



CRADLE COAST AUTHORITY

RULES

effective as from May 2018

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CRADLE COAST AUTHORITY RULES

Part 1 - Preliminary

1. Title

These Rules may be cited as the Cradle Coast Authority Rules.

2. Name

The name of the **Authority** is the Cradle Coast Authority.

3. Interpretation

(1) In these rules, unless the contrary intention appears:

'**Act**' means the Local Government Act 1993 (Tas);

'**AGM**' means an annual **general meeting** held in accordance with Rule 11;

'**agreed proportion**' means the proportion which the population of the municipal area of each **participating council** bears to the total population of the **Cradle Coast Region** as shown in the latest available "Estimated Residential Population" published by the Australian Bureau of Statistics;

'**annual plan**' means the **annual plan** adopted in accordance with Schedule 2;

'**Authority**' means the Cradle Coast Authority;

'**Board**' means the board of **directors** appointed by the **representatives**;

'**chairperson**' means the chair of the **Board**;

'**CEO**' means the chief executive officer of the **Authority**;

'**chief representative**' means the chair of the **representatives**;

'**Corporations Law**' means the Corporations Act 2001 (Cth);

'**council contributions budget**' means the **council contributions budget** adopted in accordance with Schedule 2;

'**councillor**' means a **councillor** as defined in section 3 of the **Act**;

'**Cradle Coast Region**' means the area defined as the 'north-western area or north-western region' in section 43(2) of the Acts Interpretation Act 1931 (Tas);

'**deputy chief representative**' means the deputy chair of the **representatives**;

'**director**' means a member of the **Board**;

'**dispute resolution process**' means the **dispute resolution process** described at Rule 53;

'**general manager**' means a **general manager** of a **participating council**;

'**general meeting**' means a meeting of *representatives* and includes an **AGM**;

'**guiding documents**' means the **Authority's** strategy, annual plan and **council contributions budget** adopted under Schedule 2;

'**participating council**' means a council which is a member of the **Authority**;

'**prescribed rate**' has the meaning given in section 128(1) of the **Act**;

'**Proposed Withdrawal Notice**' has the meaning given in Rule 54(1);

'**representative**' means a person appointed in **writing** by a **participating council** to represent that relevant **participating council** on the **Authority** and includes a substitute appointed under Rule 8(3);

'**representatives**' means the **representatives** acting together at a **general meeting**;

'**Rules**' means these Cradle Coast Authority Rules;

'**special resolution**' means a **special resolution** undertaken in accordance with Rule 22;

'**Treasurer**' means the **Treasurer** of the State of Tasmania;

'**Withdrawal Cancellation Notice**' has the meaning given in Rule 54(6);

'**Withdrawal Contribution Amount**' has the meaning given in Rule 54(7);

'**writing**' or '**written**' includes an e-mail or similar electronic transmission.

- (2) These **Rules** are to be interpreted in accordance with the Acts Interpretation Act 1931 (Tas) as amended from time to time unless the contrary intention appears.

Part 2 - Functions and Powers

4. Functions

- (1) The functions which the **Authority** may perform or carry out, in accordance with the **Authority's** powers and obligations under these **Rules**, the **Act** or any other Statute or Regulation and any other statutory obligation are to:
- (a) perform or carry out on behalf of or for the benefit of the **Cradle Coast Region** or any 2 or more **participating councils** any function which a

council, a joint authority, the **Authority** or any committee of the **Authority** is empowered to perform or carry out; and

- (b) at the **written** request of, or with the **written** consent of, a **participating council** to perform or carry out on behalf of or for the benefit of that **participating council** any function which that **participating council** is empowered to perform or carry out; and
 - (c) do anything for or on behalf of any other council, government entity or business which a council, a joint authority, the **Authority** or a committee of the **Authority** is empowered to perform or carry out.
- (2) Whether or not the **Authority** exercises one of its functions, a **participating council** may exercise that function itself or obtain the benefit of that function from any other source.
- (3) Subject to section 36(2) of the **Act**, the **Authority** may perform any of its functions and exercise its powers outside the boundaries of the municipal areas of the **participating councils**.
- (4) In performing its functions and exercising its powers, the **Authority** must perform those functions and exercise those powers in accordance with the competitive neutrality principles as defined in the **Act**.

5. Powers of the Authority

- (1) In performing or carrying out any of its functions, the **Authority** may do anything:
- (a) which the **Act** authorises a joint authority to do; and
 - (b) which the **Act** authorises a council to do with respect to the functions of a council, excepting those things which the **Act** stipulates are not be provided for in the rules of a joint authority; and
 - (c) which a **participating council** is empowered to do under any other Statute or Regulation with respect to the functions in Rule 4 which a **participating council** would otherwise perform.

Part 3 – Membership and Financial Contributions

6. Members

- (1) The members of the **Authority** are the **participating councils**.
- (2) **Participating councils** are:
- (a) those councils listed in Schedule 1; and

(b) any council which becomes a member under Rule 6(3);

which have not withdrawn from membership (whether before or after the approval of these **Rules** by any **participating council**) in accordance with Rule 54.

- (3) Another council may become a member and **participating council** if:
- (a) it is a council within the **Cradle Coast Region**; and
 - (b) it resolves to do so and to be bound by these **Rules**; and
 - (c) the **participating councils** unanimously approve its membership; and
 - (d) that council and the **participating councils** unanimously agree the terms and conditions on which it will become a member, including:
 - (i) any transfer of any assets, liabilities, employees and the rights and entitlements of employees; and
 - (ii) the number of **representatives** it may appoint under Rule 8; and
 - (iii) the **agreed proportion**.

7. Financial Contributions

- (1) The **participating councils** must pay all contributions to the **Authority** required by these **Rules** in accordance with the **agreed proportion** or as otherwise determined by **participating councils** by an absolute majority of the **participating councils**.
- (2) Each financial year the **participating councils** must pay the contributions set out in the **council contributions budget** adopted in accordance with Schedule 2 by the instalments and by the due dates set out in that document.
- (3) If a **participating council** does not pay any instalment of a contribution by the due date then:
- (a) it must pay interest to the **Authority** at the **prescribed rate** (calculated on a daily basis and payable monthly) from the due date to the date of payment on the balance outstanding from time to time; and
 - (b) the **Board** may, by **written** notice given to that **participating council**, require it to pay within fourteen (14) days from the date of the **written** notice the balance of the whole of that **participating councils'** contribution for that year; and
 - (c) interest will be payable at the **prescribed rate** (calculated on a daily basis and payable monthly) on any overdue payment under Rule 7(3)(b).
- (4) If a **participating council** is overdue in the payment of any instalment of contributions by more than fourteen (14) days, the **representatives** of that council are not entitled to vote at any **general meeting** (or any **written** resolution) until such time as the outstanding contribution and any applicable interest is paid.

