Place shaping and the future role of local government in Tasmania: evidence and options

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This report has been prepared by the Tasmanian Policy Exchange (TPE) at the University of Tasmania.

The University of Tasmania pays its respects to elders past and present, and to the Tasmanian Aboriginal community that continues to care for Country. We acknowledge the profound effect of colonial settlement on this Country and seek to work alongside Tasmanian Aboriginal communities, respecting their deep wisdom and knowledge as we do so.

The palawa/pakana people belong to one of the world’s oldest living cultures, continually resident on this Country for at least 40,000 years. We acknowledge this history with deep respect, along with the associated wisdom, traditions, and complex cultural and political activities and practices that continue to the present.

The University of Tasmania also recognises a history of truth that acknowledges the impacts of invasion and colonisation upon Aboriginal people and their lands, resulting in forcible removal, and profound consequences for the livelihoods of generations since.

The University of Tasmania stands for a future that profoundly respects and acknowledges Aboriginal perspectives, culture, language and history, and continued efforts to realise Aboriginal justice and rights, paving the way for a strong future.
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We are currently living through a period of rapid and profound social, economic, and technological change, with the COVID-19 pandemic and its aftermath reshaping key aspects of our daily lives.

As part of these changes, many of us work, shop, and socialise online. Yet despite this digital transformation and other disruptions, ‘place’ – where we live and work, our personal connections, shared experiences and physical environment – matters more than ever.

There is a growing recognition that strong, connected and sustainable communities are the foundations for building long-term wellbeing and prosperity. Politically, it is equally apparent that governments must become more responsive to diverse community needs. It is argued here that local government can play an important part in a community-focused, ‘place-shaping’ process.

This Report analyses and reviews the emerging evidence and practice regarding place-shaping roles for local government and assesses their implications for the future of local government in Tasmania.

The evidence suggests that councils can and should play a central, albeit changing, role in their communities and our system of government. Such change is not new – local government has evolved over centuries in response to new challenges, shifting economic or political pressures, and the changing needs of local communities.

The rationale underlying local democracy, representation, and service delivery is inextricably linked to ideas about place. Reflecting the importance of place, ‘local’ considerations have always been an important focus for political decision making. The deep connections of people to the places where they live, and how they differ from other communities and regions, has long been one of the most important arguments in favour of local government.

However, place is also changing.

Society has been reshaped by virtual connections and social networks that extend well beyond our immediate physical surrounds but paradoxically, this ‘fragmentation of place’ has not diminished its importance. Rather, place has if anything become even more important. Local community infrastructure and institutions, culture, social capital, and other kinds of place-based assets are key drivers of economic development and are central to communities’ sense of belonging and identity.

The experience of lockdowns during the COVID-19 pandemic perfectly illustrates this effect. Many peoples’ lives moved online almost overnight, but this experience also highlighted the importance of local connections, services, and their immediate local surrounds.

Given the importance of place and the distinctive relationships and meanings that are created in it, there is growing recognition that place-based approaches have the potential to rejuvenate democracy and address challenging social and economic problems.

Implications for the future of local government

Many of the arguments about place and the importance of working with and empowering local communities are quite abstract but do have practical and evidence-based implications for the future of local government in Tasmania.

The policy review and case study analysis undertaken for this Report identified four broad implications for consideration by the Future of Local Government Review.

1. The scale and organisation of local government

In terms of the appropriate scale and organisation of local government, the Report
argues there is no one ideal size for a municipality. While larger councils may enjoy scale and sustainability benefits, there is a place-based logic to retaining councils in regional areas with smaller populations due to shared interests, distinctive priorities and strong community bonds. The aim should not be to achieve economies of scale in isolation but to develop innovative and cost-effective models to support long-term community development.

2. **Supporting participation and building community capital**
   The Report highlights the important role local government can play in supporting community engagement, building community capital and revitalising local democracy. A more representative and accountable local government will not only be more attuned to community priorities but can play a greater role in representing and advocating for communities in regional, state and national forums and programs. Local governments can also play an important role in building community identity and supporting engagement between groups and individuals.

3. **Providing distinctive place-based services**
   The literature on place highlights a range of distinctive place-based services which local government can deliver independently or in partnership with others. The evidence suggests locally designed and delivered services can provide an effective response to distinctive local needs where local knowledge, personal relationships and trust are required. Local government will also continue to play a significant role in delivering critical services and infrastructure that is not provided by other tiers of government or organisations. This function as a provider of last resort is particularly important in regional communities.

4. **Providing local representation in partnerships and regional governance**
   Perhaps the most significant emerging role for local government is supporting and providing local representation in varied and increasingly important partnerships and regional governance structures and networks. This trend towards collaboration and regional governance is well established internationally and is likely to be a central element of public sector reform in Australia. Indeed, Glyn Davis, the recently appointed Secretary of the Department Prime Minister and Cabinet, has argued that governments need to be responsive to the needs of communities and citizens which will require the Commonwealth to “Partner with state and local government, business and charities to deliver place-based integrated services” (Burton 2022).

   The locally focused regional governance agenda has two elements. In terms of improving the efficiency and sustainability of established local government services and infrastructure, there is potential for innovative shared and centralised services models which seek to deliver scale benefits while remaining responsive and accountable to participating councils.

   Given the growing evidence in relation to the benefits of place-based policy and service delivery, it is inevitable that more Commonwealth and state programs will be designed with and delivered through local delivery partners. This report suggests that local government is well positioned to build capability and act as a local anchor institution for future place-based initiatives.

   Many of the potential roles for local government outlined in this report are not new but delivering them in a systematic way will require a realignment of council activities, resources, and personnel towards an expanded place-shaping role. The implications of embracing a more systematic place-making agenda for local government will have to be carefully considered by the Future of Local Government Review, the local government sector and the wider Tasmanian community. The ultimate aim of a place-based reform agenda must be to build community capital and align fragmented services and policies so they meet local needs and priorities and promote long-term prosperity and wellbeing.
In recent years, social, economic, and technological changes have driven a subtle but important shift in Australian local government away from a focus on the provision of ‘services to property’ towards a more expansive and differentiated range of ‘services to people’. At the same time, globalisation, growing mobility, and the increasing interconnectedness of communities have changed how people live in and identify with their local areas. This integration of local communities into global economic systems and markets – combined with the ability to communicate, work, and engage within digital communities that can span the globe – is reshaping our understanding of the roles and functions of local government.

This Report will provide an overview of these debates about the changing nature of ‘place’ and outline their practical implications for the future of local government. In particular, it examines how evolving ideas about place, localism, and the nature of communities can provide insights into the future roles and functions of local government in Tasmania, asking, among other things:

- What is distinctly ‘local’ about twenty-first century Tasmanian local government, and how is its evolving role shaped by changing understandings of place?
- Which functions, or components of functions, currently performed by local governments are grounded in a compelling rationale for differentiated, place-based delivery at the local level? In other words, when does localism matter?
- Do the roles and functions currently performed by Tasmanian local governments appropriately reflect the distinctive, localised mode of service delivery that councils are best-placed to provide?
- What new and emerging place-shaping roles might local government assume to enhance future community wellbeing and prosperity?

This paper reviews the literature and contemporary practice to identify current and potential future roles and functions of Tasmanian local government that are firmly rooted in a compelling rationale for place-based and differentiated local delivery. The analysis presented suggests that while some traditional local government functions and services may well be able to be performed more efficiently by other means – such as shared services platforms or in collaboration with other tiers of government – there are many established or emerging ones in which local government could assume a greater role, either in partnership or on its own.

The following section, Part Two, introduces the idea of ‘place’ and its central role in contemporary debates about the role of local government. In doing this, the aim is to highlight the ways in which distinctive and localised needs, preferences, and conditions underpin the argument for differentiated and place-based provision of certain services.

Part Three introduces the idea of local governments as ‘place shapers’ – a relatively recent and innovative articulation of how councils are uniquely positioned to deliver value to their communities. This approach, which was championed by the 2007 Lyons Inquiry into Local Government in the UK, emphasises both the importance of tailored local service provision and the central role of local government in building strong and connected communities, inclusion, and a shared sense of identity.

In Part Four, the relevance of the place-shaping agenda to Tasmanian local government is explored via a series of case studies. These practical, real-world examples illustrate how place-shaping may offer new directions for local service provision here in Tasmania.

