

Prior to the commencement of the meeting, the Mayor will make the following declaration:

*“I acknowledge the Tasmanian Aboriginal Community as the traditional custodians of the land on which we meet today, and pay respect to elders, past and present”.*

The Mayor also to advise the Meeting and members of the public that Council Meetings, not including Closed Meeting, are audio-visually recorded and published to Council’s website.

**CLARENCE CITY COUNCIL SPECIAL MEETING**

**MONDAY 8 MAY 2017**

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**BUSINESS TO BE CONDUCTED AT THIS MEETING IS TO BE CONDUCTED IN THE ORDER IN WHICH IT IS SET OUT IN THIS AGENDA UNLESS THE COUNCIL BY ABSOLUTE MAJORITY DETERMINES OTHERWISE**

**COUNCIL MEETINGS, NOT INCLUDING CLOSED MEETING, ARE AUDIO-VISUALLY RECORDED AND PUBLISHED TO COUNCIL’S WEBSITE**

**1. APOLOGIES**

Ald Peers

**2. DECLARATIONS OF INTERESTS OF ALDERMAN OR CLOSE ASSOCIATE**

(File No)

In accordance with Regulation 8 of the Local Government (Meeting Procedures) Regulations 2005 and Council's adopted Code of Conduct, the Mayor requests Aldermen to indicate whether they have, or are likely to have a pecuniary interest (any pecuniary benefits or pecuniary detriment) or conflict of interest in any item on the Agenda.

**3. DEPUTATIONS BY MEMBERS OF THE PUBLIC**

(File No 10/03/04)

(In accordance with Regulation 38 of the Local Government (Meeting Procedures) Regulations 2005 and in accordance with Council Policy, deputation requests are invited to address the Meeting and make statements or deliver reports to Council)

**4. TASWATER - OWNERSHIP**

(File No 10-06-13)

**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to enable Council to consider their position in relation to the proposed ownership takeover of TasWater by the State Government.

**RELATION TO EXISTING POLICY/PLANS**

Council currently receives a significant annual distribution from TasWater. Any reduction in this distribution will impact Council's forward budget position.

**LEGISLATIVE REQUIREMENTS**

The proposed takeover of TasWater by the State Government would require amendment to the Water and Corporations Act.

**CONSULTATION**

There has been little if any consultation. The Minister announced the Government's intention to takeover TasWater on 19 February 2017.

**FINANCIAL IMPLICATIONS**

Council had previously agreed to a reduced annual distribution from TasWater for 10 years as a means of enabling TasWater to speed up their Capital Works program. Under the Government proposal the Minister has advised that the Government would match the proposed distributions to 2025. Beyond that timeframe there is no certainty of distributions. The distributions from TasWater play a key role in funding Council's asset renewal and maintenance program.

**RECOMMENDATION:**

That Council either:

- A. agree to the State Government ownership of TasWater; or
- B. oppose the proposed takeover of TasWater by the State Government.

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**ASSOCIATED REPORT****1. BACKGROUND**

- 1.1.** TasWater has been in existence as a Council owned water and sewerage corporation for approximately 4 years.
- 1.2.** Clarence Council is an 11.06% shareholder in TasWater and receives an annual distribution of around \$3.3m.

- 1.3. TasWater acknowledge that there is Statewide a significant infrastructure deficit resulting in a number of towns being on regular boil water alerts and a number of wastewater treatment plans that do not meet acceptable environmental standards.
- 1.4. TasWater has a clearly articulated and funded plan in place to provide for the removal of all boil water alerts within 18 months and rectification of non-compliant wastewater plants within 10 years.
- 1.5. This 10 year plan will result in the reduction of distributions to Councils. The plan and funding plan has been previously endorsed by Council.

