

Local Government Board Review

The Future of Local Government in Tasmania

Terms of Reference

1. OBJECTIVE

The objective of the Review is to create a more robust and capable system of local government. At the conclusion of the Review the Local Government Board ('the Board') will make recommendations on the future role, functions and design of local government required to meet the contemporary and emerging needs of the Tasmanian community and support Tasmania's recovery from the COVID pandemic.

2. SCOPE

Under s 214 of the *Local Government Act 1993* ('the Act'), the Minister requires the Board to conduct the Review. The Board will consider:

1. the future roles and functions that should be delivered by local government in Tasmania;
2. the organisational features and capabilities necessary to enable local government to effectively and sustainably deliver its future roles and functions;
3. the optimal future design for the Tasmanian local government sector to support the delivery of local government's proposed roles, functions, features and capabilities, individually and collectively, across

representative and administrative roles and functions

4. a practical transition plan for implementing the future design of local government in Tasmania, if required; and
5. any other matters the Board considers relevant to the above.

Scope of Review for specific planning matters

The Review will not consider potential changes to the the current role and function of Tasmanian councils in assessing development applications under the *Land Use Planning and Approvals Act 1993*. The Minister for Planning will separately consider and consult on this matter in the context of the Tasmanian Government's broader planning reform agenda.

Reforms to support and strengthen councils' critical, broader roles and functions within the planning system, including strategic land use planning and the development of Local Provision Schedules, are within scope for the Review.

The Board is to make recommendations:

1. on the matters within scope, as they relate to the local government sector;

2. on the future of local government, including the range of functions performed, physical boundaries and arrangements for service delivery; and
3. which, in the opinion of the Board, will deliver the best overall outcomes and benefits for the Tasmanian community in areas relevant to local government, having regard to, without limitation, the following principles:
 - a. local government in Tasmania will remain an independent, accountable and representative sphere of government, established under legislation to represent and serve the interests of local communities;
 - b. The design of local government should provide for economies of scale and scope, maximizing the efficient use of resources to provide an improved range and quality of services, and value for ratepayers on a sustainable basis;
 - c. the design of local government should provide for councils that enable local communities to meet their present needs and plan for the future, in the context of broader regional and State-wide approaches

The Review may also take into account, and make recommendations in respect of, any matter referred to in s 214A of the Act.

3. STAGING AND TIMEFRAMES

The Board will undertake the Review in three key stages.

Stage 1 – Community Engagement, Research, and Issues Identification (January 2022 – June 2022)

In Stage 1, community and stakeholder experiences and views will be combined with research and analysis to create a clear and empirically robust picture of the current state of local government, which will be used to identify opportunities to achieve the Review’s objectives. The Board will provide the Minister of Local Government and Planning (‘the Minister’) with advice on the outcomes of Stage 1, including the priority reform areas to be considered in Stage 2.

Stage 2 – Options Development and Testing (July 2022 – March 2023)

In Stage 2, the Board will draw on the priority reform areas identified in Stage 1 to develop and test potential reform ideas and options. There may be further exploration, where required, to finalise potential reform ideas and options. The key output will be a ‘shortlist’ of feasible reform options that the Board considers, based on the evidence, would optimise the performance of council services and functions and deliver on community needs and expectations.

Stage 3 – Reform Recommendations (April 2023 - October 2023)

In Stage 3, the Board will narrow down and refine the options to deliver its final written review and recommendations to the Minister. If the Board recommends options for reform, its final report to the Minister is to include clear, practical transition plans that support the delivery of those reforms.

4. GOVERNANCE AND ACCOUNTABILITY

The Board is a statutory body established under Part 12A of the Act.

The Board has broad statutory responsibilities under the Act and is to report to the Minister. The Act sets out clear procedural requirements for the conduct of Local Government Board Reviews. In accordance with ss 214 and 214A of the Act, the Minister requires the Board to carry out a review of all Councils established under s 18(2) of the Act in accordance with these Terms of Reference.

The Board is to deliver its final review recommendations to the Minister by no later than 31 October 2023. In accordance with the Act, the Minister may either accept or reject the recommendations, ask the Board to reconsider them, or refer to the Board any alterations requested by councils.

The Board will provide a progress report to the Minister at the conclusion of Stages 1 and 2 of the Review.

The Board will be supported by a Secretariat. The Secretariat will report directly to the Board and will be located administratively within the Department of Premier and Cabinet (DPAC).

5. CONSULTATION

The Board will conduct the Review in a manner that provides for broad stakeholder and community engagement. The Act provides minimum requirements for public consultation for Local Government Board Reviews, including submissions. In conducting the Review, the Board may also exercise its powers and functions consistent with s 214C(4) of the Act.

Subject to the Terms of Reference, and consistently with the Act, the Board will be free to carry out the Review in any manner it considers appropriate. The Board may consult with any person and conduct such inquiries and investigations as it considers necessary within the framework provided under the Act.

6. AMENDMENTS TO THE TERMS OF REFERENCE

The Minister may amend these Terms of Reference from time to time to reflect changes to the focus and direction of the Board as the Review progresses through its various stages.