Part 4 - Representatives

8. Representatives

- (1) Each **participating council** is to appoint 2 **representatives** to represent and vote on its behalf as a **participating council** made up of, subject to Rule 8(2):
 - (a) the current serving Mayor; and
 - (b) the current serving **general manager**,
of that **participating council**.
- (2) For the purposes of Rule 8(1) if:
 - (a) the Mayor or the **general manager** of a **participating council** is appointed as a **director** under Rule 24(2)(a) or Rule 24(2)(b), that **participating council** must nominate its Deputy Mayor as one of its **representatives** instead of, relevantly, the Mayor or the **general manager**; or
 - (b) the Mayor and the **general manager** of a **participating council** are appointed as **directors** under Rule 24(2)(a) and Rule 24(2)(b), that **participating council** must nominate a **councillor** and a senior employee (or 2 **councillors**) of that **participating council** as its **representatives** instead of the Mayor and the **general manager**.
- (3) Subject to Rule 8(1), a **participating council** may, by **written** notice to the **CEO**, terminate the appointment of any **representative** of that **participating council** and appoint a replacement **representative**.
- (4) The **general manager**, in consultation with the Mayor, of a **participating council** may appoint a substitute **representative** to act in place of a **representative** of that **participating council** whenever that **representative** is unable to act as a **representative**.
- (5) An appointment, resignation, substitution or replacement of a **representative** is not effective until the **CEO** is notified in **writing**.
- (6) Only a **representative** (including a substitute **representative**) appointed under this Rule is authorised to represent a **participating council** and vote at a **general meeting** or an **AGM**.
- (7) If a commissioner is appointed under section 230 or 231 of the **Act** with respect to any **participating council**, then the commissioner may, in relation to **representatives** that are councillors of that **participating council** (in this Rule referred to as "Councillor Representatives"):
 - (a) personally fulfil the role and exercise the powers and functions of the Councillor Representatives of that **participating council**, including but not limited to voting powers; or
 - (b) appoint the number of replacement persons that equals the sum of the Councillor Representatives of that **participating council**, one (1) of whom may be the commissioner.

For the sake of clarity, if a commissioner is appointed under section 230 or 231 of the **Act** with respect to any **participating council**, the commissioner may only fulfil the role and exercise the powers and functions of the Councillor Representatives so that:

- (c) in the context of two sitting Councillor Representatives, the commissioner may replace both sitting Councillor Representatives; and
- (d) in the context of one sitting Councillor Representative and one **general manager** (or other senior employee) **representative**, the commissioner may replace only the sitting Councillor Representative and not the **general manager** (or other senior employee) **representative**.

9. Convening of General Meetings

- (1) The **Authority** may hold such **general meetings** of **representatives** as are desirable to carry out its functions.
- (2) The **CEO** is to convene a **general meeting** of **representatives** at the request of the **chief representative**, the **chairperson**, the **Board** or five (5) or more **representatives**.

10. Notice of AGM's and General Meetings

- (1) The **CEO** is to give to the:
 - (a) **representatives**; and
 - (b) **general managers**; and
 - (c) **directors**,a minimum of:
 - (d) fourteen (14) days' notice in **writing** of the **AGM** or of a **general meeting** which includes a matter which requires a **special resolution**; and
 - (e) four (4) days' notice in **writing** of any other **general meeting** convened by the **CEO** in accordance with Rule 9(2).
- (2) The **Authority** is to publish a copy of the notice of an **AGM** in a daily newspaper generally published in the **Cradle Coast Region**.

The failure to publish that notice does not invalidate any part of the **AGM**.

- (3) The notice for a **general meeting** or **AGM** is to specify:
 - (a) the place, the day, and the hour of the **general meeting** or **AGM**;
 - (b) details of any **special resolution** to be considered at the meeting; and
 - (c) the general nature of the other business to be transacted at the **general meeting** or **AGM**.

- (4) The **representatives** may by a resolution passed or signed by all of them waive the requirement for notice of a **general meeting** which is not an **AGM** to be given in accordance with Rule 10(1).

11. Annual General Meetings

- (1) An **AGM** must be held in every calendar year before the end of December.
- (2) In addition to the **representatives**, the **Board** and the **CEO** are expected, but not required, to attend the **AGM**.
- (3) The **AGM** is to:
- (a) receive and consider the accounts of the **Authority** and reports of the **Board**; and
 - (b) subject to Rule 18(1) elect the **chief representative** and **deputy chief representative**.
- (4) The **AGM** may:
- (a) transact any other business specified in the notice of the **AGM**; and
 - (b) provide a time for the public to ask questions of the **representatives**, the **Board** or the **CEO**.
- (5) The **AGM** is to be open to the public.

12. Representatives' Powers and Duties

- (1) The **representatives** have the following powers and duties:
- (a) with respect to the matters which require a **special resolution**;
 - (b) the appointment, setting of terms, remuneration, suspension and dismissal of **directors** in accordance with Part 6 of these **Rules**;
 - (c) to approve an extension of the **directors**' powers under Rule 32(3);
 - (d) the declaration of dividends under Rule 45;
 - (e) to set requirements for reporting by the **Board** to the **representatives**;
 - (f) the approval of the **guiding documents** of the **Authority** under Schedule 2; and
 - (g) the appointment of the auditor and all matters reasonably incidental to that appointment.
- (2) The **representatives** may obtain advice from any suitably qualified person.

13 Policies

- (1) The **representatives** may by **special resolution** establish any policy for any process or other matter with respect to the exercise by the **representatives** of any of their powers and duties listed in Rule 12(1).
- (2) In establishing any policy, the **representatives** must obtain the advice of the **CEO** and where the **CEO** certifies that it is required, the advice of an appropriately qualified person who is not an employee of the **Authority**.
- (3) The **representatives** may revoke or amend any policy in the same manner as required by **Rules** 13(1) and 13(2).
- (4) The **representatives** are to comply with any policy but their failure to do so will not invalidate any decision.

14 Guidelines

- (1) The **representatives** may establish, revoke or amend any guidelines for any process or other matter to be considered by them.
- (2) In establishing any guideline, the **representatives** may obtain the advice of the **CEO** or any other appropriately qualified person.
- (3) The **representatives** are to comply with any guideline but their failure to do so will not invalidate any decision.

Part 5 - General Meetings

15. Attendance

- (1) A **representative** may participate in a **general meeting** by telephone or television conference or any other means of communication approved by the **representatives**.

A **representative** who attends by such a means is taken to be present at the **general meeting** for all purposes, including the quorum.

- (2) The **chief representative** may invite any other person to attend a **general meeting**.
- (3) A **councillor** of a **participating council** may attend a **general meeting** as an observer.

- (4) Any person who attends a **general meeting** who is not:
 - (a) a **representative**; or
 - (b) a person invited to attend under Rule 15(2);may not speak unless authorised by the **chief representative** to do so.
- (5) A **general meeting** which is not an **AGM** is not open to the public.
- (6) The **chief representative** may direct any person attending a **general meeting** who is not a **representative** to leave the meeting or any part of it.

16. Quorum

- (1) The quorum at a **general meeting** is a majority of the **representatives** appointed under Rule 8 (excluding, for the purposes of establishing a quorum, any **representatives** that are not entitled to vote pursuant to Rule 7(4)).
- (2) A **general meeting** may only transact business if a quorum is present while that business is being considered.

