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27 February 2024

The Hon Nic Street MP
Minister for Local Government

Attention Policy and Delivery - Department of Premier and Cabinet

Email: LG.Consultation@dpac.tas.gov.au

Dear Minister

Future of Local Government Review Final Report

Thank you for your letter dated 16 November 2023 enclosing a copy of the Local Government Board's Final Report and inviting submissions.

At its meeting of 26 February 2024, Council considered its submission and resolved as follows:

That Council notes the submission regarding the Local Government Board's Final Report on the Future of Local Government and authorises the Chief Executive Officer to forward the submission to the Minister for Local Government.

Given the forthcoming State Election and the caretaker provisions now in place I am forwarding Council's submission to the Policy and Delivery Office, in accordance with email advice received on 27 February 2024.

If you have any queries regarding the submission, please do not hesitate to contact me.

Yours sincerely

Ian Nelson

Chief Executive Officer

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Response to Future of Local Government Review – Final Report

No. | Recommendation and Response

Part 1 – A Future Vision for Local Government – Building Strong, Prosperous, and Resilient Local Communities

1 Define in Tasmania's new Local Government Act the role of local government consistent with the statement below:

The role of local government is to support and improve the wellbeing of Tasmanian communities by:

- 1. harnessing and building on the unique strengths and capabilities of local communities;
- *providing infrastructure and services that, to be effective, require local approaches;*
- 3. representing and advocating for the specific needs and interests of local communities in regional state-wide and national decision making; and
- 4. promoting the social economic and environmental sustainability of communities, by mitigating and planning for climate change impacts.

Council's response

Clarence supports a more definitive statement of the role of local government in Tasmania. The draft statement provided in the report is useful in some respects, but also highlights the need for carefully considered language. Focussing on the four suggested points within the provided statement, the first two elements may be argued to be ambiguous – they will be interpreted in different ways by each community. For example, point one provides 'harnessing and building on the unique strengths and capabilities of local communities' - the unique strengths and capabilities of local communities will be open to debate and not easily defined. Similarly, point 2, 'providing infrastructure and services that, to be effective, require local approaches' may be similarly troublesome because 'requiring local approaches' is not easily defined. By contrast, points 3 and 4 are clear. These points clearly set out the area of responsibility and its scope in simple, clear language.

Additional to the above, there is a clear focus on community wellbeing within the report. The statement of the role of local government should include a 'community wellbeing' statement that ensures a focussed and consistent approach to this aspect of the local government role. There also needs to be a clear definition of 'community wellbeing' within the new legislation, to ensure a uniform understanding by councils and others of the extent and limits of this function.

The Tasmanian Government through subordinate legislation should implement a Local Government Charter to support the new legislated framework for local government.

The Charter should be developed in close consultation with the sector and clarify and consolidate in a single document councils' core functions, principles, and responsibilities as well as the obligations of the Tasmanian Government when dealing with the sector as a partner in delivering community services and support.

Council's response

Clarifying the core uniform functions and services of councils in subordinate legislation is a useful addition to the legislative framework applying to councils. While there is clear utility in also providing guidance on the relationships, roles and responsibilities of local government in respect to other spheres of government, great care needs to be taken in the drafting of a charter to ensure that those relationships and responsibilities work both ways. A Charter should not act as a vehicle for other levels of government to 'on-delegate' roles and functions to councils, perpetuating a problem identified and highlighted by councils through the review process. The development of a Charter must be, first and foremost, a collaborative development between the Tasmanian Government and local government in Tasmania, not something imposed or directed.

Considering the proposed contents for a Local Government Charter, it should:

- Operate as a guide for councils' operating environment and responsibilities, rather than as a 'set of rules';
- Make provision for review and update of the Charter periodically as a living, contemporary document; and
- Ensure that councils retain autonomy in respect to decision-making and regulatory functions.

