The future of local government review

Community Update

December 2022



Let's All Shape the Future of Local Government.

Department of Premier and Cabinet

Tasmanian Government

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Where do you see the future of local government?

We want to hear from you.

At the end of 2021, the Tasmanian Government set up a Local Government Board and asked it to review the way our local councils work. The Government has asked the Board to make recommendations about how the current system needs to change so that councils are ready and able to meet the challenges and opportunities Tasmanians will face over the next 30-40 years.

The Board, chaired by the Hon Sue Smith AM, is an expert panel of six people with significant experience in local government. The State Government has given us broad scope to review all aspects of local government, including its role, functions, and design.

The Review is a once-in-a-generation opportunity to design a local government system that can respond to the growing demands and changing needs of our communities, now and in the decades ahead. The future role size, structure, and funding of our local councils and how they work with other levels of government are all part of this conversation.

Councils can and do play a vital role within their local communities and Tasmania's broader system of government. We know that effective and capable local government is a key enabler of community prosperity and wellbeing.

Local government in Tasmania is facing growing challenges and will need to evolve and adapt to meet the changing needs of Tasmanian communities in the coming decades. We need to develop a model for the future of local government in Tasmania and reforms that will enable councils to support and empower their communities in a sustainable and effective way.

Councils are doing the best they can but the way they are set up now makes it hard for some – especially smaller, rural councils – to meet all the needs and expectations of their communities. The cost and complexity of the services councils need to deliver and the important infrastructure they manage are constantly growing, and many councils are already finding it hard to access the skills and resources they need.

The Board has released an *Options Paper* on the changes it is considering to improve how local councils provide services to their communities.

The *Options Paper* and an associated Appendix contain detailed information about how these options have been developed and why we think they might help to deliver a stronger and more sustainable system of local government in Tasmania.

Some of the options we are looking at could have a major impact on the way our local councils operate in the future. Because councils provide so many essential, everyday services, we think it is vital that as many people as possible have a good idea of the potential changes that are being discussed.

Delivering Essential Reforms

The Board has identified eight reform outcomes which the Review aims to deliver for the local government sector. These are the things we believe are essential if Tasmania's system of local government is to deliver the services and support the community needs.

The Future of Local Government Review reform outcomes

1. Councils are clear on their role, focused on the wellbeing of their communities, and prioritise their statutory functions
2. Councillors are capable, conduct themselves in a professional manner, and reflect the diversity of their communities
3. The community is engaged in local decisions that affect them
4. Councils have a sustainable and skilled workforce
5. Regulatory frameworks, systems, and processes are streamlined, simple, and standardised
6. Councils collaborate with other councils and the State Government to deliver more effective and efficient services to their communities
7. The revenue and rating system funds council services efficiently and effectively
8. Councils plan for and provide sustainable public assets and services

The Board has developed a range of options that we think could improve the capability of councils to deliver these outcomes for their communities, based on the key pressure points councils are facing now and in the future.

Some of these ideas are about how councils can better support community wellbeing, improve the skills and conduct of councillors, and ensure essential services and infrastructure are delivered in a fair and sustainable way. You can find out more about these options and share your views here.

Tasmanian Councils in the 21st Century; Capability for the Future

More broadly, in exploring reforms we have also heard from the sector and other stakeholders that the underlying organisation of our councils needs to change, so they can better support all Tasmanians into the future. We've heard agreement from the sector that:

- **The status quo is not an optimal or sustainable model for the sector as a whole, given growing demands, complexity, and sustainability challenges;**
- **Some form of consolidation is necessary to deliver greater economies of scale and scope, at least for some services; and**
- **The scale and extent of the consolidation needed to deliver significantly better services will not occur on a purely voluntary basis within the current framework.**

Changing the status quo in this respect means redesigning Tasmania's system of local government to ensure councils in the future have the necessary scale, resources, capability, and capacity to deliver on their critical functions. Based on the conversations we've had and the information we've considered, we think this will require some form of 'joining up' of our current councils.

The Board is considering three main reform pathways for building capability across the local government sector.