Embracing an expanded place-shaping role for Tasmanian local government would undoubtedly have implications for activities in which councils are currently involved. These implications and their relationship with the reform priorities emerging from the Future of Local Government Review (FoLGR) are described in Part Five. A fully realised...
place-shaping role for Tasmanian local government would likely entail changes to some of councils’ more traditional functions, particularly those that are capital-intensive and may be more efficiently provided at scale, while remaining responsive to community needs. Of course, any changes would need to provide benefits and must be community-led and underpinned by deep, authentic engagement with local governments and their residents.

This report argues that place shaping can inform an innovative and viable agenda for realigning the efforts and resources of Tasmanian councils towards areas in which localism is most important.

A holistic and thoroughgoing shift towards an expansive place-shaping role for Tasmanian local government would essentially be driven by five related aims, helping councils to:

1. Identify and respond to distinctive local needs
2. Build community capital, networks, connections, and place identity by performing the role of a local ‘anchor’ institution
3. Deliver bespoke and ‘hyper-proximate’ place-based services for which local differentiation is required
4. Represent and advocate on behalf of community issues within multi-level governance forums
5. Construct and steer partnership arrangements in ways that tailor and improve the effectiveness of collaborative initiatives.

If these functional and structural changes are supported by councils and the communities they serve, a greater focus on place-shaping has the potential to make Tasmanian local government more representative, more responsive, more efficient and effective. Ultimately, such a place-shaping role would ensure local government is a key agent in promoting long-term community wellbeing.
PART TWO – PLACE, SPACE, AND COMMUNITIES OF INTEREST

2.1 What is ‘local’ about local government?

Place is central to contemporary debates about local governance, economic development, and community wellbeing. The effectiveness with which local governments can organise, regulate, represent, and serve their communities, not to mention the reasons why these activities are valued by the people who live in those communities, are intrinsically linked to ideas about place.

But what do we mean by ‘place’?

Places are spaces that have been invested with meaning by the people who occupy them. They can exist on practically any scale, whether a room, house, town, local government area, or nation-state. They have both physical and social dimensions, capturing not just location but also connections between people and within communities.

While people undeniably influence place, sometimes in radical or transformative ways, arguably the more important effect is in the opposite direction: people and communities are profoundly shaped by place. This indivisible connection between person and place is illustrated, for example, in the importance ascribed by many Australian Aboriginal people to Country. As Tasmanian-based academic Jeff Malpas notes, “so important is this tie of person to place that for Australian indigenous peoples […] to be removed from that country to which [they] belong is to be deprived of their very substance”.

In the words of Catherine Liddle, an Arrernte/Luritja woman from Central Australia, “connection to Country is inherent, we are born to it, it is how we identify ourselves, it is our family, our laws, our responsibility, our inheritance, and our legacy. To not know your country causes a painful disconnection, the impact of which is well documented in studies relating to health, wellbeing, and life outcomes.”

The insight embodied in these ideas about the deep connection of individuals to distinctive places has also underpinned arguments for addressing local needs via differentiated and bespoke local governance. Connection to place remains as vital and important as ever, but ideas about its translation into political and governance structures have evolved considerably in recent decades.

2.2 The evolving nature of place

During the early history of Tasmanian local government, the difficulty of travelling to or communicating and trading with distant places meant that the immediate local area of a town, city, or rural settlement in most cases represented a clear and coherent ‘community of interest’.

This is because citizens’ networks of relationships, their work, and even often their ways of understanding the world and their place in it were rooted in their immediate surrounds rather than distant or virtual connections. This was the case not only in Tasmania but around the world; for much of human history, “space and place largely coincided, since the spatial dimensions of social life [were], for most of the population, and in most respects, dominated by ‘presence’ – by localised activities.”

In more recent times, however, increased travel, mobility and the growth of connections between geographically distant individuals and groups has “[torn] space away from place”. Globalisation and digitisation, which have enabled the flourishing of networked and virtual forms of connection, complicate the traditional argument that ‘local’ areas can be thought of as coherent ‘communities of interest’.

Despite these undeniable changes, a paradox of place has emerged because as Richard Florida has argued, that “despite continued predictions of the end of geography, regions are becoming more important modes of economic and technological organisation in this new age of global, knowledge-intensive capitalism.” Michael Porter, likewise, asserts that
“the enduring competitive advantages in a global economy lie ... in local things”.¹⁹

Not only has globalisation perhaps paradoxically forced us to value the local, the recent COVID-19 pandemic has forced people to rethink their relationships with space, including where and how they live, work, and socialise. At COVID’s peak, lockdowns drove them online, yet simultaneously highlighted the importance of being able to access quality local spaces.¹⁰ The reduction in travel led to a corresponding decrease in air pollution and greenhouse gas emissions, illustrating the clear benefits to the natural world, and therefore to long-term human wellbeing, of living more locally and sustainably. In recent months, supply chain disruptions have prompted governments and business alike to become more self-sufficient by increasing the use of local suppliers and inputs. It seems that our physical location and connections continue to matter in an era of digital connections and globalisation.

Indeed, research shows that Australians have a strong sense of local identity and highly value the community-level political representation afforded by their local governments.¹¹ Evidence of such sentiment is seen in the arguments offered by residents in debates surrounding council amalgamation, especially where long-established and widely recognised communities are forced to merge.¹² Finally, evidence shows that the longer a person has lived in the same area, the more likely they are to be engaged with and feel strongly about local government.¹³ There is growing recognition of the value of place-based approaches, not only in scholarly literature but in the practice of local governments internationally, as the case studies in Part Four demonstrate.

2.3 Place and municipal government

The idea that different places and communities have distinctive needs has long underpinned the argument for local government and local democratic representation. In other words, rather than uniform national or state policy and service provision, certain government functions require tailoring to local needs or preferences, and this process should be driven by local democracy. The decentralisation or devolution of power and responsibility that this entails is typically described as ‘localism’.

While models and approaches vary,¹⁴ the key insight from analysis of localism is that local, or place-based governance in some form (typically including but not necessarily limited
to local government) is the most appropriate way to address distinctive local needs or complex, context-dependent problems. It is also important to note that localism is not necessarily the most appropriate response to all government functions or all institutional contexts. As will be discussed in Part Five, some areas of government activity may require localised responses more than others. Nevertheless, localism has been promoted as a means for strengthening democratic engagement and participation as well as a more effective strategy for addressing difficult social or economic problems at the local scale.

One of the most influential and highly-cited articulations of how and why place remains important, and of which functions most clearly require localised delivery, is the 2007 Final Report of the Lyons Inquiry into Local Government in the United Kingdom. In this report, Lyons championed the concept of ‘place-shaping’ as a direct response to the evolving nature of place and the changing role of local government, arguing that:

[although] some economic and sociological analyses have challenged the importance of place and the importance of the local in modern society and economics, place remains relevant. As our understanding of the multi-faceted nature of social and economic problems grows, and as our aspirations to solve them and to govern uncertainty and diversity increase, the arguments for a local role in determining the actions of government and the provision of public services are becoming stronger.

As the following section argues, place-shaping offers a way to rethink the role of local governments and provide insights into the functions for which localism may be most important.

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### Table 1: What does ‘local’ actually mean, and what is local about local government?

| Local as a level of government within a state hierarchy | The level of government closest to the people. While local governments around the world are extremely diverse, a common factor is that there is no geographical level of government ‘below’ local government. |
| Local as a geographic scale | Local is geographically understood and defined in contrast to larger geographical scales such as regional, national, or global. This meaning of local is the one most clearly defined by proximity: local is ‘here’, not ‘there’. As Cochrane writes, “this underpins some of the strongest arguments in support of local government as particular sort of democratic institution” (p. 910). |
| Local as a policy target | Local in this sense represents a concentrated or representative population or cohort to be addressed via focused intervention. It is a spatial lens on social or economic circumstance and is more dynamic or contingent than the above two categories. |
| Local as a place where people come together more or less naturally | Local as identity or place association, which can be collective, binding people together not only through physical proximity but via a sense of shared interest, identity, or enterprise, and understood as distinctive from other places. It can encompass overlapping communities and recognises that places are complex and contested. |
| Local as an anti-bureaucratic metaphor | Local as an alternative to faceless or undiscriminating authority imposed from afar. While local government is itself frequently criticised, it is also a common rhetorical antidote to the idea of an uncaring ‘big government’ located someplace else. This emphasises the diversity of need and distinctiveness of one area relative to others. |
| Local as a competitive space | This final conception emphasises agency, dynamism, entrepreneurialism, or innovation via connections beyond the regional, state, or national scale. It is the idea that ‘local’ can in some way transcend the economic or social climates of its neighbours. This thinking is embodied in ‘new regionalism’ and the move away from thinking in terms of homogenous national economic spaces towards differentiated and globally-connected local or regional ones. |
As noted above, the shifting social, political, and economic contexts within which local governments operate have driven several important changes in their structure and organisation, finances, roles, and functions in recent decades. In the University’s previous Future of Local Government Review Background Paper No. 2, five key local government reform trends were identified:

While all are relevant to the present discussion, it is the third trend which has seen councils develop a more active role in the cultivation and stewardship of local identity and in the promotion of community wellbeing.