Noting the 'set of rules' comment in the first dot point above, a rules-based approach would require a significant and robust description of functions, principles and responsibilities, including consideration of how those matters are enforced. Such an approach is not supported on the basis that any Charter must have flexibility to allow councils to determine the best way to achieve outcomes rather than adopting a prescriptive approach.

Subject to the comments provided above, Clarence supports this recommendation.

The Tasmanian Government should work with the sector to develop, resource and implement a renewed strategic planning and reporting framework that is embedded in a new Local Government Act to support and underpin the role of local government. Under this framework councils will be required to develop - within the first year of every council election - a four-year strategic plan.

The plan would consist of component plans including at minimum:

- a community engagement plan;
- a workforce development plan;

- an elected member capability and professional development plan; and
- a financial and assets sustainability plan.

Council's response

A strategic plan spanning only four years risks damaging councils' ability to properly plan on a long term basis. Critically, planning will be linked to election cycles risking politicisation of strategic planning processes resulting in potentially poor long term outcomes for communities. In many instances, key projects and objectives contained in strategic plans span two or more election cycles, and this should be reflected within the legislative scheme. Councils should be encouraged to take a long term view of their communities and not confine that thinking to a four year election period.

An alternative to the proposed short timeframe review of strategic plans may be a stepped process. Such a process may include:

- Preserving the current 10 year strategic plan timeframe;
- Requiring councils to review their strategic plan within 12 months of each election (as opposed to reviewing each four years as is currently the case);
- Providing an opportunity for councils to develop a four year 'strategic priorities' plan that supports delivery of the 10 year strategic plan that is, a plan that sets out what each council wishes to achieve in its four year term; and / or
- Development of a four year implementation plan for strategic plan goals, objectives, actions or initiatives.

The suggestion that strategic plans be supported by component plans is supported.

The suggestion that performance reporting be included in this reform is supported in principle; however, it is also important to be clear about the complexities of this type of reporting. If the suggestion is that this reporting be common / consistent for all councils, that implies that strategic plan structure and content must align to a significant extent – which could be argued to undermine the autonomy of councils in terms of setting their strategic directions. Alternatively, if the suggestion is that each council establish a reporting mechanism to measure its progress against its own strategic plan, there are a number of councils who already do this through quarterly and annual reporting mechanisms. Importantly, while reporting is important to transparency and confidence in local government, care needs to be taken that the reporting mechanism so onerous that it becomes the 'tail that wags the dog'.

Part 3 – Structural Reform and Mandated Shared Capability

- **4** Formal Council amalgamation proposals should be developed for the following:
 - West Coast Waratah-Wynard and Circular Head (into 2 councils).

- Kentish and Latrobe councils.
- Break O Day Glamorgan Spring Bay and Sorell Councils (into 2 councils).
- City of Hobart and Glenorchy City Councils.
- Kingborough and Huon Valley Councils.

The Board acknowledges council interest in and discussions on boundary changes are less advanced in respect of City of Hobart and Glenorchy and Kingborough and Huon Valley Councils but nonetheless believes that these councils have expressed clear interest in further exploring opportunities. The Board believes there is substantial merit in ensuring that those councils (and their communities) are afforded the opportunity to genuinely explore structural consolidation proposals in greater detail.

Council's response

Clarence does not provide a response to this recommendation.

5 A new Local Government Board should be established to undertake detailed assessment of formal council amalgamation proposals and make recommendations to the Tasmanian Government on specific new council structures.

Council's response

Amalgamation proposals need to be investigated and objectively examined to ensure that all parties, including relevant communities, make decisions on a fully informed basis. The concept of a Local Government Board established to undertake formal assessments of proposals is supported in principle, provided that the role of the Board is limited to supporting that process. Extension of the Board's role to making recommendations to the Tasmanian Government may be regarded as problematic in the context of a voluntary amalgamation process that requires community support. With that in mind, it may be more appropriate for the Board to provide its findings and any recommendations to a broader audience, to then be fed into a subsequent process where communities are provided the opportunity to respond to those recommendations via a formalised process (for example, an elector poll).

