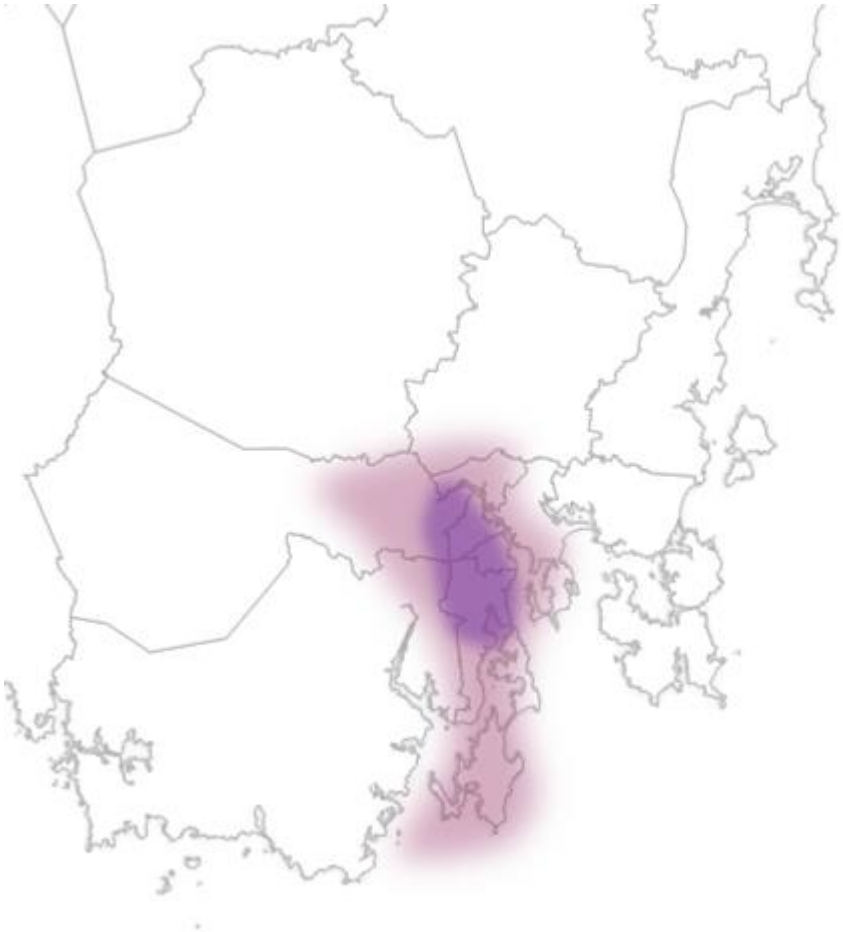
The future of local government review

Western Shore Community Catchment Information Pack

Review Stage 3 – May 2023



Let’s All Shape the Future
of Local Government.

This information pack has been prepared by the Local Government Board with the assistance of the Tasmanian Policy Exchange at the University of Tasmania and the Department of State Growth.

It draws on ABS Census, council, and the Office of the Valuer General data.

The Local Government Board prepared this information pack as a data source and conversation starter for the upcoming Stage 3 consultation.

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1. Introduction

During Stage 3 of the Review, the Board will be engaging with communities to look at how we might reshape Tasmania's local councils to increase scale and capability so they can better serve clearly identified communities of interest. The goal is to design local government in Tasmania in a way that allows all councils to develop and maintain the capability that communities need, while delivering services locally, keeping local jobs, and ensuring that all Tasmanians have a strong voice in decisions being made on their behalf.

This information pack provides detailed insights into the Western Shore Community Catchment, outlining three possible structural reform scenarios. **These scenarios are not the only options for reform.** They are ideas designed to prompt a discussion about some of the possible pathways available to deliver a more capable and sustainable system of local government for Tasmania. **Communities and councils may have their own ideas about how local government could be better organised in their catchments. The Board welcomes alternative suggestions as part of the engagement process**.

Where have these scenarios come from?

Each of the scenarios in the information pack has been developed by applying the Board's structural reform principles (see text box on the following page) and the following four criteria.

1. **Place and Representation**
2. **Future Needs and Priorities**
3. **Financial Sustainability**
4. **Operational Capability.**

Scenario 1 – Establishing one council reflecting geography, commuting connections to Hobart, and communities of interest, incorporating the current Hobart and Glenorchy Councils, extending south to include Taroona.

Scenario 2 – Establishing one council similar to Scenario 1, but extending further south to incorporate the urban section of the Kingborough LGA that has strong commuting connections with Hobart.

Scenario 3 – Establishing a single council similar to Scenario 2, but also extending north and north-eastwards to incorporate the town of New Norfolk and the current Brighton LGA.

The Board – in collaboration with the University of Tasmania – has identified and applied a range of relevant data sets to assess the scenarios individually and compared to one another.

By doing this, we want to test how well the different scenarios meet the criteria. This should promote a conversation about various trade-offs and how these might be managed or addressed. For example, scenarios that propose a smaller scale council may be construed as providing a higher level of representation and local connection but may need to be supported by more extensive shared services and partnership arrangements to achieve the operational scale necessary to deliver long-run capability and financial sustainability.

On the other hand, scenarios that for larger council areas with larger populations may require less in the way of service sharing and may be more 'self-sufficient'.

Structural Reform Principles

1. A Focus on Future Community Needs
2. Retaining Jobs and Service Delivery Locally
3. Preserving and Enhancing Local Voice
4. Smoothing Financial Impacts for Communities
5. Dedicated and Appropriate Resourcing for the Transition

The data and analysis presented in this Information Pack has been sourced from a range of authoritative sources, including councils, the Australian Bureau of Statistics, the Office of the Valuer General, the Department of State Growth and the University of Tasmania. The Pack also presents the results of modelling undertaken to estimate indicative rates for possible council areas presented in the scenarios. Detailed notes on the methods and assumptions used in this modelling are provided in the Supporting Paper (*Methods and Technical Background*).

The scenarios presented in this Information Pack, and the data and analysis that underpins them, are designed to inform community consultation about the future design of local government in Tasmania and are only one of multiple sources of information the Board will be considering when finalising its reform recommendations.

What do we want councils and communities to tell us?

For each of the scenarios, we want councils and communities to consider four fundamental questions:

1. **What are the strengths?**
2. **What are the weaknesses or challenges?**
3. **Are there any adjustments that could be made to maximise the strengths and minimise the weaknesses?**
4. **Are there any other entirely different scenarios the Board should consider, which would still deliver against the Board's criteria and structural reform principles?**

Boundary changes are only one part of the equation. We also want councils and communities to think about options for complementary, supporting reforms, such as shared services and partnerships, options to improve local services and keep jobs in local communities, and new models of engagement and representation.

To support this conversation, we have prepared a number of *Supporting Papers*, which present a range of opportunities for councils and communities to consider. The Papers draw on research about new and evolving approaches in local government elsewhere, as well as the ideas that we have heard from talking with councils, state agencies, and the broader community, including from submissions we have received.

These papers focus on:

- **Supporting strong and empowered local communities (protecting and enhancing local voice and local services);**
- **State government partnership opportunities for local government; and**

- **Potential models, options, and key considerations for shared service opportunities in Tasmania.**

We want people to keep these opportunities in mind as they consider how they might work with or support the operation of new council boundaries and new models of service delivery. Some of the opportunities might only make sense or be effective under some scenarios, while others might work across the board.

At this stage, the Board wants to encourage creative thinking about how we build new council structures that are not just more capable, but which can deliver more equitable outcomes and access to services and technology for all of Tasmania, particularly in our rural and regional communities.

