

Submission to the Future of Local Government Review Final Report

Submitted by Peter Coad Former Mayor and Councillor

Forward

I am pleased to accept your invitation to provide my submission on the final report. I provided a Discussion Paper dated 6 September 2023 to the Premier Hon Jeremy Rockliff MP, on the 16 November 2023. The Minister for Local Government Hon Nic Street MP respond on the 22 December 2023 advising he is happy to accept the Discussion Paper as a formal submission as part of the current consultation process.

I have also included as an addendum to this submission, the Discussion Paper provided to the Minister and Premier, which benchmarks the Fraser Coast Regional Council against the Hobart, Kingborough and Huon Valley Councils. The Discussion Paper makes several recommendations which I commend to the Minister and the Review Board for consideration.

1 Introduction

Tasmania's over bureaucratic structures in Local Government are considered inefficient and ineffective in meeting the needs a modern society. Local Government needs serious structural reform at all levels, this includes at a state government administrative level, including the roles and functions of the Local Government Office and the Municipal Association of Tasmania.

Perceptions of Councils are they only build capacity around what people can and cannot do. They often stifle development and employment and business development for all Tasmania's. Building control and planning are prime examples of costs escalations, just to prepare for a development, there are enormous costs. Clearly Councils do some excellent work for communities but this comes at a great cost with so many bureaucratic structures and complexities of different service deliveries.

The future of Local Government Review Final Report only advocates the expansion of costs structures for Councils to increase their revenue income at ratepayer's expense. It does little to provide for serious structural reform of Local Government in Tasmania. Councils depend on many different revenue streams and building control and development costs are just an example of the need for reform.

Some Councils have taken on additional service delivery roles over and above their traditional functions. These services, while commendable, come at a great cost. These services put great pressure on Council finances. State and commonwealth governments appear more than happy for the local communities to pay for these services which are primarily their responsibility.

A much better-defined legislative definition as to the future role of Local Government Councils in Tasmania is required.

2 Executive Summary

- The Future of Local Government Review Final Report {Final Report} provides for some 37 recommendations. A significant number of these recommendations are administrative in nature and can be implemented without any structural reform of local government in Tasmania. The report would benefit by the consolidation of many of the administrative recommendations. The report also lacks specific financial details on any substantial structural reform. Many of the administrative recommendations have already been implemented by Councils in some form. It is recommended the Minister direct the Board to consolidate the recommendations into **structural reform** and **administrative recommendations**.
- The financial cost benefit analysis of the recommended reforms and how they will benefit the local communities needs to be provided in much greater detail. Communities should not be making decisions on gut feel, but on professional financial analysis and detailed proposals. Having good politically acceptable proposals may not be sustainable, without the research and validation of the outcomes proposed.
- Many of the recommendations on Resource Sharing have already been implemented by several Councils. While resource sharing is supported by the community, the process as detailed in the report potentially breaches the policy of the state government on voluntary amalgamations. Forcing and mandating Councils into resource sharing only gives one Council an advantage over another. The Final Report resource sharing recommendations will **potentially place the Minister in direct conflict with local communities and their respective Councils**. While the Local Government Review Final Report recommendations provide additional authority to the Director of Local Government in advising the Minister on such matters, it again potentially places the Minister in a conflict situation with his community.
- There appears to be no detailed financial analysis of administrative and costs structures of Councils to support the significant number of recommendations on Resource Sharing? Councils have already addressed this issue. Mandating it, only increases councils' costs, on an already over bureaucratic system of Local Government. Mandating Resource Sharing only provides additional authorities and potential costs to the Director of Local Government in advising the Minister on such matters.
- The Final Report advocates a broad program of research, analysis and engagement and a more robust system of Local Government in Tasmania. The Final Report appears to only provide minor references to other state local government jurisdictions and structural reforms. For example, the Final Report makes no reference to the **Divisional models used in other councils**, to ensure no identity is lost by the community at the local level. This is one of the main concerns of communities. Councils often use the issue of loss of identity to retain

existing boundaries of local government and their bureaucratic structures. It can only be assumed from the report given the lack of financial details, all council administrative arrangements are efficient and effective. Clearly this is not the case.

