

George Town Council welcomes the opportunity to make a submission to the Stage Two Options Paper, as such provides the following:

Pathways to Structural Reform

The Pathways for structural reform as set out in the Local Government Review Options Paper state that:

“Some form of ‘scaling up’ is critical to delivering the capability that is needed for 21st century local government service delivery.

The broad approaches to achieving consolidation being considered are:

- 1. Significant (mandated) sharing and consolidation of services Under this pathway, certain local government functions and services would be consolidated*
- 2. Boundary consolidation to achieve fewer, larger councils Under this pathway, the administrative boundaries of Tasmania’s current 29 LGAs would be ‘redrawn’, and a series of new, larger LGAs established. New councils would be established to represent and deliver services to these LGAs.*
- 3. A ‘hybrid model’ combining both targeted sharing of services and targeted boundary consolidation This would involve some boundary changes (though less than under option two), and some service consolidation where clear benefits can be identified”*

George Town Council Response:

George Town Council is on the public record as opposed to any forced Council amalgamations.

In George Town Councils previous submission to the review board, made the following points – which it stands by.

George Town Council implored the Board to consider potential social injustices caused to smaller communities should proposals from larger councils to absorb regional infrastructure be entertained.

George Town Council recognised and commended the Board on its research undertaken to date and encourages it to also consider lessons learned from Queensland (de Souza, S. V., Dollery, B. E., & Kortt, M. A. (2015). De-amalgamation in action: the Queensland experience. Public Management Review, 17(10), 1403-1424.) and NSW (smh.com.au; NSW mega Council bleeding red ink, give communities a say on breaking up mergers).

George Town Council agreed with the initial findings of the review board that principal reasoning for reform being financial is likely to lead to failure of this reform.

George Town Council was and continues to be of the view that the role of local government in local communities can be increased significantly to include service provision for improved health, education, employment and social outcomes and agrees: ‘the roles and services provided by local government might be changing but providing local, democratic representation remains an enduring and increasingly important function, especially in regional communities’ (National and International Trends in Local Government – Future of Local Government Review Background Research Paper No. 2 April 2022, p.4).

The options currently out for feedback do not provide any detail or modelling that would allow Council to understand exactly what is being proposed.

Council does not believe that bigger is better because the unique needs of regional and rural communities could be deprioritised if there are changes to Council structures leading to larger population centres and rural communities being serviced by one Council. The research paper reference in the *Consolidation in Local Government: A Fresh Look*, presents case studies where the transition costs are so significant it can take many years to realise any value to the community.

Council is also concerned that the creation of larger councils may result in local job losses, negative impacts to local economies, creation of potential monopolies and reduction in competition leading to increase in service costs and reduction in service levels.

The current lack of detail of a way forward is causing unintended consequences in that the uncertainty of the direction of Local Government in Tasmania is making it harder for Councils to attract and retain the required skilled workforce. Further it is causing unnecessary anxiety to Council staff.

Council implores both the review board and the Government to be clear about what they are proposing in terms of reform, provide real detail on the alternatives being considered (that is what new boundaries are being considered and by what criteria, how many Councils are they completing modelling on) so that the Local Government Sector and the broader Tasmanian community can enter into a full, frank and honest discussion on the future of Local Government in Tasmania.

Reform Outcome 1 Councils are clear on their role, focused on the wellbeing of their communities, and prioritising their statutory functions:

“Option 1.1 Establish a Tasmanian Local Government Charter which summarises councils’ role and obligations, and establishes a practical set of decision-making principles for councils

Option 1.2 Embed community wellbeing considerations into key council strategic planning and service delivery processes

Option 1.3 Require councils to undertake Community Impact Assessments for significant new services”

George Town Council Response:

That Council supports Option 1.1 but that this is not enshrined in legislation as if the Charter in Legislated then innovation can be stunted.

That Council supports option 1.2 with the feedback that the definition of wellbeing is taken directly from the definition in Tasmania’s Wellbeing Framework.

That Council supports option 1.3.

Priority Reform Outcome 2: Councillors are capable, conduct themselves in a professional manner, and reflect the diversity of their communities

“Option 2.1 Develop an improved councillor training framework which will require participation in candidate pre-election sessions and, if elected, ongoing councillor professional development.

Option 2.2 Review the number of councillors representing a council area and the remuneration provided.

Option 2.3 Review statutory sanctions and dismissal powers.

Option 2.4 Establish systems and methods to support equitable and comprehensive representation of communities.”

George Town Council Response:

That Council supports option 2.1 and 2.3.

That Council supports generally option 2.2 the review of the number of Councillor and Councillor remuneration but does not support the view that it is only viable to increase the remuneration of Councillors if there is a reduction in their numbers. These two issues should be reviewed independently of each other.

That Council supports the concept outlined in option 2.4 but would require more detail to provide any substantive feedback.

Priority Reform Outcome 3: The community is engaged in local decisions that affect them

“Option 3.1 Require consistent, contemporary community engagement strategies

Option 3.2 Establish a public-facing performance reporting, monitoring, and management framework

Option 3.3 Establish clear performance-based benchmarks and review ‘triggers’ based on the public-facing performance reporting, monitoring and management framework”

George Town Council Response:

That Council support option 3.1.

That Council supports option 3.2 and 3.3 as long as the reporting is not burdensome on Council staff (particularly in small councils) and that any ‘trigger’ take into account timing issues that can occur in relation to budget reporting from time to time.