17. Quorum Not Present

- (1) If a **general meeting** lacks a quorum, either at the beginning or during a meeting, the **chief representative** must adjourn the meeting.
- (2) The **chief representative** may:
 - (a) resume the **general meeting** that day when a quorum is present; or
 - (b) adjourn the **general meeting** for a period of up to 14 days.If the day nominated in Rule 17(2)(b) is not a business day, the meeting is to be held on the next business day.
- (3) Only business left unfinished at the adjourned meeting may be transacted at the rescheduled meeting.
- (4) If at the rescheduled meeting, a quorum is not present within thirty (30) minutes after the time specified for holding the meeting, the meeting is to be abandoned.

18. Chief Representative and Deputy

- (1) The **chief representative** must be a **representative** who is a Mayor of a **participating council** and the **deputy chief representative** must be a **representative** who is either a Mayor or a Deputy Mayor of a **participating council**.

- (2) The *chief representative* and *deputy chief representative* hold office for a period of two (2) years following their appointment by nomination and subsequent vote at an **AGM** unless the *representatives* terminate their respective appointments by **special resolution**.
- (3) Subject to Rule 18(4), the *chief representative* shall chair all **general meetings**.
- (4) The *deputy chief representative* may chair any **general meeting** or part of it if:
 - (a) the *chief representative* is not present at the specified time for holding the meeting; or
 - (b) the *chief representative* is present but is unwilling to chair the meeting or part of the meeting.
- (5) If both the *chief representative* and *deputy chief representative* are absent or unwilling to chair a meeting or part of a meeting, the *representatives* are to choose one of their number to chair the meeting or that part of the meeting.

19. Voting

- (1) Subject to Rule 7(4), each *representative* is entitled to one (1) vote at a **general meeting**. The *chief representative* has a deliberative vote only and no casting vote.
- (2) Unless otherwise specified in these **Rules**, a resolution arising at a **general meeting** is passed if a majority of the *representatives present and* entitled to vote on the resolution vote in favour of the resolution.
- (3) If the requisite majority vote under Rule 19(2) is not obtained for a resolution , the resolution is lost.
- (4) A vote is to be taken in the manner the *chief representative* directs, subject to these **Rules** and the **Act**.

20. Declaration of Vote

- (1) Unless a division is demanded the *chief representative* may declare that a resolution of *representatives* has been passed or lost.

21. Resolution in Writing

- (1) A resolution (excluding a **special resolution** or a resolution under Rule 32(3)) in **writing** which has been provided to all *representatives* and is signed by a majority of the *representatives* entitled to vote on the resolution is as valid as if it had been passed at a properly called and constituted **general meeting**.

- (2) The **written** resolution referred to in Rule 21(1) may consist of several documents in the same form, each signed by one or more **representatives** or bearing a copy of those signatures transmitted by facsimile transmission or electronic mail.

22. Special Resolution

- (1) A **special resolution** is passed if:
- (a) notice of the matter has been given in accordance with Rule 10; and
 - (b) at least three (3) quarters of the **representatives** entitled to attend and vote on the **special resolution** vote in its favour.
- (2) The **representatives** may by a resolution passed or signed by all of them waive the requirement of Rule 22(1)(a) for notice of a **special resolution** to be given in accordance with Rule 10.
- (3) A **special resolution** is required for the:
- (a) variation of the number of **directors** (Rule 24(1)); or
 - (b) changes to the composition to the **Board** (Rule 24(2)); or
 - (c) appointment of the **directors** (Rule 24); or
 - (d) terms of appointment of the **chairperson** (Rule 26(2)); or
 - (e) termination, suspension or other changes to the terms of appointment of a **director** (including the **chairperson**) prior to the end of their term of appointment (Rules 28 and 29); or
 - (f) the declaration of a dividend (Rule 45); or
 - (g) approval of the **Authority's** strategic and **annual plans** when there is a dispute with the **Board** (Schedule 2 Clause 2.8); or
 - (h) termination of office of the **chief representative** or **deputy chief representative** (Rule 18(2)); or
 - (i) *the Authority* to borrow any monies (or obtain financial accommodation from a third party) or grant any security over its assets excluding:
 - (i) any borrowings, financial accommodation or security provided for in the **council contributions budget**; or
 - (ii) any credit card balances, cheque/overdraft account balances or other financial accommodation incurred by the **Authority** in the normal course of the **Authority** carrying on the day to day business of the **Authority**; or
 - (j) the revocation of any prior resolution (to the extent, if any, that the prior resolution can legally be revoked); or
 - (k) any other matter which requires a **special resolution** under these **Rules**.

23. Validity of Proceedings of General Meetings

- (1) An act or proceeding of the **representatives** or of any person acting under their direction is:
 - (a) not invalid only by reason that at the time when the act or proceeding was done, taken or commenced, there was a vacancy in a position as a **representative**; and
 - (b) valid, even if the appointment of a **representative** was defective.

Part 6 - The Board

24. Appointment of Directors

- (1) Until the **representatives** determine to the contrary by **special resolution**, the **Board** must consist of at least five (5) but not more than eleven (11) **directors**.
- (2) Until the **representatives** determine to the contrary by **special resolution**, the **Board** is to be comprised of:
 - (a) Two (2) **directors** appointed by the **representatives** each of whom is a Mayor of the **participating councils** as nominated by the **participating councils**;
 - (b) One (1) **director** appointed by the **representatives** that is a **general manager**;
 - (c) One (1) **director** that is the Chair of the Tourism Sub-Committee;
 - (d) One (1) **director** that is the Chair of the NRM Sub-Committee;
 - (e) Two (2) **directors**, each of whom are independent of the **participating councils**, appointed by the **representatives** so that the **Board** as a whole includes experience in or expertise with respect to those skills relevant to the **Cradle Coast Region** and any other experience or expertise the **representatives** consider desirable; and
 - (f) One (1) **director**, appointed by the **representatives** who is independent of the **participating councils**, to be the chairperson of the **Board**.
- (3) In appointing **directors**, the **representatives** may determine:
 - (a) the process by which the **representatives** will seek nominations of, or decide on, the appointment of **directors** under Rule 24(2) (or any other requirements for appointment if the **directors** determine to the contrary of Rule 24(2)), which processes may be different for different **directors**; and
 - (b) that the continued eligibility of a **director** is conditional on that person retaining an office, employment, business, residential or business location or other eligibility.
- (4) When appointing the **directors**, the **representatives** are to:
 - (a) adhere to the requirements of Rules 24(1), 24(2) and 24(3);

- (b) take into account the functions and powers of the **Board** and appoint persons who collectively have the skills and experience to carry out those functions and powers; and
 - (c) specify in the terms of each appointment:
 - (i) a term of office no longer than five (5) years, which term may be different for any **director** and;
 - (ii) any continuing eligibility requirement for that **director** in accordance with Rule 24(3)(b).
- (5) A **director** whose term has just expired is eligible for appointment for another term.
- (6) The **representatives** have the power to fill casual vacancies on the **Board**, however those casual vacancies occur.