## **2. REPORT IN DETAIL**

- 2.1. On 19 February 2017, the Treasurer released a statement indicating that the State Government believed the State’s water and sewerage situation had reached a “crisis point”, and that the Government was no longer prepared to stand by and let this situation continue. The Treasurer attributed the situation to a failure of the owners to address the problems.
- 2.2. The Treasurer, on 24 February held a meeting with Council owner’s representatives and advised that the State was actively considering State Government ownership.
- 2.3. The General Management Committee of the Local Government Association of Tasmania subsequently determined that:
  - there is no water and sewerage crisis. There is a fully funded plan to fix the agreed water and sewerage priorities;
  - Council’s would seek to work with the State Government to ensure that water and sewerage services meet the needs of our communities; and
  - sufficient detail has not been provided for Councils to make an informed decision.

**2.4.** Subsequently the Treasurer met with the LGAT representatives and provided the following additional information:

- the proposed legislation to prevent privatisation of TasWater will mirror the Hydro legislation requiring a 2/3 majority of both houses of Parliament;
- the Government’s plan does not include Macquarie Point, Launceston combined stormwater/sewerage system or Cameron Bay. It is envisaged these projects will be considered within the 10 years and funded from a range of sources;
- the distributions to Council through 2024/25 will be funded through the consolidated fund rather than through the GBE;
- the State Government will not take tax equivalent payments and will waive guarantee fees for at least 10 years; and
- if issues are still outstanding past 2024 then the State Government would reinvest distributions and look to Local Government to do the same.

Under the State Government proposal it is claimed that:

- TasWater’s current 10 year plan would be delivered in 7 years;
- there would be less upward pressure on tariffs; and
- that a significant number of new jobs could be created.

**2.5.** TasWater has rejected the State Government claims of “an industry in crisis”. Some 99.2% of Tasmanians have access to potable water and this will rise to 100% by mid-2018 (towns serviced by a reticulated supply).

TasWater advises they are successfully implementing a fully and responsibly funded infrastructure program over 10 years that will ensure that Tasmanians enjoy the highest standards of water and sewerage services.

**2.6.** This will also provide the optimum return to Tasmania in terms of employment and economic activity as well as restraining the need for significant tariff or rate increases.

- 2.7. Under either the current proposal or a State Government takeover, distributions to Council will likely be the same through to 2024/25. Beyond this point there is no certainty of distributions under the State owned model.
- 2.8. Such loss of distributions altogether would create a significant sustainability gap for most Councils.
- 2.9. There is little capacity to accurately determine the claims being made by Government.
- 2.10. The Chairman of TasWater, Miles Hampton, will address a Council workshop prior to the consideration by Council of this report at the Special Meeting.
- 2.11. Council has been requested by LGAT to determine their position on the State Government proposal prior to a Special Meeting of LGAT on 11 May 2017.

**3. CONSULTATION**

There was no consultation with the State Government prior to the announcement of the proposed takeover.

**4. STRATEGIC PLAN/POLICY IMPLICATIONS**

Any change to the expected distributions from TasWater going forward will have a significant impact on Council's 10 year financial plan and long term sustainability.

**5. EXTERNAL IMPACTS**

None apparent.

**6. RISK AND LEGAL IMPLICATIONS**

Any proposed takeover by the State Government of TasWater would require legislative change to the Water and Sewerage (Corporations) Act 2012.

**7. FINANCIAL IMPLICATIONS**

As noted previously, further loss of distributions from TasWater will have a significant impact on Council's 10 year financial plan and long term sustainability.

**8. ANY OTHER UNIQUE ISSUES**

None apparent.

**9. CONCLUSION**

Council needs to determine whether or not they support the proposed takeover of TasWater by the State Government.

