

# Future of Local Government Review

## Phase 2 Consultation

Devonport City Council submission as adopted unanimously at its ordinary meeting on Monday, 22 August 2022.

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Devonport City Council (DCC) welcomes the opportunity to provide a submission in response to the Future of Local Government Review's Interim Report.

This document follows the submission made by DCC in response to phase 1 of the Review.

Statements made in the phase 1 submission remain relevant, however have not necessarily been repeated. DCC made a strong argument in phase 1 for the coming together of municipal areas to drive improvement to the efficiency and effectiveness of service delivery, workforce capability, strategic planning and overall professionalism of the sector.

It is not insignificant that phase 1 submissions by the City of Launceston, City of Hobart and the General Manager and Councillors of Burnie City Council recognised similar opportunities.

This submission from DCC provides general comment in relation to the direction and content of the Interim Report followed by feedback on the specific consultation questions.

### Interim Report Summary

The Interim Report clearly captures and articulates the challenges that currently exist within the structures and systems of local government within Tasmania. DCC supports the Report's conclusion that reform is necessary for the future success and sustainability of councils and by extension the future economic, social, and environmental wellbeing of the Tasmanian community.

The Report identifies four core challenges and opportunities facing the local government sector:

1. Firstly, councils are often required to fund and deliver a broad range of functions and services when they may not be the best tier of government to provide them. Local, place-based design and delivery remains crucial for some other services and functions, particularly those which support improved community wellbeing.
2. Secondly, pressure on councils to be 'provider of last resort' to meet service needs not provided by the market or other levels of government.
3. Thirdly, a range of undeniable structural sustainability challenges which will require bold reform solutions.
4. Finally, the high value on local voice and representation would benefit from greater community confidence and trust in local government through more consistent levels of capability and professionalism of elected representatives, improved community engagement and better, more transparent accountability.

The first two points are similar and relate to the role and functions of councils, of which DCC maintains the view that the current alignment of responsibilities is broadly correct; points three and four are of far greater concern and should be of higher importance for the future of Tasmanian communities.

## **Functions and Services (Points 1 & 2)**

The role and functions of local government have evolved and will continue to do so in line with the needs and desires of individual communities. A 'one size fits all' approach is neither realistic nor beneficial, with councils requiring the flexibility, organisational capacity and nimbleness to respond to community requirements when required. This is the essence of local government and allows councils the autonomy to do what is required, when it is required, recognising this will always vary across different communities.

The Report has a focus on the need to identify services which do not necessarily need to be delivered locally and therefore inferring that local government may not be the best tier of government to provide these services. This is a simplistic approach, which fails to recognise that, providing the local government authority can deliver the services, at least to a similar level of efficiency and effectiveness, there are other compelling reasons why the services should continue as a council responsibility. These include ensuring the councils remain of sufficient overall scale and size to have influence, attract staff and elected members, be professional and valued as a meaningful level of government. Many of the current functions of local government are more effective due to the interdependency benefits of being delivered by the one entity.

## **Structural Sustainability (Point 3)**

DCC agree there are undeniable structural sustainability challenges with local government in Tasmania and that this should be at the core of any consideration of the future role of councils.

The Report broadly recognises the two potential models which exist to address such structural issues - being boundary mergers to form larger councils or 'service consolidation' involving delivery of selected functions or services at a regional or state-wide level with smaller sub-regional councils (with potentially some amalgamation of existing) focusing on community capacity building, local services and advocacy.

Disappointingly, the Report describes amalgamation, resulting in fewer, larger councils, as a blunt and simplistic approach and places a greater and more favourable emphasis on the service consolidation model to address the structural issues that exist. Whilst DCC appreciates any suggestion of amalgamation always generates vehement debate (particularly from within the sector), it believes the creation of larger, fewer councils does provide, by far the most complete and realistic solution to the challenges that exist.