We support the acknowledgement that the new Board will require a balance of expert representation with skills in administration and operations, workforce development and organisational change management; however, it needs to be acknowledged that there will be other areas of expertise required too – for example, rate modelling and asset management. The makeup of the new board should include a mix of state government, local government and independent community representation. The Board should be enabled and funded to engage specific expert advisors where necessary.

The seven points related to the specific investigation of amalgamation arrangements are supported as are the points related to the issues that the Board is likely to need to consider when assessing and consulting on any amalgamation proposal.

Noting the five amalgamation proposals outlined in Recommendation 4, any additional amalgamation proposals should be subject to an elector poll (or similar) to gauge community support after the Local Government Board releases its report on each amalgamation proposal. This is important because amalgamation proposals are generally disruptive and / or damaging to council stability and have consequences where such proposals aren't broadly supported by communities at the outset. For example, councils that are subject to unpopular amalgamation proposals will generally experience problems attracting and retaining staff during that period. These adverse impacts should be avoided or minimised where possible.

6 A Community Working Group (CWG) should be established in each area where formal amalgamation proposals are being prepared. The CWG would identify specific opportunities the Tasmanian Government could support to improve community outcomes.

Council's comment

While not directly relevant to Clarence (as there is no Phase 1 amalgamation proposal on foot for Clarence), it seems that the establishment of a CWG at the time that the Board is undertaking analysis of amalgamation proposals may lead to cross-over or duplication of work. We urge the Review Board to make this a two-stage approach – allow the Local Government Board to analyse the relevant proposal and make recommendations and then, if the recommendations are supported via an elector poll, establish a CWG to engage in the detailed consideration required to advance an amalgamation proposal toward the final approval stage.

In those areas where amalgamation proposals are being developed, a community vote should be held before any reform proceeds to consider an integrated package of reform that involves both a formal council amalgamation proposal and a funded package of opportunities to improve community outcomes.

Council's comment

While Clarence City Council is not immediately impacted by this recommendation, we agree that community votes on reforms are important. Consistent with our comments in the previous two recommendations, we consider a reasonable process to include the following key steps:

- 1. That relevant councils seek support from the Local Government Board to conduct a detailed assessment of an amalgamation proposal.
- 2. That the Local Government Board conduct its detailed assessment and make recommendations.

- 3. That the relevant community vote be held to determine whether to proceed further with the proposed amalgamation, based on the LG Board report and recommendations.
- 4. Subject to an affirmative vote, a CWG be established to identify opportunities to improve the proposal and address identified issues.
- 5. The final proposal be subject to a community vote following provision of a detailed proposal endorsed by the LG Board and relevant councils.
- If a successful community initiated elector poll requests councils to consider amalgamation, the Minister for Local Government should request the Local Government Board to develop a formal amalgamation proposal and put it to a community vote.

Council supports the use of elector polls for this purpose.

9 The new Local Government Act should provide that the Minister for Local Government can require councils to participate in identified shared service or shared staffing arrangements.

Council's comment

The FoLGR report identifies a range of issues likely to adversely impact the success of shared service models; then proceeds in the final section to suggest that a mechanism be built into the new Local Government Act to mandate such changes via a ministerial decision. That approach seems problematic given the earlier analysis. A unilateral approach such as that proposed fails to recognise that councils have developed processes based on their unique understanding of their communities that may not be easily addressed or recognised via a forced shared service model. A more balanced approach would be to empower the Minister to bring councils together to investigate opportunities, but that process should stop short of mandating an outcome.

Notwithstanding the above, we recognise that there is value in scale within Tasmania. Councils have tackled the issue of shared or combined services in different ways in the past. From a Clarence perspective, we and other southern councils have enjoyed success through the Copping Waste Disposal Site Joint Authority; and we have participated in other common ventures with other southern councils. With that in mind, we suggest that a better approach (better than mandating shared services via a ministerial decision) would be to establish the principles governing shared service models within the proposed Local Government Charter alongside a performance expectation that requires councils to actively investigate opportunities with other councils in accordance with the Charter.