Attachments: 1. LGAT Agenda Item for Meeting of 11 May 2017 (11)  
2. Timeline of Events (3)

Andrew Paul  
**GENERAL MANAGER**





**Local Government Association Tasmania**

# **Special General Meeting**

## **Agenda**

**11 May 2017**

**1.30pm**

**(Lunch on arrival  
from 1.00)**

**Windsor Park Community Precinct  
Community Hall**

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

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Home Page: <http://www.lgat.tas.gov.au>

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

**13. WHO MAY ATTEND A MEETING OF THE ASSOCIATION**

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

**14. PROXIES AT MEETINGS**

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

**15. QUORUM AT MEETINGS**

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

**16. VOTING AT MEETINGS**

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

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

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

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*\* Denotes Attachment*



## **GENERAL MEETING SCHEDULE**

- 1.00      Lunch on arrival**
  
- 1.30      Meeting Commences**
  
- 1.45      Miles Hampton, Chair TasWater**
  
- 3.30      (Anticipated) Close**

# 1. GOVERNANCE

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## 1.1 CONFIRMATION OF MINUTES \*

**Decision Sought**

**That the Minutes of the meeting held on 7 April 2017, as circulated, be confirmed.**

**Background:**

The Minutes of the General Meeting held on 7 April 2017, as circulated, are submitted for confirmation and are at **Attachment to Item 1.1.**

## 1.2 BUSINESS ARISING \*

**Decision Sought**

**That Members note that Business Arising will be held over until the July 2017 General Meeting.**

**Background:**

This Special General Meeting is confined to TasWater matters.

## 1.3 CONFIRMATION OF AGENDA

**Decision Sought**

**That consideration be given to the Agenda items and the order of business.**

**Background:**

Delegates will be invited to confirm the agenda for the meeting and the order of business.

## 2. ITEMS FOR DECISION

### 2.1 OWNERSHIP OF TASWATER

Contact Officer – Katrena Stephenson

#### Decision Sought

That Members note the report from TasWater Chair Miles Hampton.

#### Decision Sought

That Members determine a majority position on the proposed takeover of TasWater.

Namely, through moving one option in the first instance, Members should determine whether A or B apply.

**A:** The majority of Tasmanian councils agree there is a water and sewerage crisis and support State Government ownership of TasWater.

OR

**B:** The majority of Tasmanian councils do not agree there is a water and sewerage crisis and oppose State Government ownership of TasWater.

#### Background

At **Attachment to Item 2.1A** are -

- A broad timeline
- A copy of the Ministers presentation
- The notes of the Treasurer's Presentation taken at the April meeting.

#### Key Facts in Dispute

State Government	Councils/TasWater
Local councils have sacrificed investment in our water and sewerage infrastructure for a long time in order to pay themselves dividends.	<p>Councils have a range of infrastructure which must be provided and maintained for communities and have been trying to balance the competing needs as well as increasing demands for services for many years. Nationally it is well recognised that there is simply not enough funding for Local Government to fully maintain all their assets and this is why we have lobbied strongly, collectively for a fair share of taxation revenue starting with the resumption of indexation on the Financial Assistance Grants.</p> <p>That said, councils have actually sacrificed dividends to ensure TasWater removes all boil water alerts and do not consume alerts by August 2018; and addresses all key outstanding sewerage matters within 10 years.</p>

