The future of local government review

Stage 2 - Interim Report Summary

March 2023

Let's All Shape the Future of Local Government.

Department of Premier and Cabinet

Tasmanian Government

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The Local Government Board is developing a bold package of reforms to improve the way Tasmanian councils work for their communities into the future.

At the end of 2021, the State Government established the Local Government Board and asked it to review the way Tasmanian councils work and make recommendations about how the current system needs to change so that councils can meet the challenges and opportunities the community will face in the future.

The Local Government Board has spent the past nine months in **Stage 2** of the Review developing and testing reform ideas and options we think will deliver a successful and sustainable future system of local government in Tasmania.

We have commissioned a range of research and analysis, engaged closely with the local government sector, and asked the Tasmanian community for its views.

As we embark on **Stage 3** (the final stage) we are in a strong position to finalise and deliver to the Government an integrated suite of reform recommendations that meets the objective of creating a more robust and capable sector for the future.

We can clearly see the scale and scope of reform that is needed, and we now want to understand from councils and communities how to shape it.

Tasmanian communities value strong, effective, and locally responsive councils – and we will make sure our reforms support this

Understanding the Tasmanian community's needs, perspectives, and aspirations for the future of local government is fundamental to the Review.

Through all our engagement to date, we have heard that Tasmanians value local government and want to see strong and successful councils in the future. We have also heard strong and broad agreement the status quo is not an option.

There is strong support for the delivery of services locally, which reflects and meets the needs of individual communities, such as maintaining local roads and public spaces. As we noted in our Options Paper, there is support for councils continuing to deliver the core functions and services they currently provide, and we do not think there is a convincing case to radically change local government's role in these areas.

However, we have heard how important the role of councils is in working locally to support the wellbeing of communities. Councils working together and with the State Government to address challenges like climate change has also been identified as a priority. In some areas, like primary health services, we think other levels of government need to step in so councils are not put in the position of being direct service providers or funders of last resort.

We know the Tasmanian community generally recognises and supports the need for substantive changes to the sector if it is going to meet our future needs. For instance:

- The majority of Tasmanians believe we have too many councils for our population. Only one in three believe the current number is right or that we should have more;
- Almost half of Tasmanians think things will get worse over the next 20–30 years if there was no change to how councils work. Only 14 per cent think things will get better. The main reasons for this pessimism included councils and councillors not being appropriately equipped to be 'forward thinking' and manage future issues, including challenges with population growth and ageing;
- There is very strong support (over 80 per cent state-wide) for councils sharing more services to deliver better outcomes to the community;
- 80 per cent of Tasmanians do not mind which level of government provides services locally, as long as they are delivered well;
- People place a high value on councils' role in providing roads and other infrastructure, but feel this should be improved. This is particularly the case for people living in rural councils, who are - on average - less satisfied with their council's infrastructure management performance;
- Younger Tasmanians feel disengaged from and unrepresented by their local council, but will be most impacted by the challenges the community will face in the next 30–40 years. These Tasmanians have strong views on what councils should be focusing on now and in the future (see Appendix 1 to the Main Report); and
- Similarly, Aboriginal Tasmanians feel distant from and dissatisfied with all levels of government, including councils, highlighting the need to improve representation and engagement (see Appendix 1 to the Main Report).

Crucially, smaller rural communities value different things about their local council than those in large city neighbourhoods. People in smaller communities interact with their councils more frequently and rely more heavily on their local elected members and council workforces as the 'first port of call' on a broad range of issues.

Tasmanians appear to want reforms that will make councils more effective and capable in the representation they provide and the infrastructure and services they deliver to their communities. But they are wary of any reform that might weaken local voices, jobs, and services.

The Board wants to give communities confidence any changes we recommend will seek to protect and enhance the things Tasmanians - whether they live in a large city or small rural community - value about their local council.

As we move into the final stage of our Review, and start to put more detail around reform proposals, we want to be clear about the principles which will guide us.

We believe that any successful reform package must:

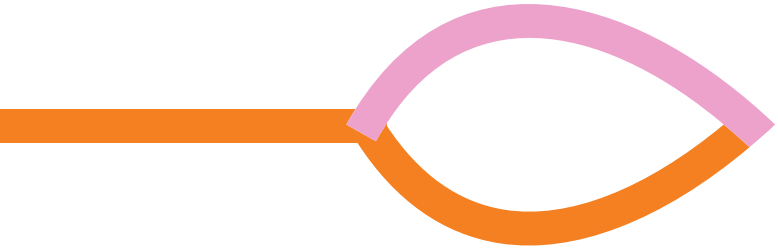
1. Be resolutely focused on future community needs (and not just tied to councils' existing structures and current priorities)

'Traditional' council amalgamation programs in other jurisdictions have tended to adopt an efficiency and financial sustainability lens, by looking at the historical performance of existing councils to identify amalgamation options. While most amalgamations have endured, our research shows these types of processes can be unnecessarily acrimonious, divisive, and leave some (typically smaller rural) communities feeling ignored.

The Board is deliberately adopting a different approach that starts by looking at the current and future needs of local communities. As we have said before, Tasmanian communities, like many around the world, are facing a range of increasingly complex challenges now and into the future – from ageing populations, climate change, and associated natural disasters to increased cost of living pressures, growing social inequality, and unexpected crises such as the COVID-19 pandemic. These challenges transcend current council boundaries and increasingly require collaborative regional approaches that are still flexible to local needs and circumstances.

This means not being bound to current council boundaries as the basis for future structures. We are, in essence, asking the Tasmanian community to adopt, at least in the first instance, a 'clean sheet of paper' approach to thinking about the overall future design of local government in Tasmania.

Of course, efficiency, effectiveness, and sustainability remain important drivers for structural reform. But we think these should be secondary to the primary consideration of how we build councils that align with and support cohesive communities of interest.



2. Retain jobs and service presence locally

The Board understands the importance of local government as a major employer, particularly in small, rural communities, and how this supports local economies – by keeping people living in and contributing to these communities in an era when services and employment is being concentrated in the more urban centres.

The Board recognises there will always be a demand for work to be done locally and that, wherever possible, this should be done by people employed locally. The Board also considers that a key lesson of COVID is that people can work remotely, and this provides an opportunity to increase the number of jobs located in regional communities.

We have also heard the value that rural communities place on being able to contact local council staff who understand their local area, because they also live and work in that area. This Review presents a genuine opportunity to enhance councils' role as an employer, creating more supportive and rewarding environments for Tasmania's local government employees. The Board's view is that any package of reforms we provide to Government must build capability and capacity in the local government sector and their communities more broadly, and this includes supporting local jobs and preserving local service delivery.

3. Preserve and enhance local voice

The Board wants to enhance the ability of Tasmanians to genuinely participate in and contribute to decision making in their communities, as well as building the ability of councils to effectively listen to and consider local voices in shaping and representing communities. We think creating larger, more capable councils can improve community engagement and participatory democracy at the local level.