25. Eligibility for Appointment

- (1) A person must not be both a **representative** and a **director**.
- (2) A **representative** appointed as a **director** must cease their appointment as a **representative** before commencing his or her appointment as a **director**.
- (3) The **representatives** are not to appoint to the **Board** a person who:
 - (a) under the **Corporations Law** is not entitled to manage a corporation or has been disqualified by court order from managing a corporation; or
 - (b) is suspending payment generally to creditors or compounding with or assigning his or her estate for the benefit of that person's creditors; or
 - (c) is of unsound mind or is a patient under a law relating to mental health or whose estate is administered under laws relating to mental health; or
 - (d) has been dismissed from office under Rule 29.

26. Chairperson

- (1) The **director** appointed under Rule 24(2)(f) is to be the **chairperson** of the **Board**.
- (2) The **representatives** may by **special resolution** determine the term of office and other terms of appointment of the **chairperson**.
- (3) The **chairperson** is to act as the **Authority's** spokesperson on matters of policy and public interest but may delegate any or all of that function to the **CEO**.

27. Vacation of Office

- (1) The office of a **director** becomes vacant:
 - (a) if the **director** is appointed as a **representative**; or
 - (b) if the **director** has been absent from 3 consecutive meetings of the **Board** without leave of absence granted by the **Board** and the **representatives** by ordinary resolution declare that **director's** office vacant; or
 - (c) if the **director** is no longer eligible in accordance with the terms of that **director's** appointment under Rule 24(3)(b) and the **representatives** by ordinary resolution declare that **director's** office vacant; or
 - (d) on the resignation of the **director** being received by the **CEO**; or
 - (e) if the **director** is dismissed under Rule 29; or
 - (f) if under the **Corporations Law** the **director** is not entitled to manage a corporation or has been disqualified by court order from managing a corporation; or
 - (g) if the **director** dies.

28. Suspension

- (1) The **representatives** may by **special resolution** suspend the **chairperson** or a **director** from office for a period of no more than three (3) months.
- (2) If the **representatives** suspend the **chairperson**, such suspension also applies in respect of the **chairperson's** office as a **director**.

29. Dismissal

- (1) The **representatives** may by **special resolution** dismiss the chairperson or a **director** from office if the **representatives** consider it to be in the best interests of the **Authority**, the **participating councils** or the **Cradle Coast Region** to do so.
- (2) If the **representatives** dismiss the **chairperson** under this Rule 29, such dismissal also applies in respect of the **chairperson's** office as a **director**.
- (3) The **representatives** may dismiss the **chairperson** or a **director** from office at any time without prior notice if the **chairperson** or **director** is guilty of grave misconduct or wilful neglect in the discharge of his or her duties, is of unsound mind or a patient under a law relating to mental health, becomes bankrupt or makes any arrangement or composition with his or her creditors.
- (4) In circumstances other than those set out in Rule 29(3) the **chairperson** or any **director** that is to be dismissed shall be given six (6) months' notice unless the **representatives** determine a different notice period.

30. Remuneration

- (1) Subject to Rule 30(3), the **directors** are to be paid the remuneration the **representatives** determine.
- (2) That remuneration may be different for different **directors** and may include incentives based on performance.
- (3) A **director** who is a **councillor** or employee of a **participating council** is not, subject to Rule 31(1), to be paid any remuneration by the **Authority** for the performance of his or her duties as a **director**.

31. Travel and Other Expenses

- (1) A **director** may be paid from **Authority** funds all reasonable travel, accommodation and other expenses incurred by the **director** while engaged on the business of the **Authority**.

32. Functions and Powers of the Board

- (1) The **Board** may perform all the functions and exercise all of the powers of the **Authority** except:
 - (a) those functions and powers which these **Rules** provide are to be performed by the **representatives**; and
 - (b) as required by Rule 32(2).
- (2) Until and unless the **representatives** determine to the contrary in accordance with Rule 32(3) the **directors** and the **Authority** may only exercise the functions set out in Rule 4 for the following purposes:
 - (a) to provide leadership for the **Cradle Coast Region** and the **participating councils**;
 - (b) to promote and achieve economic development (including tourism development) for the **Cradle Coast Region** which may be achieved through economic development (including tourism development) in any single municipal area;
 - (c) to act as advocate and lobbyist (including seeking grants or other funding) for the **Cradle Coast Region** and or any two (2) or more of the **participating councils** with all forms of government and with business and community organisations and groups;
 - (d) to provide for means of cooperation between the **participating councils**;
 - (e) to do anything for or on behalf of any one or more of the **participating councils**;

- (f) to do anything for or on behalf of any other council, government entity, or business on a commercial fee for service basis; or
 - (g) with the agreement of the relevant **participating council**, charge a **participating council** a fee for anything it does on behalf of that council.
- (3) The **representatives** may extend the purposes specified in Rule 32(2) only by a resolution passed in accordance with the following:
- (a) notice of the meeting has been given in accordance with Rule 10 at least twenty eight (28) days before the meeting; and
 - (b) that notice of meeting identifies that a resolution is proposed under this Rule to extend the **directors'** powers and expressing at least the general nature of the proposed extension; and
 - (c) at least three (3) quarters of the **representatives** entitled to vote on the resolution, vote in favour of the resolution.
- (4) Any act, transaction, agreement, resolution of the **Board** or any other thing which is within the **Authority's** functions under Rule 4 is not rendered invalid because it is outside the purposes specified by or in accordance with Rule 32(2).

33. The Duties of the Board and Directors

- (1) The **Board** is to maintain good corporate governance to enable the **Authority** to fulfil its obligations and responsibilities.
- (2) Except as otherwise provided in these **Rules**, in the exercise of their functions and powers, each **director**:
- (a) owes the same duties to the **Authority** as a **director** owes to a corporation under the **Corporations Law**; and
 - (b) must manage and disclose to the Board any conflicts of interest arising from, or material personal interest in, any resolution to be considered by the Board, and only vote on the relevant resolution if authorised to do so by a majority of **directors'** present who do not have a conflict of interest arising from, or material personal interest in, that resolution; and
 - (c) the **director** must not do anything which the **Corporations Law** provides that a **director** of a corporation subject to that law must not do.
- (3) **Directors** may rely on information and advice in the same manner as a **director** of a corporation subject to the **Corporations Law**.

34. Notifying Representatives of Adverse Developments

- (1) The **Board** is to promptly notify the **representatives** of anything which may:
- (a) prevent or significantly adversely affect compliance with any significant part of any of the **guiding documents**; or

- (b) significantly adversely affect the financial viability or *operating ability* of the **Authority** or otherwise significantly affect the **Authority** in an adverse manner.

35. Proceedings

- (1) Schedule 3 applies to meetings of the **Board**.

