

20 March 2025

Department of Premier and Cabinet
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To whom it may concern,

I am writing on behalf of Break O'Day Council to provide feedback on the Local Government Priority Reform Program 2024-26 and the proposed amendments to the Local Government Act 1993. As a council, we are committed to supporting reforms that improve the effectiveness, transparency, and responsiveness of local government in Tasmania. We welcome the opportunity to contribute to this important process, which will shape the future of local governance in the state.

The proposed reforms are an important step towards modernising local government, and we recognise the potential they hold in helping councils better serve their communities. Our feedback is provided with a focus on ensuring that the reforms are practical, inclusive, and adaptable to the diverse needs of councils, particularly those in rural and regional areas like Break O'Day.

Strategic Priority 1: Lifting standards of professionalism, conduct, and integrity

Legislating the good governance principles	<i>The principles will mirror those currently captured in the local government Good Governance Guide, which are themselves based on well-accepted standards drawn from national and international best practice.</i> <i>It is recognised the principles are very high-level and open to significant interpretation.</i> <i>The Minister for Local Government will be empowered to issue guidelines to support councils to interpret and apply the principles in different circumstances and contexts</i> <i>New mandatory learning and development modules for councillors will also include a focus on the practical application of the principles to the everyday business of councils.</i> Council Response:
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	Supported Elevating the principles into legislation will strength the focus on professionalism and the capacity of the Minister to take action through a Performance Improvement Direction (PID) or Temporary Advisor. The Learning & Development Framework already draws on the principles of good Governance, may not require much change to the Modules. Key thing to note is the mandatory requirement.
Introducing serious councillor misconduct provisions	• <i>New provisions will be included in the Act which allow for stronger sanctions (including removal and barring from office for up seven years) where councillors are found to have engaged in serious councillor misconduct under the councillor Code of Conduct.</i> • <i>Serious councillor misconduct will be defined as a serious and severe breach of the code, determined by reference to clear criteria which go to the impact of the conduct in question, and its reflection on a person's fitness (or otherwise) to hold public office.</i> • <i>Serious councillor misconduct complaints will be heard and determined by the Tasmanian Civil and Administrative Appeals Tribunal (TASCAT), and not the existing Code of Conduct Panel.</i> • <i>Serious councillor misconduct would be defined as conduct representing a serious or severe breach of the local government Code of Conduct, which</i> ○ <i>if proven, would constitute a serious offence; or</i> ○ <i>materially and negatively impact the operations of a council; or</i> ○ <i>presents a material risk to the health and safety of another person or persons; or</i> ○ <i>otherwise demonstrates the councillor is not a fit and proper person to hold the office of councillor</i> <i>The Office of Local Government is actively considering whether further, specific detail should be provided to support the above definition and invites community and sector feedback on this question.</i> Council Response: Qualified Support If the intent behind the changes is properly reflected in the legislative and system changes then this will be a good outcome as there have been some instances in recent years where potentially greater action could have occurred.

	The definition needs greater clarity and will need to be as explicit as possible. Use of TASCAT elevates the process
Broadening performance improvement direction provisions	• <i>Changes will be made to performance improvement direction (PID) provisions under the Act to include:</i> ○ <i>breaches of or non-compliance with a council policy made under the Local Government Act 1993 that are not of a minor nature; and</i> ○ <i>a serious and material failure by a council to act in a way that is consistent with the good governance principles.</i> • <i>This change will make clear that PIDs can be issued in response to circumstances beyond clear-cut statutory breaches, which is consistent with their original regulatory intent as an early intervention tool to flexibly and promptly address issues with council performance and compliance</i> Council Response: Supported Expansion to include compliance with Council policies is a positive step as some policies have a greater importance in supporting and operationalising good governance principles. Implementation will require some care as it is important that the focus is on the significant policies. PIDs are a good solution for the Minister for Local Government and the Office of Local Government to have available.
Introducing temporary advisors for councils	• <i>New provisions will allow for the Minister for Local Government to appoint – in response to evidence of existing or emerging governance issues at a council – a temporary advisor to a council to provide advice and recommend governance improvements to the council, the Director of Local Government and the Minister for Local Government</i> • <i>The intention is to provide an additional early intervention option to provide councils structured support and expert advice, allowing them to address governance challenges before they escalate (and avoiding the expense and disruption of a Board of Inquiry process, for example).</i> • <i>Temporary advisors would be able to be appointed separately to, or in conjunction with, a performance improvement direction. The Minister for Local Government would also be able to request an advisor to investigate and report on specific matters</i> Council Response: Supported