We understand the concerns of some community members that increasing the size of councils could reduce the capacity of local communities to retain a local voice. Indeed, the Board acknowledges consolidation can go too far, with councils that are too diverse geographically, or too broad in terms of communities of interest having a reduced capacity to stay connected with their communities.

The Board has observed, however, that the opposite can also be true: councils that are too small lack the capability to engage effectively with their communities, to develop the strategies and deliver the services which meet the express needs of local communities. The sentiment survey conducted by the Board showed a significantly lower satisfaction with the delivery of services in small, rural councils compared to larger councils.

Effective community engagement strengthens opportunities for more equal representation, allowing input from those with diverse knowledge, local context and lived experience, and better reflecting the priorities of all community members who live in a Local Government Area (LGA), not just the 'loudest voices'. Effective community engagement also acknowledges there may be barriers to having a voice for some individuals or groups and ensures any barriers are mitigated. We know this is needed, now more than ever, as our communities grow more diverse, and face a broader set of opportunities, issues, and challenges.

Enhancing local voice builds trust and ensures local democracy is a priority at the grassroots level, ensuring people have the opportunity to make meaningful and valued contributions.

4. Be supported by fair funding models that smooth financial impacts for communities

Any major structural change will need to be accompanied by significant design work around how the new councils will be funded in the future. This may mean changes to the operation and application of rating and grant funding models. Inevitably, those changes will flow through to the community in terms of how existing rating is redistributed. The Board will recommend any transition arrangements should be introduced over an extended period to smooth any financial impacts and avoid 'shocks' at the individual ratepayer level.

The Board recognises funding arrangements should reflect the distinctive needs and circumstances of regional and rural councils.

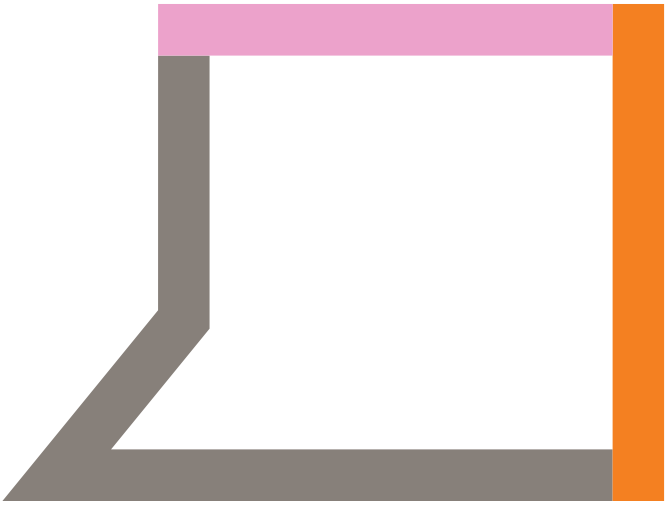
Whatever funding arrangements are implemented to support a new structural model, the Board believes they should be underpinned by the principles of efficiency, simplicity, fairness, and transparency.

5. Be supported by dedicated and appropriate resourcing for transition

To be successful, transition to a new system of local government in Tasmania must be properly planned, resourced, and professionally managed. Experience in other jurisdictions demonstrates that we must be up front and realistic with the community.

Transition processes and the equitable management of existing council debt and capital outlays are likely to be complex, and transition costs will likely require significant investment from the State Government.

It is crucial any consolidation process does not simply result in one council being subsumed by another. Communities coming together in new LGAs need to have a shared sense of ownership. This will likely mean creating entirely new council identities, with fresh elections as soon as possible once the necessary legislative and administrative structures have been established.



Structural reform is essential to build local government capability and capacity for the future

The Board has concluded significant structural changes must be at the centre of any effective reform package. From what the sector itself has told us – and our own research - achieving greater scale is essential to unlocking and building improved (and more consistent) capability across the Tasmanian local government sector.

Having 29 LGAs does, in the Board's view, have a significant and detrimental impact on the ability of councils to attract and retain key staff, to uniformly manage assets well, and to deliver important regulatory functions.

The Review has identified concerning capability gaps across the sector, driven in part by workforce and skills shortages, leading to sub-standard delivery of important regulatory functions and highly uneven asset management practices. These gaps and challenges are being felt more acutely in smaller, rural councils.

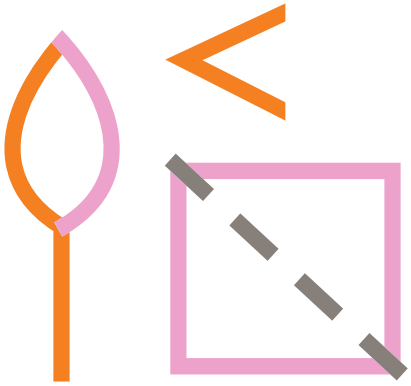
At a strategic level, the competition, fragmentation, and duplication of effort which naturally occurs across 29 councils can and does hinder collaborative effort and outcomes when it comes to managing regional and state-wide challenges. The fact tens of thousands of Tasmanians now commute across council boundaries on a daily basis is a clear example of how current LGAs are no longer aligned with the communities in which many Tasmanians live and work.

While the Board has identified a set of specific reform options intended to deliver better outcomes - even if our current 29 LGA system was retained - based on everything we have observed and heard we believe we would only be playing at the margins if we did not tackle the 'main game' of fundamental structural reform.

The Board's considered view on the current structure of the Tasmanian system of local government remains that:

1. **The status quo is not an optimal or sustainable model for the sector as a whole, given growing demands, complexity, and sustainability challenges;**
2. **Some form of consolidation is necessary to deliver greater economies of scale and scope, at least for some services; and**
3. **The scale and extent of the consolidation needed to deliver significantly better services will, unfortunately, not occur on a purely voluntary basis within the current framework. Reform must be designed collaboratively but, once settled, implementation must be mandated by the State Government.**

As the Board indicated in its December 2022 Options Paper, if 'scaling up' is well designed, planned, and properly supported by the State Government we think the sector can and will significantly improve the overall quality and range of services provided to Tasmanians. Further, the sector should be able to act as a more effective partner to support a range of important social, economic, and environmental outcomes, and become a more attractive place to work.



The question then becomes 'how do we achieve the goal?' And that is where we – the Board, the sector, the Government and, indeed, the community – need to make some decisions about the best model to take us forward.

Mandating Change: Why Major Structural Reform Cannot Happen Voluntarily

"Irrespective of the recommendations we will make at the conclusion of this Review, there is no doubt genuine political leadership, at all levels, will be required to deliver the changes necessary to ensure we have a highly capable sector that is able to support the State's future prosperity and wellbeing."
(Stage 1 Interim Report).

While the Board has heard a range of concerns about both 'forced amalgamations' and 'mandated shared services', it firmly believes that substantive structural reform - the sort needed to deliver significant improvements to how Tasmania's system of local government works in the future – simply cannot be achieved on an 'opt-in' or voluntary basis.

We know this because previous attempts at voluntary local government reform in Tasmania have been ineffective. This was the view of the Premier's Economic and Social Recovery Advisory Council when it recommended the establishment of a wholesale local government reform process, which ultimately led to this Review.

