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Tasmania's Recovery A plan to recover, build resilience and reinvent.

23 July 2020 Contact: Katrena Stephenson Email: Katrena.stephenson@lgat.tas.gov.au Phone: 03 6146 3740

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Thank you for the opportunity to provide a submission to the Premier's Economic and Social Recovery Advisory Council (PESRAC).

The Local Government Association of Tasmania (LGAT) is the peak body for Local Government in Tasmania, representing all 29 of our councils. LGAT is incorporated under the *Local Government Act 1993*, our functions being:

- (a) To protect and represent the interests and rights of councils in Tasmania;
- (b) To promote an efficient and effective system of Local Government in Tasmania; and
- (c) To provide services to member councils, councillors and employees of councils.

COVID-19 will continue to influence how we operate for a long period after people resume social contact and work. The COVID-19 pandemic has impacted every Australian home, business and community. Even for those who remained in work, the associated uncertainty and changes to our way of life have had an impact. With COVID–19, the resilience of different cohorts in our society has been laid bare.

To date all levels of government have invested to ensure that Australia's community capacity remains in place to support the operation and recovery of our society, economy and livelihoods post the shut-down. The investment from Federal and State Governments has been significant, but Local Government's contribution cannot be underestimated. For example, Tasmanian councils have already committed to nearly \$40 million in relief measures¹ to support their communities through the crisis and into recovery through a variety of means. These include:

- A 0% rates increase for the 2020/21 financial year;
- Direct business and community support grant programs;
- Hardship assistance policies;
- Rates remissions for certain businesses;
- Relaxing or waiving of certain penalties, fees and charges;
- Suspended debt collection;
- Waiving of rent on council properties; and
- A variety of local and regional programs to support business and communities.

For more detail see the relief measures link on LGAT's COVID-19 Resources Page: <u>https://www.lgat.tas.gov.au/media-and-publications/covid-19</u>

¹ To be applied through the period March 2020 through to 30 June 2021, current as of 1 July 2020. However, councils are continuing to invest in this space.

These immediate investments have been aimed at assisting businesses and community to either sustain their activities through the pandemic or help them hibernate to stop the spread of the virus and be able to restart post the restrictions. While these measures have been necessary and of benefit to many, they have a short-term focus. We are now at a point to start planning for Tasmania's long-term recovery.

Tasmania has well established recovery arrangements through *the Emergency Management Act 2006*, the Tasmanian Emergency Management Arrangements (2019) and through the State Special Plan for Recovery. Within Tasmania's recovery arrangements, regional/affected area committees play a key role in informing government on how the disaster has affected communities and providing information on local needs for support. A significant amount of recovery planning also occurs at the local level, through municipal recovery coordinators and committees, particularly in relation to social recovery.

These key partners are best placed to inform initial recovery efforts with local knowledge and networks, as the fundamental principle of recovery is that it should be local community led. As we move forward into longer term recovery planning, developing mechanisms for these key partners to inform and guide efforts needs to be a primary focus.

In addition to these existing recovery arrangements we note that PESRAC has been formed to provide advice and recommendations on how to best mitigate the economic and social impacts of COVID-19 and to develop the roadmap to rebuild a stronger Tasmania. LGAT also notes that the Tasmanian Government has committed to "build(ing) its way out from Coronavirus", the strategy being to initiate an aggressive construction program to "provide an immediate injection into the economy and to create jobs". This combined with backing business to invest, innovate, and employ Tasmanians, alongside ongoing support for community organisations, represents the start of our State's recovery roadmap.

While the work of PESRAC is important, it must integrate with our existing local and regional networks effectively and that is why we welcome Recommendation 63 from PESRAC's Interim Report, July 2020, which states: "The State Government should implement a regionally-based model for coordinating the recovery journey."

As people, businesses and communities commence adapting to this new reality, we will require a structured, systemic approach. However, recovery will not mean a return to pre COVID-19 normal, it will be a journey from this place to a new one which will be defined by a combination of how society adapts and what choices we make in the transition.