In phase 2, DCC would like to see the Board further investigate and respond with additional financial data to unpack the inequity and cross subsidy which currently exists across municipal areas. Further, information should also be provided to outline the quantum of savings that could be achieved with both improved economies of scale and better long-term strategic planning through fewer councils.

The report fails to adequately recognise the significant negative impact of regional service bodies on the remaining council functions and subsequently the existence of councils as a meaningful level of government.

In phase 2, DCC would like to see the Board investigate and respond with further analysis of the two models. Shortcomings of the 'service consolidation' model which should be considered include:

- The additional layer of complexity required to manage and oversee a regional or state service provider inevitably leads to additional cost and inefficiency. With State entities this occurs simply by scale and the necessary government oversight structure. Local government-

controlled entities are burdened by owner representative arrangements which lead to inefficient accountability and justification processes.

- The scale of remaining council organisations is further diminished with service consolidation, exasperating rather than addressing many of the current scale related issues facing councils.
- The inevitable tension that occurs between a monopoly provider and their owner, and inefficiencies which arise to mitigate or manage such tension.
- Recognition of the inter-dependence of council functions, and the benefit this provides in determining the best community outcome. The examples are endless and happen seamlessly on a daily basis, such as regulatory teams liaising across the office with asset staff, economic development outcomes being supported by assistance or decisions from engineering staff or EHO's working closely with events staff. At a larger scale, initiatives like DCC's recent LIVING CITY urban development could only be achieved with a whole of Council approach - refer case study at appendix 1.
- Implementation of any local government reform will be disruptive, however slicing up existing councils to create consolidated service entities would cause even greater disruption than a simple merger of councils undertaking similar functions. Furthermore, if this model was implemented, with the noted flaws, it is not unrealistic to suggest further reform would be inevitable within a short period, creating further disruption and instability.

#### **Local Voice and Representation (Point 4)**

A loss of local voice and representation is a fundamental concern of smaller communities in relation to amalgamation. Whilst arguably seen as a greater issue by those within the sector than the broader community, it is no doubt an important consideration of any reform agenda which must be addressed.

Community engagement and consultation should not be downgraded, but rather enhanced under any new model as it is fundamental to a successful council. However, a view that community engagement is more effective by smaller councils, primarily through councillor 'representation' should be challenged. There are now many other means by which councils can and should ensure deep engagement with and understanding of its community.

There are numerous actions which could be implemented under a fewer, larger council model, to ensure local voice and representation is not compromised, but enhanced, which include:

- Legislation of a ward system to ensure adequate representation from rural and remote areas;
- Elected Town Advisory Boards for all townships over a certain population and a specific distance from the council chambers, and/or alternately appointed Place Managers with appropriate resourcing.
- Legislate council planning obligations to separate community planning from the business and operational planning of councils. This would mandate localised strategic community plans, for all population centres over a certain size, with a centralised corporate plan for the council entity.
- Redrafting of boundaries to include, as much as possible, a major population centre with an equal amount of remote/rural area. This approach is underpinned by the principle that each population centre has a responsibility to support and cross subsidise less populated areas. Current reality demonstrates that councils are much more receptive to subsidising or

supporting 'part of their own' compared to any suggestion of subsidies being provided to other municipal areas.

- Contemporary and better resourced community engagement practices. We consider DCC is currently just below the size necessary to justify a small team focused entirely on community engagement, however, have recently utilised consultants for a targeted engagement process with overwhelming success.

In addition to representation and engagement the Report details the importance of community confidence and trust in local government. This is directly impacted by the capability and professionalism of elected representatives and executive staff and limited resourcing to adequately undertake increasing corporate governance requirements and expectations. All of these aspects would undoubtedly improve with fewer, larger councils. This observation along with recognition of a likely decline in standards if the scale and capacity of councils reduced, appears to be a key point that is currently missing from the Interim Report.