The intent here is consistent with the Board's approach to community centred consolidation - to more flexibly and genuinely reflect and support what communities will want and need into the future. Our aim is to look at how future councils can access the benefits of scale yet remain responsive to local needs. A large part of this is to consider how we reorient representation and services around citizens and the people who access services and build administrative structures that can deliver that flexibility.

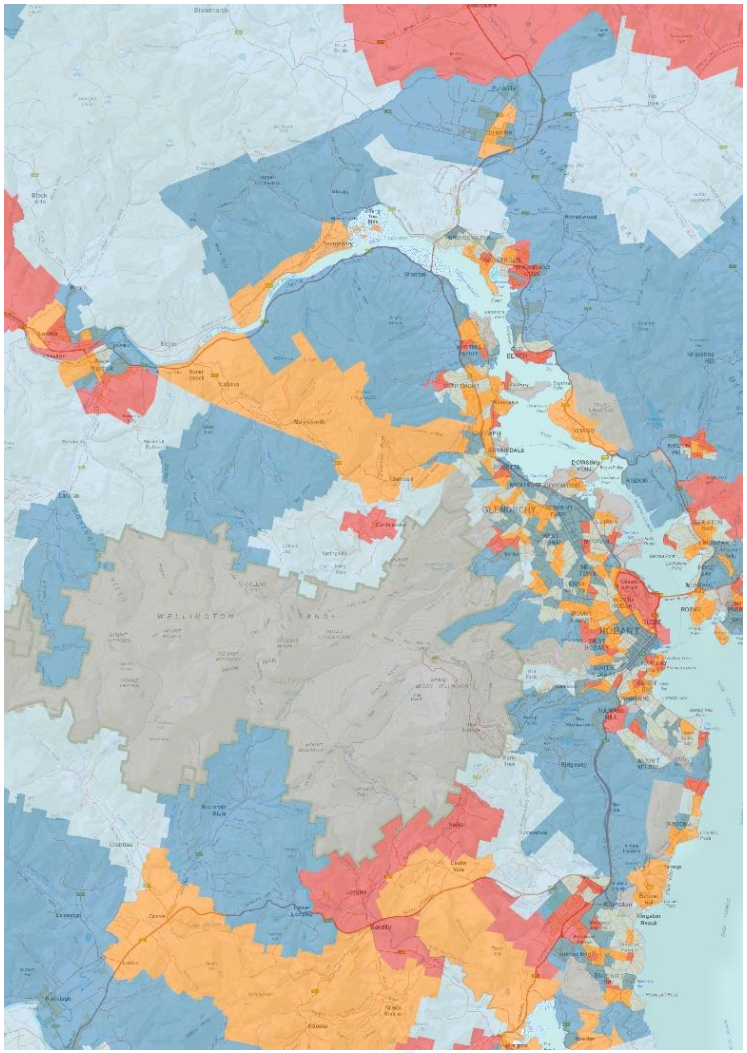
Please note: The Supporting Papers also include fact sheets which explain key data sets, data definitions and associated methodology.

Navigating the Information Pack

The Information Pack is divided into five main sections:

1. **Introductory information about how to interpret and use the Information Pack (this section);**
2. **An overview of the Western Shore Catchment, including key demographic, economic, and geographic features;**
3. **An explanation and analysis of each of the individual structural reform scenarios against evaluation criteria data;**
4. **A comparative summary of all the scenarios against the evaluation criteria data; and**
5. **An appendix, which presents analysis of existing councils within (or partially within) the catchment.**

2. An overview of the Western Shore Community Catchment



Overview

This Community Catchment takes in Brighton, New Norfolk, and the western shore of the Derwent River through to the growing towns and suburbs of the Kingborough LGA. 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 Hobart – 53.5% of all employed residents of the Kingborough LGA work in the Hobart, Glenorchy or Clarence LGAs. As a result, large parts of the Channel are rapidly becoming 'satellite' communities with strong connections with Greater Hobart, presenting considerable challenges for strategic land use and infrastructure planning. Brighton and New Norfolk are experiencing similar trends.

The population growth and expansion of Greater Hobart in recent decades have reduced historical distinctions between inner Hobart, the northern suburbs and Kingston.

The existing Greater Hobart council areas are involved in a number of collaborations and initiatives designed to enhance coordination and strategic planning, including the Hobart City Deal, the *Greater Hobart Act* and the Greater Hobart Committee as well as regional planning frameworks such as the Southern Tasmania Regional Land Use Strategy (STRLUS). Yet despite these initiatives, Greater Hobart continues to face housing, transport and other infrastructure challenges which require a systematic and coordinated regional response.

Economic and population growth in Greater Hobart has been strong, with the Western Shore population (Scenario 2) increasing by over 16,000 (13.9%) over the past decade. Population growth is predicted to continue at a similar rate over the next decade with the Australian Centre for Population projecting that Greater Hobart's population will increase from 254,400 in 2022 to 294,300 by 2032 (15.7%). This sustained population growth highlights the need for a model of local government that can support the entire Hobart community in the decades ahead. Mitigating climate risks will, as elsewhere in Tasmania, continue to be a major issue, particularly given this part of Tasmania's vulnerability to bushfires.

In this catchment, the Board wants to talk to councils and communities about how to best establish a system of local government that can:

- coordinate the residential and commercial development that is occurring in this catchment
- advocate effectively to the State and Commonwealth Governments to play their part in providing infrastructure and to partner on economic development and job opportunities
- provide fair and equitable local government services and representation to all residents
- partner with the State and Commonwealth Governments to provide residents across the catchment with access to the full range of government services.

Tasmania's changing community dynamics

Tasmanians are much more mobile than a generation ago and a growing number of residents cross at least one local government boundary every day in the course of our normal lives. One widely accepted way of defining a 'community of interest' that provides insights into the appropriate scale for local government is to identify the areas in which most residents live, work and use government services (Productivity Commission 2017). Reflecting this approach, the Board has produced a series of maps and tables which illustrate commuting to major employment centres as one possible tool to help inform community discussions around boundary consolidation options.

