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26 February 2024

Ms S Smith  
Chairperson  
Local Government Board  
LGBoard@dpac.tas.gov.au

Dear Madam,

#### FUTURE OF LOCAL GOVERNMENT REVIEW – FINAL REPORT RECOMMENDATIONS

Thank you for the opportunity to provide comment to the Board's final report recommendations.

Council has reviewed the recommendations and remains dedicated to supporting reform.

Our primary objective at Sorell Council continues to revolve around determining the most effective and sustainable means for serving the southeast region in the future, encompassing community, asset management, service delivery, advocacy, and engagement functions. Our preferred strategy remains a regional approach, ensuring a comprehensive and cohesive approach to addressing the needs of our community.

Council again commends the Board for their invaluable contributions.

If you have any further enquiries regarding this matter please contact me on [REDACTED] or via [REDACTED]

Yours sincerely,

Robert Higgins  
GENERAL MANAGER

## FULL LIST OF RECOMMENDATIONS

Rec. #	Recommendation Headline	Council Comment
1	<p>Define in Tasmania's new Local Government Act the role of local government consistent with the statement below:</p> <p>The role of local government is to support and improve the wellbeing of Tasmanian communities by:</p> <ol style="list-style-type: none"> <li>1. harnessing and building on the unique strengths and capabilities of local communities;</li> <li>2. providing infrastructure and services that, to be effective, require local approaches;</li> <li>3. representing and advocating for the specific needs and interests of local communities in regional, state-wide, and national decision-making; and</li> <li>4. promoting the social, economic, and environmental sustainability of local communities, by mitigating and planning for climate change impacts.</li> </ol>	<p><i>Supported in principle.</i></p> <p><i>This role better reflects councils' broader policy functions than what is currently captured in the LG Act noting that implementing this fully will have significant resourcing implications.</i></p> <p><i>Should include a clear 'community wellbeing' statement and definition to assist in ensuring a focused, consistent approach.</i></p> <p><i>More carefully considered language should be used to improve ambiguity for first two points.</i></p> <p><i>Fourth point could be less specific to climate change impacts and instead refer to 'social, economic, environmental sustainability and resilience of local communities...'</i></p>
2	<p>The Tasmanian Government – through subordinate legislation – should implement a Local Government Charter to support the new legislated role for local government.</p> <p>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.</p>	<p><i>Supported in principle.</i></p> <p><i>How the charter responsibilities are codified in the new Local Government Act is core to this working successfully noting the resourcing implications mentioned above.</i></p> <p><i>A key part of the Charter should define the relationship between local and State Government to enable a more effective interface with and understanding between them.</i></p> <p><i>The Charter offers an opportunity to define local and State Government's shared responsibilities for public service outcomes, principles for engagement, and the obligations of each when delivering community services and legislative responsibilities.</i></p>

3	<p>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.</p> <p>The plan would consist of component plans including, at minimum, a:</p> <ul style="list-style-type: none"> <li>• community engagement plan;</li> <li>• workforce development plan;</li> <li>• elected member capability and professional development plan; and</li> <li>• financial and asset sustainability plan.</li> </ul>	<p><i>Supported in principle subject to:</i></p> <ul style="list-style-type: none"> <li>- <i>not adopting a four year strategic plan cycle tied to council elections but that councils review their 10 year strategic plans within 12 months of each election.</i></li> <li>- <i>performance reporting needs careful consideration given strategic plan structure and content differs across the sector, that reporting against strategic and annual plans already takes place and to ensure reporting mechanisms remain focused on improving transparency and confidence.</i></li> <li>- <i>subject to recommendations 30 and 31, the financial and asset sustainability plans could just involve a four-year horizon on most council's long term plans which they already maintain.</i></li> </ul>
4	<p>Formal council amalgamation proposals should be developed for the following:</p> <ul style="list-style-type: none"> <li>• West Coast, Waratah-Wynyard and Circular Head Councils (into 2 councils);</li> <li>• Kentish and Latrobe Councils;</li> <li>• Break O'Day, Glamorgan-Spring Bay and Sorell Councils (into 2 councils);</li> <li>• City of Hobart and Glenorchy City Councils;</li> <li>• Kingborough and Huon Valley Councils.</li> </ul> <p>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.</p>	<p><i>Supported in principle as it relates to Sorell Council noting Council has consistently supported investigation into structural reform and redesign that delivers improved and sustainable long term regional outcomes.</i></p>