Councils' ability to support economic development at the local level is essential to revitalising local economies and building more resilient and economically diverse regions.

Recovery Must Start in Place

Traditionally, disaster recovery transitions from restoration through to reconstruction, in both built and human assets. However, this shock is different to our experience in dealing with 'point shocks', which might affect a particular place, such as with natural disasters like bushfires and floods, or a specific market collapse. This shock is systemic, it is pervasive and overlays our whole societal system. At the same time, it has affected our traditional trading partners, policy thinking and approaches; potentially impacting our interrelationship with them.

A shock of this nature and duration brings significant challenges, but it also provides an opportunity for Tasmanians to take advantage of a different way of life, work and business and to reinvent our State in new and emerging industries.

To capture the opportunities our recovery planning needs to encompass restoration, reconstruction and reinvention.

To achieve this the Tasmanian community and its associated economy must, more than ever, be thought of as resulting from the combination of connected and interdependent smaller local areas. We must focus locally to effect positive social and economic change at the regional and state level. Our State's future success relies on ensuring that there are opportunities for all, and that no community is left behind.

To realise the opportunities that exist at a local level, flexible service delivery and funding models are often required for effective results. State Government services directed at addressing local demand are more likely to be successful if they work closely with Local Government in partnership, with a long-term focus and where responses are grounded in the specific local requirements.

Recovery from the COVID-19 disaster, will require all levels of government, stakeholders and community members to work together to leverage everyone's contribution.

Analysing what can be initiated within different communities will be critical to ensure that different places specific strengths are utilised in this process, and that the responses are durable. This does not mean that each place responds in an entirely independent manner, but that the national and state policy is applied with recognition of the characteristics and condition of different local areas.

Local Government's historical role in recovery, combined with its networks and local area knowledge, make it a crucial partner in any attempts to achieve this economic and social recovery. It is not a secondary stakeholder. No other level of government can provide the combined understanding of the real community impact of COVID–19 and appreciation of

local socio-economic conditions to effectively determine what needs to be done at the local level.

The recovery effort will, of course, require a variety of strategies. That is why Local

Councils are place shapers who drive most people's attachment to, and satisfaction with, the area in which they live.

Government, through LGAT, provide the following suite of initiatives for consideration in contributing to our recovery efforts. These strategies include a transformative circular economy led recovery for Tasmania and a number of existing initiatives that can be leveraged to support recovery and building community resilience.

Recovery should be community led. Each community has its own issues and strengths which will determine how best to meet those needs. Strong links between the community members and those seeking to support the recovery is essential.

Circular Economy Plan for Tasmania

COVID–19 has had disastrous human and economic consequences, revealing our system's exposure to a variety of risks. As the pandemic forces us to adapt our daily lives in ways we would not have imagined, it is also challenging us to rethink the systems that underpin the economy. The fragility of our supply chains was revealed throughout the early stages of the pandemic, best illustrated by the struggle with the availability of medical equipment, but of course at the local level there were numerous other examples of supply chain disruption.

The economy after COVID-19 will not have the same shape as it did before the pandemic. We have a duty to not only respond to this fragility but also capture the opportunities to adapt, transform and expand so that our economy is well positioned over the years to come. The Local Government sector believes the development of a pathway to a circular economy in Tasmania offers this opportunity.

A circular economy is an economic system that aims to keep products, equipment and infrastructure in use for longer, thus improving the productivity of these resources. It also has a broader application around re-purposing networks, enterprises and people's knowledge and skills. The economic benefits of a circular economy are significant – building local demand by creating new products and industries, extending existing value chains, and leading to new revenue streams and the creation of jobs.

Creating a circular economy is a complex journey involving many organisations, companies, technologies and resources. There is much already happening in Tasmania around the circular economy, but because there is no central or coordinated action, much of the work is happening in isolation.