In 2016 and 2017 the Tasmanian Government and councils funded a suite of voluntary amalgamation and shared services studies which demonstrated a range of substantial potential financial and strategic benefits to councils and communities of greater planning and services consolidation, coordination and/or integration, relative to the status quo. Despite this, only limited progress has been made to take up the opportunities identified by the studies.

It is clear to the Board that State Government leadership and support is needed to deliver successful structural reform. This aligns with our core principle above which highlights the critical role of dedicated resourcing and expert management for any transition.

Structural reform must be designed collaboratively but, once settled, its implementation must be mandated. The sector itself broadly agrees that this is the only way to elevate the reform discussion, so that we can focus on how we achieve what needs to be done to build a successful future local government sector for all Tasmanians.

Council boundary consolidation and shared services both have a role to play

The Board's view is the preferred approach for the future system of local government in Tasmania is a 'hybrid' blend of larger councils, supported by 'shared services' for some functions. This would mean pursuing substantive boundary consolidation to create larger councils with greater capability, aligned with contemporary community catchments, and establishing (either in parallel to or following boundary consolidation) formalised shared services arrangements between those new councils, where there is an identified benefit to the community in delivering certain functions at an even larger scale.

The Board now believes the 'hybrid' pathway is the only one of the three structural options we put forward in December which will provide the requisite the flexibility to deliver necessary scale on the one hand, while still being able to create councils which meet the unique and diverse needs of our local communities (particularly rural and regional communities). The Board's engagement overwhelmingly supported this as the preferred approach for these very reasons.

The Board is not convinced adapting the design of any future consolidation model to the current 29 LGA system – for example via a complex set of shared services arrangements - is either logical or desirable. To do so would be a missed opportunity to reshape boundaries to better reflect the demographic, economic and environmental realities of Tasmania in the 21st century.

On the flip side, building new Tasmanian councils of a scale that would make any shared services unnecessary would likely result in an unacceptable trade-off in terms of local representation, voice, and service tailoring. Councils would need to be so large as to serve entire regions, which the Board believes undermines the localism we have heard is so central to the sector and to communities.

While the Board remains open to a range of possible outcomes under a 'hybrid' model, its preferred approach would:

- **Involve significant mandated changes to existing council boundaries to create a smaller number of larger, more capable councils.** The total number of LGAs in Tasmania would be substantially reduced, but with boundaries redrawn to reflect genuine communities of interest. In this scenario, most councils (particularly those with larger urban centres) should be of a sufficient scale to provide most core services and functions on a 'standalone' basis.
- **Provide flexibility to apply for different approaches to designing new councils that serve urban and rural communities, respectively.** This may mean, for example, scaling up our urban councils while preserving some smaller rural LGAs. In short, our future structure needs to be able to accommodate the (often very different) needs and circumstances of urban and rural communities – one size cannot fit all.
- **See the mandating of some service sharing but only for a relatively narrow range of services or functions.** This would not preclude further voluntary collaboration and service sharing between councils in areas of mutual interest or benefit. In fact, the Board also wants to explore how it can reduce barriers to allow more effective voluntary shared service arrangements. However, many potential mandated service sharing options would be contingent on new LGA boundaries and councils.

Specific reforms can improve the sector, but structural reform is essential to unlock their full potential

The Board put forward 33 specific reform initiatives in its December 2022 Options Paper, which it believed have the potential to improve the way councils work and deliver better outcomes for communities as a result. The feedback on these options was insightful, constructive, and positive, and we are continuing to develop the detail of how many of these options might work in practice.

The Board's firm view is that specific reform proposals will deliver the best outcomes where they are developed and implemented in the context of a fundamental sector re-design aimed at lifting Tasmanian councils' overall capacity, capability, and sustainability.

This is not to say specific reforms would not have a positive impact in the absence of broader structural change. The extent to which they can drive substantially better outcomes will be severely curtailed unless the 'big picture' structural issues in the sector are tackled as the first order priority.

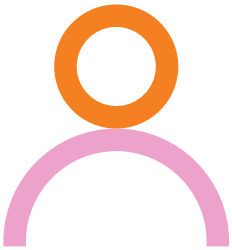
As the Board moves into Stage 3, it will be seeking to develop a cohesive and integrated package of reform recommendations which includes a combination of structural change and specific supporting reforms.

Please note that, following receipt of this Stage 2 Interim Report on 31 March 2023, the Minister for Local Government has amended the Terms of Reference for the Review in relation to the specific issue of councils' role in assessing development applications under the *Land Use Planning and Approvals Act 1993*. The Minister has advised the Board the issue will no longer be included within the scope of the Review. He has instead referred the matter to the Minister for Planning for further consideration and consultation as part of the Government's ongoing planning reform agenda.

Councils' role in development approvals is contested and needs to be resolved, one way or another

The December 2022 Options Paper included several potential changes to councillors' role in the planning approval process. Planning-related changes can be highly contentious, both across the sector and in the general community. A significant number of councils have said they stridently oppose removing the planning authority status from councillors, while others indicated they would welcome it.

There is a strong division between those who believe councillors have a legitimate role in directly making planning decisions, and those who believe the role of elected representatives is to shape local planning schemes and represent community views in the planning process but that decisions should be made by local professional planners or, in the case of complex applications, by independent planning panels.



While the Board believes there is a tension between councillors' role as community advocates and their role as a member of a planning authority, it has heard mixed and conflicting evidence about whether this is a significant problem, or if the tension is being appropriately managed in most cases.

The Board is putting forward three potential reforms for further feedback in Stage 3 and wants to hear more from the community on this issue before it lands on a proposed way forward:

- **Reform 1:** Remove councillors' responsibility for determining development applications entirely. All developments would be determined by council planning officers or referred to an independent panel for determination.
- **Reform 2:** Give councils a framework for the referral of development applications to an independent panel for determination.
- **Reform 3:** Provide guidelines for the consistent delegation of development applications to council staff

You can find more information on the potential reforms in the main Stage 2 Interim Report.

Community-centred consolidation: starting a different kind of reform conversation

In Stage 3 of the Review, the Board wants to have an open, honest, and informed community conversation about how we can practically deliver the level and scope of structural change we think is needed to provide what Tasmanians and their communities will need in the decades ahead.

We want to talk to councils and Tasmanians about how we develop local government structural change proposals Tasmanians can and will support because they reflect and seek to strengthen genuine 'communities of interest'. We use this term to describe a group of people whose common needs, geography, and connections to one another provide a logical scale for local governance.

We will do this by adopting a 'community-centred consolidation' approach. By this we mean we will look at how new LGAs might evolve, develop, and shift from our existing council map to reflect how our local communities live and work. We do not want to be simply pushing two or more existing council areas together and expecting communities to go along with that.

A community-centred consolidation approach starts with understanding how our unique and diverse local Tasmanian communities operate and interact now, and how they are likely to evolve in the future. By understanding the economic, social, cultural, and geographical relationships between our places, we can start to develop future council boundaries at an appropriate scale while embedding a strong shared sense of community identity.