Further to the comments above, any shared service model needs careful consideration particularly when it relates to or incorporates statutory or regulatory duties or functions. For example, the issues associated with the PlanBuild project, initiated by the Tasmanian Government to provide a common service platform for planning and building regulatory services, serves to demonstrate the complexity associated with some shared service models and highlights the need to properly understand a multi-facetted regulatory environment before embarking on potentially costly projects. The PlanBuild project demonstrates why proper planning and joint engagement in shared service models at the outset is critically important to success.

Give councils the opportunity to design identified shared service arrangements themselves, with a model only being imposed if councils cannot reach consensus.

Council's comment

Noting our comment in regard to the previous recommendation, this recommendation (10) is supported within the context of the first element (giving councils the opportunity to design shared arrangements) but in respect to the second element (imposing a model on councils if consensus is not reached) should only be utilised in extreme circumstances and only subject to clear advice supporting a shared service model from, for example, the Local Government Board, following an investigation and report.

Before endorsing a particular mandatory shared service arrangement, the Minister for Local Government should seek the advice of the Local Government Board.

Council's comment

Subject to our comments in related recommendations (9 and 10) above, it should be mandatory for the Minister for Local Government to seek advice from not only the Local Government Board, but each affected council prior to making any decision. Such an approach reflects proper administrative practice and adopts a natural justice approach to decision making.

If councils are unable to reach consensus on a mandatory service sharing agreement the Minister for Local Government should have the power to require councils to participate in a specific model or models the Tasmanian Government has developed.

Council's comment

This recommendation could be viewed as a compulsory amalgamation mechanism in disguise. Any move toward a mandatory service sharing agreement should not only be recommended by the Local Government Board, it should also be subject to community consultation and

endorsement in the same manner as any proposed amalgamation. Community support for a shared service model is as important as community support for a proposed amalgamation.

- **13** The first priorities for developing mandatory shared service arrangements should be:
 - Sharing of key technical staff;
 - Sharing of common digital business systems and ICT infrastructure; and
 - Sharing of asset management expertise through a centralised council owned authority.

Council's response

Broadly speaking, council supports the notion of shared service arrangements. Historically, councils have both formally and informally shared services to support each other. This is particularly so where staff leave or recruitment results in a shortfall in one council.

Care needs to be taken with any proposed shared service model. Specifically, the model will need to:

- Be clear on whether the shared service provider is a separate entity or part of a council;
- Be clear on who the employer of staff is and where liability / risk lays in respect to the services, including consideration of relevant industrial instruments prior and post establishment (in particular for any transferring staff); and
- Ensure that relevant statutory delegations are appropriately addressed through legislation, subject to the preferred model being determined.

Care should also be taken to ensure that Tasmania doesn't end up with multiple shared service providers developed in an adhoc way across different service areas and/or regions. The ultimate system of shared service arrangements should be strategically designed and well considered to avoid duplication and overlap of effort and resources. Care needs to be taken to ensure that Tasmania does not end up with complex shared services arrangements that detract from the aim of a more streamlined local government sector.

Broadly speaking, Council supports the investigation of common ICT and business systems across councils (Recommendation 29), noting that any proposed common business systems should allow for a choice of best of breed vendors where competition between them ensures favourable service level agreements and quality outcomes. It is also important that, before a common ICT solution is selected, councils' have the opportunity to establish common practices and process alignment that will support a common business system. This will reduce the need (and cost) associated with customisation (whether collectively or individually).

Council does not support the centralisation of asset value and condition assessments for the reasons set out in Recommendations 30 and 31.