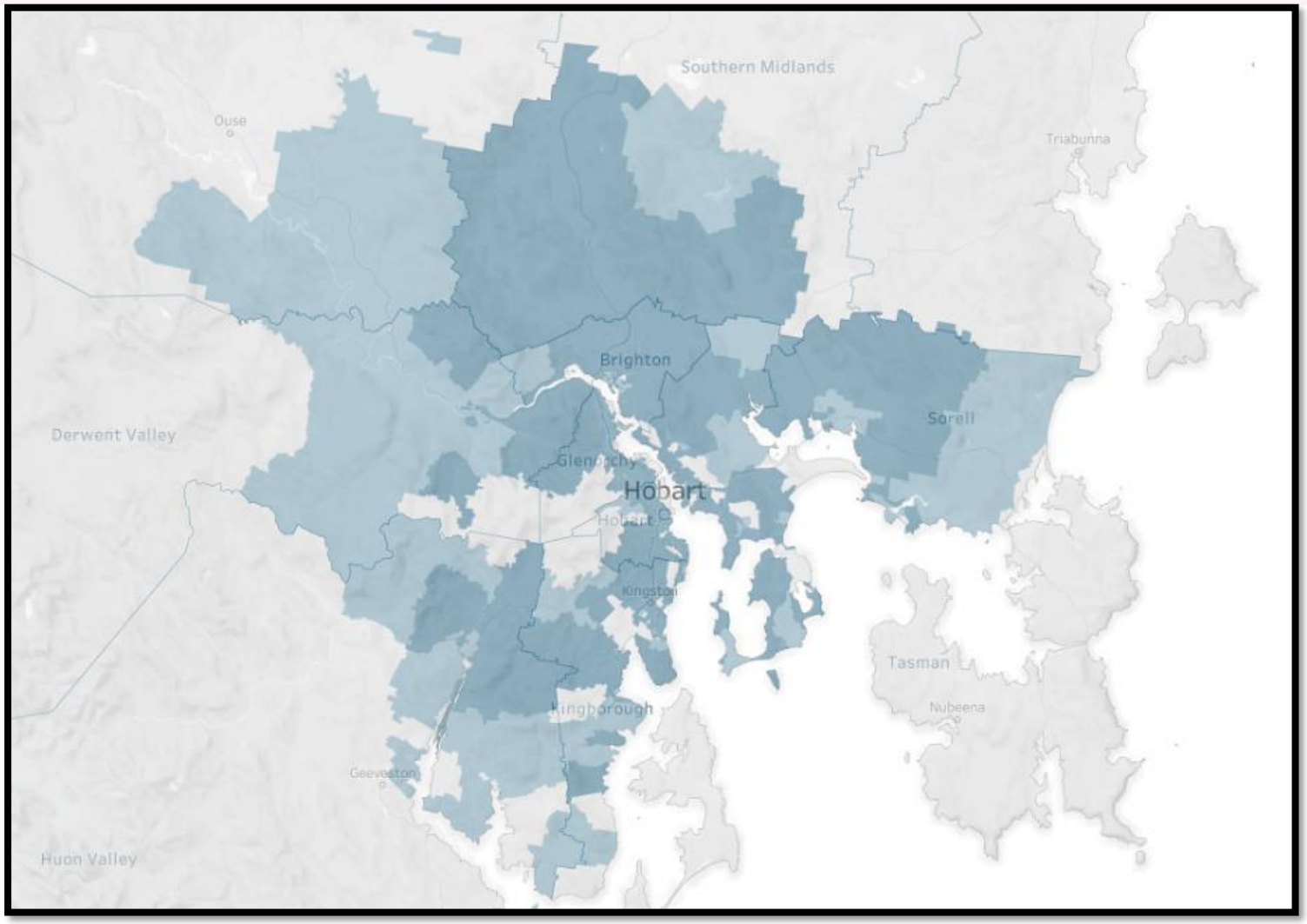
Another clear measure of the extent to which potential future council areas align with communities of interest is the proportion of workers in a council area who also live in that area – the local workforce ratio. As a result of the very large commuting zone around Inner Hobart, most of the existing LGAs in this Catchment have relatively low local workforce ratios, suggesting that in most parts of this Catchment, residents commute to another LGA for work. As the table below shows, however, these patterns of movement across the Greater Hobart area are not defined only by commuting from the outer suburbs to the centre of the city. A considerable number of residents of 'satellite' suburbs to Hobart's south, east, and north, commute to Glenorchy. Likewise, many residents of Hobart cross the Tasman Bridge to work in Clarence, and many Clarence residents work in Glenorchy, Bridgewater, and New Norfolk.

Strong connections are also evident with traditionally 'regional' settlements further afield, such as Sorell and Richmond. Nevertheless, it is generally the case that most of the local government areas surrounding the actual City of Hobart are not reflective of the daily movements of their residents: 47% of employed residents of Kingston/Blackmans Bay work locally while 39% of employed Glenorchy residents work locally. The City of Hobart LGA is higher at 69% reflecting its status as a major employment centre. When combined, the figure for all three areas represented in this catchment is around 60%.

Commuting connections in the region

Place of usual residence (SA2)	Place of work (SA2)																
	Inner Hobart	Glenorchy	Kingston-Blackmans bay	Bridgewater - Gagebrook	Brighton - Pontville	Old Beach - Otago	South Arm	New Norfolk	Margate - Snug	Dodges Ferry - Lewisham	Sorell - Richmond	Upper Derwent Valley	Bruny Island - Kettering	Cygnet	Geeveston - Dover	Huonville - Franklin
Inner Hobart	42358	6219	1414	436	129	25	70	235	197	87	586	47	70	55	65	237
Glenorchy	11728	8657	429	531	146	51	16	287	85	37	209	43	7	4	19	88
Kingston-Blackman's bay	6158	949	3294	37	20	4	0	17	334	11	38	7	69	35	63	242
Bridgewater - Gagebrook	826	757	23	431	45	25	3	69	4	6	32	9	0	0	0	4
Brighton - Pontville	1305	960	30	266	411	26	8	74	11	7	63	10	0	6	0	3
Old Beach - Otago	1315	676	40	99	41	197	5	47	7	0	22	3	0	0	0	4
South Arm	1485	260	37	11	5	4	308	3	10	9	32	0	3	0	0	0
New Norfolk	810	675	33	123	32	8	0	878	9	4	17	66	4	0	3	5
Margate - Snug	1740	274	783	13	5	0	0	15	794	0	9	0	70	27	25	121
Dodges Ferry - Lewisham	1643	416	46	28	10	3	12	6	12	735	514	0	4	0	9	7
Sorell - Richmond	2313	509	65	52	24	3	8	15	13	63	1241	0	0	3	0	6
Upper Derwent Valley	351	326	13	56	23	3	0	302	0	0	11	271	0	0	3	0
Bruny Island - Kettering	374	63	132	4	0	0	0	7	76	0	0	3	575	22	0	22
Cygnet	350	75	120	0	3	0	0	0	46	0	0	0	24	772	47	217
Geeveston - Dover	180	43	60	0	0	0	0	0	15	0	0	3	3	24	874	228
Huonville - Franklin	1135	214	341	11	0	0	0	5	101	0	5	0	3	125	230	1619
Local workforce ratio	**55.4%**	**39.1%**	**47.3%**	**18.6%**	**40.2%**	**51.7%**	**69%**	**41.8%**	**45.5%**	**72.7%**	**41.9%**	**51.5%**	**67.6%**	**66.7%**	**63.9%**	**57%**

