

# Review of Regional Bodies in Northern Tasmania

Final Report – February 2016



**BILL FOX & ASSOCIATES PTY LTD**

Tourism Planning & Management Services

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## 1. Introduction

The project required a review of the three regional bodies currently operating in Northern Tasmania, focused on natural resource management (NRM North), regional development (Northern Tasmania Development) and tourism (Tourism Northern Tasmania), and to determine what efficiencies there may be for these organisations to work more collaboratively. There is also a strong push from the State Government to simplify governance arrangements throughout regional Tasmania providing for a more collaborative and strategic approach.

Following discussions with Reference Group members and a number of primary stakeholders, the key issue to be addressed is the need to develop a single regional governance structure that can communicate a clear list of regional priority projects which will align with state and regional strategies and has strong political buy-in. The model must provide for a sophisticated planning framework and one which provides greater unity of purpose. It must also recognise the role of the private, public and non-profit sector in the delivery and will ideally have the demonstrated support of the community.

The project also required a closer analysis of the functional responsibilities of each of the three organisations to determine if there were any areas of duplication. However initial consultations would suggest that given their specialist roles, it is arguable that there are any significant efficiencies to be gained with little, if any, duplication in their strategic alignment. There may be some gains in administrative overheads; however that issue can be best addressed by the CEOs once an agreeable governance model is decided upon.

The focus of the review should therefore be on developing a collaborative business model that optimises the economic development of the region enabling the North to attain its full potential as a vibrant and sustainable region generating strong economic outcomes for its communities.

## 2. Project outcomes

The project is to explore potential models for designing a skills-based, representative, diverse and flexible structure that has a clear mandate for enabling the delivery of regional priorities. The governance structure will need to build trust and use engagement to drive the prioritisation process. The project needs to clearly identify the purpose of such a structure, who should be included in the membership and their role in delivering its purpose. The project will:

- Identify options for a responsive and collaborative governance model structure that enables the private sector to grow the region, optimise its true potential and deliver high level strategic regional priorities.
- Propose a preferred structure and transition process to identify and facilitate engagement and a strategic refocus in the delivery of regional priorities.

**Note:** This project is not about reviewing the performance of staff. In fact, all feedback was highly complimentary of both past and present staff of all three organisations and their level of commitment to their respective organisation and client base.

### 3. Strategic Alignment

It is evident that natural resource management and tourism are very different functions requiring vastly different skill sets. NRM is primarily focused on environmental protection and enhancement requiring extensive scientific and technical expertise, whilst TNT's core responsibilities are centered on destination development and marketing. NTD has a primary focus on facilitation and coordination of strategic priorities (generally economic) across the region so there is some potential for duplication of effort on major tourism development projects. Greater role clarity would be beneficial and easily resolve this minor area of duplication. There is some cross over in the areas of land use planning, regional economic modelling and industry capacity building; however any duplication is due to differing client groups and their specific needs. Other than major product development projects, there appears to be limited duplication of strategic intent and a new governance model would readily address this minor issue.

### 4. Current Costs

In analysing the budgets of the three organisations, it is apparent that some savings could be made in the overall cost of administrative overheads; however that does not address the bigger issue as to how to facilitate a more effective strategic refocus in the establishment and delivery of regional priorities.

Focussing on reducing administrative overheads in the first instance may divert our attention from the bigger issue of creating an effective governance structure that will deliver strong economic growth to the North. Therefore the recommended governance model should not be compromised by attempts to reduce administrative overheads in the first instance. That issue is also best resolved once an appropriate model is agreed to and best dealt with at CEO level.

Below are indicative administrative costs based on the information provided which suggests all three organisations are efficiently administered and on par with similar sized organisations. Budget formats are different between the three organisations with activities itemised by NRM but amalgamated by TNT and NTD.

The \$100,000 administration cost would be significantly increased if NRM's were included.

Admin (TNT, NTD)	\$ 100,000*
Rent	\$ 92,000
Boards	\$ 60,000
Audit	\$ 45,000
IT	\$ 45,000
Insurance	\$ 30,000

\*Total sum for TNT & NTD admin. NRM not included.

## 5. Organisation Governance

**NRM NORTH** – is one of three regional Natural Resource Management organisations in Tasmania and one of 56 such bodies operating nationally. The organisation is a membership-based, not-for-profit Incorporated Association formed in 2003. NRM North is auspiced under the State Council (Tasmanian Natural Resource Management Council) which has 16 members appointed by the Minister. Each NRM has one representative on the State Council.

NRM North works with the community in natural resource management re water, land, sea and biodiversity. The region covers the sub-regions of Tamar, Break O’Day, Northern Midlands, Dorset, Flinders Island and Meander Valley. An NRM Facilitator is based in these sub-regions via a partnership between NRM North and Local Government. Some of the key initiatives include management of waterways through the Tamar Estuary and Esk Rivers (TEER) Program, property management planning (PMP) and environmental works with private landholders, assisting smallholders through the Small Farm Living Program and management of high priority noxious weeds.