State Government	Councils/TasWater
<p>Council will receive \$400M between 2009-10 and the end of the 10-year plan.</p> <p>The Government will fund their plan (service debt) by paying the distributions to 2025-26 from consolidated revenue and foregoing their tax equivalent and loan guarantee payments.</p>	<p>Note the word distribution. Council dividends will fall to \$3.2m by 2025-26 based on 10 year financial plan projections and agreement last year with the owners. The distribution is made up of the dividends, loan guarantee fees and tax equivalent payments. Government owned entities do not pay corporations/company tax.</p> <p>Equivalent funding from consolidated revenue could be injected into TasWater at any time. This does not require a change of ownership.</p>
<p>There is a crisis</p>	<p>The Chair of TasWater advises that  <i>“At no time has the DHHS or the EPA verbally or in writing advised us that a crisis exists, nor have the EPA issued any fines for environmental damage over the last 12 months. We have been working with the Regulators to ensure that our Plan meets their expectations and at no time have they advised that our approach is at odds with the outcomes they are seeking”.</i></p> <p><i>“Tasmania has water and sewerage challenges. This is why TasWater has developed a fully funded 10-year plan to address infrastructure upgrades which commenced in 2016”.</i></p> <p>Last year TasWater invested more per property than any similar sized utility in Australia.</p>
<p>Government will fix the boil water alerts faster.</p>	<p>Under council ownership, TasWater has reduced the number of customers who don't receive drinkable water from nearly 8000, down to about 1600.</p> <p>It is projected that the remaining customers will receive drinking water by August 2018, well before the Treasurer's plan could take effect.</p>
<p>Sewer overflows to the environment are seven times the national average.</p> <p>Only 1 of 78 sewerage treatment plants achieved full compliance with regulatory discharge limits.</p>	<p>The State Government's supporting data does not compare like for like. For example, compared to other states the regulatory triggers for reporting sewage discharge are much lower in Tasmania than other States and so reports of non-compliance are far more likely.</p> <p>Furthermore, in the reporting period, major floods, bushfire and drought contributed to the extraordinary discharges.</p>

State Government	Councils/TasWater
<p>Unplanned interruptions to water supply have increased.</p>	<p>TasWater has a significant capital program underway with hundreds of projects – spikes from rain, drought then issues with pipes breaking – periods of drought and floods can materially affect the number of unplanned interruptions.</p> <p>Spike in 2014-15 reflected a very dry period which typically drives and increase in the number of breaks.</p> <p>Key quotes section 5<sup>th</sup> dot point notes  “TasWater lags well behind its mainland counterparts in relation to regulated discharge limits.” Note P25 of EPA report also notes “...of a similar size”, and then has a general note on Page 26 that the comparison is to utilities that are primarily serving metropolitan areas where as we are serving a mix of metro and regional areas. This point is equally applicable from the water comparisons made.</p>
<p>Councils can leverage from cash reserves.</p>	<p>Councils must (under legislation) fully fund the depreciation of their assets, this is not something required of State Government. They cannot be used as a consolidated fund.</p> <p>Councils reserves are aligned to their 10 year asset management and financial plans. Generally, there are clear rationales for the holding of funds linked to the long term considerations of depreciation, maintenance, renewal and replacement of assets.</p> <p>The Government is well aware of the impact of the statutory requirements on cash reserves. When Bryan Green suggested use of council reserves in 2012 Rene Hidding commented “isn’t this your greedy money-grubbing letter an attack on council’s very existence”.</p> <p>The cash reserves figure remains fairly constant year on year.</p>
<p>The capital plan can be delivered in half the time (5 years)</p>	<p>The Government have recently clarified that the plan would be delivered in seven years, ie three years earlier rather than the 5 years originally announced. TasWater analysis suggests that even a three-year acceleration would significantly increase the debt levels and render TasWater unsustainable. In all likelihood it puts the quality of planning and delivery at risk too.</p> <p>This has been modelled using the latest available information from the Government and still shows that debt levels would be increased to \$1.48B and that a further \$160M would need to be funded from other sources. If funded from consolidated revenue this means a likely impact on other Government services such as health and education.</p>