Western Shore Scenario 1



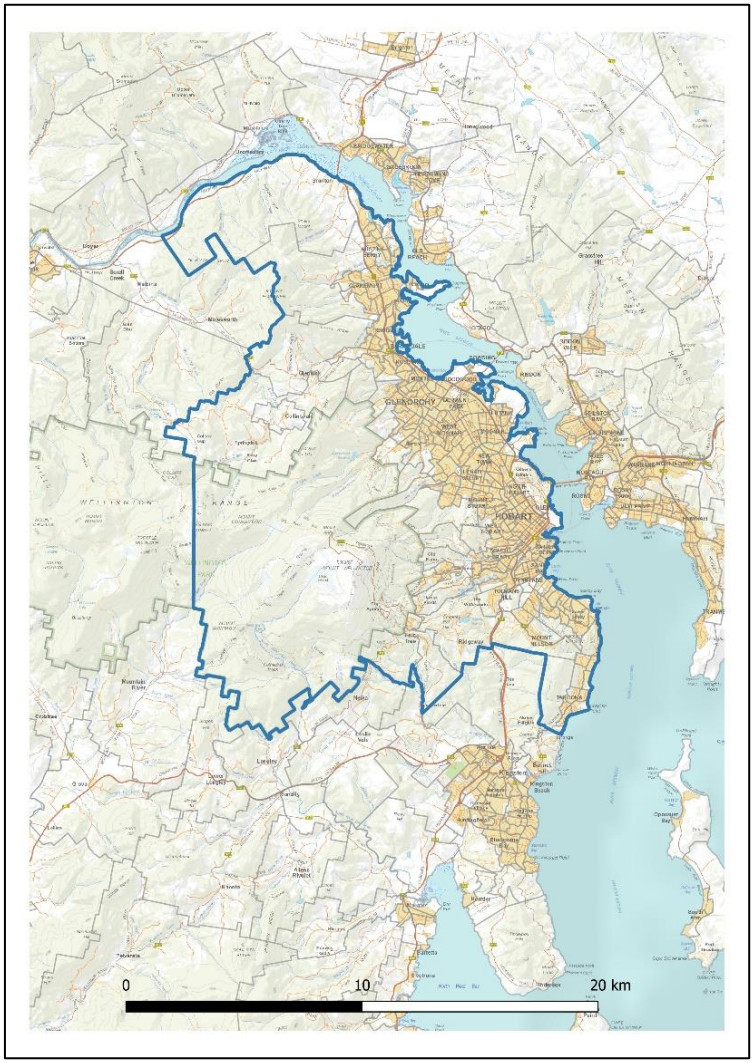
Key

Unshaded *– SA1s where fewer than 30 workers (less than 13 %) work within the Western Shore community catchment*

Light blue *– between 30 and 100 (13%-40%) workers work within the Western Shore community catchment*

Dark blue *– more than 100 (40%) workers work within the Western Shore community catchment*

Western Shore: Scenario 1



Overview

Scenario 1, like the other scenarios in this *Information Pack*, establishes a single council for the Western Shore Community Catchment. It does not cover the entire Catchment, but combines Glenorchy and Hobart LGAs, and extends south to incorporate the suburb of Taroona reflecting its geographic connection to the City of Hobart.

Under this scenario, the council has been designed on the basis of the most continuously connected urban areas of Greater Hobart, recognising a strong community of interest, linked through transport, employment, services and recreation opportunities.

It reflects existing council boundaries while eliminating the arbitrary boundary between the Hobart and Glenorchy LGAs in what is otherwise a cohesive area. The combined council would support improved integrated planning, especially along the Northern Transit Corridor.

Customer service centres and works hubs could be maintained in Hobart and Glenorchy.

2021 Population	% Growth 2011-21
109,063	12.7%

Rationale and evidence

Scenario 1, in combining Glenorchy and Hobart LGAs with the addition of Taroona, reflects a continuous urban settlement and the area's shared geography, with residents living between kunanyi / Mount Wellington and the shores of the Derwent Estuary.

The population growth and expanding urban footprint that have defined Greater Hobart in recent decades have steadily eroded the employment, identity, and cultural distinctions between the northern suburbs, inner Hobart, and Taroona. Scenario 1 results in a clearly defined and connected council area with a population of approximately 109,000. While large by Tasmanian standards, the proposed council would be less than 50% of Greater Hobart's total population.

This scenario would benefit the communities in this area by increasing the scale and capability of the single council.

Alignment with the principles for successful structural reform

Focus on future community needs: The consolidated council established under this scenario would have access to better resources and capabilities to respond to current and emerging community needs, including in the areas of planning, housing, transport, and climate change mitigation.

Hobart's Western Shore remains the centre of economic activity in Tasmania having experienced 22% employment growth over the last decade. While a combined council creates opportunities, it also poses distributional and equity challenges. For example, Glenorchy and Hobart LGAs have very different rates bases and service offerings. Removing unnecessary structural and administrative divisions should help address this challenge and promote a more consistent standard of community services across the entire Hobart community.

Under this scenario, 100% of residents would be within a 30-minute drive of the service and administration hubs of Hobart and Glenorchy, with their health, educational and retail facilities.

Scenario 1 would support enhanced scope capabilities in areas such as strategic planning and development, (both of which face key skills shortages), and could also help manage critical land-use and strategic planning issues such as urban sprawl and inconsistent infrastructure planning. For both councils, increasing housing and population density through infill development is a key priority – challenges a larger organisation would likely be able to coordinate more easily. It would assist with streamlining and implementing initiatives such as the Southern Tasmania Regional Land Use Strategy and Derwent Estuary Program, and continue to support the *Greater Hobart Act*.

The Western Shore community is both the most mobile (40% of residents having moved in the last 5 years) and multicultural in Tasmania, and a larger council would be better placed to meet the specific needs of the community.

Retain local jobs and services: There is scope to retain council administrative and operations hubs in Glenorchy and Hobart to maintain local employment and to support local engagement and service delivery.

While a consolidated council would increase sharing of road maintenance teams and equipment, there would still be logic in maintaining several works depots across the council area. Larger regulatory services teams should also provide greater capacity to manage workloads, allow for business continuity during periods of leave, and help to attract and retain specialist staff.

There would be significant scope for a larger Western Shore council to support and share services with smaller regional councils.

Preserve and enhance local voice: One new, larger council would have the capacity to invest in more extensive and systematic approaches to community engagement to ensure that all communities within the larger council areas are heard and represented. Engaging with and supporting recent migrants, and especially those from non-English speaking backgrounds, should be a particular priority. If required, there would also be scope to introduce community advisory panels regularly consulted by council to ensure constituents enjoy enhanced formal representation and direct influence in the decision-making process, including community budgets.(see Supporting Paper on *Supporting Strong and Empowered Local Communities*). Operations hubs could also be used for a program of scheduled council meetings in different areas of the municipality.

Fair funding models: Applying existing rates and funding models to the new council areas, their total rates revenue in 2021 dollars would be an estimated $116.6m. The area would have access to rates revenue from a mix of residential, commercial and industrial lands. There are different approaches to rating across the Catchment, highlighting the need for carefully designed funding and transition arrangements. Residential rates per capita in the current Hobart LGA are currently about 61% higher than in Glenorchy reflecting higher levels of service delivery in the Hobart LGA.

Appropriate resourcing for transition: Transition arrangements for this scenario would need to consider how services provided by the Southern Tasmanian Councils Authority and Southern Tasmania Regional Waste Authority, both to member councils and other councils across the broader region, would be undertaken under the new arrangements. Similarly, the governance arrangement for the various partnerships and collaborations focused on Greater Hobart would have to be reviewed. The debt and financial assets held by councils, as well as the rating variations, would need to be considered when establishing new councils. Geographic Information Systems (GIS) and asset management platforms and services vary across councils. While it would be cost-efficient to move to single platform, the differences between existing systems are likely to involve transitional costs.

Community data and alignment with reform criteria

The table below presents demographic, household, employment and operational council data for hypothetical councils established under Scenario 1. These data have been produced by modelling 2021 ABS Census (SA1 level) and other relevant data sets to align with the hypothetical boundaries proposed in each scenario.

As we have indicated, these data are indicative and are designed to inform community discussions about the merits of different structural reform options. Structural reforms adopted by the Tasmanian Government based on the Board's recommendations will likely be subject to a detailed technical review and implementation plan. While every effort has been made to ensure consistency and accuracy, variation between SA1 and LGA boundaries may mean that some of the figures below may differ slightly from existing council statistics. Detailed methodological notes are presented in the *Methods and Technical Background Supporting Paper*.

Summary Data – Scenario 1

Category		Measure	Council
Overview	Demographics	Population	109,063
		Median age	38.6
		SEIFA IRSAD (decile)[1]	8
	Housing	Total dwellings	46,254
		No. of single person households	13,020 (31%)
		% dwellings vacant	7.5
		Indicator	
1. Place and Representation	Alignment with local communities of interest	% area workforce residing locally	53.6%

[1] SEIFA', or 'Socio-Economic Indexes for Areas', is an index developed by the Australian Bureau of Statistics which ranks areas in Australia according to relative socio-economic advantage and disadvantage.

