

## Amalgamation - Flinders Council Staff Discussion

The Hon Peter Gutwein MP has identified four criteria which must be met before amalgamation proposals will be considered. Staff considered the pros and cons of amalgamation against these four criteria and a summary of their comments is below:

### 1. Be in the interest of ratepayers

#### Pros

- Savings made through shared services and reduced administration costs could be redirected to other areas that may benefit the community.
- Being part of a larger organisation may provide greater opportunities and access to additional resources, programs and expertise e.g. access to in-house engineers and surveyors.

#### Cons

- We will lose control of where savings are spent and our ability to prioritise projects which may not benefit the community.
- As rates are indexed, ratepayers will pay the same amount in rates for reduced services.
- We will be part of a larger local government area and larger regional plan and our local identity and our voice will be lost.
- Council is the heart of our community and community members rely on and come to Council for a range of reasons. Loss of Council will be a massive loss to the Islands' communities.
- Council is the starting point for most visitors, new residents and people wanting to establish new businesses on the Island. Local knowledge is essential to this role and if amalgamated, that local knowledge would be lost.
- Council is one of the largest employers on the Island and staff spend their dollars on the Island which supports local business. Loss of jobs will result in some families having to leave the Island which in turn will negatively impact local businesses and the school.
- Studies show that small communities do not fare well when their Councils are amalgamated.
- Our community may be dictated to by a larger entity who does not understand the idiosyncrasies of remote island living.
- Short-term benefits may be achieved however there will be a negative impact on the community in the long-term.

## 2. Improve the level of service for communities

### Pros

- Council and the Island in general do lack expertise in some areas and Council has already successfully followed the path of shared services in a number of areas in order to address this lack of expertise.
- Council also has expertise in some areas that could be shared with other Councils e.g. community development.

### Cons

- Due to the Island's remoteness, there will be a loss of services for our communities as service providers will have to be brought in by plane or boat which will be too expensive to maintain.
- Without resident service providers, works will be on a scheduled basis only (coming in by plane or boat) and we will lose the ability to provide services as and when required and to solve problems that need immediate attention e.g. road standards across the Island would decline.
- The level of service Council currently provides the community contributes to the reason why most people chose to live here. It helps market the Island and many regular visitors and new residents cite programs run by Council as one of the reasons for their commitment to the Island e.g. school holiday program. A reduction in services would adversely affect the population and the economy of the Islands.
- Resident staff have a good work ethic and take pride in the quality of their work as the community holds them accountable. Non-resident workers may not have the same level of commitment.
- If the main work force is located off island a loss of local knowledge will impact on services provided.
- Being a remote part of a larger local government area, our communities' service needs will have a lower priority to those areas that are highly visible.
- We have proven to the Government through our Planning Scheme that we have unique differences to other areas in Tasmania. These differences may not be respected if we become part of a larger local government entity and we may become over regulated and under governed.

## 3. Preserve and maintain local representation

### Cons

- If amalgamated, our relatively low population numbers would result in minimal local representation on the new Council.
- Our one or two Councillors would be required to travel to the mainland regularly limiting their availability and accessibility to our communities.
- There would be a reduction in resident staff resulting in a loss of local knowledge and representation.

- The Island's remoteness would lead to a reduction in attention to the local service needs.

#### **4. Ensure that the financial status of the entities is strengthened.**

##### Pros

- Efficiencies are already being achieved through existing shared services.
- Council is also willing to explore the possibility of sharing our expertise with other Councils to improve our financial status e.g. community development.

##### Cons

- Our current cash reserves will be absorbed by the new government entity and may be redirected to pay off other Councils' debt.
- Council has expended considerable time and money purchasing and maintaining good quality machinery in order to be self-sufficient. This machinery may be relocated to other areas within the new government entity.
- Additional costs will be incurred as staff and service providers will need to be flown on and off the island as required.

#### **Other Comments**

- Council needs to become more sustainable by building up its strengths and resources and looking at ways of making money so that Flinders is not so reliant on Government Grants e.g. Resource Sharing.
- Differentiate ourselves through such things as the Planning Scheme.
- Become the leaders by facilitating private enterprises.