<b>State Government</b>	<b>Councils/TasWater</b>
The Government can borrow at a lower rate.	TasWater already borrow through TasCorp at the same rate as the Government.  There is nothing to stop the State Government sourcing more money for water and sewerage under a Local Government ownership model if it chooses to do so.
1000 new jobs will be created	There is no data to back this assertion and it is unlikely there is enough specialist skill in Tasmania to support an accelerated program.
Councils will receive 50% of distributions after 2026.	The Treasurer intimated (at the 11 April Meeting) there would be no dividends with profit to be directed back into TasWater.  Further he indicated the Government would likely continue to forgo their share of tax equivalent payments and would expect Local Government to do similar.
The Government will prevent privatisation through the legislation.	The current ownership model effectively prevents privatisation.
The Government will cap price increases at 2.5%	Pricing is currently set by the independent regulator and cannot be capped by owners.  Such a move is at odds with the national water initiative and further escalates the risk to TasWater's viability. The latest national report states that when compared to like utilities TasWater charges per customer are the lowest despite having the highest level of capital investment.
TasWater will become a GBE which can be directed by the Minister.	This gives the Minister of the day considerable power without direct controls or scrutiny and is unlike other GBE's in this regard. The likelihood of 'pork barrelling' and/or bad policy from the 'Government of the day' is increased.  The constraints on scrutiny and public provision of information are well illustrated by the recent committee hearings around Hydro.  The new directorial powers would likely require amendment of the GBE Act and may have repercussions for all GBEs.
The detailed data needed for modelling has been embargoed by TasWater and is not available to the Treasurer.	On the 25 January 2017 Treasury was advised in writing by TasWater that they would be happy to provide details of the capital plan to all relevant parties including the Treasurer and sought contacts to arrange provision of the plan and an appropriate time for discussion of the detail.

## Key questions for councils

1. Does the State Government's proposal:
  - a. Offer a genuine improvement on the current TasWater plan?
  - b. Ensure that Tasmanians will not be loaded with significant future debt?
  - c. Provide manageable price increases for consumers over both the short and the long term?
  - d. Ensure the long-term viability of TasWater?
  - e. Provide an opportunity to build local employment and capability?
  - f. Provide guaranteed returns to those communities who have invested in the infrastructure?
  - g. Guarantee the same rural/regional service provision?
  - h. Ensure an appropriate level of community influence and scrutiny?
  
2. Can the suggested outcomes under the State Ownership model (namely, faster delivery, cap in price increases, returns to councils, no privatisation) be achieved under Local Government ownership?
  
3. What are the key advantages of State Ownership compared to Local Government ownership of TasWater?
  
4. What are the key risks of State Ownership compared to Local Government ownership of TasWater?

## LGAT Perspective

### Implications for owners :

- Reduction (likely loss) of future revenue/no return on investment in assets
- Likely increased pressure for forced council amalgamations
- Reduced influence and scrutiny, transparency and accountability at the mercy of the Government of the day

### Implications for communities:

- Reduced access to owners
- Reduced advocacy by owners for local service provision
- Likely increased long-term costs
- Risks to rural/service provision in the longer-term
- + Prices capped in the short term
- + Capital program timeframe reduced by three years

### Political implications

- Minister of the day has significant direct influence and reduced accountability
- Consolidated funds being diverted from other key areas
- + Accountability shifts from Local to State Government, councils may stop getting blamed.
- + End of recurring political attacks

LGAT has been analysing all data received, as it is received. Initially, at face value, ignoring the poor process and intense posturing by the State Government, it seemed there might be some value in the change of ownership proposition, with many of Local Government's key concerns seeming to be addressed; with the added bonus of an end to the election cycle TasWater politics and no further ability to blame Local Government for any perceived failure.

However, the Treasurer's presentation at the last General Meeting, outlined mechanisms for achieving their 7-year delivery that would appear to be able to be delivered without changing ownership of TasWater. This would allow Local Government to receive a return on their investment beyond 2026. That is, further debt could be leveraged and serviced through the provision of direct funding to TasWater (or to councils) from consolidated revenue; regulatory changes which allow greater pricing influence from owners and more appropriate compliance requirements. This assumes that the Government are correct in their judgement regarding debt levels and the impact on sustainability, which is a key area of dispute raised by TasWater.

There is also the matter of the missing detail. While councils understand the current funded TasWater capital plan, the same level of detail has not yet been provided by the State Government.

LGAT concurs with the Chair of TasWater when, in his letter of 21 April 2017 (**at Attachment to Item 2.1B for reference**), he urges Members to decide, one way or the other, at the 11 May Meeting. Waiting for more information, including a Bill, will place the sector at a disadvantage if Members decide at that point they wish to challenge the ownership proposal. Given the intensity of the Government's campaigning on this issue, the public and the Members of Parliament (particularly the Legislative Council) are likely to have already come to a decision, limiting the effectiveness of any late advocacy by LGAT.