The critical questions for Tasmania are:

- 1. Which sectors and value chains within local areas are ripe and relevant to strengthen our transition towards a circular economy; and
- 2. How do we connect our existing activities?

The proposed project outlined in this document, a *Circular Economy Plan for Tasmania*, is designed to identify new economic and social opportunities for local and regional communities, ultimately increasing their productivity and resilience arising from the COVID-19 shock. It is based on a map of local economic and social structures and understanding material flows and skills capacity, to determine where the opportunities exist and then supporting their development.

The consultation and co-design process which underpin this project will identify the right industry partners and approaches to addressing any barriers to the realisation of

opportunities. In addition, the project creates a process and structure that will attract and connect existing circular economy activity in Tasmania, providing the critical building blocks for a community of practice.

LGAT's *Circular Economy Plan for Tasmania* has four stages, which are outlined below in more detail.

Stage 1 - Mapping the Local Economy and Social System

Process

The project will commence with analysis of the main material flows, employment levels and utilisation of knowledge and skills in the economic and social sectors in each local area. During this stage the project will:

- Map qualitative and quantitative data to develop understanding of the key connections, interdependencies and relationships across business, social enterprise and the non-profit community sector and their interdependencies;
- Create a "place-based map" of how the key processes and activities within an area fit together to make the place work; and
- Engage with key local stakeholders to ensure the desktop analysis outlining the characteristics of the place across key economic and social perspectives is accurate.

It is at this early stage that individual councils' networks and local knowledge will first be applied, with councils leading the engagement and helping LGAT to capture existing plans, policies and activities already underway to ensure this project integrates, leverages and supports these activities where appropriate. Existing examples include the leading work of the Cradle Coast Authority and their Regional Futures Plan and the emerging circular economy project of the northern region.

In this stage LGAT will map, support and leverage existing activities occurring in place.

Outputs

The main output from this stage will be a comprehensive map of the local areas' economic and social structures, activities and opportunities, informed by authoritative quantitative data sources and primary research from the stakeholder engagement.

The local focus of this data can be aggregated into regional and sectoral perspectives. Its deep and rich nature will enable stakeholders to identify and understand the dynamics of their local areas.

Partners

The key partners for this stage will be the regional authorities, local chambers of commerce, community groups, prominent local businesses and social enterprises.

Stage 2 – Intervention Design

Process

This stage will involve a collective effort across councils, industry and community stakeholders in each local area. This stage will involve:

- The analysis of the results from Stage 1 by local stakeholders, with support from council staff, to determine 2-3 focus areas on which to perform a detailed analysis in each local area.
- Focus areas will be based on the local economic and social mapping produced in Stage 1 alongside the local agenda.
- Any existing circular economy projects underway or being planned will be integrated.
- Once priorities are determined then a comprehensive analysis of the relevant supply, skills and value chains and production functions across the focus areas will occur to determine which chains can achieve the greatest impact from a circular perspective.
- Action plans for each priority area will be developed.

The analysis results will again be "road tested" with the relevant local stakeholders to create alignment on common directions and importantly, to further demonstrate circular economy benefits to businesses, building capabilities for implementation.

Outputs

This important step will identify the most relevant circular economy opportunities and barriers, develop action plans outlining the implementation activities required and ensuring the circular pilot projects selected can contribute to recovery. The local focus of this work will maximise the opportunity for capturing and progressing a range of smaller scale regionally diverse projects, offering the best prospect of high social outcomes.

Partners

The key partners will include the stakeholders from Stage 1 and more detailed engagement with those enterprises where priority circular opportunities exist.

Stage 3 – Implementation

Process

In Stage 3 the project would initiate the action plans to kick-start the relevant circular projects. The action plans will provide clear direction on how to implement circular business models and importantly, how other businesses can embrace similar projects to bring lower resource costs to existing and new market opportunities. Combining these new production models, with the associated environmental, economic and social outcomes sought will inform the design of a data capture system that supports monitoring, evaluation and adaptive management.