## **Reform Options**

Structural sustainability is without question the fundamental challenge facing the future of local government in Tasmania and whilst other very important challenges and opportunities exist, they are secondary by comparison and cannot be considered outside the context of structural change.

Structural change as outlined earlier in this submission, can broadly occur in one of two ways - either larger councils, or service consolidation on a regional or state basis with sub-regional councils.

DCC has considered each of the seven review themes within the Interim Report and assessed which structure would best align with the future vision of each theme. This assessment demonstrates that fewer, larger councils (sustainable councils' model) is the superior option to achieve effective and meaningful local government reform.

A broad definition of each of the two structural models is as follows:

**Sustainable Councils Model** – New local government authorities with redrafted boundaries which align as much as possible with:

1. minimum population bases in the order of 35,000 residents
2. alignment of boundaries along shared values & geographically alike areas
3. removal of boundaries which divide adjoining urban settlements
4. major population areas, as much as possible, to equally incorporate rural and remote communities

Services and functions to generally remain similar to those that currently exist and continue to evolve and change to meet community need.

**Mixed Regional/Sub Regional entities** – Service consolidation would see regional (or State) entities formed to deliver function specific services, achieving economies of scale and service improvements where 'local' is not necessary. This model aligns with the second point in the proposed role statement for local government outlined in the Interim Report. Remaining functions including local governance, advocacy, 'local' services and general community connection would remain the remit of the local government authority. Whilst remaining very sub-regional, some councils may increase in population and geographical area through new boundaries, yet in comparison to the status quo, the

scope and responsibility of all councils would reduce, due to the consolidation of service delivery to new regional (or State) bodies.

Further comments in relation to each specific section of the Interim Report and answers to the subsequent consultation questions within the Report are listed below.

### **Section 2. The Role of Local Government in 21<sup>st</sup> Century Tasmania**

DCC does not agree with the proposed draft role statement. It does not align with the model of local government that DCC considers the most effective for Tasmania. The statement pre-empts a structure where the scale and subsequent influence of councils would reduce significantly with services delivered regionally and councils left as little more than community facilitators and advocates.

Rather than dividing functions and services into either sub-regional or regional, DCC suggest sub regions should be enlarged to a scale which allows efficient and effective service delivery, yet not too big as to lose community connection. Not 3, but far less than 29 council entities.

Whilst a charter could be beneficial, it is not considered essential for successful local government.

### **Section 3. Capability Aspirations and Outcomes**

The Capability and Outcome Aspiration Statements are an excellent set of statements that accurately describe the defining features that should be expected in any future model of local government. The statements assist in highlighting the current deficiencies and set an aspirational target for what should be expected from any reform process.

The Statements align with the sustainable council’s model suggested by DCC and should be used as a benchmark to test any reform options.

### **Section 4. Future Visions for each Review Theme**

The tables below provide comment on each of the future visions outlined for each Review Theme with suggested improvements. Each vision is then considered if it can be best achieved under which of the three possible structural models, being the status quo; mixed regional/subregional entities; and larger sustainable councils.

<b>Review Theme 1 – Infrastructure provision and Management</b>		
Does the future vision capture what success would look like?	Generally, the vision captures the desired future for infrastructure provision and management. The last dot point, whilst not undesirable, is somewhat aspirational and would be better replaced with a statement reinforcing the need for autonomy of the Council to plan and make decisions within the bounds of State-wide policies, guidelines, etc	
Is the vision achievable under the <b>Status Quo</b>	Is the vision achievable under <b>Mixed regional/sub-regional entities</b>	Is the vision achievable under a <b>‘Sustainable’ Councils model</b>