36. Committees and Advisory Groups

- (1) Subject to this Rule 36, the **Board** may establish any committee or advisory group as it considers appropriate and delegate to those committees and advisory groups the functions and powers the **Board** considers appropriate.
- (2) Membership of a committee or advisory group established by the **Board** will, subject to Rule 36(3), comprise such persons as the **Board** considers appropriate having regard to the role and functions to be performed by the relevant committee or advisory group.
- (3) The Board must appoint the **CEO** (or a nominee of the **CEO**) and a **director** as members of each committee or advisory group established by the **Board**.
- (4) The **director** appointed by the Board must act as the chair of the relevant committee or advisory group and must keep the Board regularly apprised of the affairs and decisions of the committee or advisory group.
- (5) If the **Board** does not direct the manner in which a committee or advisory group conducts its business, the committee or advisory group may determine that method.
- (6) The **Board** may discontinue any established committee or advisory group as it considers appropriate.
- (7) For the avoidance of doubt, the establishment of any committee or advisory group by the **Board** and the delegation of any powers or functions of the **Board** to that committee or advisory group does not relieve the **directors** from the performance of their duties under Rule 33.

Part 7 - Chief Executive Officer and Employees

37. Chief Executive Officer

- (1) The **Board** is to appoint a **CEO** to be responsible for the administration and operation of the **Authority**. The **Board** is to determine the terms of appointment of the CEO.
- (2) The **Board** may delegate any of the **Board's** functions and powers to the **CEO**.
- (3) The **Board** may require the **CEO** to:
 - (a) attend meetings of the **Board**; or
 - (b) leave any part of a *Board* meeting.
- (4) The CEO is the **Authority's** spokesperson on operational matters.

38. Delegations of Power by the CEO

- (1) Subject to any direction to the contrary by the **Board**, the **CEO** may delegate any of the **CEO's** functions and powers (including any delegated to the **CEO** under Rule 37(2)) to any person appointed by the **CEO** to assist the **Board** in performing its functions and exercising its powers.

Part 8 - Accounts and Audit

39. Investments

- (1) The **Authority** may only invest money:
 - (a) in a manner in which a trustee is authorised by law to invest trust funds; or
 - (b) in any other investment which the **Treasurer** approves.

40. Borrowing and security

- (1) The **Authority** must not raise a loan, obtain any form of financial accommodation or grant security over its assets except as provided for in Rule 22(3)(j).
- (2) The **Authority** may not raise a loan in any financial year exceeding any amount the **Treasurer** determines for the **Authority** for that financial year.
- (3) In this Rule, 'loan' includes any financing arrangement as determined by the **Treasurer**.

41. Accounting Records

- (1) The **Authority** is to keep accounting records that correctly record and explain its transactions and financial position and keep those records in a manner that:
- (a) allows true and fair accounts of the **Authority** to be prepared from time to time; and
 - (b) allows the accounts of the **Authority** to be conveniently and properly audited or reviewed; and
 - (c) complies with generally accepted Australian accounting standards.

42. Financial Statements

- (1) Within forty-five (45) days after the end of the financial year the **Board** is to prepare the financial statements of the **Authority** relating to that financial year including:
- (a) a profit and loss account or other operating statement for the financial year; and
 - (b) a balance sheet or other statement of financial position as at the end of the financial year; and
 - (c) a statement of cash flows for the financial year; and
 - (d) statements, reports and notes attached to or intended to be read with the financial statements; and
 - (e) such other financial or other statements or reports as the **representatives'** resolve are to be prepared by the **Authority** from time to time.

43. Audit

- (1) The accounts and financial reports of the **Authority** are subject to the Audit Act 2008 (Tas).
- (2) The accounts and financial reports of the **Authority** may be audited by private auditors with the approval of, and subject to any terms and conditions determined by, the Auditor-General.

44. Annual Report and quarterly reports

- (1) Before the end of November in each year the **Board** is to prepare and provide to the **representatives** an annual report for the last financial year.
- (2) The annual report is to include:
- (a) a summary of the *annual plan* for the preceding financial year;

- (b) a statement of the **Authority's** performance in relation to the goals and objectives of the **Authority** set for the preceding financial year;
 - (c) the financial statements of the **Authority** for the preceding financial year;
 - (d) a copy of the opinion of the auditor in respect of the financial statements;
 - (e) reports of the *chief representative* and the *chairperson*; and
 - (f) such other information as the **representatives** request the **Board** to provide in the annual report to inform the **participating councils** of the **Authority's** progress during the preceding financial year.
- (3) As soon as practicable after the end of March, June, September and December in each year, the **Board** must submit to the **representatives** a quarterly report which must include:
- (a) a statement of the **Authority's** general performance in that quarter;
 - (b) a statement of the **Authority's** financial performance in that that quarter.

Part 9 - Dividends and Other Payments

45. Declaration of Dividends

- (1) The **representatives** may by **special resolution** declare a dividend in any financial year with respect to the results of the financial transactions of the **Authority** during the prior financial year.
- (2) In declaring a dividend, the **representatives** are to take into account the amount of the dividend recommended by the **Board**.
- (3) Dividends may only be paid out of the profits of the **Authority** after providing for depreciation and after payment of any financial guarantees and tax equivalents.

46. Distribution of Dividend

- (1) The **participating councils** are to share in the distribution of dividends in accordance with the **agreed proportion**.

Part 10 - Miscellaneous

47. Indemnity

- (1) The **Authority** may indemnify a person who is, or has been, a **representative, director** or employee against any liability incurred to a person other than the

Authority by that person in his or her capacity as a **representative, director** or employee.

- (2) Rule 47(1) does not apply:
- (a) if the liability arises out of:
 - (i) conduct which involves a lack of good faith on that person's behalf;
 - (ii) a wilful breach of duty; or
 - (iii) gross negligence; or
 - (b) where liability for costs and expenses is incurred by that person:
 - (i) in defending any proceedings in which judgment is not given in his or her favour or in which he or she is not acquitted; or
 - (ii) in connection with an application, in relation to those proceedings, in which a court grants relief to the other person.

48. Insurance Premiums

- (1) The **Authority** may pay a premium on a contract insuring a person who is, or has been, a **representative, director** or employee against a liability other than a liability arising out of conduct involving a wilful breach of duty in relation to the **Authority**.