The methodology of analysing local economies to look for individual and shared potential will help create greater faith in 'bottom up' economic development (or growth from within), alongside our export focus.

Outputs

Implementation of the action plans for circular projects.

Partners

The key partners will include those enterprises where priority circular opportunities exist, and other businesses interested in the process undertaken to date.

Stage 4 - Monitoring and Adaptation

This stage focuses on ongoing adaptive decision making and evaluation, providing assessment of the results and the ability to tweak interventions if necessary.

Creating the future - The Next Steps

The proposed *Circular Economy Plan for Tasmania* will establish a critical mechanism to motivate and inspire businesses in our State with the possibilities of implementing the circular economy. The support in implementing the Plan will show our State's eagerness to be among the most innovative and progressive places in the world and importantly, begin to position us not only at the forefront of a new kind of sustainable economy, but also a more resilient economy.

In Tasmania many of the local and regional economies are already linked through the transfer of materials, skills and trade. This proposal recognises this activity and aims to enhance the cross sectoral cooperation and collaboration.

If supported, the *Circle Economy Plan for Tasmania* will provide a critical stimulus for brokering and coordinating partnerships between sectors at local, regional and state scales. Ultimately driving more resource efficient practices in line with circular economy principles and Tasmania's broader brand.

Request from the State Government

LGAT proposes to manage Stages 1 and 2, which will occur over the next 18 months, and is seeking support of \$700,000 to cover project management and specialist consultancy fees. Local Government will contribute substantial resources in undertaking the local stakeholder engagement throughout each stage.

At this point, no funding is sought for Stages 3 and 4, as these could be resourced by the proposed statewide waste levy, which will be introduced by 2021. The management and delivery of Stages 3 and 4 can also be transitioned to the proposed administrative structure (a statewide waste entity) for the waste levy.

Tasmanian Councils have indicated to the State Government they believe there is significant merit in our sector and the State Government collaborating via a formal partnership to form this statewide waste entity. The waste and resource recovery industry have a myriad of touchpoints with different agencies and levels of government, however Tasmania does not currently have a single dedicated body with capacity to provide advice on the circular economy or statewide waste issues to the Tasmanian Government and which has the resources to deliver statewide programs.

The opportunities to unlock the value of waste at an industry level are immense but require significant coordination and collaboration at a state-wide level - combined with real on-ground action.

Building Community Resilience

The COVID-19 pandemic has highlighted and heightened the relative disadvantage that already existed in our community. Job insecurity, digital access issues, homelessness, poor health, domestic violence and mental health issues continue and, in many cases, have been exacerbated with COVID-19. Not surprisingly, the ability for different communities and individuals to respond, adapt and recover has not been consistent. That is why building community resilience is foundational to successful recovery and maintaining strong communities and economies.

Resilience can best be described as the ability of a community to absorb disturbance and recover. Resilience is a suite of skills, attitudes and behaviours that are learned and then applied.

'Building' resilience requires the same deliberate attention as building infrastructure.

While there are many frameworks and tools for building community resilience, like most interventions, no single approach will likely work for all communities and their varied social and economic contexts. However, it is well established that the values of the local people and their connection to their local place are central to building the community resilience. More so than any other stakeholder, councils deliver the services and infrastructure that support local areas, making them an essential partner in working to create resilient places.

Local Government is community-based; it is community oriented and community-driven.

However, for the Local Government sector, the worsening economic outlook will impact on the sector's revenue sources. Rates revenue will be negatively affected in 2020-21 due to most councils not applying an indexation to general rates. Combined with an increase in bad debts, negative impacts on fees and charges revenue due to lower levels of economic activity and service use; we anticipate many councils will run deficit budgets for at least the next few years. The impact of this tightening fiscal position of councils will be a necessary focus on statutory services, potentially resulting in a reduction in their strategic capacity and ability to respond to a second wave of the pandemic, another emergency event (fire, flood etc.) or other unexpected change.

To achieve resilient local communities, we need resilient local councils.

