



# Local Government in Australia

## Responses to Urban-Rural Challenges

edited by

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The H2020-MSCA-RISE-2018 project aims to provide solutions for local governments that address the fundamental challenges resulting from urbanisation. To address these complex issues, 18 partners from 17 countries and six continents share their expertise and knowledge in the realms of public law, political science, and public administration. LoGov identifies, evaluates, compares, and shares innovative practices that cope with the impact of changing urban-rural relations in major local government areas (WP 1-5).

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# 1. The System of Local Government in Australia

Carol Mills, *Institute for Public Policy and Governance, University of Technology Sydney*

## Types of Local Governments

Australia is a federation with three levels of government: the Commonwealth (federal/national), states and territories; and local government. Local government is established through the separate constitutions of each state and one territory. Therefore, although councils perform similar functions, there are effectively seven different governance systems across the country.

The size of councils in Australia varies dramatically. The largest is Brisbane City Council in Queensland which serves a community of just over one million people, covers an area of 133,809 ha<sup>1</sup> and has an operating budget of over AUD 3 billion.<sup>2</sup> In stark contrast, Sandstone Shire Council, in Western Australia, has a population of 81 residents living in an area covering 3,266,650 ha,<sup>3</sup> comparable to the size of Belgium at 3,300,000 ha.<sup>4</sup> Sandstone's expenditure in 2020 was AUD 5.6 million.<sup>5</sup>

Reflecting the country's British administrative heritage, local governments across Australia are typically referred to as a 'council', 'city' or 'municipality', 'shire' or 'town' depending on factors such as their size, location, or history. 'County councils' also exist as incorporations of, and controlled by, two or more local governments; established to deliver services usually across rural areas.

Currently there 537 local governments in Australia. This has been reduced from its peak of 1,000 due to ongoing structural reform aimed primarily at improving efficiency and effectiveness. Reduction has mostly been obtained through the process of amalgamation.

Despite often being strongly resisted by local communities and councils, amalgamations have been a significant policy in most Australian jurisdictions over the last two decades. Opposition to amalgamations has been based on numerous factors, such as concerns about loss of local identity and scepticism about purported efficiency gains. Both arguments were central to opposition to the most recent round of council large scale mergers that took place in New South Wales in 2016. At that time the state government pushed a highly controversial program

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<sup>1</sup> Information retrieved from the Australian Bureau of Statistics (2019).

<sup>2</sup> Information retrieved from Brisbane City Council (2020).

<sup>3</sup> Information retrieved from the Australian Bureau of Statistics (2019).

<sup>4</sup> Information retrieved from World Bank (2015).

<sup>5</sup> Information retrieved from Shire of Sandstone (2020).



that was only partially finished, and ultimately abandoned, after community and council resistance derailed the process in a number of locations.

Local government in Australia has traditionally performed a regulatory role, including planning and building approvals, dog and cat management, and food and health inspections. Whilst they tend to have a narrower remit than in many other comparable countries, they also play an important role in community infrastructure such as the provision of local roads and waste management. In recent decades many councils have also extended their economic and community services to include childcare, youth programs, libraries and sport and recreation facilities, and community health activities.

## Legal Status of Local Government

Local government is currently not formally recognised in the Australian Constitution. Whilst there has been attempts to amend this, including two referendums, its legal status remains dependent on state legislation. Many of its powers and responsibilities are subordinate to state and national governments, and there is often significant overlap of policy and programs.

These structural arrangements place limits on local government service delivery responsibilities and earnings. Local governments raise revenue from a range of sources including user charges, fines, developer contributions and income from properties, with utilities, waste and recycling services representing the most significant portion of own-revenue raised. However, the only form of tax they can charge is rates. Larger councils have significant income earning capacity and are able to generate around 80 per cent of their income, including waste and recycling charges. In contrast, much smaller councils are increasingly dependent on state and federal government grants.

Commonwealth grants have played a significant role in funding local government since the mid-1970s. However, the historic interpretation of the Australian Constitution was such that funds can only go *via* the state authorities. In this context, funding from the Commonwealth for local government purposes is 'tied', meaning that the state and territories do not have any discretion in how it is to be used. This arrangement was made more complex by a 2009 High Court of Australia decision (*Pape v Commissioner of Taxation*) regarding the Commonwealth's powers to authorise one-off payments to taxpayers. That decision was seen by many to limit the Commonwealth's ability to directly fund local government and remains contentious.

## (A)Symmetry of the Local Government System

Australian local governments (councils) are led by elected officials. Generally, elected members act as formal decision-makers for strategic plans, policies and budgets prepared by the



executive leadership staff of a council. The nature of these plans is often set out in state and territory legislation.

One form of elected official is the councillor. In addition to their strategic decision-making duties, councillors are also responsible for appointing and overseeing the performance of the general manager/chief executive officer in accordance with an employment contract. This has become a contentious issue in several locations, with some local governments experiencing a high turnover rate amongst their chief executives. This has created numerous concerns, ranging from claims of councillors excessively interfering in operations, to perceived tenure uncertainty making it difficult to attract quality staff.