Part 4 - Specific Reform Recommendations

Include a statutory requirement for councils to consult with local communities to identify wellbeing priorities, objectives and outcomes in a new Local Government Act. Once identified, councils would be required to integrate the priorities into their strategic planning, service delivery and decision-making processes.

Council's response

This recommendation is supported. Any inclusion of wellbeing requirements within the new Local Government Act should ensure a strong alignment with the Australian Government's Wellbeing Framework and the Tasmanian Government's Wellbeing Framework and Sustainability Strategy.

It is important to note that consultation on wellbeing matters is heavily resource dependent. For many councils, whether amalgamated or not, support to conduct this type of consultation may be required. It may also be appropriate to establish a common consultation framework for all councils to follow – to ensure, as far as reasonably possible, that there is consistency across Tasmania.

In addition to the comment above, for many councils the delivery of community wellbeing programs is also heavily resource dependant. Delivery of these programs often involves the construction of physical assets as well as financial commitment to ongoing programs. Where those assets and commitments have a strong alignment with the Tasmanian Government's Wellbeing Framework and Sustainability Strategy, councils would benefit from funding support from the state government.

To be eligible to stand for election to council, all candidates should first undertake - within six months prior to nominating - a prescribed, mandatory education session, to ensure all candidates understand the role of councillor and their responsibilities if elected.

Council's comment

Council supports a prescribed mandatory education session for all candidates. We note that the session will need to be accessible for all potential candidates for the required session not to act as a 'filter' on prospective candidates.

The Tasmanian Government and the Local Government sector should jointly develop and implement a contemporary, best practice learning and ongoing professional development framework for elected members as part of this framework under a new Local Government Act:

- all elected members including both new and returning councillors should be required to complete a prescribed 'core' learning and development program within the first 12 months of being elected; and
- councils should be required to prepare, at the beginning of each new term, an elected member learning and capability development plan to support the broader ongoing professional development needs of their elected members.

Considerable work has already been done in this area through the Local Government Learning and Development Framework established at the last election. Council supports this Framework being prescribed as the core learning and development program for elected members. Council supports further refinement of current learning modules, including provision of multiple modes of delivery (eg, online self-paced learning, online by video, face, etc) to complete those modules.

If a 'core' learning and development framework is prescribed for elected councillors to complete within the first 12 months of being elected, what is the consequence to a councillor if that program is not completed? That is not clear within the report.

The Tasmanian Government should further investigate and consider introducing an alternative framework for councils to raise revenue from major commercial operations in their local government areas, where rates based on the improved value of land are not an efficient, effective, or equitable form of taxation.

Council's comment

Clarence City Council already uses differential rating for commercial properties, which impose a higher rate in the dollar than residential properties. Through our Rates and Charges Policy we also charge a fixed charge in recognition that all properties should bear a reasonable portion of the total rate burden and not be based only on capital value or AAV alone.

We believe differential rating of commercial properties is equitable. For example, in CBD areas, it assists to cover extra road and infrastructure, such as public car parks, that are used by patrons of commercial businesses.

Notwithstanding the above, Clarence would welcome the opportunity to participate in an investigation of an alternative framework to raise rate revenue from major commercial operations within the city.

The Tasmanian Government should work with the sector and the development industry to further investigate and consider introducing a marginal cost based integrated developer charging regime.

Council supports the development of a robust, state-wide infrastructure headworks regime. Presently, headworks costs are borne by the broader community (which is, in our view, unfair and unreasonable). The lack of a proper headworks regime does not promote efficient and effective development within our city, or more broadly within Tasmania.

19 Introduce additional minimum information requirements for council rates notices to improve public transparency, accountability, and confidence in council rating and financial management decisions.

Council's response

Council supports the introduction of a standardised rates notice which will also assist to promote council comparison. However, great care needs to be taken in developing a standard notice. Provision of additional information should be by way of a link to information contained on the relevant council's website, not via inclusion within the rate notice itself. The suggested inclusions within the Report risk making the rate notice confusing and/or harder to understand. Councils must also have the IT systems capacity to reflect historic changes to data, which may not be the case for all councils.

