

From: [REDACTED]
To: [Submissions LGBoard](#)
Subject: Re: Submission in response to Stage 2 Interim Report
Date: Monday, 22 May 2023 2:08:12 PM
Attachments: [Future of Local Govt response to stage 2 report..rtf](#)

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[REDACTED]
It looks OK to me so I will resend as an attachment. In case it is an issue between yours and my software I am also cut and pasting it below.

Kind regards,
[REDACTED]

Response to Stage 2 report on Future of Local Government.

I thank the Local Government Board for the opportunity to respond to their second report. I have read the report in detail, have read the submissions made and reread the reports commissioned to inform this review.

I have to say that there appears to me to be a big disconnect between these inputs and some of the central conclusions reached thus far by the Board.

I note the the highest level of correlation is between the April 23 phone survey and the views expressed by the board with respect to shared services and reducing numbers of LGAs. This is of interest as there is no indication that many (or any) of the 1000 respondents had read the background material. Many would not even have had a clear idea of the workings of Local Government and may be more influenced by the frequent criticisms aired in the media than by having an informed opinion. It is very easy to say 29 Councils is too many for the small population of Tasmania without having any real idea of whether a change would benefit us.

It is notable that we have a considerable amount of service sharing across the 29 LGAs and a huge diversity as to how much and how this is managed. The trend is for this to increase with councils making decisions to adopt the measures where they can be seen to benefit their constituents. It would appear to be a prime example of the benefits of democracy and free markets in action.

“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. “

Well, if this really is a “considered view” it should not be beyond the Board’s wit to show how this follows from the research papers and submissions published on its website.

“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, ...”

No evidence is advanced to support this contention. Indeed feedback from Councils is that:

1. Consolidation of LGAs or service provision would not lead to a significant reduction in the staff required.
2. Staff shortages reflect inadequate planning in the area of education and training . Skills shortages are being felt equally in private enterprise and other tiers of government.

3. Population growth is another significant factor in some areas.
4. More costs are being pushed onto Local Government by State.
5. Some of the staffing shortfalls are simply due to smaller rural councils not having the rate base to support infrastructure.

On this last point I note that some (Devonport Council for instance) use this as a justification for amalgamation so that urban areas can cross subsidise rural areas. I would contend that there are more equitable and efficient ways to subsidise this infrastructure. Where this is identified as the issue a direct subsidy from the State (that is to say all Tasmanians) would be a better solution.

On Page 11 the report refers to the PESRAC report as the basis for initiating the current review. It is therefore surprising that PESRAC is not included in the reading materials provided by the Board. Nonetheless, I have read it and can't help being impressed by how closely the conclusions of the Board accord with those of PESRAC. Similarly PESRAC does not reveal how they arrived at their conclusions.

Page 78 of the PESRAC report contains the following recommendation:

"In sponsoring the process, Parliament must start with the clear expectation that the process will:

- deliver a new structure of local government areas (LGAs) with many fewer LGAs and a wholesale reconsideration of local government boundaries;
- result in centralisation of some operations to achieve genuine scale across the new LGAs, not that each will be delivering the same services themselves; and
- deliver an outcome that will be implemented without material modification."

So, the Board are delivering on that expectation rather than taking cognisance of the evidence and the submissions made by Councils and others.

That would perhaps explain why stage 2 consultation meetings were held in a way to discourage attendance and attempted to steamroll participants into accepting one of three versions of compulsory amalgamation and/or service sharing.

Viewed overall (and from outside the tent) so to speak it is hard not to see the public engagement and process so far as a sham. Dare I suggest that most members of the public who have tried to engage would have been buried by the weight of material to be read and absorbed and yet what is actually proposed is hard to discern amongst all that detail. A casual observer could see that there is so much material presented, so many submissions made by Local Governments and individuals and an expert panel to review all this material and come to the conclusion that whatever the Local Government and the Minister decide has been rationally derived therefrom. (If they have not had the time and energy to as I have read through it all).

I contend that sadly that casual observer would be wrong.

Apart from the mountain of red tape the Board is proposing to heap upon Local Government, the main actions thus far proposed by the Board are the very ones recommended by PESRAC. As PESRAC does not reveal how they arrived at their conclusions it is entirely plausible that they in fact derive from the ambitions of the current government.

In considering the submissions by Local Governments it is worth noting that unlike Federal and State governments, Local Government has an apolitical executive arm and hence is unable to respond as robustly as can individuals. It is therefore telling that some of the Local Government submissions are as critical as they are. It is also worthy of note that with respect to restructuring of LGAs and consolidation of services the most common response is 'we can't comment until you show us what you propose and provide justification for that particular proposal'.

Personally, I think we have now arrived at that point. We need to see concrete proposals and sound arguments for how they would better serve the community. We need to see a sound analysis of the benefits and the costs, including the substantial transition costs. The Board needs to go into this process with an open mind. Forget your first two reports. Forget PESRAC. Forget the commands from on high. It may be that once all the costs are taken into account there are little or no gains to be had through consolidation of LGAs or services.

As a case in point, it may seem that a consolidation that amounts to merging of the cities of Glenorchy and Hobart would be an obvious 'reform'. They are after all of a similar character and contiguous. If we were starting today with neither city council in place it may make good sense. The reality is that we are starting from each of the twin cities having its own well developed and effective structures and governance in place. There would be considerable costs and disruption if the two were to be merged.

Being reasonably familiar with the workings of the Hobart City Council I find it hard to see how such a merger would benefit Hobartians. It is not even clear that it would benefit the good people of the City of Glenorchy. We would need to ask 'What is it we are doing inefficiently or ineffectively that we would be able to do better as a merged entity. I would contend there is very little. If some activities were to be found that a merged entity could do better, I expect both councils would agree to cooperate to make those efficiencies. This would be considerably cheaper and less disruptive than either forced amalgamation or forced service sharing.

I look forward to seeing concrete proposals with well reasoned analysis of how they would benefit residents. Once we have this to look at it can be critiqued and debated in the broader community.

yours faithfully,

[Redacted signature]

On 22 May 2023, at 10:24 am, Submissions LGBoard
<Submissions.LGBoard@dpac.tas.gov.au> wrote:

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