49. Minutes and Confidentiality

- (1) The **Board** is to ensure that minutes are duly recorded in any manner it thinks fit.
- (2) The minutes are to include the names of the:
- (a) **representatives** present at **general meetings**; and
 - (b) **directors** (and any other person) present at each meeting of the **Board**; and
 - (c) the chair of the meeting and any parts of it; and
 - (d) persons present at any committee meeting or meeting of an advisory group.
- (3) The minutes are to include a record of the resolutions and proceedings of:
- (a) **general meetings** of **representatives**; and
 - (b) meetings of the **Board**; and
 - (c) meetings of any committee or advisory group.
- (4) The minutes of any meeting are evidence of the matters stated in the minutes, if purported to be:

- (a) signed by the chair of the meeting or by the chair of its next succeeding meeting; or
 - (b) confirmed by a subsequent meeting.
- (5) The **CEO** is to ensure that copies of the minutes of meetings of **representatives** or the **Board** (even if they are not yet confirmed) are forwarded within fourteen (14) days of the meeting to:
- (a) each **director**; and
 - (b) each **representative**; and
 - (c) each **general manager**.
- (6) **Representatives, directors, the CEO and general managers** are to ensure that the minutes (whether confirmed or unconfirmed) of all **Board** meetings are kept confidential unless the **chairperson** gives **written** approval to the contrary.
- (7) (a) Minutes of **general meetings** are not confidential unless the **representatives** determine to the contrary at the conclusion of the applicable **general meeting**, either generally or specifically with respect to all or any part of those minutes.
- (b) The **representatives** must determine that a **special resolution** which has been passed suspending or dismissing a **director** or **chairperson** under Rules 28 or 29 is kept confidential unless the person suspended or dismissed agrees to waive its confidentiality or disclosure is required pursuant to any law.
- (c) If any part of the minutes of a **general meeting** are specified to be confidential, the **general managers** may only publish those confidential sections of the minutes in the confidential papers of their council.
- (d) All persons who receive confidential minutes of any part of a **general meeting** are to be instructed to keep those minutes confidential.
- (e) **Representatives** are to keep confidential all information given, and discussions made during, that part of a **general meeting** for which the minutes are specified to be confidential.

50. Notices

- (1) A notice required to be given to a **participating council** is to be given to both the **participating council** and the **participating council's representatives**.
- (2) A document is effectively given to an individual under these **Rules** if it is:
- (a) hand delivered to the person; or
 - (b) left at, or sent by post to, the person's postal or residential address or place of business or employment last known to the giver of the document; or

- (c) sent by way of electronic mail or facsimile transmission to the person's electronic mail address or facsimile number last known to the giver of the document.
- (3) A document is effectively given to a **participating council** under these **Rules** if it is marked to the attention of the **general manager** of the **participating council** and:
 - (a) left at, or sent by post to, the **participating council's** principal office; or
 - (b) sent by way of electronic mail or facsimile transmission to the council's electronic mail address or facsimile number of its principal office.

51. Common Seal and Execution of Documents

- (1) The common seal of the **Authority** is to be kept and used as authorised by the **Board**.
- (2) The common seal to any document is to be attested by:
 - (a) the **chairperson** and the **CEO**; or
 - (b) the **CEO** and any **director**; or
 - (c) any two (2) **directors**.
- (3) The **Board** may determine the method of the signing or execution of any document on behalf of the **Authority** which does not require the affixing of the common seal.

52. Amendment of Rules

- (1) These **Rules** may only be amended in accordance with the **Act**.

53. Dispute Resolution

- (1) The provisions of Schedule 4 apply to any dispute as to any issue the subject of these **Rules** or arising from their interpretation between:
 - (a) any or all of the **participating councils**; or
 - (b) any or all of the **participating councils** and the **representatives**; or
 - (c) the **representatives** and the **Board** (other than one to which Schedule 2 applies in respect of the adoption or variation of the *guiding documents*); or
 - (d) any council that has withdrawn and the **Authority**, the **Board** or the **representatives**.

Part 11 – Withdrawal, Insolvency & Winding Up

54. Withdrawal

- (1) Subject to any requirements of the **Act**, a **participating council** may give **written** notice to the **CEO** of its intention to withdraw from membership of the **Authority** (**Proposed Withdrawal Notice**) provided that the **Proposed Withdrawal Notice** specifies a withdrawal date of not less than 18 months after the date of the **Proposed Withdrawal Notice**. The **Proposed Withdrawal Notice** must also specify in detail the reasons why that **participating council** is proposing to withdraw from the **Authority**.
- (2) Within 7 days of receiving a **Proposed Withdrawal Notice**, the **CEO** must provide a copy of the notice to the **chief representative**, the **chairperson** and each other **participating council**.
- (3) The **chief representative** must then, within 30 days of the date the **chief representative** receives the **Proposed Withdrawal Notice**, convene a meeting of the **representatives** to discuss the **Proposed Withdrawal Notice** and the terms on which the withdrawing **participating council** may withdraw from the **Authority** (including the terms of any financial contribution to the **Authority** to be made by the withdrawing **participating council** under Rule 54(5)).
- (4) Within 60 days of the date the **CEO** received the **Proposed Withdrawal Notice**, the **CEO** must provide to the withdrawing **participating council** a good faith non-binding estimate of any financial contribution to be made by that **participating council** to the **Authority** under Rule 54(5).
- (5) The **CEO** must (not earlier than 30 days and not later than 14 days before the notified withdrawal date) calculate and provide to the withdrawing **participating council** (and each other **participating council**) details of the final **Withdrawal Contribution Amount** calculated in accordance with Rule 54(7), which notification is to be accompanied by a certificate signed by a reputable accounting firm confirming that the **Withdrawal Payment Amount** has been calculated in accordance with the terms of Rule 54 (7).
- (6) If a **participating council** has given a **Proposed Withdrawal Notice** under Rule 54(1), it may cancel that notice by further notice to the **CEO** given before its withdrawal becomes effective (**Withdrawal Cancellation Notice**).
- (7) In this Rule 54, "**Withdrawal Contribution Amount**" means the withdrawing **participating council's agreed proportion** of any estimated net liabilities of the **Authority** as at the effective withdrawal date as calculated by the **CEO** and certified by a reputable accounting firm.
- (8) A withdrawal from membership will become effective on the withdrawal date specified in the **Proposed Withdrawal Notice** provided that:

- (a) the withdrawing **participating council** has not issued a **Withdrawal Cancellation Notice** before that date; and
 - (b) the withdrawing **participating council** has paid the *Withdrawal Payment Amount* (as notified by the CEO under Rule 54(5)) to the **Authority** before that date.
- (9) A council which issues a **Proposed Withdrawal Notice** or has withdrawn from the **Authority** remains:
- (a) liable to pay all amounts due by it to the **Authority** as at the date of its withdrawal; and
 - (b) to the extent applicable, bound by Rules 55 and 56.
- (10) All property and assets owned or controlled by the **Authority** including those located within the municipal area of a council which has withdrawn from the **Authority** remain the property of or under control of the **Authority** unless they are purchased from or otherwise transferred by the **Authority** to that council.
- (11) A **participating council** which withdraws from membership of the **Authority** is not entitled to any payment from the **Authority** for any interest in the property and assets of the **Authority** or otherwise.

55. **Insolvency**

- (1) If the **Board** considers it is likely that the **Authority** will be unable to meet its financial obligations as and when they fall due, it may levy the **participating councils** for contributions to meet those obligations in the **agreed proportion**.
- (2) The **participating councils** must pay the amount so levied within 60 days of receiving **written** notice from the **Board** of that levy, whether or not they have given notice of withdrawal under Rule 54 before or after the **Board** makes the levy.
- (3) Any such levies are to be repaid to the **participating councils** from subsequent surpluses prior to any dividends being declared.