Another form of elected official is the mayor. The mayor is typically a ceremonial figure and in most cases is chosen from within the cohort of councillors to act on a rotational basis. There are, however, some differences across the country. For example, mayors in Queensland (and now increasingly in other jurisdictions) are mostly directly elected and have wide powers to prepare major policies and budgets.

Voting in local government elections is compulsory in all locations, excluding South Australia, Tasmania and Western Australia. Councillors are usually members of a political party and local government elections are party political, with the major political parties being represented and generally holding a majority. This is particularly the case within metropolitan areas. In fact, local government is often seen as a training ground for political aspirants. In rural areas, candidates are more likely to run independently, although they may be a member of a political party on a personal level.

## Political and Social Context in Australia

The geography of Australia, and its cultural, social and economic history, present specific challenges to local government. This has led to councils lacking a uniform capacity to deliver services.

Rural and regional Australia is facing wide-ranging challenges including an ageing local population, poor infrastructure, limited education and employment opportunities, the drift of young people to urban centres, and more. In many rural towns, local councils provide a significant role as a major employer and service provider within the community therefore their sustainability is central to community wellbeing. This is less likely to be the case in a metropolitan location. Therefore, the role of local government within the community varies greatly, depending on a number of external factors.

The Australian Local Government Association (ALGA), the peak body for councils, identified 5 priority areas in its 2020-23 Strategic Plan which provide a useful guide to issues of contemporary importance to the sector. These are: financial sustainability; roads and infrastructure funding; waste; community resilience and climate change.



The Commonwealth has supported local government through a series of grants programs, as previously mentioned. Much of that funding is for infrastructure. For example, the current main initiatives focus on roads (AUD 7.3b between 2000 and 2019) and regional and community infrastructure. However, in 2016 the total value of Commonwealth grants equated to just 7 per cent of the amount spent by local government nationally. In its 2019 national election proposals, ALGA called for further funding for these programs in addition to health and wellbeing, digital, and Indigenous community funding.

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# Local Responsibilities and Public Services



## 2.1. Local Responsibilities and Public Services in Australia: An Introduction

Carol Mills, *Institute for Public Policy and Governance, University of Technology Sydney*

The changing demands on Australian local governments has seen them progressively evolve over time. What was once viewed as a sector narrowly focused on ‘services and property’, is now far wider reaching. Promotion of social, economical, environmental and cultural wellbeing of the communities they govern is now seen as the delivery of core purpose. This has been a response to rising citizen expectations of public services and the devolution of service delivery tasks from higher levels of government to local governments.

Concurrently, local government services have become subject to increased regulatory requirements from other levels of government, particularly in core areas such as asset management, land use planning, and community and strategic planning. The costs of providing and maintaining services have also increased faster than revenue. The net effect has been that local governments now provide a wider range and higher standard of services, such as sporting, cultural and community care facilities, under increasing regulatory and financial constraints.

Recently, attempts have been made to understand and articulate this expanded and more complex service delivery task for contemporary local governments (see table below).

Table 1: Illustrating the expanding role of local governments in services.

Economic and community development	Operation of tourist centres and facilities Provision of grants to local groups to provide services Events and promotions
Sustainable land use	Development approvals Building approval and certification Management of public land
Protecting the environment	Preventing pollution or restoring degraded environments Providing environmental programs Strategic planning
Community services	Library services Community events Aged care Early childhood education and care
Public health and safety	Waste collection and management Water and sewerage services Preparedness and response to natural disasters

When considering the evolving nature of local government service delivery, several functions may be distinguished:



‘Core’ local government functions: Whilst core functions differ across jurisdictions, there is an expectation that local governments provide core services to a minimum standard before others are considered. Examples of these include building approval and certification, waste collection and management, and cultural and recreation services.

Services delivered in competition with other providers: For a range of reasons, local governments have chosen to deliver services in competition with other providers. Examples include childcare and commercial car parks. These activities can also generate new revenue sources.

‘Market gap’ services: Particularly in rural areas, local governments often face pressure to provide services that are not economically viable. This viability, or lack thereof, is commonly due to small population numbers and few-to-none alternative providers. Examples include medical clinics, airports, produce saleyards, abattoirs and cemeteries.

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## 2.2. Provision of Services in Regional and Rural Areas

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### Relevance of the Practice

Australian local governments traditionally perform a range of regulatory functions including building certification, land use planning, development approvals, domestic pet management, parking, food and health inspections. While they continue to remain narrower than in many countries, there has been a progressive expansion of roles. This includes a growing range of economic, social and environmental services such as child care, youth programs, libraries, sport and recreation facilities, business development, environmental management and community health.

Rural and urban local governments in Australia provide very different kinds of services reflecting community needs and goals. The institutional frameworks which govern the local government system in Australia's states and the Northern Territory must accommodate very different kinds of organisation. A one size fits all approach can act as a constraint to councils in terms of their operation and the division of responsibilities between elected councillors, the organisation and the community, particularly in rural and regional areas.