Place shaping describes an emergent or expanding role for councils in the development and promotion of local identity through tailored, place-based responses to distinctive local needs and preferences. Lyons, in his Final Report, defined place shaping very broadly, as “the creative use of [local government] powers and influence to promote the general well-being of a community and its citizens”, including by:

- building and shaping local identity
- representing the community
- regulating harmful and disruptive behaviours
- maintaining the cohesiveness of the community and supporting debate within it, ensuring smaller voices are heard
- helping to resolve disagreements

The place-shaping agenda accords closely with evidence regarding community attitudes, expectations, and aspirations for their local representation, but how do local governments perform a place-shaping role, and which functions does such a role entail? The Lyons inquiry’s Final Report and subsequent academic or policy literature from the intervening period provide several examples:

- Identifying and supporting opportunities for economic development, sometimes alone but often in partnership (including, for example, tourism drawcards such as the ‘Blue Derby’ mountain bike trails or community-led local employment hubs, such as the Break O’Day Employment Connect).
- Advocating to higher tiers of government on local issues beyond their remit or direct capability to address (many local governments across the country, including in Tasmania, have declared ‘climate emergencies’ despite having relatively little influence over national or state/territory emissions reduction initiatives. See the City of Hobart, for example).
- Developing strategic ‘place’ visions championing broadly-defined cultural, social, and physical/built environment elements of local identity (such as the recent ‘Beyond the Curtain’ initiative in the city of Glenorchy).
- Supporting explicitly place-based or community-led civic initiatives with the aim of building community cohesion, connections, and social capital (such as The Hive cultural precinct and community hub in Ulverstone).
Facilitating community development via promotion of agency and place-based self-determination (as in Flinders Island’s ‘The Islander Way’, a community-led ‘regenerative tourism living lab’).

The examples listed above illustrate that place-shaping is already occurring under the stewardship of many if not most Tasmanian and Australian local governments. Data on council expenditure clearly illustrates that councils have acted as place shapers for some time and that this role is only becoming more pronounced. In the early 1960s, for example, local governments devoted around half of their total expenditure to roads and just over 20% to general public services. Since that time, expenditure on these two traditional ‘property services’ functions has fallen dramatically, representing just over 40% combined in 2019-20. In their place, expenditure on recreation and culture; housing and community amenities; and education, health, welfare, and public safety have all increased dramatically.

While council-led place-shaping activities are common, it is important to note that they are far from uniform, with some councils taking on more expansive and developed place-shaping roles than others. This is no doubt due to differences in resources, scope of activities, expenditure, and needs of different local government areas.

In other words, rather than being in any sense a novel development, local government place-shaping activities are a long-standing and steadily expanding part of councils’ remit. This trend, while subject to some caveats, is in all likelihood set to continue and will have important structural and functional implications for the future of Tasmanian local government. Nevertheless, the place-shaping agenda offers a framework for reimagining how local governments represent and serve their communities, realigning effort and resources towards those functions for which genuine and distinctive localism is most important.

While the Lyons inquiry is a valuable starting point for understanding local government place shaping in Tasmania, Lyons’ findings were developed expressly for the United Kingdom. While the basic tenets of Lyons’ place-shaping agenda are relevant, their functional and structural implications in Tasmania are different from those of its original context, and many specific features are not applicable in Australia’s comparatively minimalist system.

As discussed in UTAS’s FoLGR Background Paper No. 2, Australian local governments are responsible for a much narrower range of functions and a considerably smaller share of public expenditure than counterparts in almost all other OECD countries. Where local councils in the UK have significant responsibilities in a wide array of core social service functions, this is not the case in Australia and the relevance of the place-shaping agenda must be interpreted with these differences in mind.

As a result, and considering the more limited Australian and Tasmanian context, local government place-shaping should rather be thought of as an umbrella term under which five Tasmanian-specific roles can be identified:

1. Place-based decision making and service delivery
2. Community development and fostering local identity and engagement
3. Representation, engagement, and advocacy
4. Facilitation, regional governance, and strategic planning
5. Meeting distinctive local needs.

Adopting a more expansive place-shaping role does not mean that local governments will no longer be involved in any traditional service provision. Rather, the aim is to highlight roles and functions that most benefit from local knowledge, local democratic representation, and local community engagement.

In the next section, some examples of functions, initiatives, or programs that represent the place-shaping roles above are presented.
Why Local Government?

While the rationale for local governance may at first glance seem intuitive and uncontroversial, in reality all levels of government in Australia deliver ‘localised’ services. For example, many critical community-specific employment, welfare, health, and public safety initiatives are currently delivered by state or federal governments either directly or by contracting with local NGOs. In Tasmania, even town or city libraries (typically a core council responsibility in other Australian jurisdictions) are delivered in a localised fashion by the state government via Libraries Tasmania. All of this raises an important question: if local services can be delivered by other tiers of government and community-sector organisations, do we even need local government?

Even though the nature of local service provision is changing, there are four basic reasons for local government to play a central role in community service provision.

1. Local governments enjoy a level of access to institutional and community resources that policy or decision makers who are not ‘on the ground’ cannot hope to emulate. Councils’ local knowledge, connections, and embeddedness mean that they are able to leverage unrivalled insight into local conditions in order to develop bespoke solutions to distinctive problems. Even when they are not delivering services in isolation, local governments can be an effective ‘connector’ to higher tiers of government, advocating on behalf of their residents while also helping external actors navigate unique local circumstances.

2. Local governments can also offer continuity of delivery. While local services delivered by higher tiers of government using contracting arrangements with NGOs or for-profit providers may be effective and efficient, they are typically dependent on changeable political priorities and short-term funding arrangements. Local service provision by councils, on the other hand, can provide longer-term certainty and responsiveness to particular community preferences.

3. Local government delivers place-based accountability, political agency, and self-determination. Local governments can empower individuals or organisations to be agents of change in their communities. They also provide a level of crucial political voice and accountability in places that are vulnerable to falling through gaps in state or Commonwealth service provision platforms, particularly in rural or remote areas.

4. Councils are deeply connected to their communities. Local governments’ closeness to the people they serve means that they regularly function as a ‘first port of call’ for residents. Councillors are typically deeply engaged in their communities and this means that they are not only a valuable guarantor of local political voice, but also frequently an avenue for advocacy through which citizen concerns can be elevated into other fora.

Perhaps nowhere is the value of this particular type of role clearer than in local disaster response and management, when local knowledge and deep community networks are invaluable.
PART FOUR – LOCAL GOVERNMENT PLACE SHAPING IN PRACTICE

The role of local government place shaping in practice, as outlined in the literature and real-world examples, is defined by several properties and encompasses numerous different functions. In contrast to their more traditional functions, local governments’ place-shaping roles typically have four defining characteristics:

1. They draw upon established relationships, networks, and interdependencies.
2. They respond in a bespoke fashion to distinctive local needs, preferences, and identities.
3. They require local knowledge, relationships, networks, and trust.
4. They are often community-led, or at least entail extensive, community engagement and partnerships.

This means, in practice, that the governance and service provision functions for which local governments are most suited are usually those that require strong social connections and place-based knowledge. They are also generally firmly rooted in local democracy and civic engagement and participation.

In this section, the paper turns to analysing local government place-shaping roles and case studies, highlighting some notable initiatives in other Australian or relevant international local government jurisdictions. For each specific role or dimension of place-shaping, a brief description and a small number of examples are offered, followed by an assessment of their relevance for Tasmania.

4.1 Place-based decision making and service delivery

While local government in Tasmania has changed significantly in recent decades, a number of councils’ longstanding core functions and responsibilities do still retain a clear rationale for distinctive, differentiated local delivery. This is particularly true in the case of functions for which communities have deeply-held and distinctive place-based preferences.