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.	<p><i>Supported in principle.</i></p> <p><i>The membership of this Board and resourcing within the OLG to support it will be critical to the success of subsequent stages.</i></p>
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.	<p><i>Supported in principle.</i></p> <p><i>Terms of reference and membership of the CWG is critical. Between Council management, elected members and the Board, a mature and balanced approach to determining membership should be achievable.</i></p> <p><i>Standing up of CWG (as stage 2) should occur only after a stage 1 detailed, objective and transparent feasibility assessment has been completed and is deemed viable to then proceed to stage 2.</i></p>
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.	<p><i>Supported in principle subject to completion of stage 1 and 2.</i></p> <p><i>In addition to the community vote it is important that the State Government support the councils involved to run a community education campaign to inform the community of the proposals, rather than leaving it up to grassroots campaigning.</i></p>
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.	<p><i>Subject to clarification, if recommendation #8 is proposing this as a stand-alone action that does not form part of #4 - #7 then not supported.</i></p> <p><i>The recommendation invites potential conflict in situations where one council area votes for amalgamation when their neighbour either hasn't voted or does not support it.</i></p>

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.	<p><i>Reco # 9 to 12 supported in principle subject to –</i></p> <ul style="list-style-type: none"> <li>- <i>there will be challenges in reaching consensus when developing shared service agreements;</i></li> <li>- <i>it is difficult to support mandatory shared service arrangements without knowing more details;</i></li> <li>- <i>there needs to be more engagement with the sector about when a model could be imposed;</i></li> <li>- <i>reco #11 should include the LGAT;</i></li> <li>- <i>there is support for the investigation of more comprehensive shared service arrangements that provide economic and social benefits for the community, and increased collaboration between councils to improve service delivery and cost effectiveness statewide.</i></li> </ul>
10	Give councils the opportunity to design identified shared service arrangements themselves, with a model only being imposed if councils cannot reach consensus.	
11	Before endorsing a particular mandatory shared service arrangement, the Minister for Local Government should seek the advice of the Local Government Board.	
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.	

13	<p>The first priorities for developing mandatory shared service arrangements should be:</p> <p>sharing of key technical staff;</p> <p>sharing of common digital business systems and ICT infrastructure; and</p> <p>sharing of asset management expertise through a centralised, council-owned authority.</p>	<p><i>Supported in principle.</i></p> <p><i>Further significant engagement with councils is required.</i></p> <p><i>The role of the LGAT could be expanded into broader service / procurement provision functionality for councils on commercial terms and separated from their core advocacy and engagement function.</i></p> <p><i>While there are significant opportunities in moving to common digital business systems, this would be a long term, costly and highly disruptive process.</i></p> <p><i>It is submitted that having access to asset management expertise and standards isn't the problem, it is the discipline of management and elected members to comply with transparent practices. For this shared service to work, the authority or provider would have to assume responsibility and accountability on behalf of the council.</i></p>
14	<p>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.</p>	<p><i>Supported in principle.</i></p> <p><i>Councils role in wellbeing and the potential to expand it has been consistently raised within and outside our sector. Many councils are already doing significant work in this area. Noting our comment to recommendation # 1 regarding resourcing implications, additional funding will need to be available for councils to expand their role in this area.</i></p>
15	<p>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.</p>	<p><i>Supported.</i></p>

16	<p>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:</p> <ul style="list-style-type: none"> <li>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</li> <li>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.</li> </ul>	<p><i>Supported.</i></p> <p><i>Work on this is underway with the Learning and Development Framework. The Review of the Local Government Act included the development of core competences and an “induction plan” following each election noting this recommendation now makes completion of the program compulsory.</i></p>
17	<p>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.</p>	<p><i>Supported.</i></p> <p><i>This recommendation predominantly relates to electricity generation (wind and solar farms) and mining.</i></p>
18	<p>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.</p>	<p><i>Supported.</i></p> <p><i>Headworks infrastructure charging regime and methodology should be robust and consistent state-wide. The Government has recognised the need for this in the Housing Strategy, work on the Tasmanian Planning Policies and elsewhere.</i></p>
19	<p>Introduce additional minimum information requirements for council rates notices to improve public transparency, accountability, and confidence in council rating and financial management decisions.</p>	<p><i>Supported.</i></p> <p><i>There needs to be consistency and comparability in rates notices across all councils and presented in a plain English format.</i></p>