- There also appears to be no detailed financial analysis of any of the concerns raised by the Auditor General or summary of his concerns with Local government in Tasmania, or how those concerns can or should be addressed in any structural reform.
- There appears to be very strong community support to reduce the number of Councils in Tasmania. The Final Report advocates for “effective and capable Councils.” It points out the importance of maintaining infrastructure but appears not to detail how Councils will expand and grow their infrastructure. The lack of financial modelling for the recommended re-drawing of boundaries, raises serious questions about the sustainability of these proposed new boundaries. Merging the cities of Hobart and Glenorchy only serves to disadvantage the Councils of Kingborough and Huon Valley.
- The Review Board suggested a rate revenue of some \$ 42,174,000 for the proposed Southern Shore Council. Based on the rate revenue for 2021/22, both Huon Valley and Kingborough Councils would have a combined General Rate income of some \$49,678,000. This represents general rate reduction of some \$7.5 million dollars for the proposed Southern Shore Council. A complete disparity exists, with a land area of some 6227 km² for Huon Valley and Kingborough councils combined. The proposed Western Shore Council of combining Hobart and Glenorchy Councils would have a land area of only 199.1km². The road and infrastructure costs of the proposed Southern Shore Council requires far more detailed analysis to justify the approval of this recommendation. In fact, the attached Discussion Paper advocates the merging of Huon Valley and Kingborough councils is not sustainable, just on the management of the significant road network infrastructure, for the combined Councils of Kingborough and Huon Valley. Reducing the rate revenue by some \$7.5 million does not support the proposed Southern Shore Council capacity to manage its significant road network, of some 1254klm. Hobart alone has only 290klm of road network.
- Silicosis is a serious, irreversible occupational lung disease that causes permanent disability. There is no effective treatment for it, and it is often fatal. Available data indicates the prevalence of silicosis is increasing in all states and territories and across several industries. Furthermore, the actual rate is likely to be higher due to undiagnosed and unrecorded cases. It is estimated up to 600,000 Australian workers are potentially being exposed to silica dust each year across a wide range of industries. All Australian, State and Territory governments support the development of the National Silicosis Prevention Strategy (NSPS) 2023-2028 and accompanying National Action Plan (NAP). The NSPS Goal is: To prevent and ultimately eliminate silicosis.

Working around and exposure to dust clouds can be a clear indication that you are being exposed to silica dust. Rural Councils appear to lack the capacity to implement road sealing programs in Rural built-up areas. This is potentially exposing the many community members to the serious disease of silicosis. **It is strongly recommended the Future of Local Review pay**

particular attention to this issue and the capacity of Rural Councils to implement road sealing programs to mitigate this problem, in built up rural and urban areas.

The following are general responses to each of the 37 recommendations of the final report.

Local Government Review Recommendations and Responses

Recommendation 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;**
- 2. 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 local communities, by mitigating and planning for climate change impacts.**

Response

Item 1 Could also include, "to take advantage of the geographical features of each municipality to encourage sustainable developments and employment opportunities for local communities".

Item 2 could include the word "Efficient" Not sure local approaches are always efficient. Perhaps this is why the word efficient was not included in the recommendation.

How does a Council in legislation mitigate climate change impacts? These issues can only be addressed by Councils in advising state and commonwealth governments what the requirements are. The more complex issues of climate change are possibly best dealt with by agreements between commonwealth, state governments and Councils. There are significant dangers for Councils and their communities in legislating their responsibility for mitigating climate change issues. Cost implications alone should be a significant concern for all communities and the financial capacity of communities to address climate change issue costs.

Recommendation 1 could also include "Councils to embrace technology and innovation as part of their strategic plans and annual reports to the community. Councils could report on the research and development conducted to improve the efficiency and effectiveness of Council and the services they provide through innovation and technology.