The impact of COVID-19 will constrain some councils' ability to support their local communities in recovering and building their resilience, if they are not supported.

LGAT has three existing projects already underway that can be leveraged to bolster support for councils in light of the unique challenges and opportunities posed by recovery from COVID-19. At their core, they are each about building councils' capacity to better support their diverse communities. The three projects are 21st Century Councils, Digitally Ready Councils and the LGAT Community Health and Wellbeing Project.

21st Century Councils

Even prior to COVID 19 Local Government in Tasmania was under pressure to undergo structural reform to address existing and upcoming challenges. Over time councils have transitioned from a minimalist 'services to property' model to one of providing a broader range of 'services to people'. The complexity of Local Government has increased, but in the absence of structural or resourcing change. Alongside this, there was a recognition from the sector that there were opportunities to deliver differently and assess what improvements were possible. In response, LGAT initiated the 21st Century Council Project in early 2019, with the principle aim of answering the following question:

Are Tasmanian councils best orientated to service the needs of modern Tasmanian Communities?

In order to begin to address this question, LGAT produced a background paper on structural reform, available on our <u>website here</u>, undertook extensive engagement with our membership and we are currently finalising key external stakeholder engagement.

What our research has indicated is that there is a long history of structural reform, feasibility studies and post reform analysis in Australia. The significant body of work undertaken in this field concluding that municipal structural reform programs traditionally focused on amalgamation as the main instrument of reform, and that:

- Cost savings are unlikely to materialise and should not be the primary goal of reform. The goal should be to create a more robust and capable system of Local Government.
- 2. Problems caused by a lack of sufficient funding and/or defects in the funding process are unlikely to be solved as a result of structural reform.

These problems raise questions about the equitability of Local Government funding, not structure.

3. The challenges Local Governments face are many and varied, as are their individual circumstances.

This militates against 'one size fits all' approaches to structural reform.

Our engagement with the sector for this project has stretched over 18 months, via multiple forums. The feedback process has yielded the following key themes:

- Localised Democracy Community proximity to elected members and decision making is a core strength of Local Government, with its roles in emergency management, local employment and local knowledge in particular serving communities well.
- Inter-Council Collaboration There is a strong desire to focus on effective collaboration and consistency of service levels and operating platforms/processes regionally, through seeking efficiencies of scope rather than scale.

- *Rebalancing Obligations* A renewed relationship with the State Government is sought, focused on strategic outcomes via partnership and sharing of responsibility.
- *Climate Change* Responding to and mitigating the impact of climate change dominated local issues of concern across councils.

LGAT is currently in the process of interviewing key peak bodies and other stakeholders who have an interest in Local Government to determine what outcomes they seek from the Local Government sector and what reforms could be progressed to achieve those outcomes.

The extremely rich data we have compiled from our sector and external stakeholders on the future opportunities for Local Government reform in Tasmania will inform the development of a series of projects throughout late 2020 and beyond. With targeted State Government investment, the benefits realised for the Local Government sector and Tasmanian community could be accelerated and amplified.

Request from the State Government

Two priorities have emerged out of our work on the 21^{st} Century Councils Project that align with recommendations within the PESRAC Interim Report, July 2020. These are enhancing councils' local procurement practices to underpin their local economies (PESRAC Recommendations 18 - 20) and the development of a strategic shared services model to improve efficiency and delivery of services (PESRAC Recommendations 25).

Specialist Procurement Program

The benefits to the Tasmanian community from council expenditure is significant. For example, in the 2017/2018 year council expenditure across the State was over \$650 million². LGAT already has a well-established procurement support function to help councils undertake best practice procurement and deliver value for money for their communities. Currently, LGAT Procurement offers 27 panel arrangements covering a broad range of goods and service areas, many with local suppliers represented. These arrangements are developed, established, and managed by Local Government procurement experts in other state Local Government associations, who we partner with. Further details are available on the LGAT website here. It should be noted that in other jurisdictions the State Government is utilising the equivalent suppliers' panels and as such this offers an opportunity for the Tasmanian Government, particularly with an enhanced focus on local suppliers.