<p>No</p> <p>Generally, the issues and challenges detailed in the report are accurate and will not improve under the status quo.</p>	<p>No</p> <p>As questioned in the report, inherent inter-municipal competition will always limit effective strategic infrastructure planning at an inter-council or regional level. The inevitable tension between regional service providers and the 'local' Council creates inefficiency through justification and accountability mechanisms (i.e. TasWater Owner Rep structure)</p>	<p>Yes</p> <p>Councils of sufficient size can recruit and retain the necessary professional staff; be of sufficient scale to have best practice systems; and can adequately fund asset renewal. Covering larger geographically areas allows for more effective strategic infrastructure planning, with the necessary autonomy to make decisions and avoid the ineffectiveness that invariably results from regional oversight. Under the sustainable councils model, councils remain sufficiently small enough to avoid the inevitable 'overhead' which comes with larger infrastructure providers and ensures connection to local communities.</p>
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<b>Review Theme 2 – Finance and administration</b>		
<p>Does the future vision capture what success would look like?</p>	<p>Generally, the vision captures the desired future in relation to the finance and administration of a council. The second last dot point, regarding resource and service sharing is not essential for a council's success. The vision would be more complete if it included reference for future councils to provide contemporary, user focused digital systems, allowing 24/7 interaction for customers in a secure cyber environment.</p>	
<p>Is the vision achievable under the <b>Status Quo</b></p>	<p>Is the vision achievable under <b>Mixed regional/sub-regional entities</b></p>	<p>Is the vision achievable under a <b>'Sustainable' Councils model</b></p>
<p>No</p> <p>Generally, the issues and challenges detailed in the report are accurate and will</p>	<p>No</p> <p>Consolidation of back-office functions, whilst good in theory are rarely successful. Duplication invariably creeps into the serviced entities, to address the shortcomings due to support functions being located off-site, and along with the</p>	<p>Yes</p> <p>Councils of sufficient size can best deliver on the vision outlined. Being one entity ensures financial savings from economies of scale are directly reinvested into service improvements or rate reductions for</p>

<p>not improve under the status quo.</p>	<p>‘overhead’ required to manage such services, outweighs any efficiencies. The financial gains achieved through the critical mass of consolidation of technical and regulatory functions will not be available for reinvestment into the local community as suggested, but rather will be required to fund the justification and accountability processes that such a structure will require.</p>	<p>the communities in which they serve. This model would provide the maximum benefit for attracting and retaining staff, being the only model that can ensure mature and capable organisations of a scale, sufficient to address current workforce issues on a holistic basis, for all disciplines and functions across local government. Sustainable Councils would be of sufficient scale to deliver the digital, customer focused systems that are expected in today’s world in a secure and supported manner. A structure of larger sub-regional Councils shares or spreads the cross subsidy with the council area, ensuring each council is financially sustainable with an appropriate rate base, which has the capacity to equally support both the higher populated areas and the more remote communities.</p>
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<b>Review Theme 3 – Planning and other regulatory functions</b>		
<p>Does the future vision capture what success would look like?</p>	<p>Yes, the desired vision reflects functions that should be expected of future councils. Whilst it could be implied, the vision would be enhanced by noting that ‘strategic and sustainable land use planning’ includes statutory planning functions.</p>	
<p>Is the vision achievable under the <b>Status Quo</b></p>	<p>Is the vision achievable under <b>Mixed regional/sub-regional entities</b></p>	<p>Is the vision achievable under a <b>‘Sustainable’ Councils model</b></p>
<p>No The existing council structures are too small to attract and retain the necessary professional staff to deliver land use planning and other regulatory services such as environmental health, building and plumbing control.</p>	<p>No A key issue identified in phase 1 of the review (particularly highlighted in the City of Launceston submission) is the current poor strategic land use decision making as a result of a broader catchment or settlement encompassing several council boundaries.</p>	<p>Yes Councils covering larger geographical areas ensure a single body has jurisdiction to make strategic planning decisions which cover a complete settlement area whilst maintaining sufficient local connection and avoiding the tension and associated</p>

