

Hunter Joint Organisation Board Meeting Minutes

11:00 – 12:30pm, Thursday 11 July 2019

HJO Board Meeting Room, 4 Sandringham Ave, Thornton NSW

Voting Directors Present

Cr Bob Pynsent,	Cessnock City Council (Chair)
Cr Tracy Norman,	Dungog Shire Council
Cr David West,	MidCoast Council
Cr Sue Moore,	Singleton Shire Council
Cr Ryan Palmer,	Port Stephens Council
Cr Wayne Bedggood,	Upper Hunter Shire Council
Cr Loretta Baker,	Maitland City Council
Cr Martin Rush,	Muswellbrook Shire Council

Non-Voting Members Present

Steve McDonald,	General Manager, Upper Hunter Shire Council
Coralie Nichols,	General Manager, Dungog Shire Council
Morven Cameron,	CEO, Lake Macquarie City Council
Adrian Panuccio,	General Manager, MidCoast Council
Fiona Plesman,	General Manager, Muswellbrook Shire Council
Jason Linnane,	General Manager, Singleton Council
Stephen Glen,	General Manager, Cessnock City Council
Steven Wills,	Regional Director, Dep't of Premier & Cabinet
David Evans,	General Manager, Maitland City Council
Wayne Wallis,	General Manager, Port Stephens Council

Apologies

Cr Nuatali Nelmes,	Newcastle City Council
Cr Kay Fraser,	Lake Macquarie City Council
Jeremy Bath,	CEO, Newcastle City Council

Staff in attendance

Joe James, CEO, Hunter Joint Organisation

Graham Dean, Manager Finance & Administration, Strategic Services Australia

Steve Wilson, Director (acting), Environment Division, Strategic Services Australia

Louisa Bulley, Executive Assistant to the CEO

Observers

Virginia Errington, Office of Local Government

Item 1 Welcomes and Apologies

The Chair welcomed the members to the meeting, and noted the apologies.

Resolved:

- ***That the apologies be noted.***

Moved: David West

Seconded: Ryan Palmer

Carried.

Item 2 Minutes of Previous Meeting

The minutes of the meeting of 9 May 2019 and 6 June 2019 were noted.

Item 3 Confirmation of Minutes & Business Arising from Minutes

Resolved:

- ***That the minutes of the previous meetings of 9 May 2019 and 6 June 2019, be adopted***

Moved: David West

Seconded: Sue Moore

Carried.

Item 4 Presentations

4.1 AGL Transition: *Amer Hussein of AGL and Richard Bush of the University of Newcastle provided a presentation on plans for guiding economic transition in the Upper Hunter.*

4.2 Introduction to Warrick Jordan: *Warrick Jordan provided a quick introduction as the new Hunter Employment Facilitator for the Australian Government Department of Employment, Skills, and Small and Family Business.*

Item 5 Correspondence

The correspondence was taken as read.

Item 6 Reports

6.1 CEO Report

The report was taken as read. The CEO provided a short verbal update to accompany the report, including noting that a report will be brought back to the Board providing a draft 'Plan of Advocacy' regarding Intergovernmental Partnerships.

6.2 Financial Reports YTD May 2019

The report was taken as read.

Resolved:

- ***That the financial reports be noted.***

Moved: Martin Rush

Seconded: Coralie Nichols

Carried.

6.3 Re-Submission of Draft Joint Organisation Budget 2019-20

The report was taken was read. The Board noted that with adoption of the budget no further communication has yet been received regarding future State Government funding for Joint Organisations.

Resolved:

- ***That the 2019-20 Draft Budget for the Hunter Joint Organisation, as presented in these papers, be adopted on the proviso that a budget review process be undertaken by 31 Dec 19 with the view of re-submitting to this Board a Revised Budget forecasting a balanced result for year ended 30 June 20.***

Moved: David West

Seconded: Sue Moore

Carried.

6.4 Inter-entity "Loan" Account between SSA & HJO

The report was taken as read. The CEO provided a short verbal update to accompany the report, noting that a strategic investment process, conceptually similar to the process being undertaken by the operating divisions of Strategic Services, will also be undertaken over the next six months.

Resolved:

- ***That the Boards of SSA and HJO approve the use of a "loan" account between the respective entities and the payment of interest be paid at the rate 0.2% less than the going rate in the cash management account (currently 2.35%), calculated on monthly average balance.***
- ***Further, that the Board ratify the payment of interest for the year ended 30 June 2019 of \$4,596.44 by SSA in favour of HJO.***

Moved: Loretta Baker

Seconded: Ryan Palmer

Carried.

Item 7 Matters Raised by Voting & Non-Voting Members

7.1 November Meeting of Hunter JO Board

Cr Tracy Norman provided a short verbal update to accompany the papers. The Board discussed delegation of authority to the CEO to accept invitation such as that from Minister Hancock in consultation with the Chair, rather than waiting until to next Board Meeting to review.

Resolution:

- ***That the invitation of the Minister be accepted.***

Moved: Tracy Norman

Seconded: Sue Moore

Carried.

7.2 Underground Petroleum Storage Systems Submissions

The CEO provided a short verbal update to accompany the submission provided by the Environment Division. Coralie Nichols spoke to the possibility of needing to delay transfer of ownership of UPSS until more clarity can be provided on the transition.