Recommendation 2 The Tasmanian Government – through subordinate legislation – should implement a Local Government Charter to support the new legislated role 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.

Response

Consider the inclusion of specifying the roles and responsibilities for services to be delivered by the state government. Obligations are something contractual in nature. For example, the state Government will provide 50 percent of the funding for a specific function or service delivery, say health services. Leaving it open as to what councils can do, will only result in expanding the role of councils, with the associated cost increases and with additional bureaucratic structures to support those new roles. These additional services will only add to the existing burden on ratepayers.

Recommendation 3

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; • workforce development plan; • elected member capability and professional development plan; and • financial and asset sustainability plan.

Response

Climate change is an important national and international issue. Councils should be required to advise state and commonwealth governments on local climate change issues and infrastructure needs, given they are at the coal face and impacted by climate change. Councils should also provide to state and commonwealth governments, climate change infrastructure costs and services needed to address those needs at the local level. Councils could also be required to include into all its plans, Climate change issues reported upon and the responses received from the state and commonwealth governments.

Recommendation 4

Formal council amalgamation proposals should be developed for the following: • West Coast, Waratah-Wynyard, and Circular Head Councils (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. Final Report 17 Recommendation # Recommendation Headline

Response

- The report suggests that the proposals be explored in greater detail. This clearly has merit. To recommend mergers and draw boundary changes, without detailed financial analysis of all parameters for each proposal, could be very problematic and lead the community and councils into structural reforms that will possibly be unsustainable in the longer term. The need for economic and sustainable benefits to be prescribed and validated, is essential, if communities are to make informed decisions. In fact, many of the proposed reforms may be more costly for communities. The Review Board may have these financial details and parameters which may not be detailed in the Final Report.
- The attached Discussion paper raises serious concerns over the sustainability of combining Kingborough and Huon Valley Councils. Reducing the Huon Valley and Kingborough Councils General Rate revenue by some \$7.5 million per annum, raises additional concerns over the proposed Southern Shore Council sustainability and viability.
- It may be more appropriate for the Review Board to recommend several Councils for Tasmania has a maximum. Then request the Councils and their Communities to work with the proposed Local Government Board on new structural reform arrangements to achieve the target number of Councils for the State. The research must be carried within a specified time, as recommended by the current Review Board. Also, the state government should approve a research and development fund, to assist Councils to undertake independent research on proposed models of structural reform. It is important that the Local Government Board overview the process.

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.

Response

- Recommendation 5 has merit; however, it lacks detail how such a recommendation can be implemented. Since Local Government reform was announced by the current State Government in December 2014 no formal proposals have been received from Councils to amalgamate. It is very unlikely based on historical experiences that the new Local Government Board would receive any proposals for amalgamation of Councils.
- Amalgamation as a descriptor should be removed from the reform agenda. Amalgamation of Councils will possibly only result in larger bureaucratic structures, mitigating the benefits of efficiency and effectiveness of any new proposed structural reform of Local Government.
- The word amalgamation should be removed and replaced by **Structural Reform** of Local Government in Tasmania. Structural Reform requires a reduction in the number of Councils. The Local Government Board could define the number of Councils for Tasmania based on efficiency and effectiveness models developed by their research. It is important the Board does not define the boundaries for the number of Councils they recommend. Financials could be provided to demonstrate the efficiency and effectiveness of reducing the number of Councils to a defined number. Those Councils that immediately embrace structural reform have most to gain. The Minister could define the time for councils to meet the Local Government Board target of the number of Councils for Tasmania. If the target number of Councils is not fully reached within the specified time the Local Government Board will be directed by the Minister to recommend the boundaries to achieve the target number of Councils approved by the Local Government Board for Tasmania. Councils could also undertake the research in consultation with the Board and local communities. All Councils will want to move quickly to shore up their opportunities.
- It is appreciated any model of reform has its problems. Historically the word “amalgamation” has strong political concerns within Governments of all persuasions and local communities. Councils need to be given a framework and support to make structural reform happen. Their participation should not be mandatory, however if they do not structural reform to achieve the target number of Councils for Tasmania then the decision will be made for them at the end of the specified time. It will be important that communities fully understand this process.