56. **Winding Up**

- (1) The **Authority** may only be wound up under section 37 of the **Act**.
- (2) On the winding up of the **Authority** the net assets of the **Authority** are to be distributed between the **participating councils** in the **agreed proportion**.
- (3) If on winding up of the **Authority**, the **Authority** is insolvent, then the **participating councils** are responsible for the net liabilities of the **Authority** in the **agreed proportion**.

Part 12 – Other Financial

57. Capital Distribution

- (1) The **directors** may resolve to distribute or transfer to the **participating councils** any assets or cash which the **directors** consider are no longer required for the effective conduct of the affairs of the **Authority**.
- (2) If a distribution for the purposes of Rule 57(1) is by way of capital reduction of the **Authority**, the assets or cash are to be distributed to the **participating councils** in the **agreed proportion**.
- (3) The **directors** may have any asset to be distributed or transferred under this Rule valued by an appropriately qualified person and that value is binding on the **Authority** and each of the **participating councils**.
- (4) The **Authority** may pay or receive any cash amounts reasonably required to maintain any distribution under this Rule in the **agreed proportion**.

58. Rates Equivalent

- (1) If any premises occupied by the **Authority** are exempt from the payment of rates under section 87 of the **Act**, the **Authority** must pay to the **participating council** in whose municipal area those premises are occupied an amount equal to the rates which would otherwise be payable.
- (2) That amount must be paid by the same date or dates and in the same manner as if the premises were not so exempt.

SCHEDULE 1
PARTICIPATING COUNCILS

- (a) Burnie City Council
- (b) Central Coast Council
- (c) Circular Head Council
- (d) Devonport City Council
- (e) Kentish Council
- (f) King Island Council
- (g) Latrobe Council
- (h) Waratah-Wynyard Council
- (i) West Coast Council

SCHEDULE 2
STRATEGY, ANNUAL PLANS & COUNCIL CONTRIBUTION BUDGET

2.1 Guiding Document

- (1) Not later than seventy (70) days before the commencement of each financial year of the **Authority**, the **Board** is to prepare and submit to the **representatives** the following **guiding documents** for that financial year:
 - (a) a strategy; and
 - (b) an *annual plan* with respect to the forthcoming financial year; and
 - (c) a **council contributions budget** with respect to the forthcoming financial year.

2.2 Strategy

The strategy is to be in accordance with the functions and powers of the **Authority** set out in Rules 4, 5 and 32 and:

- (1) state the broad expectations of the **Board** and the **representatives** as to:
 - (a) the broad purpose of the **Authority**; and
 - (b) the major or broad issues and goals the **Authority** will seek to address and/or pursue; and
 - (c) the proposed methods or ways the **Authority** will use to pursue that purpose and goals; and
- (2) make provision for the **Authority** to act in the furtherance of its functions and powers by responding to important issues affecting the **Cradle Coast Region** which are not specifically identified in the strategy.

2.3 Annual Plan

- (1) The *annual plan* is to be in general accordance with the strategy.
- (2) The *annual plan* is to include an outline of all projects or activities that the **Authority** is committed to during that financial year or that the **Board** anticipates conducting during that financial year, including key objectives and means of funding those projects and activities.

2.4 Council Contributions Budget

- (1) The **council contributions budget** for the financial year is to be consistent with the *annual plan*.

- (2) The **council contributions budget** for the financial year is to include:
- (a) details of the estimated expenditure of the **Authority** that is to be met from the contributions of **participating councils** or borrowings; and
 - (b) the estimated borrowings by the **Authority**; and
 - (c) the total contributions payable by the **participating councils** in accordance with Rule 7(2) and the amount so payable by each of them in accordance with the **agreed proportion**; and
 - (d) the number of instalments, the proportion of the contributions payable in each instalment and the due date of each instalment.

2.5 Other Contents of Guiding Documents

- (1) The **Board** may include any other information it considers desirable in the **guiding documents**.
- (2) The **guiding documents** are also to include any other information that the **representatives** specify by **special resolution**.

2.6 Adoption of Guiding Documents

- (1) A *guiding document* for a financial year is adopted:
- (a) when the **representatives** resolve to accept the *guiding document* submitted to them by the **Board**; or
 - (b) when the **Board** resolves to accept amendments to the *guiding document* which has been adopted by the **representatives** subject to those amendments; or
 - (c) in accordance with clause 2.8.
- (2) The **Board** and the **representatives** are to use their best endeavours to ensure that the **guiding documents** relevant to a financial year are adopted prior to the commencement of that financial year.

2.7 Amendments to Guiding Documents

- (1) Either the **representatives** or the **Board** may propose an amendment to an existing *guiding document* and put that amendment to the other for adoption.

2.8 Reaching Agreement on Guiding Documents

- (1) If within forty five (45) days after the **Board** submits a *guiding document* to the **representatives** for its approval (or such longer period as the **Board** approves), the **representatives** and the **Board** have not been able to agree on the *guiding*

document then the **chairperson** is to call a joint meeting of the **representatives** and the **Board**.

- (2) The **chairperson** is to:
 - (a) call the joint meeting in the same manner as a **Board** meeting; and
 - (b) chair the joint meeting as if it were a **Board** meeting.
- (3) If it appears to the **chairperson** that the **representatives** and the **Board** have reached agreement during the joint meeting, the **chairperson** may adjourn the joint meeting to enable separate meetings of the **representatives** and the **Board** to approve the **guiding documents** in their agreed form.
- (4) The separate meetings of the **representatives** and the **Board** require no notice if they are held at the same place as the joint meeting and promptly after its adjournment.
- (5) When considering the provisions of the **guiding documents** in which they are not in agreement:
 - (a) the **Board** is to take into account that the **representatives** represent the owners of the **Authority**; and
 - (b) the **representatives** are to take into account that the **Board** is the body charged with the conduct of the affairs of the **Authority**.
- (6) If thirty (30) days after the joint meeting the **Board** and the **representatives** are still unable to agree on the **guiding documents**, the **representatives** may by **special resolution** adopt the **guiding documents** containing provisions acceptable to the **representatives**.
- (7) A **special resolution** under subclause 2.8(6) may only be moved at a **general meeting** the notice for which was issued after the thirty (30) day period referred to in subclause 2.8(6).
- (8) The **representatives** and the **Board** may agree any other process for resolving a dispute between them as to the approval of a *guiding document*.
- (9) The provisions of this clause 2.8 apply to any amendment proposed by either the **representatives** or the **Board** to a *guiding document* which has previously been adopted.

2.9 Legal Effect of Guiding Documents

- (1) The validity of any act, transaction, agreement, resolution or other thing is not affected by:
 - (a) the failure of the **representatives** or the **Board** to adopt a *guiding*

- document*, or to do anything in the process of that adoption; or
- (b) any inconsistency between any of the ***guiding documents***; or
 - (c) any non-compliance of a *guiding document* with any provision of this Schedule; or
 - (d) any non-compliance of that act, transaction, agreement, resolution or other thing with a *guiding document*; or
 - (e) any other non-compliance in the *guiding document* or the process of its adoption.
- (2) The **CEO** is to make a copy of all adopted and current ***guiding documents*** available for inspection at the administrative office of the **Authority**.