In the absence of a majority of councils being clearly for or against the proposal, LGAT has had to take a narrow advocacy approach, supporting the Chief Owner Representative and focussing on the disappointing process, the plan in place, the lack of detail from the State Government and the use of distributions for key council infrastructure and services. This approach is time limited and has a high risk of becoming dissatisfactory to all Members in the near future.

### **Budget Impact**

Largely being undertaken within current resources, noting this currently forms a significant workload in a time when a number of significant reform agendas are in play. LGAT has secured additional support as required through use of a consultant to support media activity.

Depending on the preferred direction of the Members, LGAT will address any resourcing issues through the budget process.

### **Current Policy**

Strategic Plan:

- Priority Area 1: Strategic Relationships
- Priority Area 2: Sector Profile & Reform

## TasWater Timeline

19 February	<p>The Treasurer released a statement, followed by his address at CEDA's annual Economic and Political Overview in Hobart on 20 February 2017, indicating that the State Government believed the State's water and sewerage situation had reached a "crisis point", and that the Government was "no longer prepared to stand by and let this situation continue".</p> <p>The Minister stated that the problems that TasWater are being asked to fix are primarily due to a failure by the owners, both prior to the reforms and since.</p> <p>LGAT response on 20 February expressed concern at process.</p>
24 February	<p>The Treasurer held a meeting with the council owner representatives of TasWater to explain that the Government believed urgent action was necessary and that the Government was "actively considering State Government ownership". However, he also indicated that no decision had yet been made and he was happy to collaborate and look at all the options</p> <p>Council owner representatives determined that while it is important for all Tasmanians to have safe drinking water, the process undertaken by the Government was disappointing. Councils were willing to collaborate to look at all the options.</p>
27 February	<p>GMC determined:</p> <ol style="list-style-type: none"> <li>1. We don't believe there is a water crisis. There is a fully funded plan to fix the agreed water and sewerage priorities as quickly as humanly possible.</li> <li>2. Councils would like to work in partnership with the State Government to ensure that the water and sewerage systems and services in this State meet the needs of all our communities.</li> <li>3. The Treasurer has not yet provided sufficient detail about his model for TasWater, for Councils to develop a considered response. LGAT will bring the Membership together at such time there is a fulsome proposal, which details concretely how the capital program can be accelerated as well as the long-term outcomes for communities.</li> </ol>
7 March	<p>In the Premier's Address 2017 it was announced that the State Government would be taking on responsibility for, and control of, TasWater and that the Government has a plan to fix the issues faster, while also being cheaper for consumers.</p> <p>Through LGAT councils noted that the issue of distributions had been partially addressed as well as privitisation. It was also noted that the detail was still lacking and invited the Treasurer to 11 April Meeting.</p>
8 March	<p>The Treasurer provides further details in a Ministerial Statement</p> <p>The Leader of the Opposition outlines the ALP position on TasWater which has continued support for Local Government Ownership which was welcomed by the sector, noting careful consideration of the model was still required.</p>
9 March	<p>The Government's misuse of facts was challenged by LGAT with a particular focus on the timeline for resolution of boil water alerts.</p>
16 March	<p>The Chairman and CEO of TasWater issue statutory declarations regarding a meeting with the Treasurer where he advised that the government was not prepared to provide funding support to address boil water alerts in small towns and that tank water provision was an acceptable solution. At no time in meetings with the CEO or Chair did the Treasurer advise that the 10 year plan needed to be accelerated.</p>
20 March	<p>The National Performance Report of Urban Water Utilities shows TasWater is the national leader on capital expended per household when compared to</p>