Recommendation 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.

Response

- Recommendation has merit. Community Working Groups should be provided with resources to seek broader community support and validated their recommendations.

Recommendation 7

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.

Response

- Again, mixing the words “**amalgamation**” and “**reform**” only adds to the confusion. The Councils and respective communities are aware there is no strong support for amalgamation. The question is how do you sell to the community the benefits of structural reform of Local Government in Tasmania? Strongly recommend the removal of the word of amalgamation from the local government reform agenda and replace it with “**structural reform**” of Local Government.”

Recommendation 8

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.

Response

- It is highly unlikely any Tasmania community would support the amalgamation of their Council without the specific details of the benefits to the local community.
- In effect, recommendation 8 can never be implemented, because the community has no financial details or information that proves, structural reform is required. The community should be provided with detailed structural reform proposals provided by the Local Government Board with Council comments and recommendations.
- It is therefore, highly unlikely any Local Government Board proposal will gain any community support unless it has community ownership and the detailed analysis of the cost benefits and services to be delivered by that proposal. The formal proposal needs to be developed first, then market to local community and **not an elector poll without the detailed information.**

Recommendation 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.

Response

This recommendation provides exceptional powers for the Minister to direct Councils against their policy decisions on behalf of their communities. Resource sharing involves one Council taking on responsibilities to the potential detriment of the other Council. If Councils cannot agree, then giving exceptional powers to the Minister to direct a Council has the potential to breach the integrity of the Local Government Act and place the Minister in direct conflict with local communities and Councils affected by his forced directions.

This recommendation is in direct conflict with Government policy on **NO FORCED AMALGAMATIONS**.

Resource Sharing is not structural reform of Local Government, it is just an administrative arrangement to deliver services of the respective Councils. Has resource sharing been investigated with the private sector by Local Government, if not why not?

Recommendation 10

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

Response

As a principal resource sharing can only be undertaken on an agreeable basis between the parties.

Why has not the Review Board recommended to the Minister the same powers on amalgamations.? The strong support for community engagement by the Review Board is completely compromised by this recommendation, by denying the community through their Council an input and say on any decision of the Minister to force resource sharing.

Recommendation 11

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

Response

The Minister appoints the Local Government Board; therefore, it is not independent in any of its decisions. The Ministers final decision will always be against the community and Council or Councils affected. While this recommendation provides some justification for the Ministers final decision it can only be his final decision and not that of the Local Government Board. Not a good political decision-making process, to have the Minister to legally force Councils to carry out basic administrative arrangements.

Recommendation 12

“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.”

Response

Again, this is a contradictory recommendation and in potential breach of the terms of reference and Government policy of no forced amalgamations. To enforce resource sharing between Councils but not boundary adjustments or amalgamations only places the role of the Minister in an administrative function of the Council. A very dangerous and political precedent will be established.

Recommendation 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.”**

Response

This recommendation fails to address the real need for structural reform of local government in Tasmania. Resource sharing only serves to provide a benefit to one Council to the potential detriment of another Council. The operational issues of technical staff, who is responsible to whom and for what.? The potential for poaching of highly competent staff will always exist and challenge each Councils management.

Mandatory shared services arrangements proposed are bureaucratically controlled and driven and potentially fail because local communities and councils are not brought along with these decisions.

Mandatory shared service arrangements are no more than the Minister and the bureaucratic processes directing Councils how to conduct their administrative arrangements. These recommendations potentially undermine the very foundations of Local Government in Tasmania.

Recommendation 14

“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.”