20	<p>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:</p> <ul style="list-style-type: none"> <li>• is transparent and well understood by councils and the community,</li> <li>• that assistance is being targeted efficiently and effectively, and</li> <li>• is not acting as a disincentive for councils to pursue structural reform opportunities.</li> </ul>	<i>Supported.</i>
21	<p>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.</p>	<i>Supported.</i>
22	<p>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.</p>	<p><i>Supported.</i></p> <p><i>Fees charged under a fee-for-service model should consider the cost to deliver the service as well as any policy objective of the council.</i></p> <p><i>For some councils this will be a time-consuming exercise to work out accurate cost attribution.</i></p>
23	<p>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.</p>	<p><i>Supported.</i></p> <p><i>An underlying consideration is how each council apportions and distributes (if at all) the revenue burden onto the land owners, (inclusive of exempt land use types), and if this is improved through a simpler system (ie. with less differential categories).</i></p>
24	<p>The Tasmanian Government should work with the sector to develop, resource, and implement a best practice local government performance monitoring system.</p>	<p><i>Supported in principle.</i></p> <p><i>The measures used should be service delivery outcomes focused</i></p>



25	<p>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.</p>	<p><i>and help councils to initiate improvements to performance. Any performance monitoring system should aim to reduce the reporting burden on councils by streamlining reporting requirements and using existing data sources or those that are transparent and consistent.</i></p>
26	<p>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.</p> <p>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.</p>	<p><i>Supported in principle.</i></p> <p><i>The Office of Local Government should be sufficiently resourced and funded by the State Government. The sector should not be expected to fund their regulatory oversight functions as suggested on page 88 of the final report.</i></p> <p><i>While internal audit provides a valuable role and many councils have an existing program already, this will be difficult to resource for many councils, particularly if the focus areas / scope is determined by the audit panels, which is what the final report implies.</i></p> <p><i>The final report notes that “Consideration should also be given to resourcing internal audit via service sharing or pooling arrangements, particularly for smaller councils. LGAT may be well placed to provide support for joint procurement for these councils of a shared capability.” While LGAT could do this, there is already a number of competent consultancy firms undertaking this work for councils and so the need and value of an LGAT joint procurement process needs to be established.</i></p>
27	<p>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.</p>	<p><i>Supported.</i></p> <p><i>The new Charter for Local Government could capture this co-regulatory approach.</i></p>

<b>28</b>	The Tasmanian Government should work with the local government sector to pursue opportunities for strengthened partnerships between local government and Service Tasmania.	<i>Supported.</i>
<b>29</b>	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).	<p><i>Supported in principle.</i></p> <p><i>In addition to our reco # 13 response, business systems, practices and processes need to be aligned in addition to user training which is a significant undertaking. Scale doesn't guarantee safety or useability nor represent the transparent practice of asset maintenance and job based costings as an example.</i></p>
<b>30</b>	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.	<p><i>Supported in principle.</i></p> <p><i>Given the importance it is presumed the State Government will similarly adopt and mandate this for their own assets including reporting / auditing.</i></p> <p><i>The extent to which reco # 13 can be incorporated into this, and the role of an industry standard, should be considered.</i></p>
<b>31</b>	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.	<p><i>Supported.</i></p> <p><i>This should be expanded to include independent condition assessments, revaluations and depreciation schedules through to capitalization policies and procedures.</i></p>
<b>32</b>	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.	<i>Supported.</i>

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.	<p><i>Supported.</i></p> <p><i>Should this be mandated then criteria will need to be established to determine what new services and infrastructure would be subject to a community impact assessment.</i></p>
34	Following the phase 1 voluntary amalgamation program, the Tasmanian Government should commission an independent review into councillor numbers and allowances.	<p><i>Supported.</i></p>
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.	<p><i>Supported.</i></p>
36	<p>The Tasmanian Government should:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• support councils to update their workforce plans at the time of any consolidation;</li> <li>• 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;</li> <li>• 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</li> <li>• include simple indicators of each council’s workforce profile in the proposed council performance dashboard.</li> </ul>	<p><i>Supported in principle.</i></p> <p><i>To be successful this work also needs to have buy in from education and training institutions to support the strategies and actions to meet skills shortages and address the supply side.</i></p>

**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. *Supported.*