Although NRM North is an independent non-statutory body, it operates under the provision of the Tasmanian Natural Resource Management Act 2002. The organisation’s governance system is overseen by a Management Committee, the composition of which is guided by the Act and its members are drawn from the organisation’s membership base. The Management Committee is essentially the Board of the organisation and is referred to as the ‘Board’. The Chairperson is recommended by Committee and appointed by the Minister.

‘Regional Committee’ means the committee declared to be the Regional Committee for the region under section 9(2) of the NRM Act.

The purpose of the Association is to form and support a Northern Tasmanian Natural Resource Management Regional Committee, and to undertake governance functions in relation to the Regional Committee.

The Board has a membership of between 9 and 11 members with experience and knowledge in the following disciplines:

- Best practice governance
- Business administration
- Legal and contractual issues
- An understanding of natural resource conservation and management.

The Constitution allows for 44 Group A Members (agencies and organisations) and 25 Group B members (persons with relevant experience, skills and knowledge in natural resource management).

**TOURISM NORTHERN TASMANIA (TNT)** – is one of four regional tourism organisations (RTOs) in Tasmania and is a relatively new RTO established in 2012. TNT is an Incorporated Association governed by a Board of Management with an independent Chairperson, seven skills-based members and two community representatives.

TNT is closely aligned with the state’s strategic priorities and is primarily focused on developing the North as a sustainable and prosperous tourist destination for both domestic and international travellers. TNT works closely with its seven partner Councils and the broader business sector.

TNT has nine member organisations including:

- Heritage Highway Tourism Region Association
- North East Tasmania Tourism
- Launceston Chamber of Commerce
- Great Western Tiers Tourism Association
- Mole Creek Tourism Association
- West Tamar Chamber of Commerce
- Launceston Tamar Valley Tourism Association
- Flinders Island Tourism Association
- Tamar Valley Wine Route

The organisation is funded primarily by member Councils including:

- Dorset
- Meander Valley
- Flinders Island
- Northern Midlands
- George Town
- West Tamar
- Launceston City

Tourism Tasmania is also a major funding body. The tourism industry contributes to TNT through buying into cooperative marketing opportunities.

### **Policies and Procedural Documentation**

TNT has developed a number of procedural documents to guide the administration of the organisation which includes the following guidelines:

- Corporate Plan 2014-2017
- Procurement
- Communication & Media
- Finance
- Register of Delegation
- Employee Handbook
- Human Resources

TNT has also developed a Destination Plan to guide the strategic development and marketing of tourism for the broader region.

**NORTHERN TASMANIA DEVELOPMENT (NTD)** – is one of three regional bodies in the State together with the North West and the Southern regions established to provide for sustained economic growth through collaboration with Local Government and key industry organisations. NTD is an Incorporated Association (since 2012) and prior to that the organisation was a Not For Profit Company.

NTD is governed by an Executive Committee comprising:

- Chair
- Vice Chair
- Treasurer
- Secretary.

Members of the Committee are nominated from NTD’s member Councils, collectively known as the Local Government Committee. These positions are elected annually at the Annual General Meeting. The Executive Committee is responsible for the overall governance of NTD, for its performance, and is accountable to its members (the Local Government Committee), and all statutory and regulatory authorities. It sets the values, goals, strategic direction and financial plans, monitors achievement of these goals and oversees the operations of NTD.

#### **Local Government Committee**

The Local Government Committee consists of the Mayors (voting rights) and General Managers (advisory capacity) from the following Councils:

- Break O’Day
- Dorset (not currently a committee member)
- Flinders
- George Town
- City of Launceston
- Meander Valley
- Northern Midlands
- West Tamar

All positions for the Executive Committee and Local Government Committee are honorary and are independent of management. The Committees have appropriate policies in place to declare and manage conflicts of interest. Both Committees usually meet quarterly throughout the year.

NTD’s primary function is to:

- Facilitate economic development projects for the region;
- Encourage and facilitate cooperative efforts between member Councils on significant regional initiatives;
- Act as a ‘clearing house’ for regionally significant projects that involve multiple stakeholders and multiple tiers of government;
- Provide project management and coordination services for significant projects.

The Northern Tasmania projects of NTD are based around strategic planning, regional land-use planning, regional transport and infrastructure planning, and Local Government resource sharing initiatives. These projects allow the partners to work within the community and the region to develop and grow Northern Tasmania.

Northern Tasmania Development aims to:

- Provide leadership for northern Tasmania and be an advocate for the interests of northern Tasmania
- Provide a forum for the exchange of information and ideas
- Promote northern Tasmania as a favourable location for business opportunities, tourism, community and enterprise development
- Facilitate the development of opportunities for northern Tasmania
- Encourage community involvement in the activities of NTD
- Provide communication links with the Tasmanian and Australian Governments, the LGAs of Tasmania and other organisations
- Provide a forum for Local Government matters, and undertake projects and resource sharing as appropriate.

