Review Board
Future of Local Government Review 2022

**Introduction**

I am making this submission in my personal capacity. The views expressed herein are mine and do not necessarily reflect the views of my employer, Burnie City Council or any of its councillors.

This submission is in response to the Options Paper, Review Stage 2 – December 2022 (the Options Paper) and builds on matters covered in my personal submission made in phase 1 of your review.

The Executive Summary of the Options Paper opens with the following observation,

> "This Review is a once-in-a-generation opportunity to design a local government system that can respond to the growing demands and changing needs of our communities, now and in the decades ahead."

I strongly endorse this observation and urge that it drive the refinement of the options being put forward. I also support the contention put forward in the Options Paper that the core focus of local government should be on supporting and improving the social, economic and environmental wellbeing of Tasmanian communities.

The proposed role statement set out on page 17 is broadly appropriate and there is much to recommend the Queensland framework for community wellbeing as a means to clarify councils' role and importantly, to measure progress over time and allow for meaningful comparisons between councils. However councils are re-organised there will be disparities. Having a more objective sense of the disparities in wellbeing between councils should inform the future focus of all three levels of government in ensuring fair and equitable levels of wellbeing across councils. This is not to suggest that there should be consistent levels of wellbeing, however defined and managed. Rather all levels of government should strive to ensure that all Australians enjoy a base level of wellbeing, regardless of where they live.

There is a premise that appears to be implicit in some aspects of the Options Paper that smaller local government areas will be more democratic and responsive to community and that greater scale will necessarily compromise these features. This assumption needs to be questioned. An argument can be made that scale (land area size and population base) of council organisation has some influence in this regard, however geographical size and population per se are not key determinants of a council's ability to support effective community well-being and place making. Factors such as governance, strategy and planning, organisation capacity, capability and culture are far more significant.

Additionally, in the Tasmanian context, a geographically small island state with a total population of just over 550,000 people, even a significant reduction in the number of councils would not result in council size by land area and population that could be considered large in many contexts.

I agree with the Board's conclusion that staying with the status quo is not an option for the reasons set out.

The Options Paper sets out three pathways for structural reform. There are trade-offs that need to be considered in reorganising Tasmanian councils to deliver the future roles and functions identified by this review. In my view options 1 and 3 will have lower political risk, because they involve no or minimal boundary changes to current local government areas, but will be organisationally more complex, riskier and less likely to optimise councils' abilities to develop place based solutions to enhance community wellbeing. In my experience, the effort required to share services effectively between organisations is very high and outcomes are often sub-optimal. Even if shared services are mandated, as in option 1, there are significant transactional costs in transitioning to a new model and a risk that the outcome is seen as creating a fourth tier of government (Federal, State, Regional, and Local). Many of the residual councils will continue to struggle to deliver against the proposed role and functions, even with major services hived off to a regional (or sub-regional) service body.

To that end I support pathway 2 – Boundary consolidation to achieve fewer, larger councils as the optimum reform pathway to be pursued. It is acknowledged that this pathway will be more politically contentious. Ultimately scaled up councils will be a simpler and more effective option, provided other reforms discussed in my earlier submission relating to governance, strategy and organisation culture are also implemented.

**Proposed models of re-organisation**

Before answering the specific questions asked in the Options Paper, two demonstration models for re-organisation of Tasmanian councils consistent with pathway 2 are set out in the attachment, for illustrative purposes. Both models would provide the scale necessary to enable organisational form capable of delivering against the proposed role and functions of Tasmanian councils. The options have been developed by grouping existing council areas to demonstrate new entities of more equal population size and with sufficient scale to deliver acceptable levels of community wellbeing for each local government area. The models also, to some degree, have considered the current disparity amongst councils in Tasmania and grouped councils to overcome some of the current challenges caused by the size of a number of current councils.

While both options provide a more equitable starting point there would be a continuing need to consider equalisation measures across councils. This is of course already the case with federal assistance grants funding. The State Government may also need to consider equalisation measures, particularly for the geographically larger councils that incorporate the Bass Strait Islands, if there is a genuine commitment to base levels of community wellbeing across councils.

The main trade-off with these models will be concerns amongst smaller councils and communities about fear of loss of representation and independence if integrated into larger entities. That is a legitimate concern but needs to be weighed against the benefits of being part of a larger and more capable council entity. There are no easy solutions in hard reform, but these models demonstrate what might be possible with bold future focussed reform to deliver improved wellbeing outcomes for Tasmanian communities into the future.

