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Our Reference:

24 August 2022

Local Government Board
Future of Local Government Review
Phase 2 Submission

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To whom it may concern,

RE: FUTURE OF LOCAL GOVERNMENT REVIEW – PHASE 2 SUBMISSION

Thank you again for the opportunity to provide feedback to the Future of Local Government process.

On behalf of our Council, I provide a brief submission which responds to the consultation questions outlined in the Future of Local Government Review Stage 1 Interim Report (July 2022).

Although still relevant, Council has not repeated all points raised in the submission to phase 1 of the review.

SECTION 2 – THE ROLE FOR LOCAL GOVERNMENT IN THE 21ST CENTURY

Do you agree with the role statement? Does it make sense? Are there any gaps?

Council supports in principle the notion of a role statement however, in doing so, notes that implementation of the statement as written may lead to outcomes that are not desirable for the sector or the Waratah-Wynyard community and therefore does not support the specific draft provided. It is difficult to comment on the statement without understanding the detail behind, specifically the second point.

Item 2 of the statement implies that services requiring a local approach will be dealt with and delivered at a “sub-regional” scale and other services at a regional or state-wide level. There is no evidence provided to support the derivation of the statement. Much more needs to be explored in this space before the principle can be supported.

Moving multiple services to statewide, regional or subregional bodies at a large scale creates a range of issues, some of which are explored further in this submission.

If faced with the scenario of many services being removed and established in separate entities, Council believes larger Councils are a more desirable approach. Economies of scale benefits through greater size Councils are favoured over multiple regionalised services as this would allow for a greater talent pool, increased governance, more internal specialists and subject matter experts.

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A decentralised larger Council, with shop fronts and main administration not necessarily aligned with the major population centre, is worthy of exploration. Decentralisation and commitment to satellite sites will help alleviate existing concerns about job losses in smaller, rural areas.

Which are the services that you think benefit most from 'local' design and delivery? Why? When it comes to those services, how local is 'local enough' to deliver for the community?

To respond to your specific questions, services best provided at a local level include:

- Community development
- Recreational facilities (including playgrounds, sports grounds, and halls)
- Public Open Space, parks and gardens
- Footpaths and shared pathways
- Animal management
- Street cleaning (including public toilets)
- Compliance, including plumbing compliance
- Local strategic land use planning and development assessment
- Asset management, planning and maintenance
- By laws
- Emergency management and community recovery
- Customer service

Services that could have a regional or subregional delivery include:

- Some planning functions – regional strategies, major project assessments and assessment of applications for which Council is the applicant
- Procurement
- Environmental Health
- Corporate Services including finance, governance and payroll
- GIS
- Waste Management
- Regulatory functions including building permit authority
- Children's Services
- Natural Resource Management, including weed management
- Bridges
- Climate mitigation/environment
- IT

In addition, there are services that could be best delivered in a regional or statewide model. In considering the practical implications of such models, it is important to examine a number of factors:-

- Firstly, there is little gain to the sector by creating more entities with current Council numbers being maintained or reduced slightly. The sector does not want to end up with 29 Councils and multiple service delivery entities. Conversely, a model that results in less Councils and multiple service delivery entities will ultimately leave the sector with the same number of bureaucracies as it does now.
- Secondly, if regional, sub-regional or statewide entities are created, what remains at the Council level needs to have a meaningful purpose and be viable. If waste, planning, corporate services and infrastructure services are all regionalised, what remains at Council is little more than a community services entity. Not all overheads will be able to be reduced or eliminated in this scenario and the current scale related issues facing councils now will be further increased.

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- The report has a focus on the need to identify services which do not necessarily need to be delivered locally and inferring therefore that local government may not be the best tier of government to provide these services. This is a simplistic approach which fails to recognise that, providing the local council can deliver the services to at least a similar level of efficiency and effectiveness, there are other compelling reasons why the services should continue as a council responsibility. These include ensuring the councils remain of sufficient overall scale and size to have influence, attract staff and elected members, be professional and be valued as a meaningful level of government.
- Ultimately, Council does not want an over regulated, complicated system of regional structures where Councils pay for services yet have little or no control over the service delivery or quality. Learnings should be taken from the establishment of TasWater - noting the structural changes required not long after creation of the four separate entities; the lessons from combining Council resources; and the fact that a consolidated entity may not result in reduced costs to the end user.
- Internally, Councils have the benefit of inter-related functions being co-located which provide process and time efficiencies. For example, regulatory teams liaising with engineering teams, or community teams working with regulatory teams on projects for initial advice and guidance. This aspect should not be underestimated in consideration of moving services to a regional, sub-regional or statewide structure.

Services or functions that could be explored for greater collaboration with the State Government include:

- Road Maintenance
- Health and Well-being programs
- Alignment with Service Tasmania

What do you think about the idea of a 'charter' for local government? If we develop a charter, should it be legislated?

Whilst the notion of a Charter that clearly articulates the performance outcomes, expectations and behaviours from Council and elected members is sound, the sector does not need yet another guiding document.

The *Local Government Act* should be the one single reference point rather than more separate documents, with more regular review of the Act to ensure it maintains its relevance and remains flexible and dynamic to growth and change.