Traditional council functions relating to the regulation, stewardship, or management of the local built and natural environment are examples of existing place-shaping functions. Similarly, many components of councils’ environmental and natural resource management functions, including management of green spaces and reserves, benefit considerably from the local knowledge and networks upon which local governments are uniquely placed to draw. These intangible community assets – the communal and social knowledge of and familiarity with place – likewise give councils a clear comparative advantage in delivering their existing emergency management functions, including responsibilities in response coordination, support, planning, review, and recovery efforts.

For other functions, however, the rationale may be less compelling than it once was. The ease and frequency with which residents move between LGAs (especially in metropolitan areas) and the ever-increasing connections across council boundaries in larger cities, combined with technological innovation, challenge the rationale for the local delivery of some traditional capital-intensive and largely undifferentiated council services. Growing interconnections within cities in particular may mean that council functions not subject to high levels of place-based differentiation or local knowledge, could potentially be better discharged through shared services models or larger regional entities.
However, reallocating such services to larger regional entities is not the only option here; rather, novel shared or regionalised cooperative service models could be developed as new ways of discharging existing responsibilities. Such arrangements may lead to economies of scope and scale. Similarly, service delivery outcomes for some traditional core community services or health and wellbeing functions may be improved via collaborative arrangements, partnerships, or holistic ‘joined-up’ approaches.

The two case studies below highlight examples of engaged and community-led local government activities in traditional areas of council service provision that are being delivered via innovative partnerships or collaboration.

Case study 1:
MacDonnell Regional Council ‘MacSafe’ and ‘MacYouth’ Indigenous youth engagement and safety programs

MacSafe, a comprehensive community safety program created by the MacDonnell Regional Council in the Northern Territory, demonstrates how local governments – in a place-shaping capacity – can work to regulate harmful and disruptive behaviours with a range of benefits and a clear focus on local needs and responses.

The project evolved from an earlier night patrol or ‘neighbourhood watch’ program into an anticipatory and nurturing initiative to support at-risk youth. Operating across twelve remote communities (spanning 28,000 km² and five Indigenous language groups), this initiative “takes a proactive and preventative approach” that focusses on alcohol harm reduction and early intervention to divert young people, particularly Indigenous people, from interactions with the criminal justice system.

The program aims to develop and maintain community connections and cohesiveness through regular consultations and yarning circles. With the support of funding from the Federal Government, professional development is central to the program, which also runs on-country cultural and personal development programs. MacSafe is delivered by a 99% Indigenous staff, and many individual staff members have worked for many years in their roles. The program has improved school attendance and helped to ensure that children are either at home or in a safe location at night by working closely with families, engaging with local community leaders, and working collaboratively with the NT police and groups like the AFL Northern Territory (AFLNT).

Case study 2:
Local government housing strategies in New South Wales

The physical characteristics of places are of utmost concern to residents, and local governments play an important role in ensuring community perspectives and local knowledge are integral to planning and management. This New South Wales example demonstrates how a place-shaping role can be embedded into coherent, comprehensive, and coordinated programs including planning.

NSW local governments have been integrated into a state-wide systems-level partnership, with each council preparing a Local Housing Strategy that aligns “the vision for their local area with the housing objectives and targets established in the relevant Regional Plans”. The program acknowledges that local councils hold the local knowledge and expertise required to develop and implement strategic plans at the local level even if they do not necessarily have the resources to take full responsibility for developing and funding interventions. The initiative, then, divides responsibility between different actors in a way that leverages each partner’s specific expertise while ensuring coordination across local and state government agencies, the private sector, communities, and other stakeholders. Further, it coordinates action among local authorities at the regional level,
and is thus also an example of role four below (facilitation, regional governance, and strategic planning).

The State Government has developed guidelines and resources to assist councils in the production of their local strategies. This means that each council can make decisions based on local evidence and priorities including projected demographic trends, environmental constraints, housing supply and demand, and coordinated housing plans with existing and future transport and other infrastructure to foster liveable places (NSW Department of Planning etc). The Newcastle City Council, for example, has emphasised in its strategy the need to increase affordable housing and multi-purpose community spaces, based on local research finding that “one in three Newcastle households have an annual income of less than $48,000 and a further 33 per cent suffer housing stress, which is when more than 30 per cent of income is spent on housing”.23

### Lessons and insights

- These examples – the ‘MacSafe’ program in the Northern Territory and the local government housing strategies of NSW – reflect a strong rationale for customised and localised decision making and services, based on the unique and varying needs and particular characteristics of the areas. This is evident in other case studies in this report, such as Logan Together.

- While working well within one context, such place-shaping models will not necessarily be directly replicable in other contexts, reinforcing the importance of local government and its potential for place-differentiated approaches.

- Blackwell, Dollery, and Grant have argued that such place-shaping projects and approaches, particularly in remote regions with their own specific challenges and needs, are “enabling local people to become agents of change” and demonstrate a strong role for local governance in such place-shaping roles.24

- Such place-based decision making and service delivery harness local knowledge, embodied in and deployed by local governments.

- Programs deployed at the local level may more easily adapt and evolve to particular local conditions, especially if subjected to regular review, compared to larger-scale and more uniformly designed and applied programs.

### 4.2 Community development and fostering local identity and engagement

Place, community, and identity are all, to an extent, socially constructed, and local governments can exercise an active, positive, and intentional role constructing and encouraging them. Strong and trusted community connections and local ‘social capital’ can and should be nurtured by local government as a pre-condition for effective place-based decision making and service delivery. These local networks of social connections, capital, and infrastructure form a cornerstone of resilient, adaptable, and thriving communities.

Local governments contribute to the development of community identity in a wide variety of ways, including by building and supporting social relations, networks, and hubs. The provision and maintenance of recreation areas and civic infrastructure can be important physical or symbolic expressions of community values. Similarly, support for recreational or cultural activities and events plays an important role in fostering community cohesion and building a strong, positive sense of place and belonging. Sports facilities, green spaces, and reserves can likewise be important sites for building and expressing distinctive local identities. Effective local community development can take the form of community engagement to understand and support residents’ ideas, hopes,
concerns, and ambitions for their local area, such as Glenorchy City Council’s recent Beyond the Curtain project. Whatever form these activities take, however, they require the deep local community connections, social capital, and networks of relationships that councils are well placed to leverage.

Evidence suggests that not only do residents deeply value the representation of their existing sense of place that local government provides, but also that local identity and social connection have a wide range of individual and community wellbeing benefits. The complex interactions between local culture, community, and the built and natural environments have been shown to have profound impacts on residents’ physical, mental, and social health, including but not limited to incidence of depression and other mental health conditions, levels of social connection and sense of belonging, and wellbeing of residents in aged care.25

In addition, connected and networked communities can enhance resilience in the face of all kinds of challenges, from the effects of climate change and natural disasters through to pandemic responses and economic downturns. Local governments’ roles as stewards of local natural and built environments, combined with their ability to actively engage and involve residents in socially fulfilling activities like community or allotment gardening, arts and cultural practices and events, and charitable or community service activities, means that they are well placed to enhance community health and wellbeing outcomes via the development of social connection and community identity.26

Central to the City of Hobart’s engagement with young people is Youth Arc, a “safe, fun, and engaging space for all young people aged 12-25 years old” in the CBD. As a drug- and alcohol-free drop-in centre, Youth Arc hosts social and creative activities and events, such as dance, music, photography, film and cooking workshops, youth craft markets, and exhibitions, among many others. Facilities include an art studio and gallery, music studio, kitchen, versatile recreation space, a performance stage and more. Importantly, it offers a safe and fun space where young people can congregate together with their peers.

The PLATFORM program, hosted by Youth Arc, produces an annual youth and creative culture magazine and podcast, offering participants skills-development opportunities and experience through creative engagement and project management. Youth Arc
coordinates with external services and schools: in partnership with the Tasmanian Department of Education, Hobart City Council operates an alternative educational program, ‘EdZone’, for those disengaged with mainstream schooling.