Once we have a good understanding of these things, we can shift our focus to the crucial and complex task of designing the necessary governance, funding and other supports needed to build new, community-focused future councils.

Identifying and defining Tasmanian 'community catchments': beginning to shape our future LGA boundaries

To support focused discussions, the Board – working with the University of Tasmania - has started to develop contemporary Tasmanian 'community catchment' maps. These maps are based on a range of data and insights about how Tasmanians live, work, shop, travel, and play.

The maps are included at the back of this Summary Report for easy reference.

Our nine distinct 'community catchments' will be used to organise region-level discussions about how well our existing LGAs represent communities of interest. These areas are based on analysis of commuting patterns, geographical connections between settlements, and population growth. A similar method was used by the Productivity Commission in 2017 to identify 'Functional Economic Regions' representing the daily movements and connections of local communities all around Australia.

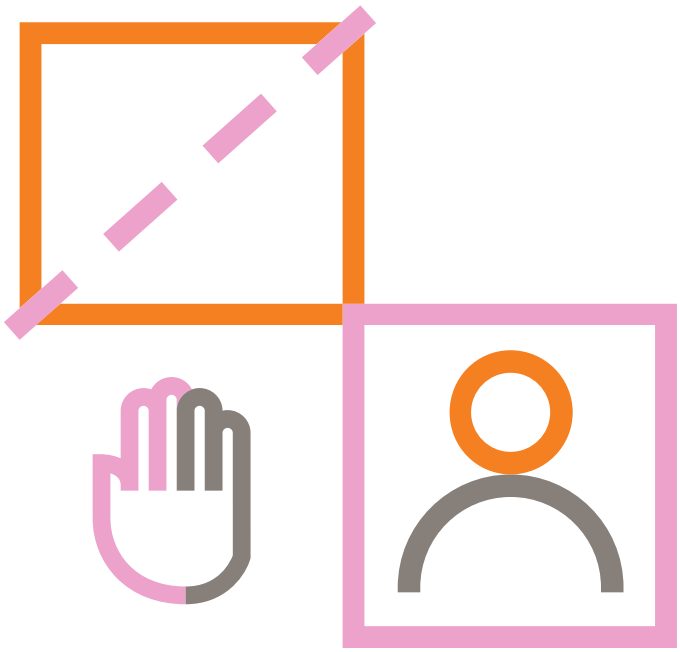
The community catchment maps identify areas of inherent 'connectedness' of Tasmanian communities that transcend current council boundaries. They do not represent final (or even preliminary) boundary recommendations.

The maps are also the result of the Board beginning to apply a set of foundational principles and criteria we think will make for robust councils serving cohesive communities. These criteria place primacy on community cohesion and connectedness, with operational capability and financial sustainability framed as 'supporting' considerations.

You can find out more about these principles and criteria in the main Stage 2 Interim Report.

We want these maps to act as a catalyst for conversations with and between councils and communities about how we potentially reorganise our local government boundaries at a larger scale to deliver stronger capability, while simultaneously supporting and enhancing community cohesion, voice, and identity.

Part of these conversations needs to be about the specific role shared services arrangements might play in the context of potential new LGA boundaries. The Board wants to ensure any such arrangements build on (and not undermine) improvements in scale and capability that might be delivered through boundary reform.



The Way Forward and Next Steps

We are inviting comment on all aspects of this Stage 2 Report until 21 June 2023. The Board is particularly interested in the community's ideas about how local government should be structured to best serve the community catchments we have identified, as well as our proposals for reforming decision-making around development applications.

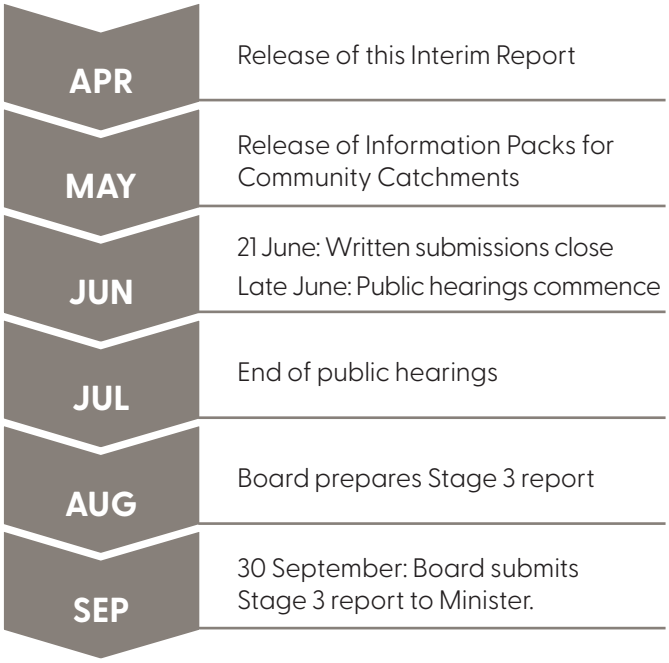
During Stage 3, we will invite the councils covered by each community catchment map to provide their views on the design of local government likely to deliver the best outcomes for the communities in that region. This includes both ideal council boundaries, as well as any opportunities for service consolidation via shared services.

We want to talk with councils in detail about the financial, operational, community, and geographic factors that need to be considered in designing a council or councils that can effectively serve that community catchment.

To help that discussion, the Board will also publish its own proposals showing how one or more councils in that catchment could service the identified community. We will also invite any proposals developed and agreed by groups of councils in a region that are consistent with our foundation principles, criteria and methodology outlined in the Stage 2 Interim Report.

The Board will be compiling and publishing **'Information Packs'** for each catchment, which will include data we have about the people, geography, and the economy of the region, as well as existing council finances and operations.

After the close of written submissions, the Board will host a series of formal hearings, where we will request all 29 councils to make presentations on how they see local government best serving the identified community catchments. Community members will also be able to make presentations during this process. These hearings will be open to the public and livestreamed.



The Board will be publishing more information shortly about the further opportunities it is providing for the community, council staff, and other stakeholders to get involved and engaged in Stage 3.

At the end of Stage 3, the Board will present its Final Report to the Minister outlining our reform recommendations. This will include a detailed suite of specific options across our eight reform outcomes, and preferred models and approaches for structural reform for the local government sector. It will also include clear, practical transition plans that support the delivery of those reforms.