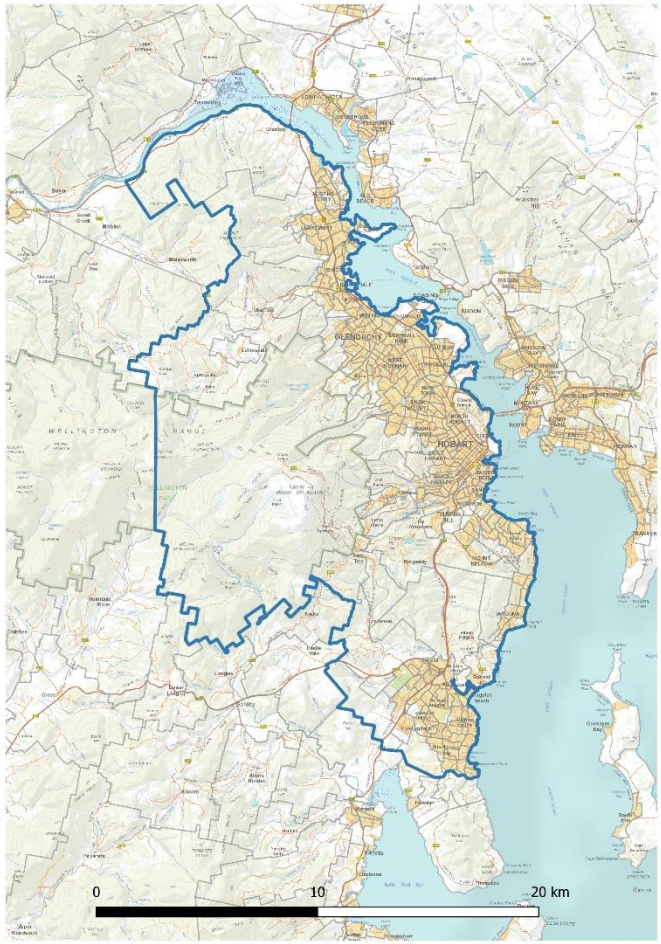
Category		Measure	Council
	Established administrative, commercial and service hub/s	% of population within 30 mins of administrative hub	100%
	Urbanisation	% of population in urban areas of population 10,000 or greater	97%
	Mobility/Migration	% of population living at a different address 5 years ago	40.0
2. Future Needs and Priorities	Population growth	Population change 2011-21	12,258 (12.7%)
	Housing supply and infrastructure demand	Change in occupied dwelling numbers (2011-21)	3,498
		% Change in occupied dwelling numbers (2011-21)	8.9%
	Employment growth	Change in labour force 2011-21 by place of residence	21%
	Older/aging communities	% Population over 65	16%
	Younger communities	% Population under 15	17%

Category		Measure	Council
3. Financial Sustainability	Value of rateable land	Value of rateable land - residential	$28,408,100,000
		Value of rateable land - primary production	$32,100,000
		Value of rateable land - industrial	$975,700,000
		Value of rateable land - commercial	$6,310,700,000
		Value of rateable land - vacant	$480,100,000
		Value of rateable land - other	$4,201,500,000
		Value of rateable land - total	$40,408,156,800
	Estimation of theoretical rate revenue applying current rates[2]	Estimated rate revenue - residential	$75,400,000
		Estimated rate revenue - commercial	$30,600,000
		Estimated rate revenue - industrial	$4,700,000
		Estimated rate revenue - primary production	$90,000
		Estimated rate revenue - vacant	$1,300,000
		Estimated rate revenue - other	$4,600,000
		Estimated rate revenue - total	$116,600,000
	Road Infrastructure	Km of council roads - unsealed	23.8
		Km of council roads - sealed	627.6

[2] There are limitations involved with this analysis, and it is acknowledged that the modelled revenues underestimate actual council revenues in some instances. The modelled revenues are a superior measure of relative fiscal capacity between council scenarios, and caution is advised for any comparison between modelled revenues for scenarios and existing councils. More information is provided in the Methods and Technical Background Supporting Paper.

Category	Measure	Council
4. Operational Sustainability	• The council proposed in this scenario would have access to a large and diverse rate base composed primarily of residential property but with a good mixture of several other sources. This catchment has experienced strong population and economic growth over the past ten years. • Incorporating Hobart, Glenorchy and Taroona into a larger Western Shore Council will likely lead to considerable economies of scale and scope and assist with both the sustainability and coherence of critical strategic, infrastructure, and land-use planning. • Further densification and rising land values will likely drive strong future growth in this council's revenue.	

Western Shore: Scenario 2



Overview

Scenario 2, like the other scenarios in this pack, creates a single council for the Western Shore Catchment. In addition to merging Glenorchy and Hobart, this scenario also captures the urban footprint of Kingston, Blackmans Bay, and Taroona, given their strong connection to central Hobart.

This scenario reflects communities of interest, geography, and the strong employment connection of Kingston to central Hobart. The model would also support more effective strategic planning for Hobart and its southern suburbs.

Customer service, administration and works hubs in Glenorchy, Hobart and Kingston could be maintained under this model.

2021 Population	% Growth 2011-21
132,149	13.9%

Rationale and evidence

Under this scenario, the urban parts of Kingborough is joined with Hobart and Glenorchy LGAs. The southern boundary encompasses Blackmans Bay and Huntingfield.

This model not only combines Glenorchy and Hobart (Scenario 1), but also recognises that a majority of urban Kingborough's workers commute almost daily to central Hobart and Glenorchy (see section on Community Dynamics, above).

In incorporating urban Kingston into the Western Shore, this scenario connects similar communities, but also has implications for the Southern Shore Community Catchment, and for rural Kingborough in particular.

Although large by Tasmanian standards, with 132,000 residents, this council is not substantially bigger than other proposed councils presented in these *Information Packs*.

Key data to assess Scenario 2 against the reform criteria established by the Board are presented in the table below.

Alignment with the principles for successful structural reform

Focus on future community needs: The consolidated council established under this scenario captures a larger proportion of the Greater Hobart area, as Tasmania's state capital and primary commercial and service centre. It would have better resources and capabilities to respond to current and emerging community needs, such as planning, housing, strained transport networks, and climate change mitigation.

Economic activity in this area is strong, which while creating opportunities also poses challenges, particularly in terms of equally distributing benefits. Removing structural and administrative divisions should help address this challenge.

Under this scenario, 100% of residents would be within a 30-minute drive of the service and administration hubs of Kingston, Hobart and Glenorchy, with their health, educational and retail facilities.

Scenario 2 would support enhanced scope capabilities in areas such as strategic planning and development (both of which face key skills shortages) and could help manage issues such as urban sprawl and inconsistent infrastructure planning. It would assist with streamlining and implementing initiatives such as the Southern Tasmania Regional Land Use Strategy, Derwent Estuary Program, the Wellington Park Management Trust, and continue to support the *Greater Hobart Act*.

Retain local jobs and services: There is scope to retain council administrative and operations hubs in Kingston, Glenorchy and Hobart, to maintain local employment and to support local engagement and service delivery. This large council would also have capacity to provide support to and share services with smaller regional councils.