Priority Reform Outcome 4: Local councils have a sustainable and skilled workforce

“Option 4.1 Implement a shared State and local government workforce development strategy

Option 4.2 Target key skill shortages, such as planners, in a sector-wide or shared State/local government workforce plan

Option 4.3 Establish ‘virtual’ regional teams of regulatory staff to provide a shared regulatory capability”

George Town Council Response:

It is the view of Council officers that option 4.1 and 4.2 take too narrow of a view to the workforce planning issue. The skills shortages are impacting all Tasmanian businesses and

as such looking to develop a shared strategy may address the movement/competition between State and Local Governments, but it does not address the issues of employees leaving State and Local Government to work in the private sector.

That Council does not support option 4.3 as this option seems to be an impractical solution to a shortage of skilled staff. Regulatory staff are often only employed for the work currently available so they wouldn't have time to be allocated to noncore duties at other near by Councils. Further it is unclear how reporting lines and prioritisation of work for regulatory offices would operate.

Priority Reform Outcome 5: Regulatory frameworks, systems, and processes are streamlined, simplified, and standardised

“Option 5.1 Deconflict the role of councillors and the role of planning authorities

Option 5.1a Refer complex planning development applications to independent assessment panels appointed by the Tasmanian Government

Option 5.1b Remove councillors' responsibility for determining development applications

Option 5.1c Develop guidelines for the consistent delegation of development applications to council staff

Option 5.2 Greater transparency and consistency of councils' resourcing and implementation of regulatory functions

Option 5.3 Increase support for the implementation of regulatory processes, including support provided by the State Government

Option 5.4 Strengthen connections between councils' strategic planning and strategic land-use planning by working with State and Commonwealth Governments”

George Town Council Response:

That Council does not support option 5.1a-c. Councils view is that the role of councils as a Planning Authority is explicit and removes any conflict. Maintaining planning at a local level is critical.

That Council support option 5.2 noting that a balance between reporting requirements and allocation of time to complete the required regulatory services would need to be found.

That Council support options 5.3 and 5.4 in principle, but again requests further detail for due consideration.

Priority Reform Outcome 6: Councils collaborate with other councils and State Government to deliver more effective and efficient services to their communities

“Option 6.1 Require Councils to collaborate with others in their region, and with State Government, on regional strategies for specific agreed issues

Option 6.2 Establish stronger, formalised partnerships between State and local government on long-term, regional, place-based wellbeing, and economic development programs

Option 6.3 Introduce regional collaboration frameworks for planning and designing grant-dependent regional priorities

Option 6.4 Support increased integration (including co-location) of 'front desk' services between local and State governments at the community level"

George Town Council Response:

That Council Support options 6.1, 6.2 and 6.3

That Council supports option 6.4 where it is appropriate to combine services.

Priority Reform Outcome 7: The revenue and rating system efficiently and effectively funds council services

"Option 7.1 Explore how councils are utilising sound taxation principles in the distribution of the overall rating requirement across their communities

Option 7.2 Enhance public transparency of rating policy changes

Option 7.3 Examine opportunities for improving councils' use of cost-based user charges to reduce the incidence of ratepayers subsidising services available to all ratepayers, but not used by them all

Option 7.4 Consider options for increasing awareness and understanding of the methodology and impacts of the State Grants Commission's distribution of Federal Financial Assistance Grants

Option 7.5 Investigate possible alternative approaches to current rating models, which might better support councils to respond to Tasmania's changing demographic profile."

George Town Council Response:

That Council supports options 7.1, 7.2, 7.4 and 7.5.

That Council support the concept of option 7.3 but notes the issues involved in the decision to subsidise services is a complex one and any changes to how user charges are set may result in unforeseen negative outcomes for more vulnerable members of communities.

Priority Reform Outcome 8: Councils plan for and provide sustainable public assets and services

"Option 8.1 Standardise asset-life ranges for major asset classes and increase transparency and oversight of changes to asset lives

Option 8.2 Introduce requirement for councils to undertake and publish 'full life-cycle' cost estimates of new infrastructure projects

Option 8.3 Introduce requirement for councils to undertake regular service reviews for existing services

Option 8.4 Support councils to standardise core asset management systems, processes, and software."

George Town Council Response:

That Council cautiously supports all options set out above in Priority Reform Outcome 8.

George Town Council also provides the following:

- Concern that the Board is making recommendations for reform where no problem exists (eg planning less 1% appeals go to tribunal) and where little community participation has occurred in consultation process.
- Concern that motherhood statements are not supported by evidence (reference to research seems to cherry pick information and not provide all views that are presented in the same research paper).
- Recommendations need further information for councils to have an informed position on proposed areas of reform.
- Concerns on monopoly of service provider/s if services are assumed by the state eg state wide road and/or waste management. ACCC view?
- While the scope is for LG it ignores the fact that the state and private providers are also experiencing difficulty with attracting and retaining talent. The problem extends to low migration numbers, fewer education pathways and competition with capital cities.
- Some references to performance measures need to be contextualised eg reduced investment in asset renewal throughout covid period to offset reduced revenue from frozen rates.
- Reference to LCC's submission relating to 'spill over' effect, but no counter position presented as per GTC's submission in relation to regional assets.
- Lack of criteria for consideration of reducing councils and amending boarders
- Research admission that economies of scale to don't end in economies of savings or improved LoS – Research confirms that reform does not result in reduced rates.
- Lack of state advocacy for return of 1% of GST to FAGS for LG
- How will reform improve the standard of service and livelihood for the community?
- If a Tasmanian Wellbeing Strategy was developed and implemented at a local government level , would there be additional funding and resources to actively participate in the space or would it be anticipated that Councils will absorb the costs and do more with less?

Contact

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