	<p>This will always be limited by inter-municipal competition should the function remain the responsibility of smaller councils as proposed under this model. However, whilst this may favour all planning functions being performed by a regional or state-wide entity, removing this responsibly from councils is at odds with the generally agreed principle that sound strategic land use plans are dependent on local knowledge and therefore best developed at a relative local level.</p>	<p>inefficiency that occurs with a split model. Similarly, larger entities have the capacity to support the necessary professional staff in regulatory functions. The land use planning framework in Tasmania has been in a form of evolution for over a decade. Generally, the model is effective and would work with fewer, larger councils maintaining the current escalation points involving appeals, scheme amendments and major project referral processes.</p>
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<b>Review Theme 4 – Economic development and local promotion</b>		
Does the future vision capture what success would look like?	Partly. Whilst the vision outlines things reasonably expected from a Council, it over highlights the regulatory functions, taking a more reactive approach, without reference to the important fundamental elements of economic development, being proactive strategic planning and if necessary, financial investment to underpin and achieve meaningful economic growth.	
Is the vision achievable under the <b>Status Quo</b>	Is the vision achievable under <b>Mixed regional/sub-regional entities</b>	Is the vision achievable under a <b>'Sustainable' Councils model</b>
No Existing council structures are too small to allow sufficient organisational capacity for economic development across all 29 councils.	<p>No Of any council function, none are more problematic than considering economic development priorities at a regional level. The Cradle Coast Authority have done an exceptional job in developing and implementing a regional economic development framework, however as well as that has occurred, it is not without tension between council areas and inevitably becomes flavoured with political realities.</p> <p>As with strategic land use planning and highlighted under review theme 3, economic development will always be negatively impacted with inter-municipal competition under a mixed model.</p>	Yes As with strategic land use planning, larger councils with autonomy over a greater geographical area, with capacity and scale to attract capable staff, will always deliver better economic development outcomes. As with planning, State government policies can guide and influence decision making at a state and regional level, whilst leaving local decision making and the work of the economic development practitioner to occur in a manner which aligns with community expectation. This provides far greater local ownership than that which could be achieved by a separate regional or state body.

<b>Review Theme 5 – Environment</b>		
Does the future vision capture what success would look like?	Partly. The intent of the vision is sound, however it fails to recognise the need for in-house environmental staff capacity. Environmental objectives should be intertwined into all parts of Councils operations. This cannot occur without appropriately qualified staff within the organisation. If waste management services are included under this theme, reference to the importance of efficiency, effectiveness, sustainability and access of such services is of high importance and should be noted.	
Is the vision achievable under the <b>Status Quo</b>	Is the vision achievable under <b>Mixed regional/sub-regional entities</b>	Is the vision achievable under a <b>'Sustainable' Councils model</b>
No Existing council structures are too small to allow sufficient organisational capacity for environmental obligations across all 29 councils.	Potentially Provided the sub-regional entities were of sufficient scale to employ environmental officers and that the waste management services, climate change advice, NRM and general environmental oversight was delivered by a regional body, then this model could potentially achieve the desired vision. The shortcoming would be the extent of inefficiency that would be required to manage and oversee such a structure and the ability to attract capable and suitably qualified staff to the sub regional entities.	Yes This model would be best positioned to deliver the desired vision, eliminating the inefficiencies and staffing challenges which may occur under the mixed model. Greater environmental capacity within the council will become more important in the future to ensure all operations and functions of a council are viewed through an environmental lens. A model of larger 'sustainable' councils could still benefit from some shared service structure at a regional or state level, for functions such as landfill provision or recycling processing. Whilst the interim report notes the success of existing regional waste authorities, the most successful part of the shared arrangement in the northwest is the Dulverton Regional Waste Management Authority a sub-regional entity, (rather than regional) owned and predominantly designed to service 4 of the 9 northwest councils. Under a sustainable council model these 4 councils would merge into 1 council.

