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Local Government Review  
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Dear Chair

SUBMISSION TO STAGE 2 OPTIONS PAPER – FUTURE OF LOCAL GOVERNMENT REVIEW  
– FEBRUARY 2023

As the Future of Local Government Review progresses through another milestone – nearing the third and final stage – greater definition of the challenges facing the Tasmanian local government sector and possible reform options are brought into focus.

The Local Government Board’s Stage 2 Options Paper provides a thoughtful analysis of the Tasmanian local government sector and the challenges it faces in delivering the necessary scale, resources, capability, and capacity to serve the changing needs and expectations of Tasmanian communities into the future.

The Central Coast Council have engaged with the Options Paper through Councillor and staff workshops, senior management discussions and the Local Government Board’s in-person and online engagement meetings.

The Council have decided to present its submission to the Options Paper in two parts – one from the Councillors’ perspective and the other from the staff’s perspective.

Overall, the Council remains positive about the findings and direction of the Review. I note that there remains some uncertainty as to what exactly is being offered in these reform options – there is a significant risk to councils and communities in making such consequential decisions when detail is lacking.

I trust that the Council’s submission provides the Board with practical insights into the future challenges facing the sector and constructive comment on their proposed structural reform options.

## Councillor Feedback

### CONSULTATION QUESTIONS

The General Manager facilitated a workshop for Councillors to discuss and provide feedback to the Options Paper, with reference to the consultation questions within the document. The consultation questions are reproduced below, with the Councillors' response to each.

*Which of the four core roles of councils needs more emphasis in the future? Why?*

All four roles need to be fulfilled by councils. Communities across Tasmania will continue to look to their local councils for direction. Councils remain best placed to provide a range of essential services, and to act as a regulator, cultural facilitator, and advocate for their communities.

Communities are continuing to look to their local councils for direction more than ever.

Looking to the future, councils will place more emphasis on being a 'facilitator or partner' to their communities, without detracting from other core roles.

*Do you agree that there is general community support for councils continuing to deliver their current range of functions and services? Are there any functions and services councils deliver now that they shouldn't? Why?*

Land-use planning can be a conflicting role for councils and councillors. If councils lose planning services and planning decision-making, they will lose their ability for place-shaping. There is a possibility for regionally significant developments to be addressed at a regional planning level, and to leave councils to make other discretionary planning decisions; however, any changes to planning authorities must be carefully considered to minimise any potential conflicts of interest.

Clarification of state and council responsibilities around natural areas such as beaches, rivers and reserves would help ensure that community expectations are met, and our native places and wildlife are protected and preserved.

It was noted that childcare and aged housing services were not considered in the Options Paper.

*Assuming that they have access to the right resources and capability, are there services or functions you think councils could be more involved in? Why?*

There are a number of services and functions that councils are well (or best) placed to lead or contribute to – they include:

- childcare;
- child health;
- displaced and homeless people;
- aged care homes and accessibility issues;
- climate change;
- place-making;
- event management/attraction; and
- community advocacy.

*Where do councils currently make the biggest contribution to community wellbeing? What wellbeing functions and services should they provide in the future and how can they be supported to do that?*

Councils are ideally placed to be responsive to community wellbeing issues as they arise. Examples of recent wellbeing issues that have arisen on a national scale, but have required responses at the local government level are COVID-19 and increasing levels of homelessness.

Safeguarding and improving the mental health and wellbeing of our communities often comes under the purview of local government though a range of services like management of parks and recreational facilities. Development of green space and recreational opportunities help to foster valuable community connections and promote individual wellbeing.

Community turns to their local council to provide services that are under the auspice of State Government but are not being provided by the State in an adequate manner. This often leads to Council's having to delve into these spaces and provide resources rather than the State Government. Areas identified include community health and wellbeing, homelessness, beaches, rivers, wildlife and even trying to source GPs.

*Do you agree with the Board's assessment that Tasmania's current council boundaries do not necessarily reflect how contemporary Tasmanians live, work and connect?*

Current council boundaries could be better defined to reflect contemporary demographics. Better alignment with other state services, such as education catchment areas, would be beneficial if changes are to be made. Another priority would be to ensure there is a balance between urban and rural areas within boundaries – a mix of rural/urban communities allows more professional services to be delivered through providing greater capacity.

It should be noted that some council boundaries (like Central Coast) do not need to change.

Due to our current sized rate base and staff structure, we believe we are already of an appropriate size and diversity to service our community to an agreeable service level. We do not believe the residents of Central Coast would benefit by any significant boundary adjustments.

*We have heard that councils need to be 'big picture enough to be effective and small enough to care'. How big is big enough to be effective? How small is small enough to care? What factors determine that? How do we strike the balance between these factors?*

Councils should be big enough to provide career pathways for qualified and professional staff but should be small enough to ensure that a sense of local community is maintained, and ratepayers have a connection and access to their local representatives.