The council also facilitates a youth advisory group as a formal means of representation. It aims to create community connections and to represent the perspectives not only of young residents but those who work, study, or play in the vicinity of Hobart.27

**Case study 4:**
**Glenorchy City Council Economic Recovery Program and ‘Beyond the Curtain’**

Building social capital and fostering local identity are central to Glenorchy’s Economic Recovery Program. The plan, developed in response to COVID-19 and guided by in-depth community engagement, combines direct economic investment in pandemic-impacted industries, while addressing “deeper foundational challenges to sustain and grow the city over time”, through building long-term economic development.

Extensive community engagement – 100 in-depth interviews with residents - produced the Beyond the Curtain report, which became a critical tool in developing the recovery plan. The report investigated themes and shared perspectives on local identity, as well as residents’ insights into the area’s three main communal precincts – Moonah, Glenorchy, and Claremont. Researchers explored what people liked and did not like about the areas as well as how they could be improved. These insights have been incorporated into the local strategic planning process and various urban renewal projects.

In 2021, for example, ‘Showcase Moonah’ funded 14 community-led projects in a ‘creative placemaking project’, including markets, art projects, music and dance performances, interactive guided walks and more.

**Lessons and insights**

- The City of Hobart and Glenorchy City Council initiatives foster innovation and support local businesses and/or employment while simultaneously building social capital – reminding us that place-shaping functions are often mutually reinforcing.
- These sorts of community development projects, what Ingrid Burkett calls ‘civic infrastructure’, are manifesting in many place-based ways across the world.26 Whether they are community gardens, maker’s spaces, art, music, and cooking classes, they are built through relationships, networks, and hubs and continue to build further connectedness through their operations.
- Such opportunities for people to build skills and make social connections in their communities have obvious wellbeing outcomes for both individuals and communities.
- These examples show how community members can be both involved in the design of projects and also take part in the outputs that have been created.

**4.3 Representation, engagement, and advocacy**

The third key place-shaping role of relevance is local government acting as a community voice and providing representation or empowerment, not merely at the local level but also in wider regional or multi-level governance forums. Moreover, at the local level, councils can provide a respected forum for conducting and resolving local debates or disputes in a way that helps to build community cohesion.

As the level of government closest to the people, local government is also an ideal site for participatory democracy and community localism. As discussed below, some local governments in Australia and abroad are using their social connections and deep
community engagement to devolve some areas of decision making and empower local communities. In some jurisdictions, this has happened via the creation of LGA-level community boards and resident panels, or through engagement with neighbourhood organisations.

Local governments’ engagement role can also extend to acting as an advocate for community organisations, connecting local groups and individuals to other sources of support as well as helping them build the skills to successfully target grants-based funding programs at other levels of government. This role is therefore closely linked to the facilitation, regional governance, and strategic planning one discussed below.

Given the closeness of local governments to their communities, councils’ ability to fulfill this representation role as effectively as possible may benefit from reforms to enhance democratic participation and engagement.

Under the Well-being of Future Generations Act 2015, Welsh local governments have been required to develop wellbeing plans for their local government areas and to regularly report on progress made. This agenda has emphasised a ‘citizen-centred’ approach across local government areas, using formal and informal mechanisms and platforms, for engaging with communities and increasing democratic participation. This approach has meant that community input has been central to the development of wellbeing plans across Wales.

The wellbeing plans are integrated vertically and horizontally through government agencies and other groups. This approach is another example of how a consistent overarching agenda (here, of increasing Welsh wellbeing), can be differentiated at a local level to enhance its relevance to each community (see Part 4.1 for other examples).

The example of Blaenau Gwent Council in its development and implementation of wellbeing plans, demonstrates how community engagement is central to its place-shaping roles, and how local authorities can enhance community representation. During each of the four phases of the Blaenau Gwent We Want engagement programme, people were involved not only via extensive consultation with its Citizen Panel and other existing engagement forums, but by the council actively going to the community through face-to-face conversations, market stall events, completing postcards, writing poems, drawing pictures, or by filling in questionnaires. Engagement was further stimulated through an inspiration pack produced by the council.

Over 1000 community members were involved. To ensure comprehensive and diverse representation, various segments of the community were consulted at different sites. The engagement process evolved its methods and questions in response to the findings of previous phases. Annual reports are produced to inform the community on the progress of the wellbeing plans.30

Case study 5: Blaenau Gwent’s Wellbeing Plan and Citizen Participation

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The City of Melbourne developed its own method of formalising community engagement and representation through the creation of the ‘People’s Panel’, based on deliberative engagement methodology. This group, featuring 43 randomly selected Melburnians, provided input (identifying collective priorities and making budget suggestions) to the council’s first ten-year financial plan in 2014. The process went beyond information gathering, and was characterised by several notable features:

- broad representation and accountability were sought, with independent advisors appointing the panel and evaluating the process (concluding it was “highly effective” and “good value for money”);
- the 45 panel members received $500 each in order to incentivise broad socio-economic representation;
- panel members were “fully informed” about the council’s financial standing and given several weeks between stages to absorb information;
- the council committed, from the beginning, to publish the panel’s recommendations and the council’s responses and rationale for adopting or not adopting them (recommendations required a minimum of 80% support from the panel);
- the Council accepted nearly all the People’s Panel recommendations.

Transparency and independent evaluation underscored the credibility of the ‘Participatory Budgeting’ process. Participants ‘believed they had participated in a valuable exercise and influenced some of the council’s principal financial strategies’. The process was viewed favourably by the media, too, with one commentator stating that it was one of the most promising innovations to emerge in the conversation about democratic renewal.

Local governments advocate on behalf of their communities on a range of issues. In a world first, Melbourne’s Darebin Council declared a climate emergency in 2016. By 2020, nearly 100 Australian local governments (almost one-fifth) and around 1000 local governments globally have made similar declarations. Darebin then produced a climate emergency plan, called on state and federal governments to act, and, among other initiatives, led the establishment of a network of councils (Climate Emergency Australia) to coordinate action and advocacy. The attentiveness of local governments to public opinion, democratic powers, and facilitation experience has meant councils are well-positioned to champion sustainability agendas. A range of ‘co-benefits’ for local economies and people have emerged from local government climate statements and actions, as well as influencing and encouraging action at other levels of government.

Local government advocacy has been highlighted through studies of the East-West Link in Melbourne and coal seam gas projects in northern NSW. Ongoing community consultation practices and open meetings of council, in which the public can raise issues, proved influential in Yarra City Council’s active opposition against the East-West Link. In Northern NSW, a number of local governments (such as Lismore City Council) were elected explicitly on opposition to coal seam gas projects. Community protests in turn achieved legitimacy with the support of local governments, and successfully prevented the projects. In both these cases, local governments defended the places, people and values they represented, bolstering community perspectives.
Lessons and insights

- With careful engagement around particular issues, some Australian local governments have successfully advocated on behalf of their communities and supported community action on issues of importance to those communities. This underlines the importance of the role of local government in supporting individuals’ and communities’ voices to be heard at higher tiers of government Councils joining together on issues such as the declaration of a climate emergency illustrates how collective action can build momentum across the world in the local government sector and beyond to other tiers of government.\(^{25}\)

- Comprehensive or in-depth community engagement plays a potentially ‘vital role’ in empowering citizens,\(^{36}\) and arguably improves the accountability of governments, and satisfaction and trust among constituents.

- Community forums and boards are – while not an easy or perfect fix for all local government issues – an effective vehicle for enhancing participatory and deliberative democracy and are already (in various forms) firmly embedded in many councils.

- Representative community panels (groups, committees, or boards) are most effective when they are part of a framework that provides mechanisms for the facilitation of short-term and ongoing long-term community engagements; when there is a “clear vision of their role within the council”; criteria for the use and make-up of committees (to ensure, for example, diversity in representation); are liaised across council services, and are visible and recognised, and when they utilise improvement feedback loops and regular reviews.\(^{27}\)

- Intentionally developing and resourcing extensive and ongoing engagement processes as well as community panels and boards can ensure local governments are aware of and aligned with community views, enhancing the democratic function of councils.

- Sarah De Vries argues local governments have a role in maintaining “community values, knowledge, networks and memories over time so that they can be mobilised again when needed in defence of community values.”\(^{38}\)
4.4 Facilitation, regional governance, and strategic planning

It is increasingly recognised that many significant services and programs both require and benefit from vertical (between levels of government) and horizontal (between local governments and other key community institutions) coordination. An inclusive and coordinated approach to community and regional governance can help to ensure that programs or functions are aligned with community needs even if they cross local government boundaries; councils and other actors are able to capture economies of scale or scope through cooperative partnerships where available; and that initiatives are understood and supported by the community. Where multiple tiers of government are involved, local governments can function as key ‘anchor institutions’ that facilitate cooperation and coordination as well as advocate on behalf of communities to higher tiers of government, especially on issues of regional importance that cross local government boundaries.