	This adds another option to addressing performance challenges within a Council that sits above a Performance Improvement direction and below a Board of Inquiry. It can be implemented fairly quickly which is another positive.
Clarifying work health and safety obligations	• <i>Removing any ambiguity elected members are bound by, and have obligations under, work health and safety (WHS) legislation</i> • <i>Clarify that councils – and specifically elected members – have legislative obligations to prudently and actively manage WHS hazards.</i> • <i>While councillors are defined as other persons under WHS Act, there is an observed lack of understanding as to what this means in practice.</i> • <i>This lack of clarity, which has been noted in a sectoral WHS review, creates confusion and inconsistent interpretation of, and adherence to, the requirements of the legislation, especially when addressing issues like bullying and harassment, which are considered psychosocial risks.</i> Council Response: Supported Clarification in this area is important and overdue as it has not been clear to Councillors that they have obligations under work health and safety legislation and the management of WHS hazards. The focus on psycho-social safety in the workplace places an increased emphasis on the need for Councillors to understand the impact that they can have within a workplace and on individuals
Mandating council learning and development obligations	• <i>New legislative provisions will require all councillors (both new and returning) to undertake minimum learning and development activities within the first 12 months of being elected</i> • <i>General managers would also be required to develop an elected member learning and development plan for the council at the beginning of each term</i> • <i>Councils would need to publicly report on each councillor's completion of mandated learning and development activities</i> • <i>Mandatory pre-election education (completion of an information session) would also be introduced,</i> Council Response: Qualified support in part only. Part not supported Mandating the compulsory activities is necessary to ensure that the training is undertaken, however, the proposed legislative changes need

	to address what happens if a Councillor refuses to undertake the training, are they disqualified from office and their seat vacated? Council felt that explanation of the consequences of failing to undertake the mandatory training should be provided to enable a discussion to occur with a complete understanding of the proposal. As it stands it is an incomplete proposal which does not support an informed debate. Mandating pre-nomination training was not supported by Councillors as they felt it might dissuade potential candidates from standing. If it is an information session than that may be something to be considered. What is meant by training needs to be clarified. Councillors believe that an increase in the Allowance should be considered with this additional impost being made on Councillors. Coupling an increased Allowance with mandatory training could lead to better quality candidates. Council also felt that a comprehensive review of Allowances was well overdue and should be undertaken as a matter of urgency. A Learning and Development Plan for individual Councillors is a logical addition, guidance on a best practice approach to this will be required.
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Strategic Priority 2: Driving a high-performing, transparent, and accountable sector