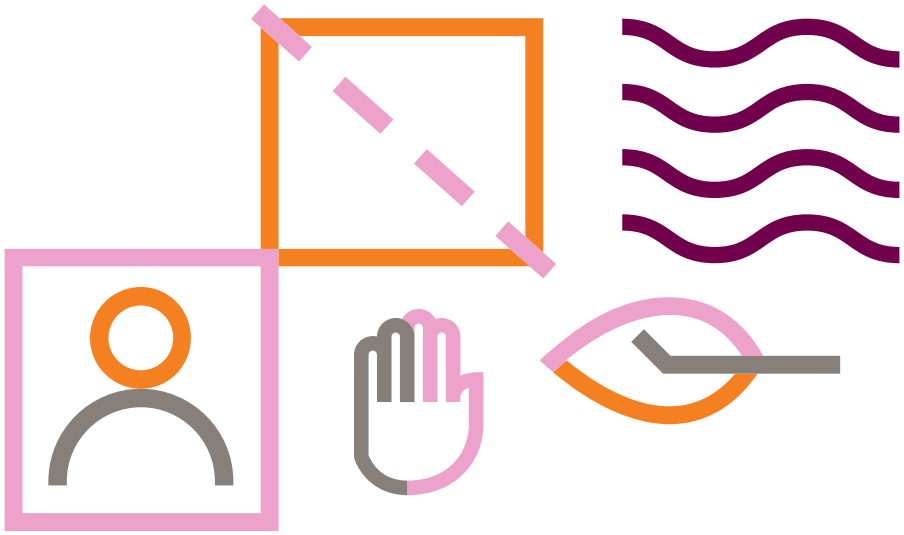
This will signal the formal end of the Review process. At this stage the Government will consider the Board's recommendations and decide how it wants to respond. It will be up to the Government to decide whether it agrees with all, some, or none of what the Board recommends. Before making a decision on the recommendations, under the *Local Government Act 1993* the Minister for Local Government is required to consult with all impacted councils.

‘Community Catchment’ Maps

Patterns of settlement, commuting, and employment have changed significantly in the 30 years since Tasmania’s last round of council boundary changes.

Major new urban areas have developed, improved roads have reduced travel times, and the internet has revolutionised many aspects of the way people we live and work.

There is no reason to believe that council boundaries, which may have been relevant thirty years ago, are necessarily still relevant today.



A Changing State: Tasmania in 1993 and 2023

- The median age of Tasmanians today is 42, 8 years older than in 1993. Some areas, like Glenorchy, have remained relatively young due to strong interstate and international migration. The median age of a Glenorchy resident today is 37 – just two years older than in 1993. Others, however, have aged much more rapidly. For example, the median ages of residents of Flinders, Break O'Day, George Town, Tasman, West Coast, and Glamorgan-Spring Bay have all increased by between 17 and 20 years since 1993.
- The percentage of Tasmanians who were born overseas has more than doubled over the past 30 years, from 10.2 per cent to 20.7 per cent. While many new Tasmanians have settled in cities, a handful of regional areas have also diversified considerably. Tasman, Glamorgan-Spring Bay, Flinders, West Coast, and Circular Head, for example, have all experienced significantly stronger growth in residents born overseas than the state average.
- The population of the state has grown by over 17 per cent, but the increase has not been distributed evenly. Recent growth has been concentrated overwhelmingly in outer suburban areas and nearby 'lifestyle' locations. Remote and regional parts of Tasmania have either been growing much more slowly or, in some cases, shrinking.
- The percentage of working Tasmanians employed in the manufacturing industry has fallen by more than half. Where manufacturing was once a major employer in regional communities right across the state, it is now clustered in a small handful of locations and has long since been surpassed by service industries – particularly healthcare and social assistance.

The result of all these changes is that, while many regional and rural areas of the state retain distinctive identities, a changing demographic, commuting, and service provision landscape means they are far more connected to each other and to major population centres than they were in 1993. At the same time, urban centres themselves have grown rapidly, especially suburban 'satellite' communities from which growing numbers of Tasmanians commute for work.

In Stage 3 of the Review, the Board wants to have a community conversation about sensible local government structural change proposals Tasmanians can support because they reflect and seek to strengthen genuine communities of interest. By 'communities of interest' we mean a group of Tasmanians whose common needs, geography, and connections to one another provide a logical scale for local governance.

We are doing this by adopting what we are calling a 'community-centred consolidation' approach. To promote a genuine and open conversation about future council boundaries and service sharing opportunities, the Board has developed a series of 'community catchment' maps that we believe represent contemporary (and future) connected communities in Tasmania.

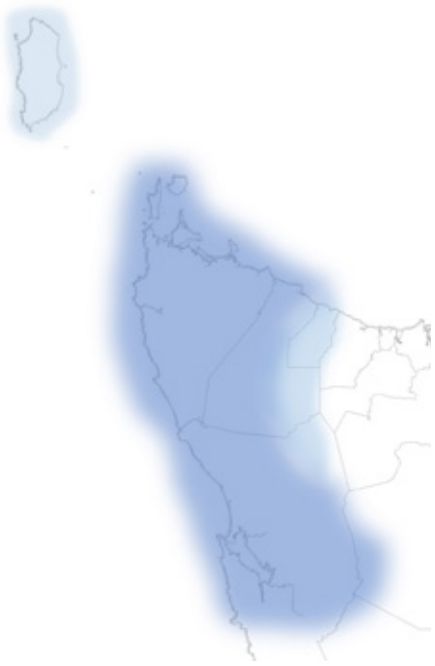
We have developed these 'catchments' - with the assistance of the University of Tasmania - based on a range of data and insights about how Tasmanians live, work, shop, travel, and play.

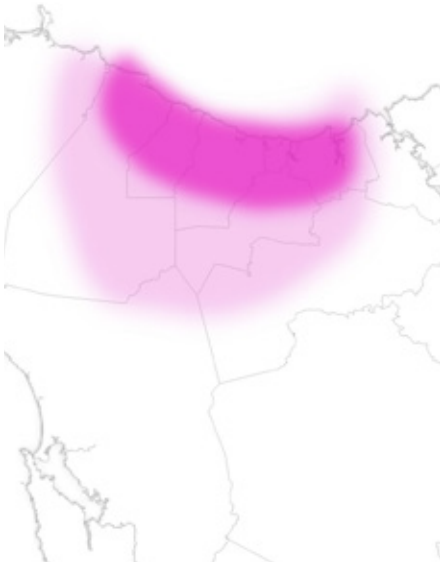
In the maps below, areas of dark shading represent the areas with the clearest and strongest functional economic connections to one another. Other considerations include geographical and identity connections as well as common challenges or opportunities, such as population change, growth, demographic change, or economic and industrial development trajectories. The areas of lighter shading indicate places that exhibit only some of these connections.

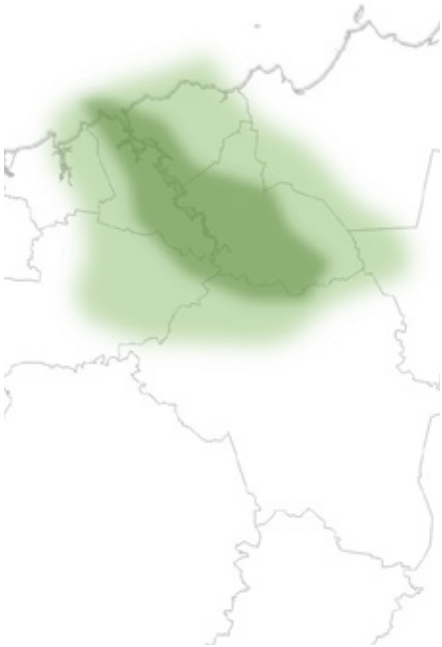
Some councils subject to lightly shaded areas are identified as members of more than one map and associated consultation group due to their connection with more than one functional economic region (for example, Burnie, Brighton and parts of the Meander Valley). Other areas are included in regional consultation groups for geographical regions, recognising they have distinctive local identities and weaker functional connections, for example Flinders and King Islands.

