

24 January 2024

The Hon Sue Smith AM

Future of Local Government Board

lg.consultation@dpac.tas.gov.au

Dear Ms Smith

**FUTURE OF LOCAL GOVERNMENT FINAL REPORT — WEST COAST COUNCIL
SUBMISSION**

We would like to congratulate the Board on the work undertaken to complete this final report and indicate our broad support for the report and its recommendations.

The West Coast Council supports the call for a consolidation of Waratah-Wynard, Circular Head and West Coast Council into two Council's with new boundaries. We believe that this work should commence as soon as possible and happen in an expedited manner. West Coast Council believes that there is no need for an expensive plebiscite on the boundary changes, where the Council is in support of them. Local Councils are elected by their residents to make decisions on their behalf and therefore this decision is best made by the representatives of our community considering the relevant information. We recommend the immediate formation of a new board to determine the new boundaries and that the changes occur following a positive vote from the three Councils.

It is also noted that while there will be long-term benefits from the change there are initial costs. The report should recommend that those Councils which go through the voluntary consolidation process be provided funding sufficient to implement the new changes. Importantly, this should include funding to support the work of the new Council in developing the new 10-year strategy, asset management plans, and other documents required by legislation, as well as the work of the Council in bringing the new community together and developing a new inclusive identity.

West Coast Council was pleased that the report (and the work by UTAS) underscored the importance of changing the way that Councils are funded and particularly noted the problem of sustainable funding in communities like the West Coast that have low populations but significant industry. West Coast Council is also willing to support the removal of rating power in exchange for a share of direct revenue if that share is sufficient to reflect the importance of strong local communities to those industries. The final report could be more specific on this and we advocate for:

1. That 30% of direct revenue to the State Government in the form of Royalties, GBE Dividends (particularly from Hydro Tasmania) and aquaculture fees be either returned directly to the source Councils or to a sustainability fund where the income from the fund can be reinvested in communities by the Council.

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2. That where there is a rate exemption, and the business pays a rates equivalent, that it is returned by the State Government to Councils proportionality on the basis of the location of productive assets (i.e. Hydro-Dams for Hydro Tasmania).
3. That alternatively, the current exemptions from rates (for Hydro and windfarms) be removed.

These should be specifically included as recommendations in the final report.

West Coast Council is very supportive of increased mandated shared services. We already utilise shared services and know it is a great way to support better outcomes for communities. It should however be noted that the capacity constraints faced by remote Councils are not always ones of not having access to staff with the right skills, but more often are constraints in being able to pay those individuals. On the West Coast we have a number of talented people with skills and qualifications in engineering, project management, asset management, planning, and environmental health who would enjoy working at Council, however, we do not have the financial resources to pay them. Financial capacity is the fundamental constraint in a small remote Councils, not necessarily the lack of skilled local workers.

We are supportive of mandated shared services where services are provided to Councils either across the State or regionally on an equal cost basis. It is important that remote Councils are not charged more for a service once it becomes centralised, this includes the need to spread the cost of travel where relevant across all users of the service. We support the setting up of shared service hubs for:

- Asset Management,
- Project Management,
- Project design and business case development,
- Engineering and Design, and
- Some corporate service functions.

We do not support the centralisation of economic development as this is a vital service to keep close to local community knowledge.

We look forward to working with the State Government to ensure that the reform delivers a stronger Local Government sector and stronger West Coast.

Yours Sincerely



Shane Pitt

MAYOR

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