Introducing a contemporary role statement and a charter for local government	• <i>The local government role statement developed by the Future of Local Government Review will be included in the Local Government Act, setting a clear, contemporary vision for councils, focused on the wellbeing of local communities</i> • <i>A head of power will also be included in the Act for the Minister for Local Government to issue via Ministerial Order a Local Government Charter to support the delivery of the new role, subject to first consulting with the local government sector</i> • <i>The following role statement was subject of extensive consultation through the review process</i> <i>The role of local government is to support and improve the wellbeing of Tasmanian communities by:</i> • <i>harnessing and building on the unique strengths and capabilities of local communities;</i> • <i>providing infrastructure and services that, to be effective, require local approaches;</i> • <i>representing and advocating for the specific needs and interests of local communities in regional, state-wide, and national decision-making; and</i> • <i>promoting the social, economic, and environmental sustainability of local communities, including by mitigating and planning for climate change impacts.</i> Council Response: Qualified support The need for a Charter to support an updated role statement has been questioned in Council's previous submissions as what does it actually add beyond the role statement included in the Act. There is substantial work required to frame the Charter which will ultimately require Council's input down the track.
Improving the strategic planning and reporting frameworks	• <i>The current 10-year strategic planning period will be retained, but councils will now be required to link their strategic plans to identified community wellbeing priorities</i> • <i>New statutory requirements will be introduced for councils to develop and adopt community engagement plans and workforce development plans, consistent with FoLGR recommendations</i> • <i>This reform represents the first step in implementing the Future of Local Government Review recommendations for a renewed strategic planning and reporting framework for local government</i>

	<i>that puts community wellbeing at the centre of how councils deliver services and plan for the future, linked to and supporting the new role statement and charter</i> • <i>The Future of Local Government Review recommended specific parameters for how the revised planning and reporting framework would be established, which included a proposal for four-year strategic plans comprising:</i> ○ <i>a community engagement plan</i> ○ <i>a workforce development plan</i> ○ <i>a financial and asset sustainability plan; and</i> ○ <i>an elected member capability and professional development plan</i> • <i>Councils would be required to review these plans every four years, consistent with the current four-yearly review cycle for the existing suite of council statutory plans.</i> • <i>The new legislative provisions would not be enacted until after the 2026 council elections to provide sufficient lead time for the sector to prepare for the change.</i> Council Response: Supported A requirement for Councils to develop a Community Engagement Strategy was a key outcome of the process focused on developing the new Local Government Act. Reference is made to integrating wellbeing priorities, objectives and outcomes, yet have we adequately scoped out and discussed what is meant when we talk about wellbeing?
Improving consistency in data collection and reporting methodologies	• <i>New provisions will give the Minister for Local Government the ability to issue clear and binding instructions to councils in relation to a broader range of performance indicators and their associated data collection and reporting requirements.</i> • <i>Better data and improved confidence in performance monitoring will empower communities to understand how well their council is performing and support better and more proactive monitoring and regulatory intervention.</i> • <i>The development of a new performance monitoring framework for the Tasmanian</i> • <i>local government will take significant time and dedicated resources and will require broad consultation and engagement with the sector and other key stakeholders</i>

	Council Response: Supported Consistency in data collection and comparability of data was raised in submissions however this reform makes no mention of addressing the inconsistencies in the application of Accounting Standards.
Enhancing transparency of information in council rates notices	• <i>The Act will empower the Minister for Local Government to prescribe additional information requirements for council rates notices so ratepayers will have a clearer picture of how and why their rates change over time, and how rating revenue is supporting different council services and functions</i> • <i>specify minimum information to be included in council rates notices for the purposes of informing ratepayers about</i> ○ <i>the drivers for the year-on-year changes to their rates liability (including rating policy changes, changes to property valuation, and changes to the general rate component);</i> ○ <i>the total amount of rates payable on the property for each year over the preceding five years;</i> ○ <i>the average year-on-year general rate change for a property, expressed in relative terms; and</i> ○ <i>how rates have been applied by councils across service categories and functions</i> Council Response: Not supported The FoLGR Report stated that there should be consultation with the sector on the information to be included to ensure that it is useful. This consultation has not occurred and the proposed changes have not been tested with Local Government. (Refer to the Position Paper from Council's Business Services Manager below) The comparative information and the historical information is going to require a massive change to the way that Rates Notices are compiled and is it achievable. The single A4 notice currently issued is already full on both sides. The proposed changes are going to require multiple page notices. Key Recommendations 1. That the Valuer-General be required to provide detailed valuation explanations alongside rate notices.