The approach and analysis in creating the models is preliminary and obviously further work and analysis would need to be undertaken. For example, there is no clear rationale to simply group councils using existing boundaries, but both options reflect that the data collected to date by the Review is organised this way.

Both options are illustrative of how a council reorganisation under pathway 2 might be structured, creating councils of more equal size and with a more even split of population and rate revenue as proxy indicators for sustainability and scale to enable sufficient capability and capacity in each organisational entity. There is still considerable variation in land area, but this is unavoidable in any sensible re-organisation.

I would commend option 2, with 4 large regional councils as this model achieves a greater level of parity across councils, resolves many of the current boundary issues for Launceston and greatly simplifies those applying to Hobart. Both options would also enable consistent governance, with each council represented by the same number of councillors.

Again, I refer to comments made in my first submission and would advocate for fewer, better remunerated councillors who understand and are committed to good governance. It may be sensible to have transition arrangements in place so that for the first and second electoral cycles additional councillors are elected from the former council areas (like a ward structure) to assist the transition to the new structure. After that councillors should be elected from across the new council area, consistent with the obligation to act in the best interests of the whole community.

I also repeat what I said in my earlier submission about the need to ensure stronger strategic planning and for requirements for strong community engagement and place based approaches to community wellbeing. Being place based means each council would need to understand its community (or more accurately communities) and tailor services and responses to meet the wellbeing needs of those communities. A one size fits all approach will not deliver the required outcomes. Part of the governance role for the councillors in Council is to ensure that organisationally these requirements are consistently delivered across the relevant local government area.

**Consultation questions**

**Q. Which of the four core roles (see Table 2) of councils needs more emphasis in the future? Why?**

All four core roles set out in Table 2 of the Options Paper will remain relevant and important to councils in the future. The question about emphasis is dependent on context, including which of the three pathways to reform is selected and is likely to continue to vary across councils and over time. For that reason it is not possible to indicate that a particular role or roles will require more emphasis. The question of emphasis will need to be determined by each council, dependent on the needs of its community and the organisations capabilities and capacities.

**Q. 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?**

There is general community support for councils continuing to deliver the current range of functions and services, but with a sharper focus and improved accountability. The suggested reforms of a clear role statement for local government in Tasmania and supporting wellbeing as core business will assist.

There is also scope for further reform options for some current council services. For instance, there are strong argument for further reform to statutory land use planning decision making, including where councils are the applicant or for controversial planning decision, where councillors currently feel compromised and constrained as members of the planning authority. The option to refer such decisions to a panel, for example, is worthy of consideration as part of these reforms.

There is also scope to strengthen strategic land use management, but this will require the State Government to implement its current planning reforms, particularly development of planning policies to better inform strategic decision making. Having clearer and stronger settlement policy is also desirable as currently settlement happens across the State in areas where it should not. This creates longer-term problems for the State and local governments. Good strategic land use planning is imperative to improving community wellbeing. Poorly planned infrastructure and housing is not conducive to strong community wellbeing and when done particularly poorly is irremediable.

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

Councils will need to increase focus and effort in relation to management of built infrastructure and natural environments, and emergency management and recovery, as a consequence of climate change.

**Q. 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?**

As with previous questions there is no single answer to where councils make the biggest contribution to community wellbeing. The answer depends greatly on the particular issues and needs of communities. Highly educated and affluent communities have different wellbeing 'needs' from less educated and less affluent communities.

Generally community wellbeing is driven by factors such as individuals' health; their sense of safety, inclusion and connection; well planned and maintained built infrastructure that meets community needs and expectations; the convenience and ease of access to services required for day to day living, including employment, education, health care, food and entertainment.

Councils directly provide many of these elements, or has a significant role in either regulating, facilitating or advocating for them. Being able to validly and consistently measure wellbeing is the greatest support that can be provided to councils, as this enables evaluation over time and across local government areas. If done intelligently, this should assist local governments to improve and guide Federal and State Government financial and other support – for example delivery of key infra-structure and services. Governments have traditionally avoided having such meaningful benchmark information as it provides transparency and accountability at all three levels of government.

**Q. 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?**

Yes, the current boundaries reflect the historical legacy of local government in Tasmania and are no longer relevant to contemporary lives in Tasmania. This is clearly evident in and around major population centres, but also in regional areas that have either experienced significant population decline or in some cases increases.

Whichever pathway to reform is settled upon, there is an argument for scheduling a regular review of local government boundaries, (say every decade) similar to those conducted to electoral boundaries, as the rationale for any geographical boundary will weaken over time. Providing a statutory requirement to regularly review local government boundaries will assist in ensuring local government remains contemporary and relevant to community.