- Within the context of the national framework the Tasmanian Government should seek advice from the State Grants Commission on how it will ensure the financial assistance grants methodology is
 - transparent and well understood by councils and the community;
 - that assistance is being targeted efficiently and effectively; and
 - is not acting as a disincentive for councils to pursue structural reform opportunities.

Council's comment

Council supports this recommendation. The State Grants Commission has sought feedback in recent years regarding the methodology for allocating funding, which has allowed a level of transparency and understanding of the process. However, any changes to current boundaries or other such local government structural changes may result in material funding reallocations using the current methodology and current cost adjustors. Therefore, advice should include an illustration of the outcomes of applying the current methodologies in a future state, and any recommended future actions that may result.

The Tasmanian Government should review the total amount of Heavy Vehicle Motor Tax revenue made available to councils and consider basing this total amount on service usage data.

Council's comment

Council supports a fairer distribution of the Heavy Vehicle Motor Tax and therefore supports this recommendation.

Introduce a framework for council fees and charges in a new Local Government Act to support the expanded, equitable and transparent utilisation of fees and charges to fund certain council services.

Council's comment

Council supports this recommendation, including development of principles or guidelines.

The Tasmanian Government should review the current rating system under the Local Government Act to make it simpler, more equitable, and more predicable for landowners The review should only be undertaken following implementation of the Board's other rating and revenue recommendations.

Council's comment

Clarence does not support a broad-based review of the current rating system but does support a targeted review of certain aspects of the system.

We believe that the calculation of rates is relatively simple in its current format with the reference in Council's Rates and Charges Policy stating that the value of a property is an indication of that ratepayer's ability to pay. Put simply, under our rating policy, the higher the capital value the higher the rates will be within each differential rating category. However, our policy also applies a fixed charge in recognition that all properties should bear a reasonable portion of the total rate burden and not be based only on capital value alone which makes the rates far more equitable for all rate payers.

Clarence is one of a few councils that rate based on capital value and we introduced this some years ago because we believed capital value to be a better representation of a property's value than AAV, and we find capital value the easiest for ratepayers to understand. We would be supportive of all councils moving to capital value in the future.

The Board has noted at point 5 (on page 84) that there are unevenly distributed gaps in council rate bases created by partially and fully exempt properties. This is a big issue for Clarence and a number of other councils given the number of Homes Tasmania houses being transferred to organisations (such as Salvation Army, CentaCare and Mission Australia) that then become rate exempt. This issue has expanded beyond the original concern related to Independent Living Units. The Tasmanian Government has been unwilling to address this inequity despite significant attempts by the Local Government sector to find a solution.

Any review that is undertaken must include suitable representatives from all councils, led by LGAT.

The Tasmanian Government should work with the sector to develop, resource, and implement a best practice local government performance monitoring system.

Council's comment

Clarence supports this recommendation.

The Tasmanian Government should develop a clear and consistent set of guidelines for the collection, recording, and publication of data sets that underpin the new performance reporting system to improve overall data consistency and integrity and prescribe data methodology and protocols via ministerial order or similar mechanism.

Council's comment

The annual Consolidated Data Collection (CDC) Return and other prescribed reporting, including financial reporting, already includes strong reporting guidelines. For example, a prescribed financial statement template in accordance with relevant accounting standards is provided for council use, and the CDC also provides definitions and guidelines to help ensure responses from each council are consistent. The considerable amount of data collected and used for reporting and/or performance comparison should already be substantially consistent in nature. Any required data collection should aim to be an improvement on the current processes, rather than imposing additional requirements on councils. Additionally, the comparison or benchmarking of individual councils may or may not provide for legitimate variations where the community utilises infrastructure differently, or councils provide a regional benefit for a broader area beyond their LGA. Performance reporting should therefore be mindful of this and be suggestive, not prescriptive, of good performance measurements. With this in mind, providing councils with the ability to include qualitative commentary alongside quantitative data may be a useful inclusion.

