

21 February 2023

Our Ref:

Ms Sue Smith  
Chairperson  
Local Government Board  
[LGBoard@dpac.tas.gov.au](mailto:LGBoard@dpac.tas.gov.au)

Dear Sue,

### **The Future of Local Government Review – Stage 2 Options Paper**

Kingborough Council welcomes the opportunity to provide this submission in response to the Future of Local Government Review – Stage 2 Options Paper.

Kingborough Council acknowledges the Board have outlined a compelling case to explain why they think the status quo is not an option.

There are undeniable structural sustainability challenges facing local government in Tasmania and there are many reasons for this. Councils need core capabilities to service existing functions but also need the flexibility to develop new capabilities to service new or evolving functions.

Increasingly communities are seeking greater support and service delivery from councils while financial pressures continue to grow. It has long been recognised that local government is the tier of government closest to the community. As a result, the sector has become a target for cost shifting from other levels of government which contributes to this sustainability challenge.

Kingborough Council has previously considered structural reform on many occasions and has always demonstrated an openness to reform.

It is acknowledged that a “one size fits all” approach is not appropriate in any structural reform. Different areas of the state have different needs and priorities.

The opportunities and challenges local government face are many and varied as are individual circumstances. However, the optimum model should be capable of addressing a plethora of challenges including the following:

- climate change
- digital transformation and cyber security

- community engagement and social media
- reducing reliance on Federal Assistance Grant Funding
- reducing reliance on the TasWater dividend
- housing and homelessness
- population growth and infrastructure provision
- equality and inclusion

The Board have identified the challenge will be to develop a model where consolidation and partnerships enhance the long-term capability of councils and the sustainability of services while strengthening local representation, governance and democracy.

Significant (mandated) sharing and consolidation of services will not, on its own, address the opportunities and challenges facing 21<sup>st</sup> century local government. At best it is "tinkering around the edges" when all the feedback to the Board has identified the need for greater reform.

Similarly, using boundary consolidation to achieve fewer, larger councils will not, on its own, address the opportunities and challenges facing 21<sup>st</sup> century local government.

Addressing the very different needs and circumstances of rural and urban communities requires a nuanced approach that uses all available tools and innovative thinking.

For example, rural communities with smaller populations and corresponding rate base may need special financial assistance consideration in Federal and State grant funding formulas for local government.

On balance the hybrid model combining both targeted sharing of services and targeted boundary consolidation appears best placed to achieve the desired outcomes.

Kingborough Council resolved unanimously to support the proposed hybrid model to achieve structural reform at its council meeting on Monday 20 February 2023.

Yours sincerely



GARY ARNOLD  
GENERAL MANAGER