**Q. We have heard that councils need to be "big 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?**

As discussed earlier in this submission, the assumption about being small enough to care needs to be critically reviewed, as size is but one of a number of factors that will dictate the

extent to which a local government council might be found to provide appropriate 'care' for its community.

The factors considered in the discussion models described in the attachment are:

- Population
- Rateable properties
- Rate revenue
- geographical size and proximity
- how local communities identify
- equity between the proposed council areas
- the viability of the proposed level of organisation to deliver the role and functions being discussed in the options paper
- how to effectively integrate less viable councils into more viable structures
- the operational complexity of the recommended approach

Also, as discussed earlier, there are trade-offs which ever pathway of reform is embarked upon. This option trades community perception about loss of local independence and representation for scale that provides capacity and capability to deliver role and function. I would question the extent to which actual independence and representation is lost, provided the other necessary reforms to strong community engagement and consultation, place based approaches, good governance, strategy and culture are implemented. My contention is that the loss will be perceived rather than real.

**Q. 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?**

I refer to my previous answer.

Yours sincerely,

Simon Overland APM

**ATTACHMENT: Demonstration Models of Council Re-organisation for Pathway 2**

**Option 1 – 6 Council Model**

**Option 2 – 4 Council Model**

**OPTION 1 – 6 COUNCIL MODEL**

| Council | | Current Population | Land area (km2) | Group Council Population | Rate Revenue 5 year average | Residential Rateable Properties | Total Rateable Properties |
|---|---|---|---|---|---|---|---|
| **Group 1** | **North West Council** | | **20,658** | | **67,274,522** | **30,181** | **39,959** |
| King Island | | 1,600 | | | 2,494,001 | 641 | 1,700 |
| Circular Head | | 8,150 | | | 8,296,648 | 3,147 | 4,995 |
| Waratah Wynyard | | 13,900 | | | 11,041,865 | 5,962 | 7,866 |
| Burnie | | 20,000 | | 69,850 | 22,711,484 | 8,330 | 10,011 |
| West Coast | | 4,100 | | | 7,062,913 | 3,043 | 4,218 |
| Central Coast | | 22,100 | | | 15,667,611 | 9,058 | 11,169 |
| **Group 2** | **North Central Council** | | **13,871** | | **75,105542** | **39,167** | **49,785** |
| Devonport | | 26,000 | | | 28,121,949 | 10,941 | 12,941 |
| Kentish | | 6,400 | | | 5,302,870 | 2,383 | 3,696 |
| Latrobe | | 12,000 | | | 7,458,042 | 5,238 | 6,560 |
| West Tamar | | 24,500 | | 91,100 | 18,242,657 | 10,191 | 12,399 |
| Meander Valley | | 20,000 | | | 12,391,504 | 7,994 | 10,391 |
| Central Highlands | | 2,200 | | | 3,588,520 | 2,420 | 3,798 |
| **Group 3** | **North East Council** | | **15,954** | | **105,262,712** | **46,301** | **57,395** |
| Launceston | | 68,000 | | | 67,802,124 | 27,812 | 32,368 |
| Georgetown | | 7,100 | | | 8,274,644 | 3,354 | 4,520 |
| Flinders Island | | 1,000 | | | 1,811,328 | 507 | 1,254 |
| Dorset | | 6,700 | | 102,750 | 7,312,200 | 3,433 | 5,391 |
| Break O Day | | 6,350 | | | 9,224,707 | 5,835 | 6,476 |
| Northern Midlands | | 13,600 | | | 10,837,709 | 5,360 | 7,386 |