## 6. Organisation Overview

The following comments are as a result of feedback from the various stakeholders interviewed along with personal views of the consultant. The Project Brief was also reflective of many of the points made by various stakeholders so the majority of the comments will have been raised prior to this review.

The comments are intended to be constructive and will form the basis for further analysis and guide the development of the key recommendations. The comments are about the organisations, their functionality and not about any individuals. Commentary about staff was highly complementary, without exception.

### General Comments

- No shared vision as to what the region stands for; no shared/agreed listing of top regional priorities.
- There is a lack of vertical integration between Federal, State and Local Government (regional) priorities.
- There is no clear vision from the State for the North.
- A lack of collaboration resulting in:
  - No single list of priorities to take to Government.
  - Lost opportunities for Federal funding because of poor prioritisation and program alignment.
  - Tas North 'blocked' from attaining its full potential as a vibrant economic hub.
- The region lacks a sophisticated planning framework which is politically accepted as providing a unity of purpose.
- Poor engagement of key stakeholders such as the private sector and not for profit organisations.
- The North does too much 'talking' and not enough 'doing'.
- KPIs need to be more realistic and organisations more accountable to broader community.
- The region is quite diverse and has no standout or obvious 'hero' industry (e.g. Hobart – public service)
- However there is state-wide recognition of the strong and capable leadership throughout the region provided by the various CEOs and General Managers.
- NRM and TNT are regarded as the top performing organisations (in their respective fields) across the State.

### NRM North

- Strong and stable organisation with clarity of function – regionally relevant.
- Purpose clearly defined by State/Federal Governments with a clear mandate; targets closely aligned to State/National priorities.
- Regarded by outsiders as the leading NRM of the three in Tasmania and seen as innovators for solutions to problems.
- Stakeholder base closely aligned to key functional areas.

- High level of technical/scientific expertise and capability in specific areas of natural resource management.
- Considerable funding from Federal Government requiring stringent reporting on KPIs.
- Strong relationships with Local Governments via shared facilitators.
- Recognised as a 'can do' organisation regardless of the 'red tape' compliance.
- Very stable and committed workforce so they know their constituents/client base and the geography well and importantly the history of each.
- Politically connected and aware of various program funding, actively engages with Ministers and Advisors.

### **Tourism Northern Tasmania (TNT)**

- Relatively new organisation (three years) and recognition by stakeholders that a new model takes time to 'settle'. A slow start due to developing strategic frameworks but now delivering to the satisfaction of industry and Tourism Tasmania.
- Purpose clearly defined by State Government with a clear mandate; targets closely aligned to State/National priorities.
- Huge expectations initially by most stakeholders, given the past history of tourism management in the North.
- Competent skills-based Board with strong, capable leadership and sound governance.
- Established a credible voice for the industry and as such has gained industry confidence and support.
- Regarded as the top performing Regional Tourism Organisation (RTO) of the four in Tasmania.
- Steep learning curve for the new regional organisation at a time when the State was unable to provide guidance (four new regions introduced).
- Not fully empowered by Local Government with some services still duplicated, but recent awareness of the issue and now preparedness to address this issue.
- Sound strategic planning closely aligned with State priorities.
- Ability to articulate regional priorities.
- However there is a need to better engage with a broader audience as all communities benefit from tourism infrastructure and services.
- Potential for the Local Tourism Associations (LTAs) to combine with local business associations; creating stronger local associations.

### **East Coast Tourism (ECT)**

- The Project Brief did not request a review of ECT, however consultation suggested the organisation was at a similar stage of development as TNT with stakeholders supportive of the organisation and its performance.

### **Northern Tasmania Development (NTD)**

- Purpose never been clearly defined and continually reviewed.
- Unrealistic expectations of the organisation by many constituents.

- The organisation has repeatedly had to prove its 'reason for being' and has therefore been over-focused on its survival.
- Recognition that the Board membership is too narrow and the agenda is restricted.
- Limited resources and capacity to connect and influence at high political levels therefore inability to gain State Government confidence.
- A lack of annual planning providing a clear direction for activities and a benchmark for performance measuring.
- Established and funded to optimise economic growth for the North but unable to optimise/attain the true capacity of the region.
- Lack of delegations by Councils and with the organisation not fully empowered.
- Local Government recognises importance of NTD's role, as smaller Councils do not have the capacity/resources to lead or implement significant regional projects.
- Widespread recognition that the current model is dysfunctional.

#### **Local Government**

- The majority of Councils support a collaborative approach to a number of key activities including major project planning and is cognizant of the benefits of a partnership approach.
- Councils are seeking a more collaborative business model to provide strategic prioritising and delivery of regional projects.
- The capacity to deliver major projects vary with Launceston having significant resource capability whilst others not necessarily so.
- Councils wish to see greater outcomes and benefits from their joint funded projects.
- Amenable to reducing duplication of effort and also contributing via more 'in kind' support such as cross-sharing in areas such as IT, finance, engineering, etc.
- General Managers of Northern Tasmania highly regarded.