Purchasing through these arrangements saves councils significant time and money, both on the cost of goods and services and also via reducing administrative burden around the purchasing process. For example, during the past 12 months the Tasmanian Local

² <u>https://www.treasury.tas.gov.au/Documents/State%20Grants%20Commission%202019-</u>20%20Financial%20Assistance%20Grant%20DATA%20TABLES.pdf

Government spend under the contracts exceeded \$13.8 million (a 139% increase on the previous year), with the total estimated savings for councils over the 12 months in excess of \$2.5 million.

LGAT is seeking to introduce a specialist procurement program to undertake procurement spend analysis and to develop and implement tailored procurement plans for individual councils, with a focus on expanding <u>local supplier</u> panels to support Tasmanian businesses. The intent is that a Local Government procurement specialist works closely with participating councils over the next two years.

Request from the State Government

LGAT is seeking \$500,000 for this project, split over two years, with both in-kind and cash co-contributions from LGAT and the sector. We anticipate that the program will be self-funding after that time.

Strategic Shared Service Model

There are already a number of areas where Tasmanian councils share services, ranging from neighbouring councils sharing professional staff through to the full integration of back end functions and workforce, currently being implemented by Latrobe and Kentish councils. However, historically shared services put in place by Tasmanian councils have not occurred on a whole of sector basis.

We know through detailed workforce assessment work undertaken by the Local Government Workforce Development Group, which comprises representatives from each state and territory Local Government Association, that in Tasmania that:

- 69% of councils were experiencing a skill shortage and 50% were experiencing skills gaps;
- Engineers, Town Planners, Environmental Health Officers and Building Surveyors were the top five areas of skills shortage; and
- The key reasons for skills shortages are location of the council; inability to compete with private sector on remuneration; lack of suitably qualified/experienced candidates; reputation and public image of councils; and lack of vocational education and training providers in Tasmania.

These top areas of skills shortage for Local Government in Tasmania is also what is seen at a National level.

Off the back of this workforce assessment, LGAT initiated a project with the Environment Protection Authority, Department of Health, Environment Health Association of Australia (Tasmanian Division) and University of Tasmania to profile the Environmental Health Officer (EHO) workforce in Tasmania in detail, analyse current barriers and enablers of EHO workforce capacity and develop an evidence-base to inform a strategic and targeted response to this workforce development in Tasmania.

While the final report is expected later this month, we can report that the EHO workforce is 50.7 FTE, made up of 75 individuals and that one in every three councils (or 10/29 councils) had an EHO FTE of less than 1.0. Perhaps most concerning is that the analysis has indicated that the current workforce is under-sized by at least 25 FTE (or 50%) and that:

- The current EHO workforce in Tasmania is not large enough, adequately or equitably distributed and coordinated to minimise public health risks associated with environmental hazards and provide an optimal health protection workforce.
- The current surge capacity (ability to adequately respond to a major environmental health incident quickly and in a sustained manner) of the EHO workforce in Tasmania is limited.
- There are significant gaps in health protection services (Public Health Act, Food Act etc.), coverage of environmental management requirements (under EMPCA), inequity in service coverage depending on location (particularly in rural communities) and a prioritisation of reactive service delivery based on notifications and complaints.
- Proactive preventative, health protection and risk identification/minimisation services based on monitoring, community education and systems, are currently under-serviced.
- The capacity of the current EHO workforce is significantly limited by underresourcing, meaning practices and services are limited to reactive services focused on compliance.

One of the key recommendations emerging from this work is that "shared-service and workforce co-ordination models be established to ensure equity in health protection service coverage, efficient utilisation of EHO workforce resources and to enhance workforce surge capacity."

While LGAT has not undertaken the detailed analysis outlined above for the planning profession, there is no doubt that many of the issues discovered for EHOs will be evident for planners. We also note that the PESRAC Interim Report states that "planning matters are given the tightest attention".