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SECTION 3 – CAPABILITY FOR THE FUTURE: SUCCESSFUL AND SUSTAINABLE COUNCILS

What do you think about the Capability and Outcome Aspiration Statements? Are they useful?

Do you agree with what they say? Is anything missing?

The aspiration statements are supported in principle.

The Fourth Statement – Efficiency, Effectiveness and Equity states *“cost efficiencies achieved from increased scale economies are re-invested in locally tailored services that are valued by local communities and which support wellbeing”*.

How financial efficiencies are to be spent should not be detailed in a statement of this nature.

The Good Governance statement includes *“Because of this, local communities have confidence in their council’s elected member and staff, actively engage and participate in council decision-making, and know they will be listened to on the issues that matter to them”*.

Listening is one critical task, but most residents want action. Frustration occurs when Councils do not take meaningful and timely action, the direction/decision is not clear or they are referred to other entities with bureaucratic processes.

SECTION 4 – OPPORTUNITIES, ISSUES AND CHALLENGES

Do you think the Future Visions capture what success would look like if all our councils were working well? Is there anything you would add or remove? Thinking about the Future Visions and how we might achieve them, are there any other opportunities, issues and challenges under the Review Themes that you think the Board might have missed?

Infrastructure Provision and Management

Under the current model of Local Government, clearly many Councils do not have the sustainable financial capacity to plan, fund, and build required new infrastructure, while also managing their existing renewal and replacement obligations, nor do they meet statutory requirements or have an ability to attract and retain key professional staff in this field. The status quo cannot continue.

There is potential for asset management skills sharing across councils and clearly coordination of civil works contracting already provides benefit across Circular Head and Waratah-Wynyard Councils.

Financial efficiencies may be gained from a consolidated infrastructure delivery model however it is critical to consider what the long-term effects may be in terms of economic viability and the impacts to local service industries and communities.

Stormwater, hydraulic analysis and flood mapping is a theoretical science that requires a high level of local area knowledge to accurately determine any model outputs. Currently Councils are able to actively maintain their stormwater infrastructure networks and undertake pre-emptive maintenance operations ahead of forecast weather events.

This pre-emptive maintenance cycle is highly reliant upon local knowledge of the stormwater infrastructure in ground and historic flood events. We need to consider what capacity a regional body would have to coordinate and undertake preventative maintenance prior to a forecast weather event. Should service delivery and preventative maintenance be compromised, particularly for smaller regional Council areas, this may increase the probability of flood inundation and the loss of life or property as a result.

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Similarly, moving roads/bridges to a regional body inhibits the ability to react and pre-empt maintenance regimes in a road corridor or infrastructure network. Whilst roads are generally considered static in nature from an asset maturity perspective, they are highly dynamic in their performance nature, particularly unsealed roads where the road condition can change dramatically post a weather event.

There are statewide regional infrastructure models in place at the moment, an example being state highway maintenance, and with such poor performance in this area with little to no maintenance or preventative works being undertaken, there is some hesitation in moving to a similar structure.

Financial modelling may illustrate efficiencies in reducing operational maintenance cycles in the short term, however over a longer term period this is proven to be a false economy as the works required to maintain the roads shift from general re sheeting and resurfacing to the need to bring forward major pavement replacement and/or reconstruction due to pavement damage incurred through poor or low level maintenance.

Finance and Administration

Similarly, to the previous section, data would suggest the status quo should not remain.

Analysis should be undertaken on each Council's Financial Management Strategies to explore future projections rather than simply rely on historical data. Ministerial approval of long-term financial plans for councils could be considered to ensure sustainability.

In respect to procurement, it is understood that financial efficiencies are gained through economy of scale and that those neighbouring Councils that currently work under a 'resource sharing' agreement see the benefits of this practice. Waratah Wynyard Council has demonstrated examples of such gains.

It is also recognised, however, that these procurement practices are generally limited to a regional level and each stage of procurement is separably differentiated to allow for competitive market delivery, such that bridges, road surfacing, grading and material supply are isolated procurement activities and that each of these services delivery streams are generally an annual procurement activity. Should there be a shift to consolidate these procurement practices into a single stream of service delivery there is a risk of market monopolisation, particularly if a regional model is considered.

In the short term, either Councils or a regional authority would see financial efficiencies from consolidated procurement practices as there would be a number of providers that would have the financial, resource and material capacity to deliver the services enabling a competitive tender process.

However, over time the service providers that were unsuccessful in the competitive tender process would slowly become less able to maintain the financial stability to provide competitive tender submission as there would be no subsidiary works packages offered from a local government level to maintain financial viability.

Ultimately this would drive a monopolisation and without a competitive market, financial efficiencies seen early would be lost, resulting in Tasmanian communities paying inflated prices for service delivery. Furthermore, this would potentially see many local companies and providers that currently serve and employ people from the local communities default due to market monopolisation.

If this model is considered on a regional basis, particularly in terms of a multiple year contract, there is potential for this issue to accelerate.

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Planning and Regulatory Functions

It is acknowledged and agreed that there is conflict around councillors' role as community representative versus the role as a planning authority decision maker.