Resolved:

- ***That the Hunter JO Board note their support for the submission***
- ***That a copy of the submission be sent to the Minister for Local Government as an additional action***

Moved: Sue Moore

Seconded: David West

Carried.

7.3 Emergency Services Levy

Cr Tracy Norman provided a short verbal update to accompany the report, noting that this matter had been discussed by the Country Mayors Association. Cr Ryan Palmer noted that this matter had also been raised at the most recent Chairs & Executive Officers of Joint Organisations meeting, with a similar resolution put forward for adoption.

Resolved:

1. ***That the Hunter Joint Organisation notes that in December 2019, the NSW Government enacted laws to provide better workers compensation coverage for firefighters who are diagnosed with one of twelve specific work-related cancers***
2. ***That the Hunter Joint Organisation support this expanded workers compensation scheme;***
3. ***That the Hunter Joint Organisation notes that the NSW State Government has decided to implement the new scheme by charging local governments an increased Emergency Services Levy, without consultation;***
4. ***That the expected increase in costs to local governments will be \$19m in the first year alone, and that there was little or no time provided to enshrine this charge in the preparation and public exhibition of Council's 2019/2020 budgets;***
5. ***That the Hunter Joint Organisation requests that the NSW Government cover the initial additional \$19m increase to local governments for the first year;***
6. ***That the Hunter Joint Organisation seek that the NSW State Government work with NSW local governments to redesign the funding mechanism for the scheme to ensure fairness into the future.***
7. ***That the Hunter Joint Organisation join with Local Government NSW in writing to the NSW Premier and NSW Opposition Leader, NSW Minister for Customer Services, NSW Minister for Emergency Services, Minister for Local Government and Shadow Minister for Local Government, and local state member/s to:***
 - 7.1. ***explain how this sudden increase will impact council services / the local community of member councils;***
 - 7.2. ***highlight that councils were not warned of the increased cost until May 2019, despite the new laws being passed in November 2018***

- 7.3. advise that the poor planning and implementation of the increase is inconsistent with the Government's commitment to work in partnership with the sector, and that consultation on budgets of NSW Emergency Services, or justification of the 11.7% required of member councils, be provided to provide transparency**
- 7.4. requests that the NSW Government cover the initial additional \$19m increase to local governments for the first year**
- 7.5. That the Hunter Joint Organisation write to the Premier requesting that the Department of Premier and Cabinet and the Independent Pricing and Regulatory Tribunal be directed to investigate the current Emergency Services arrangements in NSW including the efficiencies and effectiveness to be gained by such an investigation**

Moved: Tracy Norman

Seconded: David West

Carried.

7.4 Economic Transition

The report was taken as read. Stephen Wills advised that a lot of work is being done in relation to economic transition in Commonwealth and State Government currently, and that 'Resources for Regions' funding should be explored for this kind of initiative.

Resolution:

That the Hunter Joint Organisation:

- 1) continues to prioritise a resilient and diversified economy;**
- 2) acknowledges that Regional economic transition is underway and that transitions are best managed by early planning and by building strong and coordinated partnerships;**
- 3) notes and supports the establishment of an Australian Transitions Academy to be launched in the Hunter;**
- 4) gives in-principle support to initiating a National Foundation for Economic Transition in partnership with identified and other Regional stakeholders;**
- 5) seeks advice from the Chief Executive on a governance framework, likely budget, the quantum and likelihood of financial support from identified and other stakeholders, and opportunities for providing support – including in-kind support – for establishing a National Foundation for Economic Transition;**
- 6) establishes a Standing Committee on Regional Economic Transition (the Committee). Such Committee to have the function of;**
 - (a) providing a standing forum for engagement with key Regional stakeholders and the State and Federal governments on Regional transition,**
 - (b) mapping the Region's transition ecosystem and identifying gaps and opportunities for further collaboration and partnership,**
 - (c) providing a working group for the establishment of a National Foundation for Economic Transition;**
 - (d) making such recommendations concerning Regional transition as it considers appropriate; and**
 - (e) exploring opportunities for external grant funding or other in-kind or other support.**

7) That for the purposes of such Committee,

- (a) The Committee be constituted by a representative from each Member Council provided that an intention to nominate for a position be received by the Chief Executive by no later than 5:00pm 18 July,**
- (b) The Chair of the Committee be the nominee, from time to time, of the Chair of the Hunter Joint Organisation or as otherwise determined by the Hunter Joint Organisation (whichever applying),**
- (c) The Committee meet at such times and at such places as it may determine, and**
- (d) The Committee may invite such persons to participate in its processes as it may determine most efficiently and effectively allows it to discharge its functions.**

Moved: Martin Rush

Seconded: Sue Moore

Carried.

Item 8 General Business

The Board discussed delegation of authority to the CEO in some circumstances, in consultation with the Hunter JO Chair.

Resolution:

- That the CEO be delegated authority to invite and arrange meetings of importance, and similar delegation in making submissions that are time-sensitive, in consultation with the Chair of the Hunter JO Board.**

Moved: Tracy Norman

Seconded: Sue Moore

Carried.

The Chair of the Board acknowledged that contribution of Stephen Glen on his retirement from the SSA Board and the HJO Board.

Resolution:

- That the Hunter JO Board acknowledge the contribution of Stephen Glen to the Hunter Joint Organisation and to Hunter Councils, with its thanks.**

Moved: David West

Seconded: Ryan Palmer

Carried

Meeting closed 12:08 pm