Local governments are ideally placed to act as anchor institutions. These are generally large organisations characterised by “a mission or purpose that is tightly connected to the current and future wellbeing of a particular place”, leveraging place-based economic power, connections, and roles as employer or procurer to benefit their local communities over the long term. They deliver community value by facilitating or steering partnerships with other actors. This extends to advocacy and engagement with other organisations or tiers of government on issues of local community concern, such as climate change for example.

If local governments are to fulfil a formalised anchor function, intentional investment and capability building needs to be made and not just in local government but in community organisations and other tiers of government. Regional governance, intergovernmental coordination, and local advocacy need not be limited to those issues where there are immediate benefits to all actors, but should also include more challenging and contested issues in which a community-level political voice is called for.

**Case study 8: Healthy Heart of Victoria**

In central Victoria, six municipalities under the Loddon Campaspe Regional Partnership (LCRP) are collaborating to tackle chronic health issues through the ‘Healthy Heart of Victoria’ program. Community consultations informed the LCRP that their communities wanted improved health outcomes: four of the six Loddon Campaspe Local Government Areas, for example, are in the top 20 heart attack hot spots in Victoria, and people in the region are dying up to 2.5 years earlier than their counterparts.

The ‘Healthy Heart’ regional partnership coordinates over 130 stakeholders from health services, local government, universities, state government departments, and relevant civic or community actors, to design a ‘regionally owned implementation model’. The approach builds on existing systems, relationships, and infrastructure to connect a network of community enablers through local government. It delivers a wide range of health and wellbeing programs, including free physical training projects, healthy eating media campaigns, kitchen garden programs in schools, and a ‘Community Champions’ morale and social-connection building campaign.
The Southern Initiative (TSI) is a community-led Auckland Council project aimed at addressing social and economic disadvantage in South Auckland. It is a “place-based initiative that stimulates, enables and champions social and community innovation” and seeks “radical solutions to some of South Auckland’s most pressing social and economic challenges”.

TSI is an example of a local government playing the role of an ‘anchor institution’, supporting, connecting, and facilitating initiatives that are delivered and funded via partnerships with other community, business, and government actors. As a ‘local government innovation platform’, TSI is a unit that sits within the council alongside the traditional hierarchical structure.

TSI uses a place-based approach, but rather than adopting a “deficit lens”, it sees South Auckland “through a lens of social innovation and aspiration […] a place where people can co-create and experience positive futures for themselves and their whānau (extended family)”. The program aims to decolonise spaces, practices, and structures via incorporation of Māori perspectives, knowledge, and language.

The program focuses on four key areas:

- **New Economy.** Demonstrating inclusive, just, circular, and regenerative economic development where prosperity is shared;
- **Innovation and technology.** Connecting Māori and Pacific rangatahi (youth) to innovation pathways that are future-focused;
- **Healthy Infrastructure and Environments.** Reinvestment in environment, home, and community infrastructure that helps grow and restore mauri, safety, security, health, and wellbeing;
- **Tamariki (Children’s) Wellbeing.** Enabling whānau centred approaches to counter prolonged accumulative stress and partner with whānau for whānau led local initiatives.

TSI performs a place-shaping role and builds social capital through projects including, for example, robotic and coding workshops for kids; ‘The Kitchen Project’, supporting entrepreneurs via mentoring and preparation spaces; The Papatoetoe Food Hub improves food sovereignty, health outcomes, and is diverting waste and creating jobs. Social procurement is used to encourage employment and enterprise opportunities, particularly for Māori and Pacific Islander-owned businesses.

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**Case study 9: Auckland Council and The Southern Initiative**

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Lessons and insights

- Partnership and cooperation are essential to effective local government place-shaping.
- Local governments are ideally placed to act as anchor institutions. Councils acting as ‘anchor institutions’ (rather than in more ‘traditional’ service modes) have been able to expand or enhance their offerings in the community wellbeing space.
- This shift sees local governments leveraging, coordinating, and steering partnership arrangements either among neighbouring councils and/or community or civic organisations (horizontal), or other tiers of government (vertical), or both, to achieve a level of scale, personnel, and resourcing capacity commensurate to meeting the local wellbeing or community development challenges faced by their local area. Projects or initiatives of this type also typically activate and rely upon the kinds of community assets and local networks through which local (rather than state or federal) governments are best placed to add value.
- Shared visions and stated outcomes are built into the design of projects. Initiatives of this kind are aimed at achieving outcomes not conventionally measured by tools such as the measurement of GDP, instead seeking to enhance measures such as long-term health, community wellbeing and a place’s liveability.
- While focusing on specific geographic localities, these examples recognise differences within their place whether it be at the regional or local scale.
- Experimental projects are responsive and adaptive, evolving as needed. They are also designed and assessed for their potential to be replicated elsewhere. Conversely, finitely funded and time-bound projects can find it difficult to prove impact and may not achieve necessary buy-in from stakeholders.

Figure 3: Papatoetoe Food Hub
4.5 Meeting distinctive local needs and challenges

There are many instances in which prevailing conditions or circumstances mean that community needs are not met via market-based models and are not being addressed by other tiers of government. In some of these cases, it becomes necessary for local governments to step in as a ‘service provider of last resort’ for their communities. In others, including the Logan Together example below, local governments provide extra support to fill gaps or shortfalls in existing service provision (often in partnership with state/territory or federal governments) to meet local challenges.

This is more often than not a role played by smaller rural or remote councils. Local governments in areas that face particularly high logistical barriers, such as those in small island communities, are frequently called upon to provide transport infrastructure (including ferries, barges, or small airports) and some community services (such as healthcare, aged care, or childcare). While local councils may not necessarily be the most appropriate providers for these services, the reality is that many find themselves in situations where they have little choice. To the extent that these services are supported by the community and address a genuine place-based need, there is no reason that they should not be accepted and supported as a place-making activity and an expression of local democratic preference.

That is not to say, however, that councils cannot aim to address distinctive local challenges or fill gaps in service delivery innovatively and in partnership with other supporting actors.

Logan Together is a Logan City Council initiative delivered in partnership with the Commonwealth Department of Social Services via the Stronger Places, Stronger People program. Logan City is one of ten communities nationwide that have received funding through the Stronger Places, Stronger People platform to develop targeted, proactive, and community-led interventions to address distinctive and place-based sources of socio-economic disadvantage. The Logan Together program recognises that existing services need to complemented by additional services and resources.

Over 100 organisations and 1000 individuals are active in the initiative, coordinated through a governance model and roadmap, setting out shared aspirations and clear target outcomes. Logan City Council is a key funding partner, alongside others such as the Queensland State Government, Anglicare, and Griffith University. The coordinators, or ‘backbone’ team, are primarily local community members, informally guided by...
the Logan Child Friendly Community Consortium Trust, which also coordinates funds. Recognising the diversity of Logan’s population, projects are varied and customised to target specific segments of the community. Examples of projects include:

- **Community Gateways** – “safe inviting spaces where people feel accepted and where resources are made available”.
- **Community Active Partnerships** – delivering physical activity opportunities designed to promote the wellbeing and physical literacy of children aged 0-8, and fostering parent and caregiver awareness.
- **Strong Parenting** – seeks to research, clarify, develop, and disseminate a set of critical parenting messages, localised to speak to diverse segments of the community. Includes a collection of resources, tools, and engagement opportunities around children’s needs, delivered through various platforms, online, via community gateways, schools, and playgroups, while gathering feedback and evolving the program.
- **Logan Together** also supports partner projects such as maternity hubs, right@home services (home visits by health professionals), and family coaching via the community-led Financial Literacy Action Group.

