.

Will services to the communities be interrupted?

No. Implementation of future council arrangements will be appropriately timed to ensure continuity of services.

Will contractors of the shire councils be affected?

There are no immediate changes to council boundaries and existing contracts will continue.

Implementation of future council arrangements will be carefully considered with appropriately timed implementation to minimise impact on service delivery, local businesses and community residents.

How are Regional Councillors Selected?

The Regional Councillors will be elected like they are now. For the first Regional Council, the currently elected councillors will continue in this role.

The Regional Councillors would be automatic members of the Local Authority (or Authorities if there is more than one) for the area they represent on council. A Regional Councillor from the relevant area will become the chair of each Local Authority.

What are Local Authorities?

Local Authorities are planned to consist of Regional Councillors from the relevant council area – one of who would be the chair – and such other members as are nominated by the local community and endorsed by the Regional Council.

The planned Ministerial Guidelines that will apply to Local Authorities are designed to give communities more say in the long term plans and budget for their community, provide a reference point for community members to bring up matters that are important to the community, deal with urgent issues and act as a conduit to the Regional Council. The Department of Local Government will be consulting on the draft Ministerial Guidelines for local authorities.

It is also proposed that the Local Authority will become the sole community voice for consultation with Northern Territory Government Agencies. The Northern Territory Government will encourage the Commonwealth Government to operate in the same manner.

Do Local Authorities provide services?

Council services will be managed and delivered by the Regional Council. The proposed Ministerial Guidelines introduce a requirement for the Regional Council to allocate specific funds for each Local Authority area to be spent on activity areas determined by council policy and in accordance with the minuted recommendations of each Local Authority. The final accountability for this spending would be with the Regional Council.

Services delivered by the Regional Council will continue to be delivered by council staff in the Local Authority area.

How are Local Authorities different to Local Boards?

Local Authorities will be mandated to be established in locations specified by the Minister. Local Boards are currently not mandated.

Local Authorities will be guided by Ministerial Guidelines that set out the processes for their establishment, operations, and reporting and the ways in which the Regional Council must report to the Local Authority. There are currently no Ministerial Guidelines applying to Local Boards.

The Department of Local Government will be consulting on the draft Ministerial Guidelines for local authorities.

How are Local Authority members selected?

The community consultation in March-June 2013 showed a strong community preference for the Local Authority membership to be determined by a process of community discussion and consensus rather than by election.

The draft Ministerial Guidelines outline a process for establishing the membership of Local Authorities that is based on community nomination and council endorsement. The Department of Local Government will be consulting on the draft Ministerial Guidelines for local authorities.

Will the Local Authority have any money to provide services to the community directly?

The proposed Ministerial Guidelines introduce responsibility for the Local Authority to manage an allocated budget to spend in the Local Authority area. The final accountability for this spending would be with the Regional Council.

Council services will be managed and delivered by the Regional Council.

Will there have to be another election?

For the first Regional Council, the currently elected councillors will continue in their role.

The councillors will be supported by the Department of Local Government to work in the new model with strong Local Authorities.

How will these changes improve council's services and benefit the community?

The NT Government wants local government councils to be more responsive and more connected with people. The NT Government wants to see more input and more decisions being made at the local level.

Will councils have enough money to provide services?

In the 2013/14 NT Budget, the Government has increased the NT Operational Subsidy to shire councils by \$5 million per year. This increase in the NT Operational Subsidy is more than adequate to offset the anticipated costs of restoring the "local voice" to regional and remote local government, as well as to provide additional funds to contribute towards financial sustainability.

How can I find out more information?

To find out more visit www.yourcouncil.nt.gov.au