**Review Theme 6 – Governance, accountability and representation**

<p>Does the future vision capture what success would look like?</p>	<p>Yes, the vision statement captures everything the council should aspire to achieve in relation to governance, accountability and representation.</p>	
<p>Is the vision achievable under the <b>Status Quo</b></p>	<p>Is the vision achievable under <b>Mixed regional/sub-regional entities</b></p>	<p>Is the vision achievable under a <b>'Sustainable' Councils model</b></p>
<p>No            Certainly not through lack of willingness or desire but rather the existing council structures are simply too small to have the capability to undertake the level of community engagement and performance reporting that the community is beginning to expect. The small pool of electors in some council areas is insufficient from which to draw adequate elected representatives with the skills, knowledge, and capabilities required to execute the sound governance necessary within a trusted democratic system.</p>	<p>No            Removing services which can be delivered regionally, will significantly diminish the scale, influence and general importance of local government. This will have a highly detrimental impact on the ability to attract both elected members and executive staff, with the necessary skills and capability required to ensure the ever-increasing expectations of governance, accountability and representation are achieved. The current governance challenges outlined in the Interim Report will be exacerbated rather than improved under this model.</p>	<p>Yes            Clearly, larger councils as proposed under the sustainable model would be best positioned to achieve the desired vision in relation to governance, accountability and representation. Sustainable councils would have the capacity to be adequately resourced to implement effective contemporary community engagement processes, providing greater community voice. Meaningful performance reporting has been lacking in Tasmania and councils of sufficient scale are necessary if this is to be undertaken successfully. This model achieves the balance between elector bases of sufficient scale to ensure elected representatives with the necessary capacity, yet small enough to still have community connection. In some more remote areas, requirements such as Wards, Town Advisory Boards and mandated community plans could be used to further enhance representation and community voice.</p>

<b>Review Theme 7 – Community wellbeing</b>		
Does the future vision capture what success would look like?	Yes, the vision statement captures what a council should aspire to achieve in relation to community wellbeing. It could be further enhanced by referencing the need for councils to be of sufficient size and scale to deliver or facilitate actions that have meaningful impact.	
Is the vision achievable under the <b>Status Quo</b>	Is the vision achievable under <b>Mixed regional/sub-regional entities</b>	Is the vision achievable under a <b>'Sustainable' Councils model</b>
No Existing council structures are too small to allow sufficient organisational capacity to deliver meaningful community wellbeing initiatives.	No A regional entity is not practical to achieve the vision and the remaining sub-regional entities under this model would be of insufficient scale to having a meaningful impact on community wellbeing.	Yes Under the sustainable model councils would be of sufficient scale to engage and fully understand community needs and then have the capacity and resources to deliver or facilitate actions which have a positive impact on community wellbeing.

## **Section 5. Priority Reform Areas**

### Priority Reform Area 1 – defining Councils role in the 21<sup>st</sup> century

DCC maintain that the role, function and services delivered by local government cannot be considered in isolation to the structure and scale of local government.

History demonstrates that the role of local government is an evolving process which will continue to change in response to community demand and need. Rather than attempt to define the likely future roles and functions, DCC considers it more important to ensure regions are served by appropriately sized councils, with sufficient financial and skills capacity to deliver meaningful value, yet small and nimble enough to listen, care and understand evolving community expectations.

DCC believes that councils should maintain the autonomy to determine future functions based on community expectations, as they are best positioned to understand and address place-based need and leverage natural local advantages. DCC submits that the LG Act can be amended to include a sustainability framework which councils would be required to use when determining whether to take on new responsibilities. Similarly, this framework could be used by councils when deciding when to modify, reduce, or cease existing services.

### Priority Reform Area 2 – local representation and good governance

The interim report identifies significant room for improvement in community engagement, skills and professionalism of elected members and accountability for, and in, Council performance. All of these aspects would improve with fewer, larger councils. This provides the capacity and resourcing necessary for performance accountability through transparent reporting processes.