	2. Defer major rate notice changes until financial performance indicators are finalised. Phase in reforms in alignment with broader rating system changes. 3. Adopt practical and ratepayer-focused alternatives to excessive data disclosures.
Mandating internal audit for councils	• <i>New provisions will require all councils to establish and maintain an internal audit function, bringing them into line with Tasmanian Government agencies</i> • <i>General managers, through audit panels, will be responsible for delivering</i> • <i>their council's internal audit function</i> • <i>The Director of Local Government will also be given explicit authority to request targeted internal audits</i> Council Response: There is merit in this requirement however the ramifications have not been clearly articulated. This is a very significant addition to current audit activities and will require Council's to provide additional financial and human resources to comply with this direction. There is a lack of clarity as to what the Treasurer will require and this needs to be developed in consultation with the sector. The Treasurer can modify the application of the instructions as and how the Treasurer sees fit.

Council's Business Services Manager has provided the following commentary in relation to enhancing transparency on Council Rate Notices.

Formal Position Paper

Title: Ensuring Practical Implementation of Local Government Reforms: A Sector Perspective

Executive Summary

The Tasmanian Government's proposed reforms to enhance transparency in council rate notices aim to improve ratepayer understanding of rate changes and valuation processes. However, the practical implementation of these reforms has not been sufficiently tested, and there has been limited sector consultation on the feasibility of the minimum information requirements.

This position paper highlights key implementation challenges and proposes practical solutions to ensure transparency reforms achieve their intended outcomes without placing excessive administrative burdens on councils or causing confusion among ratepayers.

Key recommendations:

1. **Require the Valuer-General (VG) to provide detailed property valuation explanations** to complement council rate change disclosures, ensuring ratepayers receive a complete and consistent picture of valuation-driven rate increases.
2. **Assess the practicality of the minimum information requirements**, ensuring that data disclosure is meaningful and does not overwhelm ratepayers or increase council workloads unnecessarily.
3. **Align rate notice transparency with Recommendations 17 & 23**, as rate-setting transparency cannot be considered in isolation from broader rating system reforms.
4. **Ensure financial performance indicators are finalised (Recommendation 9)** before major changes to rate notices to prevent inconsistencies in council performance reporting.
5. **Provide constructive alternatives** to enhance ratepayer understanding, focusing on what information people actually want and need, rather than imposing unnecessary complexities.

The paper calls for a phased, practical implementation approach that allows for sector engagement, testing, and refinement before councils are required to adopt new rate notice requirements.

1. Ensuring the Valuer-General Provides Clear Property Valuation Explanations

A core component of rate notice transparency is explaining why ratepayers' bills change year-on-year. While councils are required to disclose their decisions on rate-setting, they do not control property valuation changes, which are determined by the Valuer-General (VG).

To ensure fairness and accuracy, the Valuer-General must provide clear and detailed property valuation explanations alongside council rate calculations. These explanations should include:

- Adjustment Factors Applied to Individual Properties – clearly stating why a specific property's valuation has changed.
- Regional and Local Market Comparisons – explaining valuation trends across different suburbs and land use types.
- Methodology Transparency – ensuring ratepayers understand the basis for valuation shifts.

Recommendation:

- The VG should issue standard valuation reports, to be attached or linked to council rate notices, ensuring a complete and accurate explanation of ratepayer obligations.
- Councils should not be expected to interpret valuation changes—this responsibility lies with the VG as the independent authority.

2. Testing the Practicality of Minimum Information Requirements

The reforms propose significant increases in historical and comparative data reporting, requiring councils to disclose five years of rate history, rate components, and valuation changes. While transparency is critical, the presentation and volume of information must be carefully considered to avoid confusing ratepayers or overloading council systems.