While a consolidated council would increase sharing of road maintenance teams and equipment, there would still be logic in maintaining multiple works depots across the council area. Larger regulatory services teams should provide greater capacity to manage workloads, allow for business continuity during periods of leave, and help to attract and retain specialist staff.

There would be significant scope for a larger Western Shore council to support and share services with smaller regional councils.

Preserve and enhance local voice: The one new, larger council would have the capacity to invest in more extensive and systematic approaches to community engagement to ensure all communities within the larger council areas are heard and represented. Engaging with and supporting recent migrants, and especially those from non-English speaking backgrounds, should be a particular priority If required, there would also be scope to introduce community advisory panels regularly consulted by council to ensure constituents enjoy enhanced formal representation and direct influence in the decision-making process, including community budget priorities. (see Supporting Paper on *Supporting Strong and Empowered Local Communities*). Operations hubs could also be used for a program of scheduled council meetings in different areas of the municipality.

Fair funding models: Applying existing rates and funding models to the new council areas, their total rates revenues in 2021 dollars would be an estimated $133.2m. The area would have access to rates revenue from a mix of residential, commercial and industrial lands. There is a range of approaches to rating across the Catchment, highlighting the need for carefully designed funding and transition arrangements.

Appropriate resourcing for transition:

Transition arrangements for this scenario would need to consider how services provided by the Southern Tasmanian Councils Authority and Southern Tasmania Regional Waste Authority, both to member councils and other councils across the broader region, would be undertaken under the new arrangements.

As with Scenario 1, the governance arrangement for the various partnerships and collaborations focused on Greater Hobart would have to be reviewed.

Community data and alignment with reform criteria

The table below presents demographic, household, employment and operational council data for hypothetical councils established under Scenario 2. These data have been modelled using 2021 ABS Census (SA1 level) and other relevant data sets to align with the hypothetical boundaries proposed in each scenario.

As we have indicated, these data are indicative and are designed to inform community discussions about the merits of different structural reform options. Structural reforms adopted by the Tasmanian Government based on the Board's recommendations will be subject to a detailed technical review and implementation plan. While every effort has been made to ensure consistency and accuracy, variation between SA1 and LGA boundaries may mean that some of the figures below may differ slightly from existing council statistics. Detailed methodological notes are presented in the *Methods and Technical Background Supporting Paper*.

Summary Data – Scenario 2

Category		Measure	Council
Overview	Demographics	Population	132,149
		Median age	38.9
		SEIFA[3] IRSAD (decile)	8
	Housing	Total dwellings	55,656
		No. of single person households	15,327 (29.7%)
		% dwellings vacant	7.2
		Indicator	
1. Place and Representation	Alignment with local communities of interest	% area workforce residing locally	63.7%
	Established administrative, commercial and service hub/s	% of population within 30 mins of administrative hub	100%

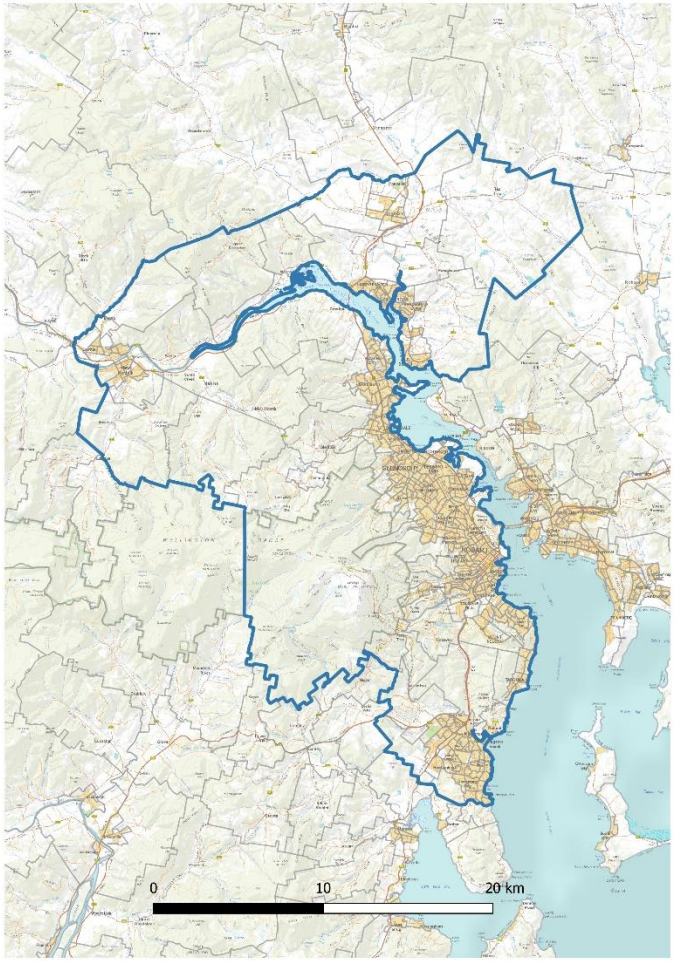
[3] 'SEIFA', or 'Socio-Economic Indexes for Areas', is an index developed by the Australian Bureau of Statistics which ranks areas in Australia according to relative socio-economic advantage or disadvantage.

Category		Measure	Council
	Urbanisation	% of population in urban areas of population 10,000 or greater	97%
	Mobility/Migration	% of population living at a different address 5 years ago	39.4
2. Future Needs and Priorities	Population growth	Population change 2011-21	16,121 (13.9%)
	Housing supply and infrastructure demand	Change in occupied dwelling numbers (2011-21)	5,102
		% Change in occupied dwelling numbers (2011-21)	11.0%
	Employment growth	Change in labour force 2011-21 by place of residence	22%
	Older/aging communities	% Population over 65	16%
	Younger communities	% Population under 15	17%
3. Financial Sustainability	Value of rateable land	Value of rateable land - residential	$34,858,300,000
		Value of rateable land - primary production	$45,200,000
		Value of rateable land - industrial	$1,082,600,000
		Value of rateable land - commercial	$6,749,500,000
		Value of rateable land - vacant	$724,400,000
		Value of rateable land - other	$4,714,300,000
		Value of rateable land - total	$48,174,258,000
		Estimated rate revenue - residential	$88,900,000
		Estimated rate revenue - commercial	$32,400,000
		Estimated rate revenue - industrial	$5,100,000
		Estimated rate revenue - primary production	$100,000

Category		Measure	Council
	Estimation of theoretical rate revenue applying current rates[4]	Estimated rate revenue - vacant	$1,800,000
		Estimated rate revenue - other	$4,900,000
		Estimated rate revenue - total	$133,200,000
	Road Infrastructure	Km of council roads - unsealed	34.9
		Km of council roads - sealed	756.5
4. Operational Sustainability	• The council proposed in this scenario would have access to a large and diverse rate base composed primarily of residential property but with a good mixture of several other sources. This catchment has experienced strong population and economic growth over the past ten years. • Incorporating Hobart, Glenorchy and urban Kingston into a larger Western Shore Council will likely lead to considerable economies of scope and assist with both the sustainability and coherence of critical strategic, infrastructure, and land-use planning. • Further densification and rising land values will likely drive strong future growth in this council's revenue.		

[4] There are limitations involved with this analysis, and it is acknowledged that the modelled revenues underestimate actual council revenues in some instances. The modelled revenues are a superior measure of relative fiscal capacity between council scenarios, and caution is advised for any comparison between modelled revenues for scenarios and existing councils. More information is provided in the *Methods and Technical Background* Supporting Paper.