There is definitely a need to be able to delegate or transfer some decision making of planning assessments, particularly for larger scale applications, complex applications and when Council is the applicant.

The recent increase in planning applications, coupled with difficulty in attracting and retaining suitable technical staff, means that other important and statutory obligations, such as compliance are falling behind expected levels and timeframes.

Data suggests that the existing Council model cannot attract and retain the necessary professional staff to deliver land use planning and other regulatory services such as environmental health, building and plumbing control. Pooling of planning and regulatory staff at a greater scale is required.

Economic Development and Local Promotion

It is agreed there needs to be broader regional and state-wide economic goals and improved regional and sub-regional collaboration relating to economic development. In this region, the Cradle Coast Authority work hard to develop and implement a regional economic development framework, however the balance of local needs versus regional needs often makes this work challenging.

One of the flaws of the existing governance model in Tasmania is the inward facing strategic planning that is undertaken in Councils. Each Council develops its own strategic direction, at times competing with neighbouring Councils, duplicating services and infrastructure and not considering broader regional implications.

The Sustainable Murchison Plan was developed to address this type of issue. Streamlining governance processes and developing a coordinated economic development plan may provide further opportunity to attract investment.

Environment

Resolution of environmental matters needs to be driven at a state-wide and at times, regional basis. Having said this however, work needs to be done to seek to understand each communities' environmental objectives.

The draft future vision implies an open-ended expectation on Council to resource "additional" environmental objectives when currently there is very little as a starting or base point.

Regionalisation of waste services should be explored further.

Governance, accountability and representation

Council supports the notion of greater data to ensure evidence-based decision making at all levels.

Accountability will be improved equally through the provision of improved reporting. Council supports any initiatives to enhance reporting such as the Data Dashboard information. Indicators and measures must be meaningful and reported on a like-for-like basis across Councils.

Council has publicly stated more work needs to be done to address concerns with councillor conduct, workplace culture Councillor eligibility.

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Placemaking and mandating community plans will ensure future community engagement. Waratah-Wynyard feels it is well placed to comment on the need to deal with differences within communities. The Council has distinct and unique population centres at Wynyard, Somerset, Yolla, Boat Harbour, Sisters Beach and Waratah, each requiring a tailored approach to community engagement and consultation. This approach, rather than a one-size-fits all approach, ensures that the community voice is heard and needs met as much as possible.

Community Wellbeing

A busy space, much work is required to define Councils role in community wellbeing and to ensure there is no service overlap with primary health services.

It is also agreed that Councils know and understand their communities, but it is unclear whether community wellbeing should be part of Council's core role.

The concept of regional wellbeing strategies is supported.

Looking at the 'things we will do' in Stage 2 under each of our Priority Reform Areas, are there other issues that you think we should be trying to better understand?

Thinking ahead to reform options, do you have any specific ideas or suggestions about changes we could make to local government in Tasmania that you think would lead to better outcomes across multiple Reform Areas?

Council look forward to having an opportunity to participate in focus groups and providing considered feedback to engagement and consultation papers produced by the Board. Further comments from Waratah-Wynyard Council include:

- In 2016 Waratah-Wynyard Council, in conjunction with Circular Head Council, West Coast Council and King Island Council adopted the Sustainable Murchison 2040 Community Plan. The plan and community vision are the product of an extensive program of community and stakeholder engagement that involved more than 1,900 people. The suite of Sustainable Murchison documents, although over five years old, will provide invaluable reference material for the Board in exploring opportunities for this part of the state.
- There is no one size fits all answer to the reform of local government and the Board are encouraged to be flexible in their thinking, allowing differing solutions to identified problems across the state.
- The current *Local Government Act* does not sufficiently cater for resource sharing. There is not only a need to address this in the short term, however review of the Act following the reform recommendations need to ensure a seamless pathway to implementation of any recommended direction
- Shared services or resource sharing models remain relevant and should be explored as a viable option in some circumstances. Council welcomes the opportunity to provide detail and experiences in this regard having been one of the early adopters of a resource sharing model across Councils
- Fundamentally, Councils should only collect funds for services in which it can control. The Fire Levy and provision of funding for SES are two such examples.
- The Board, through their research, should identify and benchmark areas for improvement not just within the sector, but also external to local government. For example, comparison with the private sector would show that local government significantly lags in the use and development of information technology and digital solutions. Employment conditions and councillor entitlements should also be considered.

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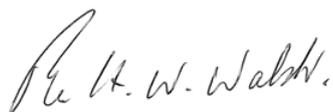
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- The Community is concerned with losing connection and representation from Councils. A decentralised model, including shopfronts and satellite sites should be explored, including any possible alignment or connection with existing state provided services.

To summarise, Waratah-Wynyard Council is open to exploring and discussing all structural reform options and welcomes changes as a result of the review that result in positive outcomes for the Waratah-Wynyard community, including ensuring that service levels are maintained, local representation is maintained, and the financial status of the community is strengthened.

Yours sincerely,

A handwritten signature in black ink that reads "Robby Walsh". The signature is written in a cursive style with a large initial 'R'.

Robby Walsh
MAYOR