Key Risks:

- Overloading Rate Notices with Excessive Detail – Ratepayers may struggle to differentiate between valuation-driven changes (VG-determined) and council policy decisions.
- Increased Council Workloads – Additional reporting requirements will increase costs, requiring new data systems, staff training, and additional ratepayer support.
- Unintended Ratepayer Confusion – Excessively detailed historical data may raise more questions than it answers, generating unnecessary inquiries to councils.

Recommendation:

- Pilot a simplified rate summary format that balances transparency with ease of understanding.
- Ensure any required data is readily available in council systems, reducing manual data entry and administrative costs.
- Test information formats with ratepayers before mandating changes, to ensure they actually improve understanding.

3. Aligning Rate Notice Transparency with Recommendations 17 & 23

The proposed transparency reforms must not be implemented in isolation but should be aligned with broader rating system reforms, specifically:

- Recommendation 17 – Reviewing valuation methodologies to ensure fairness and consistency.
- Recommendation 23 – Establishing clearer rating strategies across councils.

Key Concern:

- Implementing rate notice transparency without addressing valuation and rating system consistency may result in confusing or misleading ratepayer communications.

Recommendation:

- Phase in rate transparency reforms in conjunction with Rec 17 & 23, ensuring councils have a stable and consistent framework for valuation, rate-setting, and reporting.
- Ensure alignment between valuation methodologies and rate disclosure requirements, preventing mixed messaging and unintended inequities.

4. Finalising Financial Performance Indicators Before Rate Notice Changes

The Future of Local Government Review recommended the development of a performance monitoring framework to improve consistency, transparency, and comparability of council financial data. However, this framework has not yet been finalised.

Key Considerations:

- Introducing major rate notice changes before financial performance indicators are complete would be premature.
- Without standardised financial performance benchmarks, councils would struggle to present consistent and comparable financial data to ratepayers.
- Rate notices should be meaningful and useful tools for assessing council performance, not just a reporting mechanism for rate calculations.

Recommendation:

- Defer significant changes to rate notices until financial performance indicators are standardised and implemented sector-wide.
- Ensure that any new reporting requirements align with the finalised performance monitoring framework to prevent inconsistencies.

5. Constructive Alternatives for Enhancing Ratepayer Understanding

Rather than simply adding more data to rate notices, the focus should be on what ratepayers actually want and need to understand. A more evidence-based approach is required.

Key Recommendations for Practical Transparency Improvements:

1. Simplify Rate Notice Explanations – Provide clear, concise, and consistent explanations rather than excessive data tables.
2. Use Online Tools for Detailed Rate History & Modelling – Councils should be able to link to digital rate calculators where ratepayers can enter property details and receive a tailored breakdown.
3. Standardised VG Reporting for Valuation Changes – Instead of councils explaining valuation shifts, ratepayers should be directed to Valuer-General reports and online valuation tools.
4. Targeted Community Education – A statewide campaign on how rates are calculated and why valuations change would be more effective than cluttering rate notices.

Conclusion

While the goal of improving ratepayer understanding may have value, the practical implementation of rate notice transparency reforms has not been adequately tested. This paper highlights key risks and proposes solutions to ensure that reforms are effective, practical, and beneficial to ratepayers and councils alike.

By focusing on Valuer-General accountability, testing the feasibility of new requirements, aligning with Rec 17 & 23, and ensuring financial performance indicators are finalised first, this approach ensures meaningful transparency without unnecessary administrative burdens.

It is recommended that the Tasmanian Government:

Require the VG to provide detailed valuation explanations alongside rate notices.

Defer major rate notice changes until financial performance indicators are finalised.

Phase in reforms in alignment with broader rating system changes.

Adopt practical and ratepayer-focused alternatives to excessive data disclosures.

A collaborative, phased implementation approach will deliver transparency improvements without compromising operational efficiency or ratepayer clarity.

Thank you for considering our feedback. We are happy to engage further on this matter and contribute to ensuring the success of the reforms.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Brown', with a stylized, cursive script.

John Brown
GENERAL MANAGER