Western Shore: Scenario 3



Overview

Scenario 3, like the others in this pack, also creates one new council area for the Western Shore Community Catchment. This option, however, consists of the existing Glenorchy, Hobart, *and* Brighton LGAs, with urban Kingston *and* New Norfolk.

Under this scenario, the majority of the Community Catchment becomes one LGA, recognising the strong interconnections (for example, through work, travel, service delivery) between communities. This proposal maximises possible scale capabilities, and the scope for cohesive coordination across the area.

In order to maintain local accessibility to services and representation, as well as local employment, this scenario could maintain several administration and service centres as well as works hubs.

This scenario has potential implications for both the Southern Shore, Eastern Shore, and Central and Midlands Community Catchments.

2021 Population	% Growth 2011-21
159,104	15%

Rationale and evidence

Under this scenario, urban Kingston is combined with Hobart and Glenorchy, and Brighton LGAs, and incorporates New Norfolk (not the larger Derwent Valley) and the southern boundary encompasses Urban Kingston, Blackmans Bay and Huntingfield.

This model creates a very large council by Tasmanian standards (indeed, the largest of all scenarios), with an approximate population of 160,000 residents or 63% of Greater Hobart (and 28% of Tasmania's population). It reflects a greater commuter catchment in including areas that see high employment rates in central Hobart and surrounds. This Council would be well placed to engage with the community to plan and deliver infrastructure and services to meet the fast-growing city's future needs.

Incorporating these commuter areas into a single council does have implications for several other catchment areas. The inclusion of urban Kingston impacts the Southern Shore Community Catchment; Brighton is included in scenarios under both the Eastern Shore Catchment and the Central and Midlands Catchment, and New Norfolk is also a part of the Central and Midlands catchment. Careful consideration of the issues will be required.

Alignment with the principles for successful structural reform

Focus on future community needs: The consolidated council established under this scenario captures a larger proportion of the Greater Hobart area, as Tasmania's state capital and primary economic and service centre. It would have better resources and capabilities to respond to current and emerging community needs, such as planning, housing, strained transport networks, and climate change mitigation.

Economic activity in this area is strong having recorded 23% employment growth over the past decade, which while creating opportunities, also poses challenges, specifically in terms of developing a consistent approach to rating and providing similar levels of service provision across the Catchment. While there are challenges, a council of this scale with a clear economic and community development focus, would be well placed to provide a high standard of service to all Western Shore communities equitably.

Again, 100% of residents would be within a 30-minute drive of the service and administration hubs of Kingston, Hobart Glenorchy, Brighton and New Norfolk, with their health, educational and retail facilities. Not only does this proximity support access but ensures economic and rates base diversity.

Scenario 3 would support enhanced scope capabilities in areas such as strategic planning and development, with key skills shortages, and could help manage issues such as urban consolidation and infrastructure planning. It would assist with streamlining and implementing initiatives such as the Southern Tasmania Regional Land Use Strategy and Derwent Estuary Program, the Wellington Park Management Trust, and continue to support the *Greater Hobart Act*. As noted above, this large council would have the capability and capacity to support smaller regional councils as well as partnering with the state government.

These benefits will need to be considered against ensuring representation for all areas, balancing rates, and that the large size of this council does not disadvantage other areas of the State.

Retain local jobs and services: There is scope to retain council administrative and operations hubs in Old Beach, New Norfolk, Kingston,

Glenorchy, and Hobart, to maintain local employment and to support local engagement and service delivery.

While a consolidated council would increase sharing of road maintenance teams and equipment, there would logic in maintaining multiple works depots across the council area. Larger regulatory services teams should provide greater capacity to manage workloads, allow for business continuity during periods of leave, and help to attract and retain specialist staff.

The integration of centralised or standardised corporate 'back-office' systems or services for council finance and administration may reduce staff time spent on administrative tasks, allowing councils to reallocate resources towards improving the scope and quality of service provision (see Supporting Paper on *Shared Services Models*).

Preserve and enhance local voice: The one new, larger council would have the capacity to invest in more extensive and systematic approaches to community engagement to ensure all communities within the larger council areas are heard and represented. Ensuring that smaller (although fast-growing) townships such as New Norfolk and Brighton have strong representation in the proposed council would be particularly important. If required, there would also be scope to introduce community advisory panels regularly consulted by council to ensure constituents enjoy enhanced formal representation and direct influence in the decision-making process, including community budget priorities(see Supporting Paper on *Supporting Strong and Empowered Local Communities*). Operations hubs could also be used for a program of scheduled council meetings in different areas of the municipality.

Fair funding models: Applying existing rates and funding models to the new council areas their total rates revenue in 2021 dollars would be an estimated $147.2m. The area would have access to extensive rates revenue from a mix of residential, commercial and industrial lands. As noted above, a range of approaches to rating are applied across the Catchment with average rates per resident in Hobart LGA significantly higher than either Kingborough, Brighton or Glenorchy, highlighting the need for carefully designed funding and transition arrangements.

Appropriate resourcing for transition: Transition arrangements for this scenario would need to consider a number of issues. For example, existing councils are involved in and number of service sharing arrangements with neighbouring rural councils which would have to be carefully considered. Also, how services provided by the Southern Tasmanian Councils Authority and Southern Tasmania Regional Waste Authority, both to member councils and other councils across the broader region, would be undertaken would have to be renegotiated.

As with all of the Western Shore Scenarios, the governance arrangement for the various partnerships and collaborations focused on Greater Hobart would have to be reviewed.

Community data and alignment with reform criteria

The table below presents demographic, household, employment and operational council data for hypothetical councils established under Scenario 3. These data have been modelled using 2021 ABS Census (SA1 level) and other relevant data sets to align with the hypothetical boundaries proposed in each scenario.

As we have indicated, these data are indicative and are designed to inform community discussions about the merits of different structural reform options. Structural reforms adopted by the Tasmanian Government based on the Board's recommendations will likely be subject to a detailed technical review and implementation plan. While every effort has been made to ensure consistency and accuracy, variation between SA1 and LGA boundaries may mean that some of the figures below may differ slightly from existing council statistics. Detailed methodological notes are presented in the *Methods and Technical Background Supporting Paper*.

Summary Data – Scenario 3

Category		Measure	Council
Overview	Demographics	Population	159,104
		Median age	39.0
		SEIFA[5] IRSAD (decile)	7
	Housing	Total dwellings	66,124
		No. of single person households	17,688
		% dwellings vacant	7.0
		Indicator	
1. Place and Representation	Alignment with local communities of interest	% area workforce employed locally	66.8%
	Established administrative, commercial and service hub/s	% of population within 30 mins of administrative hub	100%

[5] 'SEIFA', or 'Socio-Economic Indexes for Areas', is an index developed by the Australian Bureau of Statistics which ranks areas in Australia according to relative socio-economic advantage or disadvantage.