Councils must maintain a focus on service delivery and community engagement, and this should not be affected by geographic or population size.

A hybrid system would enable a combination of local service delivery and facilitation as well as providing for some professional staff to be in a shared services hub to provide services such as asset management.

*Thinking about Tasmania now, and how it might change over the next 50 years, what are the most important things to consider if we were to 'redraw' our council boundaries?*

There are a number of considerations in this respect, they include:

- migration;
- housing;
- primary health care delivery;
- liveability;
- public participation (expectations, engagement, participatory decision-making);
- service hubs (will they have an impact on where people want to live – place-shaping);
- less duplication of services; and
- financial stability.

*Which of the three broad reform pathways do you think has the best chance of delivering what the community needs from local government? Why?*

The Council discussed the three reform pathways, but only came to a conclusion at the end of the workshop.

It was noted that the hybrid model allows for greater flexibility, driven by local need, and can simultaneously enhance local representation and safeguard local knowledge within councils.

Some shared services are already in operation and regional cooperation on services such as waste management is already occurring. These arrangements could be further consolidated with strategic boundary changes, where required.

Boundary consolidation should be considered as an area to further investigate when looking at the best way of delivering compulsory shared services – i.e. Roads and Waste Management. If it is not looked at in this context then there is little reason to make changes.

*What would be your biggest concern about changing the current system? How could these be addressed?*

There are many challenges and risks to changing the current system in Tasmania. Sharing services is not a panacea for all things – this may not help with renewing council assets for example.

There is also difficulty and risk in considering these matters without sufficient detail. Unless councils understand what functions they will be responsible for into the future, it is difficult to know what the sector should look like. There remains some uncertainty as to what exactly is being offered in these reform options – there is a danger to councils and communities in trying to make such consequential decisions without having enough detail.

How do we really understand what the majority of Tasmanians want from their local government sector? Particularly when the review seems solely focused on council services and does not include state services. A more comprehensive review could have assessed services across both levels of government and how they are best delivered.

The cost and service impacts on residents is also a concern, particularly in regard to the potential creation of ‘mega-councils’.

Strong reasoning behind the adoption of any reform option needs to be demonstrated.

*In any structural reform process, how do we manage the very different needs and circumstances of rural and urban communities?*

This can be a difficult issue to manage. It is also a good example of councils' ability to operate responsively at a local level.

Maybe Councils need to have a mix of rural and urban to help provide the services required or alternatively that larger urban council's need to help provide services to rural areas that are unable to create sufficient revenue to provide the services that communities expect. Rural councils have less revenue but arguably more roads to keep servicing, including the amount of heavy traffic that uses these roads to provide milk/food for the urban councils.

In offering alternative arrangements, there is the possibility of ward-type systems that allow local representation to address divergent needs; or the option of managing cities separately from rural areas.

#### PATHWAYS FOR STRUCTURAL REFORM

In the absence of more clarity around what Local Government's functions will be the Council's option is to stand alone. Due to our current sized rate base and staff structure, we believe we are already of an appropriate size and diversity to service our community to an agreeable service level. We do not believe the residents of central coast would benefit by any significant boundary adjustments.

Before considering any boundary adjustments or hybrid system, Local Government and the Board would need to undertake a more in depth look into what all the functions should be that local government should deliver along with a review of functions from within State Government as well. This would also help focus on a review of appropriate funding models to ensure that there is not duplication between the provision of services between State and Local Government. There are plenty of examples in other states around provision of Library Services, health and wellbeing, community and neighbourhood centres etc. by Local Government which we have not explored or had a discussion on. It appears that we are trying to undertake a quick review of local government boundaries without first working out what functions would be best undertaken by the State and Local Government. The old adage 'form follows function' does not appear to apply in this review as the Board appears to be pressured into a quick review primarily around identifying boundary adjustments and/or mandatory shared services without knowing what functions are best to be delivered by Local Government for the betterment of our communities.

## Staff Feedback

### CHANGING SERVICES

Council staff identified a number of changes to council services over the coming five years and beyond, that could impact existing council structures and guide reform options. In no particular order, these changes to service demands and service delivery are presented below.

- An ageing population – both community-wide and within the workforce – will likely lead to further skills shortages, qualification gaps and increased staff turnover; increases in workers compensation claims and other staff leave may also result.
- The impacts of climate change may become more evident, with greater frequency and severity of natural disasters. This will have knock-on effects for council projects, causing delays and increasing the costs of materials and services.

Waste management may also be affected by this issue, leading to increased regulation and new management systems. It is likely that waste management will become more appropriately addressed at a regional level.

An increased scope and greater reliance on land-use planning will likely be required to mitigate the effects of climate change and related shifts in demographics.