Response

This recommendation lacks specific detail on the wellbeing priorities that a council identifies, that are the responsibility of the state and commonwealth governments. For example, council may identify health and policing as priorities. Is it the intention of this recommendation to include these wellbeing issues into Councils strategic plans and service delivery processes? The lack of specific detail on how this recommendation is to work is of concern and must be of concern to Councils and their costs structures.

Recommendation 15

“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.”

- Recommendation 15 potentially breaches the National principles of Recognition of Prior Learning. Is the education session a political program to educate potential councillors, if so, why not a similar program for all political candidates at a state and national level.
- Who pays for this program of education and does it not just create another bureaucratic system within Local Government for costs to be passed onto ratepayers.
- It is recognised professional development is very important. Perhaps a more appropriate recommendation would be for the state government on an annual basis to fund a professional development program for combined councillors and senior management of each Council. There would need to be strict controls to ensure the professional development program did not become junkets.

Recommendation 16

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.

Response

- Again, recommendation 16 potentially breaches the National Qualifications Framework of recognition of prior learning. Requiring long standing Councillors to complete training that does not take into consideration the principles of the national policy would be of concern.
- A professional development plan for staff and councillors has merit, but requires cost evaluation against the benefits to the community. These programs have the potential to become junkets, trips to the Gold Coast and possibly overseas.
- Recommendation 16 has the potential to turn away highly professional and qualified persons from standing for Council, if they are required to undertake training at a much lower level within the Local Government system.

Recommendation 17

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.

Response

Refer to item 14 in the attached discussion paper. Raising revenue for all Councils needs to be done in a strategic way, to ensure the consistent application of the defined roles of Councils. The establishment of a Local Government Economic Development Board as recommended in the discussion paper would provide all Councils the opportunity for input on behalf of their communities. The alternative framework as recommended by the review, should be developed in consultation with all Councils. Councils taking on state and commonwealth government responsibilities must be fully compensated and funded. The link between commonwealth and state

governments needs to address the role of Councils in advising of infrastructure needs, to address state and commonwealth government development plans.

The underlining principle of this recommendation should be, the prevention of building bureaucratic structures that produce paper outcomes only.

Recommendation 18

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.

Response

Planning, building control, and developer costs requires an independent cost benefit analysis. Establishing a marginal cost-based integrated developer charging regime only benefits developers and shifts these costs to other community members.

It may be more appropriate for the Auditor General to develop a reporting standard for Councils to report charges in effectiveness and efficiency measures by increasing or reducing costs of Councils. Resource Sharing may be one of those measures in reducing costs.

Recommendation 19

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

Response

Again, this recommendation is administrative. The Audit and Financial Management Act requires a high level of financial accountability for Councils. Perhaps the Auditor General could provide a Community Financial Summary from the annual accounts to be distributed by Councils with annual rate notices and other information the Council deems appropriate.

Recommendation 20

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.

Response

Again, this recommendation is administrative. Has merit and most Councils fully understand the requirements of the State Grants Commission.

Recommendation 21

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.

Response

Again, administrative recommendation. It is recommended the Tasmanian Government should seek recommendations from the Local Government Association of Tasmania, to ensure a consistency of application of tax revenue to all Councils.

Recommendation 22

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.

Response

It may be more appropriate to define the specific functions of Local Government must provide. Expanding services comes at a significant cost to the community. In many cases these services are the responsibility of the commonwealth and state Governments. The demand for these services is often driven by Council staff or community individuals to meet a specific need.

The new Local Government Act should only prescribe the roles of Council to provide and manage basic and important services such as Roads, Rubbish, Reserves, Planning and Building administration. All other services to be provided on a full cost recovery basis and must be consistent across all local government areas. If no controls are in place on Councils, then an escalation of service delivery will occur because of local demands. This is a complex issue, requiring a far more detailed consideration to ensure the long-term sustainability of Councils in Tasmania.

Recommendation 23

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

Response

It is recommended the Auditor General on his assessment of annual financial statements of Councils, should select specified parameters and then recommend a percentage general rate increase for all Councils in Tasmania. Councils would have the discretion to adopt his recommendation, reduce or increase the percentage increase against the Auditor General's recommendations which would be made public.