**Case study 11: Renewable energy and local microgrids**

In addition to community health and wellbeing services, as illustrated by the example above, local governments frequently address logistical and/or infrastructure needs in their communities. One recent example is the growing number of local electricity microgrids and shared battery systems. The development of some of these microgrids has been driven by natural disasters, particularly bushfires, that have left rural or remote communities isolated and vulnerable in emergency situations. Other councils are playing a key role in leading, facilitating, and coordinating investment in these renewable energy microgrids, as a core service, for community resilience in the face of supply-chain interruptions, and also in response to community concern regarding climate change and sustainability. Some key examples include:

- **East Gippsland Shire Council**’s Solar Bulk Buy program ran for 12 months from June 2018. Having consulted widely across community, business, and government, the council identified concern around the cost of electricity and the need to shift to renewable energy. Facilitating discount prices for private purchase through bulk-buys, the program also saw a percentage of sales directed towards installations on community facilities and procured local business in the installation of systems. In 2020, the not-for-profit Cann Valley Bush Nursing Centre received 3.4kW free of the 10kW system they installed through the scheme.
- **Three Gippsland local councils** – **Latrobe City**, **Baw Baw Shire**, and **Wellington Shire** – are part of the Latrobe Valley Authority which, spurred on by the “Voices

**Figure 5: Shoalhaven’s Nowra waste treatment system PV panels**

of the Valley’ community group and the 2019/2020 bushfires, has been pushing for energy resilient public buildings (an ‘Emergency Distributed Energy System’). During climate emergencies and extreme weather events, when connection to the main grid becomes unreliable, the systems would provide much-needed access to information and critical services.

- The City of Melville in WA has used its local government infrastructure to improve energy efficiency and security via its ‘Smart Grid Paralleled Mode Micro-Grid’ project. Working in partnership with Murdoch University, and supported by federal co-funding, Melville has delivered an ‘integrated system including renewable energy generation at sites, smart metering technology, [and] an advanced long-term energy planning technique’. The Federal Government has also co-funded other microgrid programs in parts of remote Australia historically heavily reliant on fossil fuel generation to meet energy needs.

- Shoalhaven City Council in NSW has been addressing operational emissions since 2010. The council, aiming to achieve net-zero emissions by 2050, currently has ‘over 32 assets with almost 900 kW of solar PV systems installed, generating around 1,300,000 kWh of renewable electricity every year’ and saving more than 1,000 tonnes of CO2-e emissions annually. Most recently, Shoalhaven Council has installed a largescale ground-mounted PV system to power its Nowra wastewater treatment plant.

Lessons and insights

- Many remote or economically disadvantaged councils already find themselves in the position of filling gaps in market-based or state and federal government services providing, for example, aged care, primary healthcare, funeral parlours, airports, and banking facilities, even where costs are significant.

- Given the closeness of councils to their communities and their unparalleled knowledge of local needs and challenges, there is no reason why some councils should not shoulder these responsibilities as long as they are adequately resourced and supported.

- Rural and remote LGAs, island communities, and communities facing unusual levels of economic disadvantage can make essential or transformative interventions that meet community need via the provision of infrastructure or health and wellbeing services.

- Leveraging their local networks and close relationships with the people and places they represent, local governments are well placed to recognise where services are lacking and to meet communities’ specific needs with tailored or bespoke interventions.

- Logan Together is an example of how a federally-funded program (Stronger Places, Stronger People) is ‘place-shaped’ or adapted for a local context, with Logan City Council facilitating the program and acting as an enabler connecting community, appropriate services, relevant organisations and funds.
PART FIVE – IMPLICATIONS FOR THE FUTURE OF LOCAL GOVERNMENT

The place-shaping agenda provides valuable insights into the complex ways in which economic, political, and technological changes are reshaping our communities, with significant implications for the future of local government. Many of these trends have been evident for decades but have intensified in recent years.

The COVID-19 pandemic in particular highlighted the enduring value and importance of local relationships, services, and facilities even at a time of unprecedented engagement with the online world. Beyond this accelerating digital transformation, there is also growing recognition that complex social challenges require collaborative, place-based solutions even as rising geopolitical tensions and sustainability imperatives also highlight the need for communities to become more self-sufficient over time. Above all, individuals and communities value strong social connections now more than ever, as well as systems of government that enable communities to set priorities and shape their collective future. Tasmanians also treasure the physical spaces in which we live, and expect governments to protect our local environments and give communities a meaningful say in how they are managed.

Yet there are also significant countervailing trends and trade-offs that will have to be carefully considered by the FoLGR and the wider Tasmanian community.

Complex social, environmental, and economic challenges require resources and capabilities that will demand collaboration between all levels of government along with community and industry partners, while retaining a local focus. Similarly, strategic planning and economic development frameworks might best be developed at a regional scale, albeit with significant input from local government and other stakeholders. Finally, complex and expensive services and infrastructure such as IT systems could be provided through carefully designed shared or centralised service provision models to ensure sustainability and cost effectiveness while remaining responsive to local needs.

Inevitably, this agenda has broad implications for the scale, roles, and functions of local government in Tasmania, as well as for the reform priorities emerging from the FoLGR. Ultimately any changes must be predicated on analysis showing the benefits of reform and be underpinned by collaboration with the local government sector and wider community.

We conclude with a brief overview of these considerations with respect to both the future scale and organisation of local government in Tasmania as well as its important role in representing communities and delivering services to support communities into the future.

5.1 Implications for the future scale and organisation of local government

The literature and practice on place-shaping provides insights into appropriate scale of local government and the communities in which local government is likely to matter most. There is also growing recognition that the functions, scale, and organisation of local governments will vary depending on the characteristics and needs of the communities they serve.

Most of the Australian and international literature on local government reform has characterised the scale and organisation of local councils as in constant tension. Over 20 years ago Aulich, for example, proposed two models of local government through which reforms and reform priorities can be interpreted, and his approach has been highly influential in local government reform discourse ever since. The first is a ‘local democracy model’, which “puts democratic and locality values above efficiency values”, and the second a ‘structural efficiency model’, which “emphasises the importance of efficient distribution of services to local communities.” In this model, these two values are presumed to be irreconcilable which helps explain the often-insurmountable barriers to local government reform.
Reconceptualising the role of local government through the lens of place-shaping offers the possibility of a reform agenda that can move past this dichotomy. A focus on place-shaping and community wellbeing as the guiding objective of reform can move the debate beyond simplistic arguments that larger councils deliver more efficient services.

This shift requires an important change in emphasis, however. Where functional reforms can and should target economies of scope and scale in areas of common or undifferentiated service delivery, any boundary reform must be community-led, deeply and authentically consultative, and designed to reflect genuine communities of interest. Local government is particularly important where services and functions are distinctive and rely on local knowledge, relationships, and trust. As described in Part Four, examples include local community and economic development, preventive health and wellbeing programs, and community employment programs.

The second rationale for the local provision of roles or services is where the impacts, benefits, and amenity are local and ‘hyper-proximate’. Examples are varied but include local reserves, parks and green space, local land-use planning, and elements of climate adaptation and emergency/disaster management.

The literature on place does not support claims that local governments should be a certain minimum population or geographic size. Rather, it suggests that local governance and decision making are more important in more socially and economically connected communities with shared interests and distinctive identities. In practice this means there is often a rationale for retaining relatively small councils in remote or regional communities. While there are potential benefits, these questions of scale and boundary reform need to be considered alongside careful analysis and consideration of the costs of retaining smaller councils and how this can be mitigated with innovative models of shared and common services.

Aligning scale with strategic imperatives

Under some circumstances there may be benefits from retaining small councils, but the logic of place is less compelling in areas where social and economic relations and identities extend beyond their LGA boundaries. In larger cities, where residents often work, socialise, and access services outside their immediate communities, there is a case to align local government areas with urban boundaries to enhance scale and support strategic whole-of-community settlement, transport, and land-use planning. While this logic supports the creation of single councils for our major cities and their immediate surrounds, the case for amalgamating urban local government areas with adjoining rural councils to achieve economies of scale is less convincing given a lack strong social and economic connections between cities and neighbouring regions.

There may be a functional logic to establishing larger metropolitan councils, but the question of scale and boundary reform raises a host of political and economic questions which requires careful consideration alongside other costs, trade-offs, and community preferences.

5.2 Implications for the future roles and functions of local government

This report has identified a number of place-shaping roles and functions that local governments should perform or support to promote future community wellbeing. These include both organisational and governance functions designed to empower and connect local communities as well as more tangible service delivery responsibilities.

There are three broad and overlapping organisational and governance functions that will enhance local government’s future place-shaping role.
Representation, engagement, and supporting local democracy

Effective place shaping requires that local governments support and contribute to community networks and are prepared to engage with or devolve decision making responsibilities to their residents. Many councils are doing this well already, but it is also true that the degree to which the sector is involved in genuinely community-led decision making and participatory practice is highly variable across Tasmanian LGAs.