Community attitudes toward our natural environment will continue to shift toward the preservation and protection of council managed ‘green infrastructure’ – coastlines, waterways, parks and reserves. This shift in focus will impact the way councils deliver many of their services and how strategic planning and budget allocations are prioritised.

- Community expectations for accessible, responsive services and clear, consistent communication will increase. With improvements in communications technology and software applications such as Snap Send Solve, pressure to modernise service delivery will be felt across many other council services.

More frequent and meaningful community engagement will also be expected, which may be similarly driven and facilitated by technological change.

- Conversely, some staff did not forecast any meaningful changes to community demands, expecting continued demand for existing council

services – and service levels – to remain. The change that these staff predicted was in the way these services will be managed and delivered.

- In terms of structural changes within councils, a number of likely changes were identified. Strategic land–use planning may move to a regional or state–wide level – consolidating specialist knowledge, addressing skills shortages and providing for a more consistent framework and delivery of services.
- Regulatory services, such as plumbing and environmental health, and other functions such as information technology, payroll, human resources, records and risk management may move to regional level – in part again, to assist with skills shortages and to provide a specialist knowledge base.
- A key issue identified by staff related to the knowledge base and information resources that councils preserve about their communities. As wardens of community identity, any changes to council structure or service provision, must be carefully managed to safeguard this invaluable resource.
- It was agreed that most statutory responsibilities would likely remain at the council level.

#### CHANGING SKILLSETS

After considering shifting community expectations around the scope and delivery of council services into the future, Council staff workshopped the issue of changing skillsets to meet changing demands, with a particular focus on communication and engagement. In no particular order, the issues identified are presented below.

- Whatever changes to skillsets and council services may eventuate, there will still be a need for qualified, professional staff within the local government sector. It will be an ongoing challenge to meet these staffing needs, as an ageing population and competition from other levels of government and the private sector will continue to constrain recruitment opportunities.
- There will likely be an increased demand for natural resource management roles and skillsets, as all levels of government prioritise environmental considerations. Councils will increasingly focus more on open and green spaces, as community priorities also shift.
- Improved data capture and analysis across many council services will become standard practice, leading to greater need for related skillsets.
- In the fields of procurement and project management, councils will continue to struggle to provide adequate levels of staffing and required skillsets. This



will see increasing moves toward outsourcing and engagement of consultants. In broad terms, council staff will become generalists, who will engage specialists as required.

- As service delivery becomes smarter and more regionally based, there must be commensurate investment in communications and engagement with the community. Council will increasingly become the communicator and the interface between the community and the provision of services; and skillsets will need to reflect this change.
- Investing in transformational leadership will be crucial in the changing local government landscape. How to lead well in dynamic circumstances will require investment in attracting and retaining these leadership skillsets. Similarly, transferable skillsets will become more important, particularly with organisational structures changing and the need for dynamic teams-based solutions. Secondments, interim project teams and specialist advisers will alter the traditional skillset structure.
- Council provision of childcare services has already seen a shift to communication with parents through digital platforms. This has generated demand for new skillsets within this service, which must continue to adapt to the evolving needs and expectations of a changing community.

#### REFORM OPTIONS

Council staff discussed the three broad structural reform pathways presented in the Options Paper and their feedback is presented below.

- Although only the 'significant (mandated) sharing and consolidation of services' option is explicitly mandated, all three reform options are essentially mandated, in that individual councils would have little control over state-wide structural changes to boundary or service consolidation.
- There is limited detail provided on the three options, particularly around council functions. It was felt that form should follow function, and that the options presented did not adequately address this.
- Of the senior staff surveyed, the majority were in favour of option two – 'significant boundary consolidation to achieve fewer larger councils' – with some support for options one and three.

## GENERAL COMMENTS

A number of general comments in relation to local government reform were also made as part of this discussion and are presented below.

- Structural reforms could lead to more diverse career paths within the sector and improve the ability to attract desired skillsets.
- Any structural change can be difficult for staff to manage, both professionally and personally.
- There are challenges with any changes in administrative/depot locations, including a loss of local identity, changes to travel routes/times and other staffing issues.
- Structural changes could lead to increased work from home possibilities.
- Previous reforms and amalgamations have not typically affected works and services staff, although some changes to administrative positions have occurred. Senior management roles are most at risk. Managers at Central Coast Council are employed under the Enterprise Agreement, but at many other councils, managers are employed under contract, which places them under more risk of redeployment.
- Reforms could lead to larger departments and teams, and in turn, more support for staff.

## CONCLUSION

The Council would like to thank the Board for the opportunity to respond to the Options Paper and looks forward to having further discussions with the Board as the review moves into its final stage.

Yours sincerely



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GENERAL MANAGER