This would provide a more transparent process for Councils to communicate their decisions for general rate increases or decreases to their respective communities. It would also provide information to the community how the Auditor General arrived at his decision and why Councils chose to accept or reject his recommendations.

Recommendation 24

The Tasmanian Government should work with the sector to develop, resource, and implement a best practice local government performance monitoring system. Final Report 19 Recommendation # Recommendation Headline

Response

Annual Reports and Strategic Plans are already reported to communities. Creating any additional performance monitoring systems, has the potential to increase significantly costs for an already over bureaucratic system of Local Government.

The presentation of existing reports and plans could be improved significantly if performance objectives of Councils were written in a way that can be measured and understood to provide real outcomes. Measurable performance objectives already exist in several mainland Councils. The Fraser Coast Regional Council is a very good example of how to establish measurable performance objectives.

Recommendation 25

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

Response

This recommendation appears to be sound. The issue to consider in the outcomes of this recommendation, is to ensure the requirements do not impinge additional costs on Councils and

establish bureaucratic structures to meet the reporting outcomes required. Many Councils could argue they already have the professional skills and achieve the outcomes of this recommendation already. Why is there a requirement for Ministerial Orders or other mechanisms? Efforts to retain existing Council structures through such reporting mechanisms will not convince the Tasmanian community that we do not have too many Councils.

Recommendation 26

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.

Response

This recommendation potentially places additional financial costs on Councils and their ratepayers. While this recommendation has merit, proper structural reform of Local Government in Tasmania will enable all councils to achieve internal audit functions in a recognised professional way, without the need for sharing or pooling arrangements as recommended.

Division 4 sub section 85 already prescribes the need for the establishment of Audit Panels by Councils and the internal audit functions as recommended. If the intention of this recommendation is to better define this role of the Audit Panel, then Councils are not possibly not fulfilling their functions under the current Local Government Act. This only reinforces the need for structural reform of Local Government in Tasmania.

Recommendation 27

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.

Response

This recommendation has the potential to undermine the independence of Councils from the state government. Councils already employ professional staff to deal with regulatory matters and in many cases have a better understanding of the legal requirements than some state government agencies.

All legislation and draft Bills are assessed and commented on where they impact on Councils. The interpretation of legislation will always have its challenges. The Court system is the final arbitrator in such matters. Councils overall, well understand their legal responsibilities. If they are not carried out effectively by Councils, then mechanisms already exist to address those issues. A review of the role of the Director of Local Government in advising the Minister may be the better proposal. This will ensure the legislative and administrative arrangements are in place when dealing with such matters.

The role of the Local Government Office in fulfilling its roles and functions appears not to have been considered as part of this review. Given the complexities and potential conflict of interest, it is suggested recommendation 27 be withdrawn.

Recommendation 28

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

Response

This recommendation has merit on the basis there is not cost shifting to Local Government for Service Tasmania functions and has a consistent application across all Councils.

Not a structural reform recommendation, administrative only.

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's Digital Strategy and Services (DSS).

Response

Recommendation is again administrative and not structural reform. Recommendation 29 may benefit from a broader perspective on technology and innovation in Local Government. Digital business services are only one small aspect of technology advances and innovation. It is therefore suggested technology and innovation be included with digital business systems beginning used as an example. Technology, innovation, and research should be a lead component in all strategic plans of Local Councils in Tasmania.

Recommendation 30

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.

Response

The Auditor General has on many occasions raised concerns over asset management by Councils. Recommendation 30 is a very good demonstration of the need for structural reform. Many Councils do not have the financial capacity to grow and manage their assets. For example, there are many gravel roads in built areas. These roads will never be upgraded and only maintained, in many cases in

a poor state of repair. Recommending improved methods of reporting does nothing to improve asset management and growth of assets within Local Government. This recommendation is only a bureaucratic solution to much broader problem.