There is also considerable variation in the degree to which different cohorts within communities engage with their councils, and this too impacts their ability to be truly representative of the places and people they serve. In Tasmania, older residents, homeowners, and long-term residents of particular communities are generally highly engaged with local government, but this is often not the case for younger residents, renters, and economically disadvantaged cohorts.\(^{16}\)

Similarly, New Zealand’s Review into the Future for Local Government recently found that despite being the level of government closest to the people, many New Zealand local governments failed to engage with and represent their diverse residents. Bridging these divides and connecting with residents or cohorts that have traditionally been less engaged is critically important to the representativeness of the sector at large.\(^ {16}\)

The need to increase participation in, and the representativeness of, local democracy has two implications for local government reform in Tasmania:

1. The introduction of compulsory local government voting legislation represents an important first step towards ensuring that local governments represent more young people and other relatively disengaged groups. The next challenge is developing ways to increase engagement with a broader range of council deliberations and services.

2. Local democracy is not confined to four-yearly council elections. The introduction of community boards, ‘people’s panels’, and other participatory processes such as those outlined in case studies above could lead to considerable improvements in Tasmanian local government representation. Engagement and accountability are also enhanced by greater transparency and reporting of local government processes and decision making.

Enhancing community engagement and representation in local government is a widely accepted objective but requires dedicated resourcing and capability. Also, consultative and participatory decision making takes time and demands that councils devolve power and authority to residents. Such reforms would deliver benefits but also raise questions as to when and how council decisions should be open to detailed consultation, which will need to be carefully considered by communities. There is also a risk that more open and democratic council processes may become another arena for political conflict in relation to issues that divide communities.

Advocacy, facilitation, and anchoring networks

A clear theme of the contemporary literature on place-based governance is the recognition that effective community development requires the strategic collaboration between a number of public and private actors highlighting the need for local government to establish and support strategic partnerships.

Given their deep community connections, social capital, prominent role as local employers and procurers, and unrivalled local institutional knowledge, local governments are well placed to fulfil this role by acting as anchor institutions. At their most basic level,
anchor institutions are large entities or organisations that “by reason of mission, invested capital, or relationships to customers or employees, are geographically tied to a certain location”.

For local councils, being an effective anchor institution entails providing services directly but also developing frameworks to steer partnership arrangements and enable community-led initiatives. In this sense, the anchor institution model describes how councils can play the central role in connecting, facilitating, and empowering collective action between non-government or civic organisations, the private sector, and other tiers of government at the local scale.

A related function is acting as an advocate for communities to secure investment or funding and representing communities in emerging forms of regional governance (discussed below). The common thread uniting these anchoring activities is the ability of local governments to leverage their community networks, knowledge, and embeddedness to coordinate action in partnership, whether or not councils themselves are directly responsible for resourcing or delivering the initiative in question.

Supporting social inclusion and building community capacity

An additional place-shaping role to which local government can make an important contribution is actively building stronger community connections, social capital, and a sense of shared (but inclusive) local identity. This function is important given growing recognition that connected and inclusive communities support wellbeing, civic participation, and resilience, which are key determinants of constructed economic advantage.

Democratic participation and community engagement in the kinds of council activities described above provide a foundation for building strong and inclusive communities. However, capacity-building strategies should extend far beyond encouraging engagement with councils to support a wide range of initiatives aimed at bringing organisations and people together around shared interests and agendas. In this sense, the role of fostering a sense of distinctive local identity and belonging is arguably, at least to some extent, a feature of more or less all local government service provision consistent with the broader place-shaping agenda.

Figure 6: The roles of anchor institutions
5.3 Implications for service delivery and strategic planning roles

In addition to local government’s key role in supporting the development of more connected and engaged communities described above, councils will continue to play a central role in delivering and supporting a wide range of place-shaping functions and services.

As this Report has argued, the literature on place-shaping and place-based governance suggests that services that respond to distinctive local needs and rely on tacit knowledge of communities, strong relationships and trust are best designed and delivered at a local level. Part Five highlighted how these place-shaping functions often have a social or community development focus and include health promotion, employment, and housing services. Sometimes these services will be developed unilaterally by councils in response to clearly identified local need, but in other cases, where services or systems are more generic and there are scale benefits, shared services or other innovative partnership models may be used to capture the benefits of both scale and place.

A second well established place-shaping function which local government will continue to fulfill is providing or advocating for critically important services and infrastructure that are not provided by other tiers of government or other organisations. Politically, given its direct accountability to the community, local government is often obliged to act as the service provider of last resort and can capture economies of scope by developing an established role filling gaps in service systems and responding to emergencies and unforeseen challenges. This role is especially important in regional and remote communities where, due to the absence of other government programs or service providers, councils – often in partnership with others – are involved in providing primary health, childcare and other essential services, as well as owning and managing airports and other critical infrastructure.

As noted above, local government can play a key role as a local partner or an ‘anchor institution’ to ensure that regional, state, or national policies and programs respond to community needs. Once again, this highlights the increasingly important role of local government in regional or other forms of networked governance.

![Diagram showing movement of powers/competence within regionalised versus shared models of joined-up service delivery](image-url)

**Figure 7: Movement of powers/competence within regionalised versus shared models of joined-up service delivery**

A fully realised place-shaping role for Tasmanian local government would see councils expanding their activities – in partnership with others, in a range of community development and stewardship roles – while playing a more active and representative function in a range of regional governance initiatives. This growing emphasis on new place-shaping roles will inevitably require a realignment of resources, focus, and personnel and, as a result, may entail changes to the way that other council services are delivered.
The development and delivery of innovative shared services and systems models

There are clearly trade-offs between local decision making and service delivery that responds to community needs and the benefits of delivering services and infrastructure at scale. This is especially true where services are capital-intensive, have high fixed costs, or require specialist technical expertise. However, there is also growing recognition and evidence that innovative shared services models or centralised commissioning can help achieve economies of scale and other benefits of centralisation while remaining responsive to the needs of communities and accountable to specific LGAs.

Where innovative shared services models are pursued, however, they should be informed by deep community engagement and ongoing local government involvement through commissioning or alternative governance arrangements. It is also essential that any proposal to centralise services is underpinned by robust analysis to ensure that it is supported by, and deliver real long-term value to, communities.

Inevitably when local governments adopt new roles and functions there will be resourcing implications which must be carefully considered. It will also be important to remain mindful that the preferred mix of services and functions will vary across different local government areas depending on their particular characteristics and needs. The ultimate test of such reforms is whether they enable local government to enhance community capital, output and productivity, and a place’s operability and liveability.

Participation in regional governance and strategic planning

Reflecting Australia’s centralised federation and Australian local government’s relatively limited role and functions by international standards, many programs and functions that influence future community wellbeing are designed, funded, and delivered by higher tiers of government. However, there is growing recognition that local government could make a significant and more formalised contribution to the design and delivery of such programs to ensure that they meet the distinctive needs of local communities.

For example, Glyn Davis, incoming Secretary of the Department Prime Minister and Cabinet, has noted that “top-down government is being turned on its head” and all governments need to be responsive to the needs of increasingly empowered communities and citizens which will require the Commonwealth to “partner with state and local government, business and charities to deliver place-based integrated services”.

In short, local government can play an increasingly important role in regional and other forms of networked governance and, as a sector, should actively build the capability to perform this increasingly important place-shaping function.

A closely related regional governance role concerns contributions to the design and delivery of infrastructure projects and strategic land use and planning frameworks at a regional scale. While local government should have a central role in local planning processes that shape the built environment and liveability at a community scale, larger-scale transport, infrastructure, and settlement planning should be formulated at regional scale albeit with input and oversight from regional councils. The functional logic is that if a strategic planning decision has a significant ‘spill-over’ impact on neighbouring local government areas or the region as a whole, then it should probably be addressed at a regional level. As with other emerging examples of collaborative or networked governance, any reforms must be carefully analysed and subject to detailed consultation, only proceeding if there is broad-based support, given success is critically dependent on maintaining trust between parties.
END NOTES


7. Ibid.


18. Lyons (2007), op cit., p. 6


28. Burkett, I. ‘Civic innovation and local government futures.’ https://futureforlocalgovernment.govt.nz/reports/; see also, for example, Participatory City Foundation, ‘Participatory City.’ http://www.participatorycity.org/


43. The Southern Initiative, op cit.


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