Relevantly, it is useful to note that the CDC currently requests data that, in part, is not easily collected, adds little value or does not relate to benchmarking in legislation (e.g. median timeframes for planning application types). Performance monitoring data needs to be reviewed to ensure

that the data requested is not an unreasonable impost on time and effort, avoids measuring things that do not matter but does respond to a clear legislative requirement.

The new Strategic Planning and Reporting Framework should actively inform and drive education, compliance, and regulatory enforcement activities for the sector, and entities with responsibility for compliance monitoring and management - including the Office of Local Government and council audit panels - should be properly empowered and resourced to effectively deliver their roles.

As part of this the Tasmanian Government should consider introducing a requirement for councils to have an internal audit function given their responsibilities for managing significant public assets and resources, and whether this requirement needs to be legislated or otherwise mandated. Consideration should also be given to resourcing internal audit via service sharing or pooling arrangements particularly for smaller councils.

Council's comment

To assist audit panels to perform their role, consideration should be given to the development of a model Audit Panel Charter for councils to adopt (in the same way that the model Code of Conduct is currently utilised). A model Audit Panel Charter was proposed and drafted through the Local Government Office around 2018. Resourcing of the audit panel should be sufficient for the panel to conduct at least two internal audit reviews per year. Those audits should comprise at least part of the council's overall internal audit program each year.

Clarence supports consideration of regional Audit Panels (incorporating a internal audit function) for smaller councils, subject to establishment of a Charter and agreed cost sharing between those councils. This may be particularly useful if aligned with regional shared service initiatives.

The Tasmanian Government should collaborate with the local government sector to support a genuine, co-regulatory approach to councils' regulatory responsibilities, with state agencies providing ongoing professional support to council staff and involving councils in all stages of regulatory design and implementation.

Council's comment

Council supports a collaborative approach to regulatory enforcement.

The Tasmanian Government should work with the local government sector to pursue opportunities to strengthen partnerships between local government and Service Tasmania.

Council's comment

Council supports this recommendation.

29 Councils should migrate over time to common digital business systems and ICT infrastructure that meet their needs for digital business services, with support from the Department of Premier and Cabinet Digital Strategy and Services (DSS)

Council's comment

Clarence City Council utilises the Technology One 'One Council' cloud-based system to support its operations. This system is an example of a cloud-based system that could be utilised in a combined administration approach between neighbouring or regional councils. Aside from the licensing cost, and as mentioned in our response to Recommendation 13, it is critical that business systems, practices and processes are aligned between participating councils. This aspect is a likely hidden 'back end' cost of utilising a common digital system, going well beyond training of staff – for some councils it will amount to a fundamental redesign of their work processes. If supported through funding from the Tasmanian Government, this reform is achievable. Noting that this reform will amount to a significant, multi-year project.

Clarence supports this recommendation.

The Tasmanian Government - in consultation with the sector - should review the current legislative requirements on councils for strategic financial and asset management planning documentation to simplify and streamline the requirements and support more consistent and transparent compliance.

Council's comment

Clarence supports this recommendation. The legislated asset management planning documentation is inconsistent with industry standards such as ISO55000. However, rather than legislating specific documents, it may be more effective to develop/endorse a specific asset management planning framework within the legislative framework and then allow the content of such a framework to evolve over time. This would alleviate the concern that legislation can be too rigid and slow to update.

The Tasmanian Government - in consultation with the sector - should investigate the viability of, and seek to implement wherever possible, standardised useful asset life ranges for all major asset classes.

Council's comment

Standardised useful life ranges for major asset classes are helpful, however, it is not unreasonable to expect variances from one LGA to another due to a number of reasons, such as: the levels of service that its community can afford; management/maintenance practices; environmental factors, etc. There should be commentary/guidance provided to the sector to describe and quantify the factors that affect the longevity of assets.