Recommendation 31

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.

Response

This recommendation could be combined with recommendation 30. Does not address the need to establish new assets and upgrade and manage existing assets. It does not address the capacity of Councils to manage their assets to meet community and business development needs.

The report appears not to address the occupational health and safety of the community in the management of Council assets. It is very important, future infrastructure such as roads and their surfaces reflect modern technology and community safety requirements.

All Australian State and Territory Governments support the development of the National Silicosis Prevention Strategy. For example, the Huon Valley Council has some **517Klm of unsealed road**. Many gravel roads contain silica dust and the long-term financial liability of Councils to protect their communities will be an important issue. Population growth has seen many built-up areas in particular sea side developments. Road infrastructure has not been upgraded to the standards required to fully protect communities from the dangers of silicosis. Councils that claim they mitigation measures, must be fully audited if the community is to be protected. The capacity of rural Councils to provide basic maintenance only and in many cases poor maintenance, is of real concern. Reasons will always be given why the roads are in such a poor state. It is recommended the Local Government Association of Tasmania be requested to investigate the National Silicosis Prevention Strategy and input from Councils how on the strategy can be implemented by all Councils in Tasmania.

Recommendation 32 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. 20 Let Us All Shape the Future of Local Government Recommendation # Recommendation Headline

Response

Combine recommendations 32 and 33 Administrative changes not structural. Has merit.

Recommendation 33 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 or infrastructure.

Recommendation 34 Following the phase 1 voluntary amalgamation program, the Tasmanian Government should commission an independent review into councillor numbers and allowances.

Response

If phase 1 voluntary amalgamation program fails, does this mean councillor numbers and allowances also fails? Perhaps these are two separate issues and should be treated as such. Also, what is the fallback position if voluntary amalgamation is not successful?

Recommendation 35 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.

Response

Misconduct or poor performance has the potential to be over stated if subjective assessments are put in place to measure the performance of Councillors. Democratically elected councillors who have been elected by the community to represent them on Council, could have that representation removed if it is deemed their performance was not to the political standard of the Minister or some Councillors.

Councillors should only be removed if they have seriously broken the law. Democratic institutions worldwide are now under threat. Removing the democratic right of individuals needs to be carefully considered. Institutions and governments at levels have an obligation to protect those values, because so many have died for this great country to protect those values.

Sanctions only serve to create additional conflict, but it is recognised the legal processes of Councils must always be followed. Having Councillors with a greater level of knowledge of the Local Government Act would and could change the way councillors interact, to fulfill their obligations. The review has identified the need for professional development of Councillors. It is recommended the Local Government Act and its provisions must be central in any professional development program.

Strong debate and questions on the issue at hand should always be encouraged to achieve the best outcome for the community. All personal abuse should be removed by the Chair.

The heavy-handed approach to councillor conduct has the potential to create further conflicts and dysfunction in Councils. **Tasmania has a very high percentage of dysfunctional councils in Australia, the question must ask why?**

Structural reform of Councils and well-paid Councillor positions has the potential to attract highly qualified and professional people to Council.

Over stating the issue of Councillor misconduct will lead to the loss of interest in candidates standing for Council, if they believe it is impossible to represent the community and advocate their policy positions.

Recommendation 36 The Tasmanian Government should:

- support the Local Government Association of Tasmania (LGAT) to develop and implement – in consultation with councils and their staff – a workforce development toolkit tailored to the sector and aligned with the Tasmanian Government's 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 a state-wide approach to workforce development for key technical staff, beginning with environmental health officers, planners, engineers 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.

Response

All Councils have a Human Resources Development units or versions thereof. Managers within these units are and should be well versed in workforce development. In fact, Councils overall do excellent work in this regard. The danger with all these types of recommendations, they create bureaucratic procedures and process that are unnecessary or duplicate what is already provided.

Again, this is not structural reform, it is just administrative function of Councils.

Recommendation 37 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.

Response

Excellent Recommendation, well done.