	similar utilities. Also, best in their class for lowest bills for households.
21 March	<p>On 21 March, the LGAT President wrote to the Treasurer indicating that:</p> <ul style="list-style-type: none"> <li>• The Local Government sector is committed to carefully considering the model of State Government ownership, however we currently lack sufficient detail to do so;</li> <li>• We are confident that TasWater can deliver the robust ten-year capital plan they have prepared; and</li> <li>• The Government's suggestion that it could deliver the same program twice as fast seems, on face value, to be logistically impossible and the Government has not yet provided sufficient detail about the proposed model to allow Local Government to better understand the feasibility and impacts of an accelerated program.</li> </ul> <p>In addition, we requested the following information from The Treasurer prior to his presentation at the General Meeting in April:</p> <ol style="list-style-type: none"> <li>1. Government plans to address the key risks associated with attempting to complete TasWater's 10-year capital program by FY2021 rather than FY2026;</li> <li>2. Capping of price increases between 2.75% and 3.5% can service the projected debt levels of the Corporation, while sustaining the ongoing operations and capital program (that is, we would like to see the Government's 10-year financial modelling setting out annual profit and loss, balance sheet and cashflow projections); and</li> <li>3. Financial returns to owners can be sustained and improved beyond 2025.</li> </ol>
23 March	Opinion piece by Mayor David Downie focussing on National Report on urban water utilities.
25 March	<p>Government commences newspaper and radio ads:</p> <ul style="list-style-type: none"> <li>• "Water and sewerage will be fixed sooner</li> <li>• Lower prices</li> <li>• No need for rated increases</li> <li>• 1000 new construction jobs</li> <li>• No privatisation"</li> </ul>

30 March	<p>TasWater run newspaper ads on the Industry Report:</p> <ul style="list-style-type: none"> <li>• 99.2% of TasWater customers have high quality water</li> <li>• Lowest prices in the country compared to similar entities</li> <li>• Highest investment in the country compared to similar entities</li> <li>• 88% calls answered within 30 seconds.</li> <li>• Improved recycled water use, environmental compliance, sewage compliance.</li> </ul>
7 April	<p>LGAT General Meeting presentation by Treasurer. Key new information provided:</p> <ul style="list-style-type: none"> <li>• The proposed legislation to prevent privatisation is likely to mirror that of Hydro requiring a 2/3 majority in both houses to change</li> <li>• While this plan does not include the major projects (Macquarie Point, Launceston combined system, Cameron Bay) it is envisioned those projects will be considered within the 10 years and funded from a range of sources including Government equity, developed contributions and Federal funding.</li> <li>• The distributions for councils to 2024 will be funded through the consolidated fund rather than out of the GBE</li> <li>• The Government will not take Tax Equivalent payments and will wave GGFs for at least 10 years</li> <li>• Financial targets include interest cover 2.0 times and debt to equity ratio of &lt;70%</li> <li>• The Treasurer indicated that if there were still issues outstanding after 2024 then State Government would reinvest dividends, tax equivalents and guarantee fees and look to Local Government to do the same.</li> <li>• That there will likely be capacity in the construction industry as major projects such as the Royal Hobart Hospital Redevelopment come to an end.</li> </ul> <p>Motions carried were:</p> <p>That Members note the Minister's presentation and agree that further input will be sought from Councils as to the way forward.</p> <p>That LGAT convene a Special General Meeting on TasWater following the Owners' Representative Group Meeting on 11 May and invite Miles Hampton to address the meeting.</p> <ul style="list-style-type: none"> <li>A. That in the first instance the information provided by the Treasurer be provided to TasWater with a request that it prepare revised financial modelling based on the relative information now available.</li> <li>B. That the Owner Representative Group be encouraged to strongly consider providing permission to TasWater to interact with Treasury to ensure proper modelling of the takeover proposal being put by the State Government.</li> </ul>
21 April	<p>Letter from TasWater Chair Miles Hampton to all councils providing initial analysis of Government statements and recommendation that owners reject a State Government ownership proposal.</p>