#### **State Government**

- The State (and Federal) Government needs to clearly articulate a vision for the North – constituents unclear as to what the State's vision is for the North. Incentive funding could be provided to attract regional investment.
- Tas North stakeholders would like to see a greater strategic involvement and participation from their State Government partners.
- Program priorities change significantly with a change of Government resulting in wastage and a loss of momentum in program planning and delivery (particularly with conservation and land management programs).
- A perception that Southern Tasmania receives preferential treatment (Hobart centric focus) over the North given that the majority of the decisions for the State are made in Hobart where the decision makers are more familiar with local (Southern) issues.
- A number of initiatives are now currently being put in place to address some long standing issues (awareness of concerns by State).

## 7. Key Issues

Throughout the consultation phase a number of key issues were raised that will need to be addressed in this review. These include:

1. There is no collective view of strategic priorities for the North – (What are say the top five (5)?).
  - a. As a result, the North has not capitalised on key opportunities that would generate significant economic growth and employment.
  - b. The region is ‘politically ambiguous’ in regards to its strategic intent and has missed major Government funding opportunities because of the ‘ad hoc’ approach.
2. NTD has not had the capacity to deliver the potential strategic priority projects for the North due primarily to its governance structure and resourcing and as a result, has lost the confidence of the broader business community.
3. Stakeholders repeatedly stated throughout the consultation phase that the North does too much talking, planning, strategising, but not enough ‘doing’.
4. Whilst there are strong social networks across the CEOs/GMs of the North, those networks are not sufficiently utilised to address issue 1.
5. The region does not engage all key stakeholders in developing its strategic endeavours. All parties agreed that the ‘Not for Profit’ and private sector organisations have far more to offer but they needed to be better engaged and must be a major ‘player’ in a collaborative business model that utilises their strategic input and resources. As an example, health and education are the largest employers in the region, yet not sufficiently engaged in regional development planning.
6. Most strategic plans (NRM, NTD & TNT) identify the importance of ‘community engagement’ but agree that it could be significantly improved.

## 8. Influencing Factors Regarding Future Model Structures

- Local Government is likely to remain a key funding source so must retain a major influence over future models options. Membership could also be included from key organisations provided it did not dilute other organisations such as the Chamber of Commerce.
- There is a need to better engage and involve the private sector, community and not-for-profit organisations, utilising their resources and skills.
- Most parties seek a '**collaborative business model**' as a key outcome of the review process.
- Require a model that gives Tas North an opportunity to capture and utilise its rich human resource assets and optimise its potential.
- Different technical skills/expertise is required by each organisation to develop and implement strategic plans.
- Differing governance requirements:
  - NRM – determined via Act of Parliament
  - TNT & NTD – Incorporated Associations.
- Potential for significant Local Government change throughout whole of Tasmania in the next five years (Efficiency review underway).
- Recognition that whilst Launceston City has the resource capacity for strategic regional planning, other member Councils have less capacity.
- Funding for NRM is primarily from the Federal Government.

## 9. Proposed Model Structure – Northern Development Corporation Ltd.

### PURPOSE

- To maximise the economic opportunities for Northern Tasmania.

### PRINCIPLES

Ideally the model structure will:

- Provide for a ‘collaborative business model’ and one that utilises strong private sector/not for profit organisations input
- Have significant influence re political strategic decision making in determining regional priorities
- Provide for greater financial efficiencies than the existing models
- Recognise different skills sets and core competencies
- Allow for the North to attain its true economic potential
- Enhance the environmental and social fabric of the North
- Garner the full support, and ultimately the confidence, of all stakeholders including the State and Federal Governments.

### PROPOSED MODEL FOR CONSIDERATION – NORTHERN DEVELOPMENT CORPORATION

This model addresses the need to have an effective ‘collaborative business model’ that has the strategic political influence to shape Northern Tasmania.

The model comprises of the following:

- Strong Governance – Company Limited by Guarantee
- An independent Chair plus a seven (7) to nine (9) member skills-based Board of key industry and community ‘influencers’/leaders
- A senior Executive Officer (key networker, political lobbyist) and appropriate support
- Organisation funded via Local Government with major projects supported financially via State/Federal program alignment.

## KEY ELEMENTS

- Creates a strong ‘collaborative business model’ that connects and engages with all stakeholders having one strategic plan, one set of agreed priorities (say top 5) aligning with State (and Federal) priority programs and that are research based and market driven.
- Provides a proven model structure to allow the North to attain its true potential and is socially, environmentally and economically sustainable
- NRM, ECT and TNT to retain their existing Management Committee/Boards
- Independent Chair with a skills-based Board (key regional leaders) comprising of:
  - Representation from private business sector/Not for profits/education/health/other
  - Chair remunerated/Payment of Directors to be discussed and determined
  - Local Government to have one Board representative (primary funder)
  - Board support provided via NDC Executive Officer and support staff (tbd).
- Sub-committees (Priority pillars) to provide specialist advice and strategic input and into regional priorities (and governance) established on the greatest need for strategic input. Sub-committees may include the following:
  - Economic development, Manufacturing, Tourism
  - Local Government
  - Health & Wellbeing
  - Education & Learning
  - Food & Agriculture
  - Etc. (tbd).