Council does not support centralisation of asset management functions within a shared services body. We have formed this opinion as, from an asset management perspective, each council should be directly engaged with the assets they own and operate, including their condition and depreciation. Breaking that connection by moving the function to a shared service body risks adverse outcomes. However, council would support the development of a set of commonly understood principles or guidelines for the sector.

It is also important to note that asset valuations and useful life assessments are overseen by the Office of the Auditor General, who provides active and ongoing oversight to these functions.

All Tasmanian councils should be required under a new Local Government Act to develop and adopt community engagement strategies - underpinned by clear deliberative engagement principles.

Council's comment

Council community engagement or consultation policies, no matter how named, should be based on the IAP2 public participation spectrum. Care should be taken to avoid a prescriptive, legislated approach beyond the requirement to have a strategy, properly resourced, that meets the IAP2 standard. Regarding social media, mechanisms need to be investigated and legislated that protect councillors and council staff from inappropriate conduct toward them in the conduct of their roles, particularly in respect to social media.

Clarence supports this recommendation.

A new Local Government Act should require councils, when developing and adopting their community engagement strategies, to clearly set out how they will consult on, assess, and communicate the community impact of all significant new services infrastructure.

Council's comment

Clarence supports this recommendation.

Following the phase 1 voluntary amalgamation program, the Tasmanian Government should commission an independent review into councillor numbers and allowances.

Council's comment

Clarence City Council agrees that a review into councillor numbers and allowances is warranted. We agree that current councillor allowances:

- Do not support or encourage community members to run for council;
- Do not reflect the workload (including complexity) involved; and
- Do not reflect the time and effort expended by councillors.

A full review focussed on a 'best practice' model for councillor numbers and remuneration is warranted. The role of councillor can no longer be regarded as a 'off the side of the desk' activity.

Clarence supports this recommendation.

The Tasmanian Government should expedite reforms already agreed and/or in train in respect of statutory sanctions available to deal with councillor misconduct or poor performance.

Council's comment

Clarence supports this recommendation.

- **36** The Tasmanian Government should:
 - support the Local Government Association (LGAT) to develop and implement in consultation with councils and their staff a workforce development tool kit tailored to the sector and aligned with the Tasmanian Government workforce development system;
 - support councils to update their workforce plans at the time of any consolidation;
 - support LGAT to lead the development and implementation of state-wide approach to workforce development for key technical staff, beginning with environmental health officers, planners and building inspectors;
 - recognise in statute that workforce development is an ongoing responsibility of council general managers and is included as part of the new strategic planning and reporting framework; and
 - include simple indicators of each council's workforce profile in the proposed council performance dashboard.

As a part of the proposed reforms, a documented Workforce Plan should be required. The workforce plan should sit alongside each council's long term financial management plan and asset management plan(s), each of which should be a supporting document to the Strategic Plan. A workforce plan is the opportunity to demonstrate investment in council's workforce which will support attraction and retention of staff.

Any workforce plan needs to critically look at demand side needs and then consider the supply side opportunities and requirements. While joint commitment to development of workforce plans is a critical first step, there must also be a commitment to delivering the training, programs and other capabilities needed to deliver the outcomes (that is, fund and deliver on the supply side model). While councils can support supply side programs and provide work experience, it will be necessary for the State to take a leading role in terms of negotiating and funding those programs with training providers.

Clarence supports this recommendation.

The Tasmanian Government should partner with, and better support councils to build capacity and capability to plan for and respond to emergency events and climate change impacts.

Council's comment

Councils undertake various levels of emergency planning, resourcing and training, including recovery planning. There are strong working relationships with State Government organisations, such as the SES. Notwithstanding, there is always opportunity to improve and, in this regard, additional support from the Tasmanian Government would be welcomed. This is particularly the case in respect to bushfire hazard management and coastal inundation risks.

Clarence supports this recommendation.