The maps are intended to act as a catalyst for constructive, future-focused conversations with and between councils and communities about how we potentially could reorganise our local government boundaries at a larger scale to deliver stronger capability, while simultaneously supporting and enhancing community cohesion, voice, and sense of place.

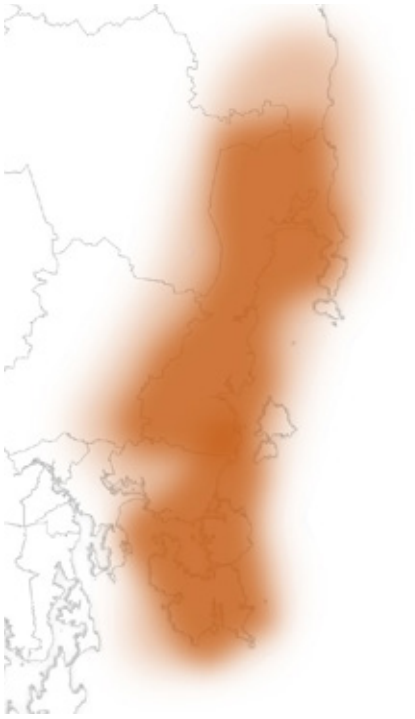
Maps of Tasmanian Community Catchments

Western Community Catchment	
	Rationale and evidence
 **Western Consultation Group** West Coast, Waratah-Wynyard, Circular Head, King Island, Burnie	**Place and representation** Although a large and geographically dispersed area with significant distances between population centres, Western Tasmania has strong geographic, economic, and social connections. While tourism and service industries are emerging as important growth areas – notably clustered around the Tasmanian Wilderness World Heritage Area, the Tarkine, and new mountain biking trails – employment in this region remains driven primarily by resources and primary industries including mining, forestry, agriculture, and aquaculture. Western Tasmania's distinctive identity is captured in the innovative place-branding campaigns, which highlight the region's relative isolation, unique history and culture, and vast wilderness areas as well as its ongoing agricultural strength in the north. The smaller local areas that make up this region also already enjoy the benefits of strong regional coordination and collaboration through, for example, shared service arrangements and the Sustainable Murchison 2040 strategic planning initiative. This area will include the Tasmanian Government's first Regional Strategic Partnership. Western Tasmania faces a number of shared strategic opportunities and challenges in relation to potential energy and mining projects. Recent research from the University of Tasmania has highlighted the fact that the Western Tasmania region – and its mining centres in particular – hosts a very large number of drive-in/drive-out workers whose long-distance commuting patterns transcend existing local government boundaries and pose challenges to local government service provision. The result of this long-distance commuter movement is that the LGAs making up this region are actually considerably more closely connected than their geographical separation would suggest. **Future needs and priorities** Perhaps the most significant shared issue facing the Western Tasmania region is the combined challenge of population ageing and decline. While the State's population as a whole has increased by nearly 18 per cent since the mid-1990s, the Western Tasmania region has shrunk by 4.5 per cent. In some areas, population has decreased by up to 50 per cent. Over the same period, the median age of the LGAs that make up this has increased by between 10 and 16 years. Together, these trends present considerable risk to the region's long-term sustainability.

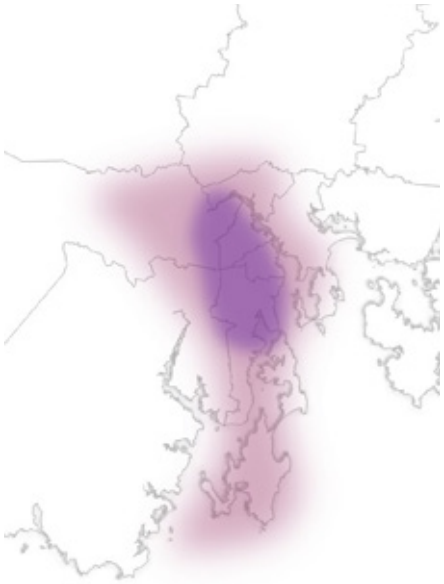
Cradle Coast Community Catchment	
	Rationale and evidence
 **Cradle Coast Consultation Group** Burnie, Central Coast, Devonport, Latrobe, Kentish, Waratah-Wynyard	**Place and representation** The Cradle Coast is the area between the arc of the state's central north coast and the natural borders of Cradle Mountain and the Central Plateau, stretching from Sisters Beach to Port Sorell. Some of Tasmania's most significant rivers – such as the Mersey, Leven and Emu – connect the Cradle highlands to the coast. While the Cradle Coast hosts several important regional centres – Wynyard, Burnie, Penguin, Ulverstone, and Devonport – analysis of resident movement data reveals that all are increasingly closely connected with one another. Residents of this area, connected by the Bass Highway, move frequently along the coast and its hinterland – close to 1000 workers commute between Burnie and Devonport daily. However, these connections are less clear in the broader Waratah-Wynyard and do not extend into the Meander Valley or the existing West Tamar LGA. The north-west coast more broadly has long had a strong sense of connection and shared identity based on common geography and a shared industrial base, driven historically by manufacturing. Reflecting this shared sense of purpose, a number of organisations, services, and businesses are already organised at a regional scale, including the Cradle Coast Authority and WNW Working, for example. While much of the western area of the Waratah-Wynyard LGA has more in common with Circular Head and the North-West Coast than the Cradle Coast per se, the township of Wynyard has relatively strong commuting connections with Burnie. For this reason, Waratah-Wynyard can make a valuable contribution to this consultation group. **Future needs and priorities** While the city of Burnie and the Latrobe area have bucked these trends to an extent, the broader Cradle Coast region faces considerable challenges associated with ageing and either slow population growth or even decline in some areas. Perhaps the most important trend shaping the future of this area, however, is a long-term decline in manufacturing employment. Across Tasmania, the share of the total population employed in the manufacturing sector has fallen by more than half since 1993, and even more precipitously on the Cradle Coast. The result of this change is that many smaller regional settlements that once hosted large and contained local manufacturing workforces are now more connected with the Coast's major population centres, particularly Burnie, Ulverstone, and Devonport.