The Implementation Committee could recommend Priority Pillars to the Board, however the final decisions would ultimately rest with the Board to determine what the key priorities for the North should be, based on research and market demand/alignment.

- NRM, ECT and TNT to be given “Observer” status on the Board i.e., non-voting Directors there in specialist advisory role.
- The position of a senior Executive Officer created to deliver core business of NDC
- Executive Officer and support staff co-located with, and supported by, the Launceston Chamber of Commerce (to better connect regional development with business/private sector). Should not be located with Local or State Government.
- NDC Executive Officer – very senior position with the following attributes:
  - Extensive networks with business, Government, not for profits and community
  - Ability to lobby and influence Government and maintain stakeholder confidence
  - Strong strategic/conceptual/business and analytical skills.

An attractive salary package would need to be provided to attain the best possible applicant along with a three year funding agreement for the organisation.

## BUDGET

An annual budget of approximately \$750,000 would be required for the Corporation to operate effectively (current expenses \$365,000).

Organisation costs would include:

Staff/Board costs	\$520,000*
Vehicle	\$25,000
Administrative overheads	\$75,000
Program initiatives	<u>\$130,000</u>
	<b>\$750,000</b>

\*To be fully developed by the Implementation Team at the appropriate time.

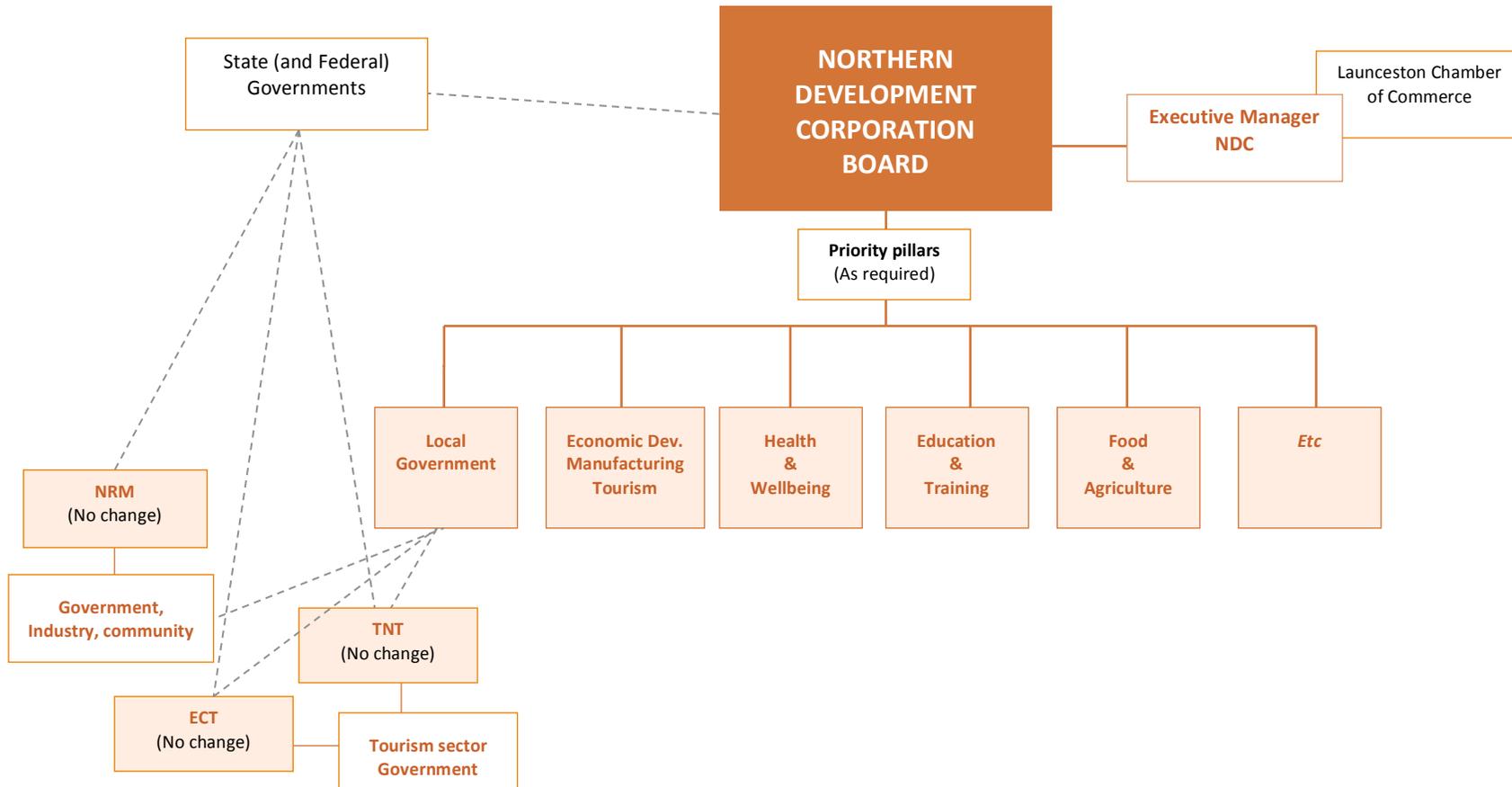
**Note:** G21 operates on approximately \$600,000 which is quite restrictive and doesn't allow for research and other key activities expected of the organisation. It also receives income from a service contract.