Councils of sufficient scale and capacity would have the ability to deliver contemporary community engagement processes, such as those currently delivered by some professional consultancies. DCC

are currently insufficiently resourced to have a team focused on this activity, however consider this as one of its next 'nice to have' functions should its rate base increase to a level where it could sustain a small team in this role.

Selection of elected members from a larger pool, for fewer better remunerated positions with more professional expectations in relation to training, development and corporate governance, would improve the standard of council governance.

Although not necessary in all situations, councils covering larger geographical areas could benefit from a ward structure to ensure fair representation. Where desired by the community, this structure could be further enhanced with a formal 'town advisory committee' potentially under the chairmanship of the relevant elected ward member. Alternately, legislation could require a locally based 'Place Manager' be appointed, with a small staff team and would operate as the council contact point for smaller communities. Whether an elected or appointed system (or a mixture) was used, a key function of the committee or team would be to engage, develop and oversee community plans for their specific townships.

#### Priority Reform Area 3 – strategic and regional capability

Councils, regardless of size, will always (and rightly so) pursue their own municipalities interest first - it is at the heart of what councils are charged to do. Elevating responsibility for any strategic considerations (i.e. settlement planning, infrastructure and land use, economic development, tourism, etc.) to a regional or state level would lose the benefits of critical local input and ownership, both of which are essential elements for any such decisions.

Improving strategic planning and decision making can best be achieved as a council responsibility - enlarging boundaries to capture more complete settlement areas, which are currently compromised by a municipal boundary structure that has become outdated.

#### Priority Reform Area 4 – efficient and effective infrastructure and service delivery

The desire to establish more efficient and effective service delivery models is sound and necessary with economies of scale able to deliver both financial benefit and improved quality and consistency in services. However, this is best achieved through larger council organisations as opposed to new inter-council structures, if any efficiency dividend is going to have a tangible community benefit and not simply be absorbed in additional overhead and unnecessary oversight/accountability structures.

A larger public owned regional entity providing services to sub-regional entities (i.e. councils) must have an accountability structure. If government owned, this would ultimately be as an agency or GBE with ultimate responsibility cascading up to a Minister of the Crown. This adds unnecessary bureaucracy and inefficiency likely to exceed the gains that any service consolidation could deliver.

Similarly local government ownership would lead to an owner representative structure, adding a further layer of accountability, reporting and unnecessary overhead. In addition, such service consolidation diminishes the scale, capacity and influence of local government, exasperating rather than assisting existing sustainability and governance shortcomings.

#### Priority Reform Area 5- sound and consistent planning and regulatory services

Land use planning has been under reform in Tasmania for over a decade with good progress made in recent years. DCC consider the current framework is reasonable and does not require wholesale change. Major project legislation exists yet appears underutilised, yet should provide the mechanism to assess large scale projects beyond the reasonable capacity of a medium to large council (i.e. wind farms, pulp mill, etc). Similarly, development assessment of Council's own projects requires a mechanism for external assessment. However, major projects and council projects constitute only a very small percentage of total applications, and with amendments to major projects legislation, could easily be managed, ensuring 'the baby does not go out with bathwater' and that the vast majority of statutory planning assessments remain with councils.

Whilst the inevitable tension between developers and regulatory bodies will always occur, adequately resourced councils remain the most effective body with the necessary local knowledge to consider most development applications. Elected members with appropriate training and adequate support add an important perspective to the process and generally add value. The often highlighted cases where sound planning advice is blatantly ignored or conflicts occur are isolated events and distract from the many cases where elected member input has ensured the best outcomes, particularly in borderline discretionary decisions.

Similar to PRA 4, DCC considers the consolidation of councils rather than services the most suitable structure to deliver sound planning and regulatory services. Given the close relationship between planning, other regulatory functions and council infrastructure, a more efficient customer experience can be provided if these services remain part of one organisation. External referrals already are one of the main reasons which delay assessments, and further external service consolidation will invariably add further delays.

