

# SIMON FRASER

## Alderman

Glenorchy City Council

C/- PO Box 103

Glenorchy TAS 7010

M: 0478 623 090

simon.fraser@gcc.tas.gov.au

05 May 2022

Ms S Smith  
Chair  
Future of Local Government Review  
LGBoard@dpac.tas.gov.au

Dear Madam,  
SUBMISSION TO FUTURE OF LOCAL GOVERNMENT REVIEW

Thanks for the opportunity to make a submission to the Future of Local Government Review.

Glenorchy City Council has made a separate submission which was endorsed by all aldermen at our April council meeting, however I wanted to add some personal thoughts for the board's consideration based on my experience in local government over the past four years.

The functions of local government as currently prescribed in the Act are, in my view, too broad. Section 20 of the Act states that the functions of a council are to:

- (a) provide for the health, safety and welfare of the community and
- (b) represent and promote the interests of the community.

These functions are so subjective and open to interpretation that it is exceedingly difficult for councillors to determine what should and should not be within the scope of local government programs and spending. The legislated functions also blur the lines between state and local government responsibilities. My personal view is that the core function of councils is to operate as asset management businesses and that this should be more clearly defined.

I started my term as a councillor in 2018 thinking my role was similar to being a minor league politician. Over the last four years however I have come to understand my role as being more like a board director for a not-for-profit organisation, with a minor political role.

Unfortunately, the mechanics of good governance are often misunderstood by both the public and councillors themselves. The 2017 report into the troubles at Glenorchy City Council clearly identified failures in governance as the major problem, including



[facebook.com/simonfraseralderman](https://facebook.com/simonfraseralderman)



[linkedin.com/in/simonfraseralderman](https://linkedin.com/in/simonfraseralderman)

# SIMON FRASER

## Alderman

Glenorchy City Council

C/- PO Box 103

Glenorchy TAS 7010

M: 0478 623 090

simon.fraser@gcc.tas.gov.au

factionalism, dysfunctional relationships, conflicts of interest and complete confusion about roles and responsibilities.

In contrast the corporate sector sets the governance bar much higher, particularly regarding the skill and competence required of board members, the scrutiny of their conflicts of interest and the standards applied to their independence and impartiality. Despite the similarities in corporate structure and operations however, the standards of governance prescribed in the Local Government Act are much lower than the Corporations Act. I think this explains why so many councils become dysfunctional and fall into financial difficulties. If there was more focus on being a good director and less on being a politician, we would have far fewer problems with our councils. I think more stringent governance standards should be considered as part of your review.

Finally, although I understand that amalgamations are politically challenging, I believe they should remain firmly on your agenda. Since being elected in January 2018 I have consistently drawn attention to the advantages of a merger between Hobart and Glenorchy. An SGS Economics report on amalgamations in Greater Hobart published in 2017 found that *"The analysis in this report clearly shows that [the] strategic impacts overwhelmingly dominate"*.

It is clear from the report that no elected representative could place their hand on their heart and honestly tell their constituents that rates will reduce because of amalgamations. In fact, experience shows that some mergers come at a net cost in the short term instead of creating savings.

However, any costs are recovered during the following decades. The focus for amalgamations therefore should be on the long-term strategic benefits, including the level and range of service provision, more integrated land use and transport planning, consolidated urban growth and a more integrated strategy for tourism and economic development. For Greater Hobart, the benefits would be returned over decades, and they would be in the hundreds of millions. The report estimated that a merger between Glenorchy and Hobart alone would unlock \$166 million in direct and indirect savings over the next few decades.

Yours faithfully,



Simon Fraser



[facebook.com/simonfraseralderman](https://facebook.com/simonfraseralderman)



[linkedin.com/in/simonfraseralderman](https://linkedin.com/in/simonfraseralderman)