Redesigning Local Government in Tasmania – Three Potential Pathways

1. **Significant (mandated) sharing and consolidation of services**. The first possible pathway to improve councils' capability and capacity would be an extensive program of structured service consolidation. Under this option, Tasmania would retain its current structure of 29 councils, but a range of council services would be delivered by central or regional providers. All councils would be required to participate.
2. **Boundary consolidation to achieve fewer, larger councils**. Under this pathway, the administrative boundaries of Tasmania's current 29 Local Government Areas (LGAs) would be 'redrawn'. A set of new, larger LGAs would be established. New councils would be established to represent and deliver services to these LGAs.
3. **A 'hybrid model' combining both targeted sharing of services and targeted boundary consolidation**. This would involve some boundary changes (though less than under the second pathway), and some service consolidation, where there are clear benefits.

While we don't yet have a preferred pathway, the detailed Options Paper explains our thinking in more detail, including the advantages and challenges of each of the approaches.

The Board understands that some members of the community and local government sector have strong views about the merits or challenges of proposals to consolidate council boundaries and/or services. But if this 'joining up' is well planned and properly supported by the State Government, we think the sector can improve the overall quality and range of services it provides to all Tasmanians and better support a range of important social, economic, and environmental outcomes.

We also think this change could make local government a better place to work and help attract and retain talented workers.

We want to hear the community's views on these important issues. Major change will only be successful if it enjoys broad-based community support and will help ensure that Tasmanian councils are better able to support Tasmanian communities in the future.

Now is your chance to be heard. Be bold and have your say, so we can all help improve the future of local government.

Get Involved in the Reform Conversation

This is a critical opportunity for all Tasmanians. The Board wants to know how you feel about the way councils work and understand your views about which options could make a positive difference for local communities. We also want to know if there are any other ideas and options out there that we have not looked at yet but should.

The Board is providing a few different ways for people to get involved:

Options Paper submissions:

You can go online to the interactive version of the Options Paper at www.engage.futurelocal.tas.gov.au and submit your answers to any or all the consultation questions.

You can also make a submission in an **email or letter**. The Board's contact details are below:

Email: Submissions.LGBoard@dpac.tas.gov.au

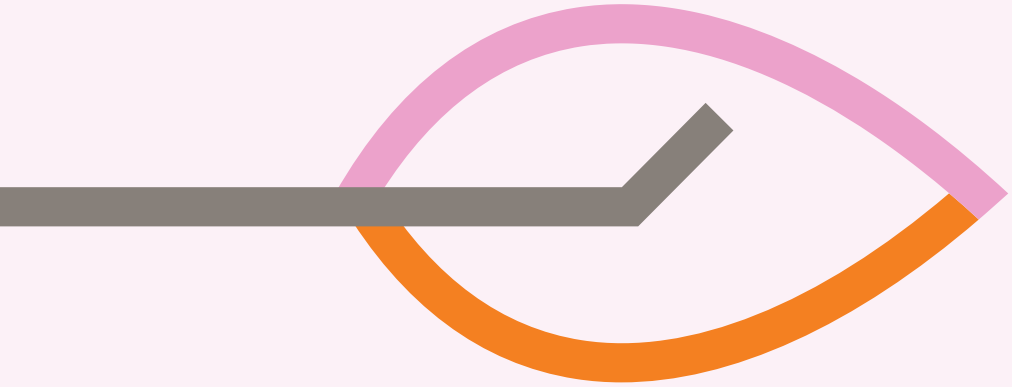
Postal address: Future of Local Government Review GPO Box 123, Hobart, Tasmania 7001

SUBMISSIONS FOR THE OPTIONS PAPER CLOSE 19 FEBRUARY 2023.

Regional community meetings:

- In early February 2023, the Board will be visiting communities all around the State to hold town hall style meetings. You can register your interest in attending one of these sessions here, and we will be in touch with further updates in the near future.
- Engagement with Tasmanian councillors and council staff will also be supported through a series of meetings (LGAT and LG Pro will provide more details shortly).

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Department of
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More information?
www.futurelocal.tas.gov.au
LGBoard@dpac.tas.gov.au