
From:
Sent: Wednesday, 4 April 2018 7:33 PM
To: Local Government Board (DPaC)
Subject: Sorell - Tasman Council Amalgamation Submission

Thank you for the opportunity to comment on the proposed amalgamation of Sorell & Tasman Councils.

I have been an employee of Sorell Council for the last 25 years.

As part of the due diligence process the Board should establish if both Councils are currently providing an appropriate level of service to ratepayers and are meeting all statutory obligations.

Unfortunately, there are no minimum services levels prescribed for local government (other than statutory obligations and each Councils strategic and operation plans) to benchmark existing service levels against to determine if an amalgamated Council will or will not provide improved service levels.

Experience from interstate council amalgamations has found that predicted savings have not occurred owing to high transitional costs and the need for the amalgamated Council to provide the same level of service to all ratepayers. In the case of the proposed amalgamation the service provided to Tasman Council residents will need to be increased to match the existing services provided by Sorell.

Economic models used in the due diligence process need to consider the unique issues that are relevant to each local community and not merely model the number of employees per 1000 residents. In the case of Tasman Council the number of permanent residents is low as many of the houses are holiday homes (shacks) or holiday accommodation. Therefore, the number of rateable properties is a more relevant figure than population. The same applies in Sorell Council where holiday suburbs such as Primrose Sands have lower levels of permanent residents than Dodges Ferry.

KPMG Report – Sorell Population 13779 for 8741 rateable properties and 2398 residents for 3544 rateable Tasman properties. At Clarence there are 25386 properties for 54386 residents.

Tasman Council is also the only Council in Tasmania without reticulated water and sewerage provided by TasWater. The lack of infrastructure places extra regulatory demands on the Council.

The Southern Beach are one of the most densely populated residential areas of Australia which doesn't have reticulated water and sewerage. The area also has significant challenges financing stormwater maintenance and new capital works. Significant resources have been invested over the last 10-15 years on sealing gravel roads but much more work is required.

Tasman is suffering from the tourism boom causing assets maintenance costs to increase rapidly and the additional regulatory services to undertake planning, building and plumbing application assessment and enforce compliance with permits.

What are the motivations for amalgamations? Is it to save money? Provide better services? The amalgamation of both Councils is unlikely to result in significant savings, but may improve service levels and governance for Tasman Council and improve overall statutory compliance.

I do not believe that the saving made by this amalgamation will be sufficient to finance the required asset maintenance or new capital works unless the rate base is expanded to include Cambridge and Richmond, otherwise rates will need to be increased considerably higher than CPI.

The Minister established four reform principles that must be met before proposals are considered. Reform proposals must:

- be in the interest of ratepayers;
- improve the level of services for communities;
- preserve and maintain local representation; and
- ensure that the financial status of the entities is strengthened.

Following the re-structure at Sorell Council in 2014/15 it has been challenging to undertake the required Environmental Health, Building, Plumbing and Planning regulatory services. Unfortunately, KPMG report didn't look at all regulatory services such as food safety, environmental protection, public health and plumbing.

Modelling in the KPMG report only considered the numbers of applications but the type and complexity of work was not considered. A DA for a boundary setback relaxation is far less time consuming than a large tourism development or a development with significant environmental or asset implications.

I support resource sharing and have found that it has many benefits and leads to some efficiencies. But the additional travel to Tasman is demanding and resources are wasted with a lot of time (typically 2 hours per day) lost due to travel. The constant travel is personally demanding for staff who do it regularly.

Greg Robertson
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