#### Priority Reform Area 6 – operational sustainability

The sustainability of councils must be at the centre of any review into the future of local government. DCC consider that it is imperative that new boundaries are established to ensure rate bases with sufficient size to support the necessary functions and services required over the long term. Equally, although perhaps somewhat less obvious, DCC considers that if councils are to remain sustainable, they must retain sufficient responsibility and scope to be relevant, influential and able to exist as a respected and necessary tier of government. Reducing the functions of councils to only those services classified as being best delivered 'local' would significantly impact the value of councils over the longer term.

## Appendix 1

### Case Study

#### **Devonport City Council's LIVING CITY – an example of whole of Council, driving transformational change**

Devonport is a city that has been on a transformational journey, thanks to the strategic direction of Devonport City Council's [LIVING CITY](#) initiative, regarded as one of the largest urban redevelopment plans ever undertaken in regional Tasmania.

Long-term Councillor and current Mayor Annette Rockliff has been involved in the Council led initiative since its beginning back in 2009.

"The LIVING CITY masterplan was officially adopted in 2014, after five years of extensive research and community engagement. It was a 10-year plus vision to create a new Devonport – a bold new future, valuing all that was good about the City, yet recognising that there was potential for the City to aim higher" Cr Rockliff said.

"The benefits from Council's bold investment in LIVING CITY have never been more evident, and it is encouraging to see the plan now coming to fruition with extensive new development, new jobs and strong, growing private investment. We have certainly seen our City revitalised since Council adopted the LIVING CITY masterplan."

According to Devonport City Council General Manager, Matthew Atkins, LIVING CITY would simply not have been possible without a whole of Council approach.

"Having been involved in LIVING CITY since it was birthed from a community engagement process for Council's 2009-2030 Strategic Plan, I can honestly say it has impacted and influenced every aspect of the organisation and without this focus and commitment, along with the united drive and support at an elected level, LIVING CITY would not have occurred," Mr Atkins said.

"LIVING CITY required genuine support and buy-in from all the functions and disciplines of Council. The initial planning involved a cross functional team, led by economic development staff, but involved engineers, planners, accountants and community services staff, all committed to achieving the transformational change the community had long desired. Decisions were made for the overall benefit of the City, rather than purely for the perspective of a specific function or area. Whilst theoretically possible, this level of buy-in cannot realistically be achieved with 3<sup>rd</sup> party referrals or other stakeholders, given their competing priorities. A high-profile example being the decade long tension involving the wastewater plant relocation at the Macquarie Point urban development site in Hobart, a project which incidentally started around the same time as LIVING CITY"

"LIVING CITY required asset and engineering staff to reconsider priorities in Council's 5-year capital program, it required community services staff to focus on community engagement activities at a scale never before undertaken by Council, diverting resources from other community priorities for several years. Government funding requests from Council were solely focused on LIVING CITY priorities. Theatre and function staff were heavily engaged in the design process ensuring the new convention centre could operate in conjunction with existing facilities. Stage 1 of LIVING CITY required Council to commit to significant debt, this needed extensive long-term financial modelling and careful consideration by finance staff to ensure a sustainable outcome. It required some budgets and resources to be reduced or reprioritised to make the masterplan affordable. All of these actions could have only occurred successfully with a whole of council approach, involving staff, genuinely committed to the one objective," said Mr Atkins.

“Upon reflection, some of the most difficult parts of LIVING CITY have been areas outside of Council’s control, such as third party utility providers, Government approvals, regional support, etc. It is these aspects that have been the hardest to overcome, highlighting the less autonomy and responsibly a council has for its patch, the harder it becomes to achieve meaningful outcomes for its community.”

“LIVING CITY is an example of a council listening to what its community wanted and then putting everything into making that vision a reality. It has involved a council using its autonomy to align all parts of the vision across its full area of responsibility. It has also required a level of organisation scale and size with the resources and influence to deliver something that is now bringing generational transformation to a region.” Mr Atkins said.