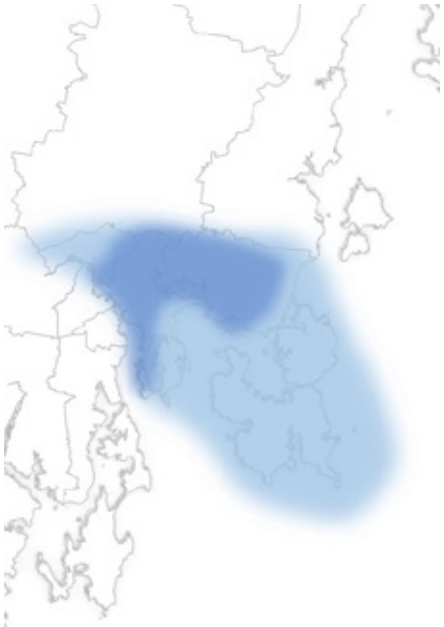
Tamar Valley Community Catchment	
	Rationale and evidence
 **Tamar Valley Consultation Group** Launceston, West Tamar, George Town, Northern Midlands, Meander Valley	**Place and representation** This grouping is primarily clustered around the Tamar Estuary, as well as its broader catchment zone, taking in the upper reaches of the North and South Esk rivers. Launceston exerts a strong and wide-ranging pull as a regional employment and service centre, extending up both sides of the Tamar River and south to Longford, Perth, Evandale, and even the Hadspen/Carrick area. Currently, more residents of Longford, Perth, and Evandale commute to Launceston for work than stay in those communities (in other words, approximately 60 per cent of employed residents in these communities work in Launceston). Westbury has a strong commuter connection with Launceston (453 Westbury residents work in Launceston), but Deloraine does not (167 residents of Deloraine work in Launceston). These commuting connections also do not extend into the current Latrobe, Dorset, Break O'Day, or Central Highlands LGAs. The net result is that Greater Launceston is now a major service and employment centre for its broader region, and a large percentage of the residents of its surrounding LGAs travel there regularly, if not daily. Geographically, George Town is part of the Tamar Regional Consultation group although, owing to its distinctive economic and industrial base, is to a much smaller extent within greater Launceston's commuting zone. Roughly 1450 people both live and work in George Town, while some 615, or around 20 per cent of the local population, live in George Town but commute to Launceston. Existing regional collaboration on issues most relevant to local governments in this area occurs primarily through the Launceston City Deal framework and the Launceston Chamber of Commerce among other groups. **Future needs and priorities** Over the past 15 years, it has become increasingly clear that parts of the West Tamar and Northern Midlands LGAs in particular have been evolving into 'satellite' commuter suburbs of Greater Launceston. The combination of the geography of the Tamar estuary with the frequency and scale of interaction between residents of this broader region suggests a strong community of interest. As noted above, this trajectory is also clearly evident in Longford, Perth and Evandale. The rapid growth and development in areas like Legana, Carrick, Hadspen, Dilston/Lilydale, Longford, Perth, St. Leonards, and Riverside provide compelling evidence that the connection of the wider Tamar Valley area to Launceston will only continue to grow in the coming decades.

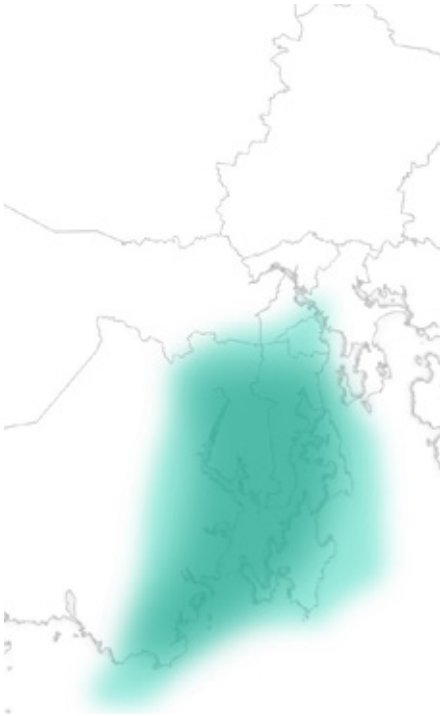
North-East Community Catchment	
	Rationale and evidence
 North-East Consultation Group Dorset, Break O' Day, Flinders, George Town, Glamorgan-Spring Bay	**Place and representation** The North-East corner of Tasmania is predominantly agricultural but with several significant green energy and eco-tourism ventures, notably the Musselroe Bay and Cape Portland wind farms, the Blue Derby mountain bike trails, and a range of coastal holiday/tourist towns. While the sparse populations and large areas of these LGAs mean that their commuting connections are not quite as strong as for urban regions, the data clearly show that they are more closely connected to each other than to any other council areas. This relative isolation and shared geography also link these areas into a broader community of interest. While resident movement and identity links are not as strong between Flinders Island and Cape Barren Island and the mainland parts of this region, the importance of Bridport as a freight and transit link means that they would nevertheless be valuable contributors to the North-East Tasmania consultation group. **Future needs and priorities** This region faces a range of economic and demographic difficulties as well as important emerging opportunities. Like many of the state's more rural areas, the first of these is population ageing and also population decline in some areas. All four council areas in this consultation grouping are ageing more quickly than the state average and growing more slowly. These issues pose clear but not insurmountable challenges to the region's economic sustainability. They are compounded in many places by workforce shortages and high service provision costs arising from the small and dispersed nature of the region's population.

South-East Community Catchment	
	Rationale and evidence
 **South-East Consultation Group** Glamorgan-Spring Bay, Tasman, Sorell	**Place and representation** The southern parts of the East Coast region, from the Tasman Peninsula to Orford, are united by their commuting and resident movement connections to Sorell. The region has common economic structure focused on tourism, agriculture, and coastal living. While Tasman and Glamorgan-Spring Bay do not currently share a boundary, rural eastern Sorell arguably has more in common with Tasman and Glamorgan-Spring Bay than with the remainder of its current municipal area. For this reason, Sorell has been included as a member of this consultation group and the Eastern Shore group below. Important connections are evident in the other direction too: a significant number of residents of Sorell, Lewisham, Primrose Sands, Dodges Ferry, and Dunalley move frequently between the Sorell, Tasman, and Glamorgan-Spring Bay LGAs. While Tasman, Sorell, and Glamorgan-Spring Bay have reasonably strong commuting connections with each other, they exhibit only relatively weak employment or commuting links with more northerly parts of the East Coast. These communities already engage in regional collaboration via, for example, the Southern Tasmanian Councils Authority and the South East Regional Development Association. **Future needs and priorities** In recent years, Sorell has emerged as one of Tasmania's most important growth areas. The rapid expansion of residential development, mostly on greenfield subdivisions in the western part of Sorrell LGA, has brought both enormous economic opportunity and considerable growing pains to the broader region. Despite experiencing the most rapid population growth in the state since 1996 (just under 40 per cent) Sorell has also been ageing more quickly than the Tasmanian average. These changes mean that Sorell is increasingly becoming a key service and employment hub for much of the East Coast, while at the same time emerging as a booming 'satellite' commuter suburb of Hobart. It also has strong functional economic connections to the coastal and rural communities to the north and east, which face some of the economic and demographic difficulties of North-East Tasmania, particularly an ageing population ageing and workforce shortages.