Some regions have a commercial rate levy to fund similar organisations and this revenue stream could be explored given that every business benefits from having such an organisation as proposed. Additional funds could be generated via contract administration and service delivery.

### Potential names for the new Organisation:

- NorthCorp
- Tas North Limited
- Northern Development Corporation Ltd.

Proposed Governance Model



----- NRM, ECT & TNT links to Government (3 levels) for program funding/delivery.

## Proposed Governance Model cont.

FOR	AGAINST
<ul style="list-style-type: none"> <li>▪ Provides for a new ‘collaborative business model’ setting strategic priorities for the North enabling alignment with (and influence over) State Government priority programs.</li> <li>▪ Model likely to gain State Government support and confidence (and ultimately program funding).</li> <li>▪ Will deliver Local Government’s regional priorities, professionally and with confidence.</li> <li>▪ Determination of priorities would be market and research driven.</li> <li>▪ Assumes NTD’s core function but provides significant ‘clout’ and greater political influence.</li> <li>▪ Provides a greater focus on top priorities (say five).</li> <li>▪ Harnesses skills and networks of regions key leaders in other sectors.</li> <li>▪ Retains safety net for smaller Councils.</li> <li>▪ Model may reduce duplication of functions.</li> <li>▪ Aligns strategy development for Local Government, NRM, TNT, ECT, Chamber, NFP and community.</li> <li>▪ KPIs could be clearly articulated and closely monitored.</li> <li>▪ Links Chamber (business sector) contribution and input to collaborative partnerships and priority setting.</li> <li>▪ Recognises specialist expertise and different functions for NRM/TNT/ECT and enables them to retain existing core business and their Committees, Boards and importantly, stakeholder support.</li> <li>▪ Model will provide for a better return on investment than the existing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The model assumes no further role of NTD as a separate identity.</li> <li>▪ Insecurity of current membership</li> <li>▪ Mayors may perceive a loss of control over strategy development for the region.</li> <li>▪ Model structure may be seen as ‘overkill’.</li> <li>▪ Cost of operation.</li> </ul> <p><b>Note:</b> Success will still rely on all parties/individuals fully committing to the model structure.</p>

## How would the model structure work?

### **GOVERNANCE**

A Board of Directors (skills based) of the Corporation will provide the necessary leadership to determine, via a consultative process with sub-committees and other stakeholders, the key regional priorities.

#### *Structure*

- Company Limited by Guarantee.
- Board of Directors – maximum of 9; however it could start out with more initially, but reduce to 7-9 by year 5.
- Board Charter to provide oversight and ‘soft’ governance for the Directors.

#### *Independent Chair*

- Appointed for three (3) year term.
- Remunerated to cover time/costs.

#### *The Board of Directors*

- Will be key business/community leaders of the region and should also include representation from the following sectors:
  - Not for profit/health/education/youth.
- Will have the networks to gain the confidence and trust of all three (3) levels of Government.
- Will provide for a strong sense of cohesion – one vision, one voice, one set of priorities and have the ability to bring every one along ‘on the journey’.

#### *How elected*

- Through an independent panel via a transparent process.
- Term of office will be staggered to ensure continuity.
- Board positions will be advertised.

### *Sub-Committees (Priority Pillars)*

- Created on greatest need, priority functions for the region. May change over time as needs/priorities change.
- Governance under Company rules.
- The number/need initially determined by the Board with input by the Sub-committees and key stakeholder groups.

### **PRIMARY FUNCTION OF THE CORPORATION**

- To develop long term Strategic Plan for Northern Tasmania.
- To determine the top regional priorities (five) and to give them the necessary focus to ensure successful outcomes; This will be achieved through the following:
  - Must be research based and market driven.
  - Must be social and environmental considerate.
  - Prescribing the 'What', 'How' and 'When' and what success will look like.
- To regularly communicate the Corporation's activities and to engage with all stakeholders.
- And to align projects with State and Federal priorities (will attract \$\$ support).

**Note:** The Futures Plan provides a process for the Board to follow and which has been agreed to by Local Government and key partners.

### *Organisation Values*

- Fairness, bi-partisan, transparency, etc.