Category		Measure	Council
	Urbanisation	% of population in urban areas of population 10,000 or greater	90%
	Mobility/Migration	% of population living at a different address 5 years ago	38.5
2. Future Needs and Priorities	Population growth	Population change 2011-21	20,714 (15.0%)
	Housing supply and infrastructure demand	Change in occupied dwelling numbers (2011-21)	6982
		% Change in occupied dwelling numbers (2011-21)	12.8%
	Employment growth	Change in labour force 2011-21 by place of residence	23%
	Older/ageing communities	% Population over 65	16%
	Younger communities	% Population under 15	18%
3. Financial Sustainability	Value of rateable land	Value of rateable land – residential	$39,801,000,000
		Value of rateable land – primary production	$135,500,000
		Value of rateable land – industrial	$1,318,100,000
		Value of rateable land – commercial	$6,967,800,000
		Value of rateable land – vacant	$1,014,800,000
		Value of rateable land – other	$4,152,900,000
		Value of rateable land – total	$53,390,200,000
		Estimated rate revenue – residential	$100,100,000
		Estimated rate revenue – commercial	$33,400,000
		Estimated rate revenue – industrial	$5,900,000

Category		Measure	Council
	Estimation of theoretical rate revenue applying current rates[6]	Estimated rate revenue – primary production	$300,000
		Estimated rate revenue – vacant	$2,500,000
		Estimated rate revenue – other	$5,100,000
		Estimated rate revenue – total	$147,200,000
	Road Infrastructure	Km of council roads – unsealed	109.9
		Km of council roads – sealed	991.0
4. Operational Sustainability	• The council proposed in this scenario would have access to a large and diverse rate base composed primarily of residential property but with a good mixture of several other sources. This catchment has experienced strong population and economic growth over the past ten years. • This council would become one of the larger public sector bodies in Tasmania, so would be well placed to develop and maintain considerable capability. • Incorporating the western shore of the Greater Hobart area into a single larger council will likely lead to considerable economies of scale and scope and assist with both the sustainability and coherence of critical strategic, infrastructure, and land-use planning. • Further densification and rising land values will likely drive strong future growth in this council's revenue.		

[6] There are limitations involved with this analysis, and it is acknowledged that the modelled revenues underestimate actual council revenues in some instances. The modelled revenues are a superior measure of relative fiscal capacity between council scenarios, and caution is advised for any comparison between modelled revenues for scenarios and existing councils. More information is provided in the *Methods and Technical Background* Supporting Paper.

3. Comparison of Scenarios

Criteria	Scenario 1	Scenario 2	Scenario 3
Place and Representation			
Alignment with local communities of interest **% local workforce**	52.6%	63.7%	66.8%
Established administrative, commercial and service hub/s **% of population within 30 mins of administrative hub**	100%	100%	100%
Urbanisation **% of population in urban settlements**	97%	97%	90%
Mobility/Migration **% of population who have moved in last 5 years**	40.0	39.4	38.5
Future Needs and Priorities (Note – population projections are not available at SA1 level)			
Population growth 2011-21 ***% growth and absolute number***	12,258 (12.7%)	16,121 (13.9%)	20,714 (15%)
Housing supply and infrastructure demand ***Ten-year change (2011-21) in occupied dwelling***	3,498 (32.1 per 1000)	5,102 (38.6 per 1000)	6,982 (43.9 per 1000)

Criteria	Scenario 1	Scenario 2	Scenario 3
numbers (absolute and per 1000 pop)			
Employment growth ***% growth in employment since 2011***	21%	22%	23%
Older/ aging communities population aged over 65 (% of total)	16%	16%	16%
Younger communities population aged under 15 years (% of total)	17%	17%	18%
Financial Sustainability			
Value of rateable land ***Total $ value within region***	$40,408,156,800	$48,174,258,000	$53,390,159,700
Estimated total rate revenue[7]	$116,638,700	$133,249,800	$147,248,600
Estimated rates as share land value. Report %	0.29%	0.28%	0.28%
Road infrastructure *Length and type of council roads in new region* *Kms by type*			

[7]There are limitations involved with this analysis, and it is acknowledged that the modelled revenues underestimate actual council revenues in some instances. The modelled revenues are a superior measure of relative fiscal capacity between council scenarios, and caution is advised for any comparison between modelled revenues for scenarios and existing councils. More information is provided in the Methods and Technical Background Supporting Paper.

Criteria	Scenario 1	Scenario 2	Scenario 3
Km of council roads – unsealed	23.8	34.9	109.9
Km of council roads – sealed	627.6	756.5	991.0
Additional Key Metrics			
Population	109,063	132,149	159,104
Median Age	38.6	38.9	39.0
SEIFA IRSAD (Decile)	8	8	7

4. Implications for neighbouring Community Catchments

Community Catchments have been established to facilitate discussions about options for council consolidation at a regional level. We are also mindful that the design of the reforms in one community catchment will have impacts on neighbouring regions and the local government system as a whole. Given this, it is important to note how the design of the Western Shore catchment may have implications for neighbouring Community Catchments and councils therein.

Specific observations and implications include:

- There is a clear geographical boundary to the east formed by the River Derwent, and to the west by kunyani/ Mount Wellington. The appropriate lines for the northern and southern boundaries is more complex.
- Including Taroona (as a continuously connected suburb of Hobart) separates it from the existing Kingborough LGA (primarily located in the Southern Shore catchment).
- Including urban Kingston and immediate surrounds in this catchment removes it from the rural proportions of the existing Kingborough LGA, included in the Southern Shore Catchment. Urban Kingston has strong commuter links to central Hobart, but also operates as a service centre for surrounding rural areas.
- The third scenario captures a larger proportion of commuter communities in incorporating the existing Brighton LGA and New Norfolk. These inclusions would impact the capability of councils in the Central and Highlands, and/or the Eastern Shore Community Catchments. Further investigation is required to establish the orientation and identity of these areas.

5. Appendix

Analysis of existing Councils within (or partially within) community catchment[8]

Council	Population	No. of employees	Average Residential Rates & Annual Charges per Residential Property ($)	Current ratio (10 yr average)	Cash Expense Cover Ratio	Own source revenue coverage ratio (10 yr average)	Underlying surplus ratio (10 yr average)	Debt service cover ratio (8 yr average)	Asset sustainability ratio (7 yr average)
Year	2021	2020-21	2020-21	2011-21	2011-21	2011-21	2011-21	2013-21	2014-21
Brighton	18995	68.7	1160.47	3.25	3	87%	0%	0.0	91%
Derwent Valley	10942	57.67	Not provided	1.44	3	75%	1%	11.8	137%
Glenorchy	50411	256	1533.55	2.63	6	89%	-5%	10.1	67%
Hobart	55077	522.8	2499.8	1.59	4	98%	1%	14.7	112%
Kingborough	40082	176.13	1280.43	1.62	7	87%	-3%	0.0	76%

[8] Definitions of data items can be found in the *Existing Council Data Definitions Supporting Paper*.

Council	Asset renewal funding ratio (7 yr average)	Asset consumption ratio (7 yr average)	Cash and investments held ($'000s)	Net Financial Liabilities Ratio (%)	Interest bearing liabilities ($'000s)	No. of discretionary development applications received	Value of all development approvals ($)	No. of councillors
Year	2014-21	2014-21	30-Jun-22	2020-21	30-Jun-22	2020-21	2020-21	2018
Brighton	92%	87%	5,172	32%	720	293	69,389,023	9
Derwent Valley	104%	68%	4,853	-62%	3,864	167	298,166,440	8
Glenorchy	86%	68%	28,016	12%	2,249	526	276,198,156	10
Hobart	100%	53%	65,333	-44%	60,215	855	306,284,605	12
Kingborough	78%	69%	23,538	-17%	22,323	635	171,534,597	10

Summary of Updates

Version	Date	Change
V1.1	7/7/2023	• Scenario 3 map – minor update to align with the correct current boundary of Brighton Council. • Consequential adjustments associated with this boundary correction and other minor corrections were made to the Summary Data for scenarios 3 and to the Comparison of Scenarios table. • Total dwelling numbers were updated for all scenarios to include unoccupied dwellings. Clarified that 2011-21 dwelling change figures refer to occupied dwellings. No impact on financial data such as rateable land estimations, which were calculated separately.