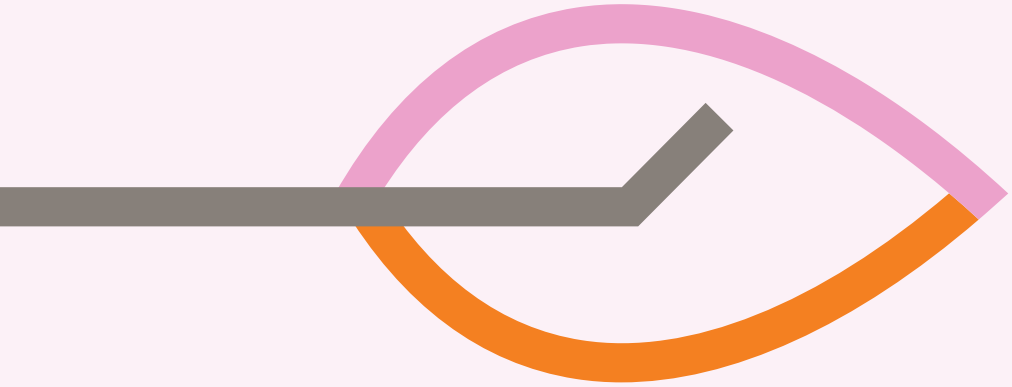
Central and Midlands Community Catchment	
	Rationale and evidence
 Central and Midlands Consultation Group Central Highlands, Northern Midlands, Southern Midlands; Meander Valley, Derwent Valley, Brighton	**Place and representation** The broader midlands and central plateau area is a large and sparsely populated region whose economy is based on agriculture, tourism, and energy generation. While this grouping contains several geographically distant regional population centres, commuting and employment data indicate that these five council areas have much stronger commuting links with each other than with any of their neighbours. Both Brighton and New Norfolk in the South have significant employment and resident movement connections to the Central Highlands and Southern Midlands (as well as to greater Hobart), while Deloraine is an important regional hub for the Northern Midlands and the upper half of the Central Highlands. As well as their economic and industrial connections, the Midlands and Central Plateau have strong historical and cultural similarities represented in physical links such as the 'Tasmania's Heartland' road network and tourist route. **Future needs and priorities** While the Northern Midlands and Central Highlands continue to face service provision difficulties associated with population decline, other parts of this larger area are growing relatively strongly. In particular, Meander Valley, Southern Midlands, and Brighton have seen population growth above the state average in recent decades. Increasing agricultural productivity has also attracted major investment, including public investment in major irrigation infrastructure which, in combination with a temperature rise associated with global climate change, could drive further strong growth in this region's agriculture industry. The main challenge confronting the Central and Midlands region is its population growth is concentrated in areas like Brighton, Perth, Evandale, Longford, and Westbury, whose functional economic connections are to Hobart and Launceston rather than Central Tasmania.

Western Shore Community Catchment	
	Rationale and evidence
 **Western Shore Consultation Group** Hobart, Glenorchy, Brighton, Kingborough, Derwent Valley	**Place and representation** This community catchment takes in Brighton and the western shore of the Derwent River through North West Bay and down the D'Entrecasteaux Channel to Bruny Island. The dominant geographical features linking this region are kunanyi/Mount Wellington and the Derwent Estuary. This grouping represents a strong and cohesive economic community. While settlements like Kingston function as regional centres to an extent, this area is characterised predominantly by its very strong employment and commuting connections with central Hobart. As is the case with once-rural areas around Greater Launceston, large parts of the Channel are rapidly developing 'satellite' outer-suburban connections with Greater Hobart, presenting considerable challenges for strategic land use and infrastructure planning. The population growth and expanding urban footprint that have defined Greater Hobart in recent decades have steadily eroded the employment, identity, and cultural distinction between inner Hobart, the Northern Suburbs, Taroona, and Kingston. As a result, few residents of this greater urban area would today identify themselves as living in Glenorchy, Kingborough, or Brighton rather than Hobart. **Future needs and priorities** The existing Greater Hobart council areas, along with Clarence, enjoy some benefits of cooperation via mechanisms like the *Greater Hobart Act*. This integration has not yet mitigated urban and regional strategic planning trajectories leading to unmanageable urban sprawl and strained transit links. As this region's population continues to increase, and its functional economic connection to inner Hobart becomes ever more pronounced, it will be essential that growth and development can be managed in a more coherent way than has been the case to date.

Eastern Shore Community Catchment	
	Rationale and evidence
 **Eastern Shore Consultation Group** Clarence, Brighton, Sorell, Tasman	**Place and representation** This area is characterised by a rapidly expanding eastern growth corridor from Midway Point and Sorell up the Coal River Valley to Richmond and its surrounds. It has strong commuting links to central Hobart, primarily via the Tasman Bridge, but also the Bowen and Bridgewater Bridges. It is separated geographically from inner Hobart by the Derwent River, but the Eastern Shore also retains an element of cultural and identity differentiation too. In addition, the strong economic and employment links between Clarence and the Southern Beaches, Tasman Peninsula, and East Coast mean that the Eastern Shore has become an important economic and service centre in its own right. **Future needs and priorities** As noted above in the discussion of Sorell, the most important issue facing the Eastern Shore is the rapid pace of growth occurring across the region but in Sorell and Midway Point especially. Research from the University of Tasmania has also highlighted some of the opportunities and risks posed by this area's industrial mix. Clarence and Sorell in particular have experienced strong services sector growth in recent years, particularly in the retail trade and accommodation and food services industries. However, this emerging area of specialisation has also meant that this part of Tasmania was hit very hard by the COVID-19 economic downturn and is highly vulnerable to emerging trends in automation, offshoring, and artificial intelligence, highlighting the urgent need for sophisticated, coherent, and coordinated regional strategic planning and economic development policy.

Southern Shore Community Catchment	
	Rationale and evidence
 **Southern Shore Consultation Group** Kingborough, Huon Valley, Hobart	**Place and representation** This region connects the rapidly expanding southern growth corridor through the Kingston and Huonville areas to the rural hinterland west of the Huon Valley. It is separated from Hobart area by the Wellington Mountain range to the north-east, and from the west by the Southern Ranges. Despite strong commuting links to Hobart, primarily via the Southern Outlet, the D'Entrecasteaux Channel and Huon Valley in particular are both culturally and demographically distinct from Greater Hobart. The combination of faster than average population ageing with very rapid recent population growth highlights the prominence of retirees, tree-changers, and sea-changers in this area's demographic mix. Historically a significant producer of apples and timber, high-value agricultural and aquacultural production as well as some forestry continue to be both culturally and economically significant to the area's identity, as are more artisanal crafts like traditional wooden boat building. Southern Tasmania's two primary administrative, commercial, and service hubs are Kingston and Huonville, but smaller settlements like Cygnet, Geeveston, Kettering and Dover remain important regional centres. **Future needs and priorities** As with all the other regions surrounding Greater Hobart, the challenges confronting Southern Tasmania relate primarily to urban sprawl, population growth, and strained commuting links with inner Hobart. The large recent influx of lifestyle-driven relocation south of Hobart has only further exacerbated these issues, with strong population growth likely to continue into the future. The demographic profile of this region's population is also beginning to strain its limited health and aged care resources, highlighting the need for more coordinated provision of vital community services.

The future of local government review



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