The resultant recommendation by PESRAC was that "Local government should prioritise the resourcing of development applications and planning approvals to ensure that legislative timeframes are met, if not bettered."

However, what has become clear throughout the investigations is that Tasmanian councils will always find it difficult to attract EHOs and planners and so typical workforce development options (training, support, professional development etc.) will have limited impact. What we need to do is re-imagine how we deliver the services to the community.

The Tasmanian community could realise significant and tangible benefits from a strategic approach to sharing services across the areas of planning and environment health.

Our proposal is to establish a single Local Government owned authority to deliver high order planning and EHO services to councils. The model would involve regional hubs to allow proximity to council premises and cost-effective site visits and community access to work alongside and build capacity of locally based council officers who are at an early professional or paraprofessional stage.

The benefits of a shared service and workforce co-ordination model for EHOs include technical support, career progression, specialization for practitioners and for councils they would utilise only those services they require, have access to a wider array of specialist skills when they need them.

Having a central repository of senior/specialist planners available for use by councils could enhance the capabilities of smaller councils through:

- Assistance with advice, discussions and assessments regarding controversial or significant development proposals and applications;
- Assistance with energy supply applications such as wind farms;
- Targeted advice and / or assistance with longer term land use issues and plans for the municipality, including consideration of Tasmanian Planning Policies;
- Help to process permit applications and planning scheme amendments in peak periods to enable councils to meet statutory timeframes or when council planning officers are not available; and
- Preparation of draft submissions/presentations to the TPC or RMPAT.

The introduction of the single statewide Tasmanian Planning Scheme will mean planners can easily move from one municipality to another.

While the ultimate model would include shared services for both planners and EHOs, it is considered that planners should be the initial focus, as construction and development has been highlighted as a key focus for Federal and State Governments in our economic recovery, with a number of facilitatory stimulus measures having been introduced. Approval timeframes and 'red tape' are often cited as barriers to projects commencing, and while this is not always the case, the number one impediment to Local Government approving development more rapidly currently is a shortage of planners. This shortage risks becoming a major factor in delaying the extensive construction plans of our State and Federal Governments.

Request from the State Government

In order to implement such a model, LGAT and councils are seeking State Government support for establishment of the shared service entity, with intent to build to a cost neutral model within 2 years. Required State Government investment would be \$1M over two years.

Once successfully self-sufficient for planners, then the model would be expanded to EHOs.

Digitally Ready Councils

The rapid advances in digital technologies over the last few decades mean there are significant opportunities for higher productivity and improvements in living standards. However, there are also risks of higher inequality through lack of digital inclusion, which we know follows some clear economic and social contours. Tasmanians with low levels of income, education, and employment are significantly less digitally included. Digital technologies will accelerate changes in our economy and consequently both the benefits and risks are elevated. There is no doubt that this has become particularly apparent during COVID-19, as was noted in the PESRAC Interim Report.

Recommendations 54 and 55 of the PESRAC Interim Report seeking to address digital inclusion, access and literacy by State and Federal Government initiatives are supported. However, we believe there is an opportunity to enhance their effectiveness with some targeted support for Local Government. While digital support and transformation are not traditional areas of responsibility for Local Government, the community's expectations are growing and changing. Local Government already delivers the services and infrastructure that shapes the daily experiences of every Tasmanian and, like access to transport, water or electricity, access to information and communication technologies is essential to living, working and participating in today's society. This poses three questions:

- 1. How should councils play a role in fostering and supporting local business and residents' active participation within the digital economy?
- 2. How can councils adapt their service delivery in the digital age?
- 3. What internal changes do councils need to enable these changes?