SCHEDULE 3 PROCEEDINGS OF THE BOARD

3.1 Convening of Board Meetings

- (1) The **Board** may hold such meetings as are desirable to carry out its functions.
- (2) The **CEO** is to convene a **Board** meeting at the request of the **chairperson** or any two **directors**, and may also do so on his or her own authority.

3.2 Notice of Board Meetings

- (1) The **Board** may determine generally or specifically the requirements for notice of its meetings.

3.3 Chairing of Board Meetings

- (1) The **chairperson** is entitled to chair every **Board** meeting unless clause 3.5 applies.
- (2) If the **chairperson** is absent, unwilling or unable to chair a meeting or part of a meeting, the **directors** are to choose one of their number to chair the meeting or that part of the meeting.

3.4 Quorum at Board Meetings

- (1) A quorum of the **Board** is a majority of the number of **directors** then in office. The quorum is to be counted and met at the commencement of the meeting.
- (2) If a **director** is excluded from being present at a **Board** meeting in relation to a matter, a quorum for the purposes of considering and making a decision in relation to that matter is constituted by a majority of the number of **directors** entitled to be present at the meeting.
- (3) A quorum under subclause (2) is to be at least two (2) **directors**.

3.5 Issues Relating to a CEO

- (1) The **CEO** must, if required by the **chairperson**, not be present at a **Board** meeting when the Board is dealing with his or her appointment, employment, appraisal, performance, dismissal or suspension.

3.6 Voting at Board Meetings

- (1) The **chairperson** has a deliberative vote only and no casting vote.

- (2) A question is decided:
 - (a) by a majority of votes of the **directors** present and voting; and
 - (b) in the negative if there is an equality of votes of the **directors** present and voting.

3.7 Conduct of Meetings

- (1) The **Board** may regulate the calling of, and the conduct of business at, its meetings as it considers appropriate.
- (2) A **director** may participate in a meeting by telephone or television conference or any other means of communication approved by the **Board**.
- (3) A **director** who participates by means referred to in subclause 3.7(2) is taken to be present at the meeting for all purposes, including the quorum.
- (4) The **Board** may allow or invite a person to attend a meeting for the purpose of advising or informing it on any matter.

3.8 Resolutions Without Meetings

- (1) A resolution in writing provided to all directors and then signed by a majority of the **directors** entitled to vote on the resolution is as valid as if it had been passed at a properly called and constituted meeting of the **directors**.
- (2) The **written** resolution issued under subclause 3.8(2) may consist of several documents in the same form, each signed by one or more **directors** or bearing a copy of those signatures transmitted by facsimile transmission or electronic mail.

3.9 Validity of Proceedings

- (1) An act or proceeding of the **Board** or of any person acting under any direction of the **Board** is:
 - (a) not invalid by reason only that at the time when the act or proceeding was done, taken or commenced, there was a vacancy in the membership of the **Board**; and
 - (b) is valid, even if:
 - (i) the appointment of a **director** was defective; or
 - (ii) any person appointed as a **director** was disqualified from acting as, or incapable of being, a **director**.

3.10 Confidentiality

- (1) All persons who attend a **Board** meeting are to keep confidential all information given and discussion made during that meeting except to the extent that the **chairperson** gives approval to the contrary or these **Rules** provide to the contrary.

SCHEDULE 4 DISPUTE RESOLUTION PROCESS

4.1 Outline of Resolution Process

- (1) The parties to which any dispute to which Rule 53 applies must use the following **dispute resolution process**:
 - (a) negotiation in good faith;
 - (b) if negotiations do not resolve the dispute, then mediation; and
 - (c) if mediation does not resolve the dispute, then arbitration if subclause 4.7(2) applies.

4.2 Illustrations of Disputes

- (1) The following are (without limitation) illustrations of disputes to which clause 4.1 applies:
 - (a) over fees charged or quality of work done by the **Authority** to or for one of the **participating councils**;
 - (b) over a desire by one of the **participating councils** to amend these **Rules** in a manner which is not acceptable to another party;
 - (c) over the extension of the **directors**' powers under Rule 32(3);
 - (d) as to the calculation of a Withdrawal Cancellation Amount.

4.3 Other Parties May Join

- (1) Even though a dispute may be primarily between two of the parties referred to in Rule 53, any other party may (to the extent that it has a bona fide material interest in the outcome of the matter in dispute) require that it be included in the **dispute resolution process** as a party to the dispute.

4.4 Notice of Dispute

- (1) If a dispute as defined in Rule 53 (including as illustrated in clause 4.2) arises, then any party to that dispute may give **written** notice to the other or others of that dispute. The party giving the notice shall also provide a copy of the notice to the **CEO** and to each of the **representatives**.
- (2) That notice is to specify the general nature of the dispute in such a way as to facilitate resolution of all issues relevant to the dispute.

4.5 Notice of Mediation

- (1) If within thirty (30) days of the giving of a notice of dispute under clause 4.4, any party to the dispute considers that it is unlikely that the dispute or any part of it will be resolved by negotiation, it may give **written** notice to the other or others requiring mediation.

4.6 Mediation Rules

- (1) If within fourteen (14) days of the receipt of the notice requiring mediation, the parties to the dispute do not agree on:
 - (a) the selection and compensation of an appropriate mediator; or
 - (b) another dispute resolution technique and procedures; or
 - (c) an actual resolution of the dispute;then the parties to the dispute must mediate it in accordance with the mediation rules of the Law Society of Tasmania.
- (2) The mediator is to be a person nominated by the President of the Local Government Association of Tasmania who may also determine the mediator's remuneration.

4.7 Arbitration

- (1) If the mediator appointed under clause 4.6 certifies that the mediation has been unable, and is unlikely, to resolve the dispute, or any part of it, then the dispute, or that part which is unresolved, is to be referred to arbitration under the *Commercial Arbitration Act 1986 (Tas)*.
- (2) If the parties cannot agree on an arbitrator, the arbitrator is to be a person nominated by the President of the Local Government Association of Tasmania.
- (3) Subclause 4.7(1) only applies if the unresolved dispute is one in respect of which a party has a right enforceable in a Court of law and that party wishes to enforce that right.

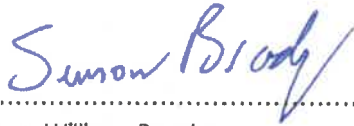
4.8 Other Processes

- (1) The parties to a dispute may agree on any other process for resolving a dispute or any part of it.
- (2) Nothing in this Schedule 4 limits a party's rights to seek urgent or interlocutory relief from a Court.

Certification of Rules

I certify in accordance with section 32(2) of the Local Government Act 1993 that these **Rules** are in accordance with the law.

Dated 18 / 01 /2018



.....
Simon William Brady
Clayton Utz
Qualified legal practitioner

I certify in accordance with section 32(2) Local Government Act 1993 that these **Rules** have been made in accordance with the Local Government Act.

Dated 31 / 01 /2018



.....
General Manager LATROBE Council