**OPTION 1 – 6 COUNCIL MODEL**

| Council | | Current Population | Land area (km2) | Group Council Population | Rate Revenue 5 year average | Residential Rateable Properties | Total Rateable Properties |
|---|---|---|---|---|---|---|---|
| **Group 4** | **South East Council** | | **7,000** | | **91,404,168** | **51,371** | **58,608** |
| Clarence | | 59,000 | | | 50,055,344 | 25,748 | 26,893 |
| Sorell | | 16,000 | | | 13,682,618 | 7,566 | 9,644 |
| Tasman | | 2,500 | | 106,650 | 4,896,714 | 3,234 | 4,014 |
| Glamorgan-Spring Bay | | 4,750 | | | 7,941,459 | 5,261 | 6,122 |
| Brighton | | 18,000 | | | 9,428,404 | 7,244 | 8,197 |
| Southern Midlands | | 6,400 | | | 5,399,629 | 2,318 | 3,738 |
| **Group 5** | **South Central Council** | | **199** | | **127,572,777** | **41,837** | **47,197** |
| Hobart | | 55,250 | | 103,250 | 85,009,717 | 21,624 | 24,973 |
| Glenorchy | | 48,000 | | | 42,563,060 | 20,213 | 22,224 |
| **Group 6** | **South West Council** | | **10,335** | | **49,555,677** | **29,981** | **35,092** |
| Kingborough | | 38,600 | | | 28,773,390 | 17,267 | 18,674 |
| Huon Valley | | 18,000 | | 67,100 | 13,378,482 | 7,479 | 10,987 |
| Derwent Valley | | 10,500 | | | 7,403,805 | 4,235 | 5,431 |

**OPTION 2 – 4 COUNCIL MODEL**

| Council | Current Population | Land area (km2) | Group Council Population | Rate Revenue 5 year average | Residential Rateable Properties | Total Rateable Properties |
|---|---|---|---|---|---|---|
| **Group 1** | **North West Council** | **25,856** | | **120,548,887** | **56,737** | **73,547** |
| King Island | 1,600 | | | 2,494,001 | 641 | 1,700 |
| Circular Head | 8,150 | | | 8,296,648 | 3,147 | 4,995 |
| Waratah Wynyard | 13,900 | | | 11,041,865 | 5,962 | 7,866 |
| Burnie | 20,000 | | 134,250 | 22,711,484 | 8,330 | 10,011 |
| West Coast | 4,100 | | | 7,062,913 | 3,043 | 4,218 |
| Central Coast | 22,100 | | | 15,667,611 | 9,058 | 11,169 |
| Devonport | 26,000 | | | 28,121,949 | 10,941 | 12,941 |
| Kentish | 6,400 | | | 5,302,870 | 2,383 | 3,696 |
| Latrobe | 12,000 | | | 7,458,042 | 5,238 | 6,560 |
| Meander Valley | 20,000 | | | 12,391,504 | 7,994 | 10,391 |
| **Group 2** | **North East Council** | **24,627** | | **127,093,889** | **58,912** | **73,592** |
| Launceston | 68,000 | | | 67,802,124 | 27,812 | 32,368 |
| West Tamar | 24,500 | | | 18,242,657 | 10,191 | 12,399 |
| Georgetown | 7,100 | | | 8,274,644 | 3,354 | 4,520 |
| Flinders Island | 1,000 | | | 1,811,328 | 507 | 1,254 |
| Dorset | 6,700 | | 129,450 | 7,312,200 | 3,433 | 5,391 |
| Break O Day | 6,350 | | | 9,224,707 | 5,835 | 6,476 |
| Northern Midlands | 13,600 | | | 10,837,709 | 5,360 | 7,386 |
| Central Highlands | 2,200 | | | 3,588,520 | 2,420 | 3,798 |

**OPTION 2 – 4 COUNCIL MODEL**

| Council | | Current Population | Land area (km2) | Group Council Population | Rate Revenue 5 year average | Residential Rateable Properties | Total Rateable Properties |
|---|---|---|---|---|---|---|---|
| **Group 3** | **South East Council** | | **7,121** | | **133,672,228** | **71,584** | **80,832** |
| Clarence | | 59,000 | | | 50,055,344 | 25,748 | 26,893 |
| Glenorchy | | 48,000 | | | 42,563,060 | 20,213 | 22,224 |
| Brighton | | 18,000 | | 154,650 | 9,428,404 | 7,244 | 8,197 |
| Sorell | | 16,000 | | | 13,682,618 | 7,566 | 9,644 |
| Tasman | | 2,500 | | | 4,896,714 | 3,234 | 4,014 |
| Glamorgan-Spring Bay | | 4,750 | | | 7,941,459 | 5,261 | 6,122 |
| Southern Midlands | | 6,400 | | | 5,399,629 | 2,318 | 3,738 |
| **Group 4** | **South West Council** | | **10,413** | | **134,565,394** | **51,605** | **60,065** |
| Hobart | | 55,250 | | | 85,009,717 | 21,624 | 24,973 |
| Kingborough | | 38,600 | | | 28,773,390 | 17,267 | 18,674 |
| Huon Valley | | 18,000 | | 122,350 | 13,378,482 | 7,479 | 10,987 |
| Derwent Valley | | 10,500 | | | 7,403,805 | 4,235 | 5,431 |