### *NDC Ltd support*

- Executive Manager – very senior position with following attributes
  - Strong business skills, networks across industry/Government, engaging communicator.
- Support staff required
- Co-located with the Launceston Chamber of Commerce to:
  - Better engage/connect with business sector
  - Be seen as an independent corporation, and not a Government agency.

### *Specialist Advice*

- Planning from Local and State Governments
- Environmental from NRM
- Tourism/major event development and consumer research by TNT & ECT
- Sub-committees (health, education).

### *Funding*

- Local Government contributions via 3 year General Service Agreements (GSA) based on a fairness/equity formula and in-kind contributions.
- Business/agency buy-in to particular projects such as feasibility studies.
- Potential for State Government seed funding for the initial three (3) years.
- State and Federal Government initiatives.
- Membership model to be explored provided it did not compromise priority setting, dilute existing organisation memberships, etc. (**Note:** Existing similar organisations have membership structure for corporate, etc. and raise significant funding from regional bodies/businesses).
- Consideration of investigating the introduction of a commercial differential rate on all businesses to part fund the corporation (all businesses will benefit from the potential economic growth of the North).

**Note:** Once the Corporation builds the necessary trust and confidence, funding will be more easily accessed.

## 10. Proposals for Consideration

In determining the most appropriate governance model for Northern Tasmania the following steps are proposed:

1. Discussion and agreement that the existing governance structures for NRM and TNT be accepted and remain 'as is' enabling them to deliver their core functions to the satisfaction of their key stakeholders.
2. Discussion and agreement that the existing governance model for NTD is inadequate and should no longer be retained because of the following key factors:
  - a. The current governance model is inadequate for the task.
  - b. The model does not meet the needs of the key stakeholders.
  - c. The North is unable to attain its full potential under the current model.
  - d. Key agencies and organisations are currently not engaged.
  - e. There is a lack of collaboration.
3. Discussion on and acceptance of, the proposed model structure with the model to then be refined in order to meet the needs of the key stakeholders.
4. Creation of "Implementation Team" and transition process.
  - a. Implementation Team to consist of:
    - i. Current Reference Group membership
    - ii. Local Government representation
    - iii. Chamber of Commerce
    - iv. Education sector
    - v. Health services
    - vi. Not for Profit representative
5. Formulation of implementation plan by the Implementation Team:

▪ Agreement on final Governance model	▪ MOUs or General Service Agreements prepared
▪ Sign off by all partners on agreed model	▪ Communication with State Government and other key stakeholders
▪ Communication of actions and proposed actions	▪ Transition process
▪ Schedule of implementation actions	▪ Organisation resourcing
▪ Initial budget developed	▪ Appointment process for Board and staff
▪ Funding options explored and model determined	▪ Other as identified.

It will be important for the project to progress to the next phase and to maintain the momentum created throughout the project. The establishment of a broader implementation team with key stakeholder representation is essential and will be instrumental in stimulating the necessary interest and support.

My sincere thanks to the Reference Group members for their guidance throughout the project; and especially to Ben Marquis, Project Manager, for his support and diligence in communicating project activities to all interested parties. Thank you also to the CEOs, General Managers and Councillors who were so generous with their time and suggestions in creating a prosperous future for the North.

A handwritten signature in black ink that reads "W.C. Fox". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

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Director

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## Disclaimer

This report has been prepared specifically for Northern Tasmania Development.

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## Appendices

### APPENDIX 1 – CASE STUDIES

**Note:** In researching relevant case studies, it became apparent that success was based on people and leadership, not structure. An analysis of two identical organisations demonstrated this, with one very successful and the other highly dysfunctional.

#### 1. G21

The G21 region has a population of almost 300,000 people and includes five municipalities: Colac Otway, Golden Plains, Greater Geelong, Queenscliffe and Surf Coast. The region's population is the fastest growing in Victoria, outside of the Melbourne metropolitan area.

The region's economy is diverse, boasting manufacturing, agriculture, horticulture, aquaculture, tourism, education, research, health and service sectors. Traditionally major heavy manufacturing has been the main employment sector, based around companies such as Ford, Shell and Alcoa. However as the international economic climate impacts on large-scale manufacturers the region has been gradually diversifying its employment base.

G21, a registered Company, is the official Strategic Planning Committee for the G21 region (State Government sanctioned) and, as such, is responsible for leading the development and implementation of the region's strategic plan.

In this role, G21 works closely with, and provides advice to, Regional Development Australia (RDA), the Regional Management Forum (RMF) and the State and Federal Governments on the region's needs and priorities.

The G21 region is closely integrated with Melbourne and neighbouring regional economies. The close proximity to Melbourne and its improving transport connections mean that many parts of the region are now within easy commuter distance of the state's capital. Increasingly people are choosing the lifestyle advantages of living within the G21 region while regularly visiting Melbourne for business and pleasure.

As a not-for-profit organisation, the majority of G21's financial support comes from the five municipal council members, its broader membership base (200 members) and occasional government or community foundation grants.