Over the last few years Tasmanian councils have begun to explore ways that technology can be deployed to service their communities in a smarter and more efficient manner. For example, work associated with the Launceston City Deal, the establishment of a Shared Services entity to deliver IT and business process services on behalf of three north west councils and Hobart's development of a Smart City Strategy. However, several barriers exist for Tasmanian councils, particularly in the rural and regional areas. Despite the constraints, prior to COVID-19, there was a recognition and willingness to find ways to capitalise on the benefits that come with digital technologies. Since COVID-19, many councils' desire to expand their business and service functions online has only grown. In early 2019 LGAT commenced working with a small group of expert council staff on ways we could support the sector in transitioning to a digital future. It was noted that while councils are exceptionally optimistic about transitioning towards an increasingly digital way of working, the availability of skills are a key barrier to success for the sector. LGAT believes that it makes more sense for these skills to be shared across all councils, rather than for each individual council to each invest.

Request from the State Government

LGAT has commenced the scoping of a digital transformation program to support the development of 'smart councils', which will in turn support the development of 'smart communities'. The intent of this program is to engage specialists that have significant experience and expertise in this field, to work alongside LGAT, in supporting the digital transformation of councils.

We will work to create councils that are:

- Easy to deal with;
- Informed by communities and their consumers;
- Fit for the digital age; and
- That can lead their communities in their digital transition.

Not all communities are the same and as a result the relative importance of initiatives will differ between them. If supported, our approach will consider the current conditions that exist within specific communities, their importance in that specific context, the preferred condition and then the supporting interventions necessary.

We know that with the right planning and investment in digital transformation, our councils can make their communities more productive, liveable and sustainable.

If this were to be implemented as a standalone project, LGAT is seeking \$500,000 over two years for this program to cover project management and specialist IT consultancies.

However, if there was also funding support for the *Circular Economy Plan for Tasmania* then both programs could be delivered by a joint project manager, resulting in a saving of approximately \$150,000 (over two years) across the two programs.

Community Health and Wellbeing

The involvement of councils in disaster and emergency recovery is already established. That rationale equally applies to COVID-19, but the nature of the involvement will be different. This recovery will require unprecedented whole of council responses to the physical and emotional health of people.

In 2017, LGAT commenced a three-year project to support councils' role in community health and wellbeing. The project was a partnership between LGAT and Public Health Services in the Department of Health (DOH). Both organisations recognised that Local Government plays a key role in providing for the health and wellbeing of local communities, but that Tasmanian councils have interpreted and carried out this role in diverse ways, reflecting factors such as financial resources, staffing, community expectations, historical legacies as well as geographical and demographic factors.

Through the project LGAT and DOH have supported councils in taking a more structured and strategic approach to understanding and addressing the social determinants of health in their communities. Importantly, the project has developed a strong network of council staff who now regularly support each other in their work. Due to the success of the initial period, DOH has recently extended their support for this project for another two years, with a significant focus now on council workforce development to support their role in health and wellbeing, alongside working with councils on increasing a health in all policies approach.

To address the new challenges from COVID-19, we believe the work already planned as part of this Project could be useful in supporting social recovery. We have an existing structure, network and resources to help councils target their responses to emerging needs.

Request from the State Government

No specific request, however, the LGAT Community Health and Wellbeing Project could offer a supporting structure for focused collective action by councils and other diverse organisations already addressing health outcomes. Overall, councils already provide social support for their local communities and with this Project, LGAT provides a backbone structure, linking councils' knowledge, support and action. Should an opportunity emerge, this Project could be further leveraged to play a support role in helping our communities to recover and grow.

Conclusion

Local Government is the closest level of government to the community and as such is best placed to partner with the State Government on supporting our local communities to recovery and grow. LGAT, on behalf of the Local Government sector, seeks support for a range of collaborative activities that will serve the State well in building new industries, enhancing resilience and securing the wellbeing and viability of all our communities.

Responses that better combine all levels of government, business and the community sector and reflect the reality of how our places work offer the greatest opportunity to transition our local economies to be more resilient and support community livelihoods.

Recovery will be long term, and the planning for it needs to be strength based, people centered and anchored in place, it should be planned strategically but be dynamic.