The G21 Board of Directors includes:

- Five Councillors representing the G21 municipalities
- Five Council Officers representing the G21 municipalities
- Five independent Directors elected by G21 members at the Annual General Meeting (must be from member organisations).

The G21 Board of Directors endorses the priorities identified by the G21 Pillars. They explore methods to implement these projects by engaging with G21 member organisations and other stakeholders to influence potential project funding and support bodies.

G21 Pillars – The G21 Pillar Groups are central to all of the work that G21 does. There are eight Pillar Groups based on our region’s key priorities, Arts & Culture, Economic Development, Education & Training, Environment, Health & Wellbeing, Planning & Services, Sport & Recreation and Transport.

Pillars are made up of key decision makers and subject experts within the Pillar categories, who meet on a regular basis and work towards generating projects that will contribute to the implementation of the 'G21 Geelong Region Plan'.

G21 also has several Working Groups and Taskforces to address key issues confronting our region. Examples include the Volunteering Strategy Working Group, the G21 Agribusiness Forum, a Bicycle Infrastructure Group and the G21 Climate Change Taskforce. These groups can include Pillar and non-Pillar members.

## 2. Townsville Enterprise

Townsville Enterprise is the peak Economic Development organisation, Regional Tourism Organisation and Convention Bureau for Townsville North Queensland. Townsville Enterprise is a not-for-profit, apolitical, membership based organisation, advised and influenced by a Board of Directors and Strategic Advisory Committees. The company's mission is 'To achieve sustainable economic and lifestyle benefits for the region and Australia'.

For over two decades, Townsville Enterprise has been the key driver in attracting major investment to the region from zinc refineries to the V8 Supercars. Townsville Enterprise ensures that Townsville, Magnetic Island, the Palm Group of Islands, Burdekin Shire, Hinchinbrook Shire and Charters Towers benefit from investment and economic prosperity, tourism opportunities and the business events and conferences market.

The valuable contribution of Members makes it possible for Townsville Enterprise to advocate across a broad section of Government and industry sectors to secure funding, project approvals and support for essential infrastructure, investment and promotion of Townsville North Queensland.

### Committees

- Finance Audit & Risk Committee
- Economic Development Strategic Advisory Committee
- Tourism & Events Strategic Advisory Committee

### Projects

- Integrated Stadium and Entertainment Centre
- North and Northwest Queensland Sustainable Resource Feasibility Studies
- Australian Institute of Tropical Health and Sciences
- Cruise Ship Development Strategy
- Emerging Leaders Program
- The Greater Townsville Town Common Concept Plan
- Townsville North Queensland International Product Development
- Bruce Highway

### Patricia O'Callaghan

Chief Executive Officer

### 3. Central Coast Regional Development Corporation

The Central Coast Regional Development Corporation is the State Government authority charged with accelerating growth, private investment and development in the Central Coast region of New South Wales. The Corporation is part of the Department of Planning and Environment NSW cluster yet is a fully self-funded entity.

The Corporation paves the way by:

- Brokering development outcomes on strategic sites
- Regional development and renewal
- Facilitating the development of regional centres and renewal corridors identified through regional planning strategies.
- Supporting the private sector
- The Corporation facilitates private sector investment and development on key State land holdings.

#### **Our Purpose**

- To create jobs on the Central Coast by attracting and securing investment.

#### **Our Values**

- Build and maintain solid working relationships
- Behave professionally, responsibly and ethically
- Identify solutions and deliver sustainable results

The Central Coast Regional Development Corporation was established to be the State Government's lead agency in creating development projects and opportunities over key government land holdings across Central Coast of NSW.

It was created under the Growth Centres (Development Corporations) Act and has replaced the former Festival Development Corporation. The Investment Prospectuses, Economic Profile and Economic Indicators include economic, industry, employment and social statistics.

#### **Simon Officer**

CEO

#### 4. Brisbane Development Association (BDA).

BDA is a non-profit, public interest organisation, which is made up of membership businesses from across Brisbane who are committed and motivated to contribute to shaping Brisbane's future. Membership is drawn from State and Local Governments, statutory authorities, academia, business, and the professional and private sectors of the community.

The BDA was founded in 1957 by Sir Reginald Groom, a former Brisbane Lord Mayor who created the BDA to provide feedback on issues affecting the City's development.

Projects – The BDA committee is committed to adding value to significant city-wide projects which contribute to the built and natural environment, promote the economic development of Brisbane and build and strengthen communities. Some of the projects include:

- River City Blue Print
- Brisbane Open House Event
- South East Queensland Regional Infrastructure Plan

BDA leads much of the debate on the merits of urban development and government infrastructure spending and implementation.

Some of the key projects include:

- Lord Mayor's Roundtable
- Brisbane City Council City Plan Review Reference Group
- Brisbane City Council Long Term Infrastructure Plan
- Queensland Government Transit Oriented Development Task Force
- South East Queensland Regional Infrastructure Plan Reference Group