### Description of the Practice

In many rural areas, local governments provide services that would normally be offered by the market or by state government. For example, Brewarrina Shire Council has partnered with Charles Sturt University to provide free dental services to its residents; Gilgandra Shire Council in New South Wales (NSW) provides a range of community services such as homelessness services and aged care; and, the Town of Esperance in Western Australia (WA) provides a wide range of aged care services. Additionally, the provision of primary health care (General Practitioners, nurses etc.) in rural areas of Australia is often viewed as insufficient. In response to this, rural local governments have created alternative solutions. Some provide infrastructure for GPs to use, others run their own medical practices. For example, Sandstone Council in WA provides a nursing post and access to doctors via the Royal Flying Doctor service. The Western Australia Local Government Association (WALGA) recently carried out a survey of regional health services in the state. Based on the outcomes of this survey, WALGA recommended that a further engagement be carried out with local governments to clarify effective and self-generated solutions which other local governments have implemented to recruit and retain health professionals to their areas.



## Assessment of the Practice

Little is known about the extent or innovation of the new approaches local governments are taking to meet the needs of their rural communities. More research is required to better understand this practice, and how rural councils can best be supported to secure the services their communities require.

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# Local Financial Arrangements



## 3.1. Local Financial Arrangements in Australia: An Introduction

*Carol Mills, Institute for Public Policy and Governance, University of Technology Sydney*

In Australia, the national government collects the majority of tax revenue (over 70 per cent) through mechanisms such as Income and Goods and Service Taxes (GST), despite being responsible for less than half (about 40 per cent) of all public sector expenditure on service delivery. This is a relatively new proportion of tax collection, as prior to the introduction of GST in July 2000, states also collected a number of taxes and duties. These were largely replaced by the GST and a redistributive process was established to allocate national revenue to the other layers of government and across jurisdictions. There are many critics of this model at the state and local government levels. Nationally, local government collects about 3 per cent of all tax revenues and is responsible for about 6 per cent of total public sector expenditure on service delivery.

The single main source of revenue for local government is property rates. In 2018, they accounted for about 40 per cent of the total AUD 17 billion revenue collected by councils nationally. Other local government revenue sources include fees and charges (such as for water, waste and recycling service, parking, lodging development applications, or use of facilities like swimming pools), and rental income from owned assets.

Local government revenues vary substantially across Australia. This is due to property rates being the main revenue source, and state governments using different methods to value the land on which property rates are based. For example, South Australian local governments collect 60 per cent of their revenue from rates, compared with around 15 per cent for the Northern Territory. Total own-source revenue (such as rates and services charges) can comprise up to 85 per cent of a local government's revenue. This is lower in rural areas where land values tend to be lower and there are more sparsely populated areas. Rural and regional local governments can collect as little as 20 per cent of their expenditure and also face significant diseconomies of scale in terms of the costs of providing services. As a result, many rural councils, are reliant on grants from other levels of government such as through the annual Financial Assistance Grants system.

A range of criteria is used to determine the Financial Assistance Grant amounts and the formula is often the subject of intergovernmental conflict. It is strongly argued that the needs of regional and remote local governments are inadequately reflected in these formulas, and there is limited capacity to lobby for change due to the structure of the local government associations representation arrangements.

The main expenditure items of local governments are housing and community amenities (24 per cent), transport and communication (22.5 per cent) and general public services (17.2 per



cent). These figures vary depending on the different responsibilities of local governments in each state and territory and particularly whether they are metropolitan or rural councils.

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## 3.2. Limiting Rate Increases in New South Wales and Victoria

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### Relevance of the Practice

Australia provides an interesting case through which to study the impact of restricting a local government's ability to raise property taxes or rates. At a national level only New South Wales (NSW) and Victoria have a rate pegging or capping system in place. In South Australia the rate capping legislation was introduced to state parliament in 2018, however it was voted down. By examining the different practices in the various Australian states, researchers will be able to provide an analysis of the relative merits of rate capping as an approach to ensure taxes remain in line with economic growth.

### Description of the Practice

Since 1977, certain council revenues have been regulated in NSW under an arrangement known as 'rate pegging'. Rate pegging limits the amount which councils can increase their general income. General revenue mainly comprises rates revenue, but also includes certain annual charges (excluding stormwater and waste, and water and sewerage). The rate peg refers to the maximum percentage amount that a council may increase its general income for the year. Since 2011-12, this amount has been set by the NSW Independent Pricing and Regulatory Tribunal (IPART) under a delegation by the Minister for Local Government.

In 2016 the Victorian state government also introduced rate capping. The cap placed on rate increases is intended to provide Victorian councils with a clear framework to guide their budget planning and decision-making. The framework is also designed to ensure that essential services continue to be delivered and that councils invest in necessary local infrastructure to meet community needs. Only the general rate and municipal charges section of a rates bill are subject to the rate cap. All other elements, such as waste charges and other user fees and levies, remain uncapped. The rate cap applies to the council's total rate revenue and not individual properties. In many cases, individual rates bill may increase or decrease by more (or less) than the capped rise amount.

In both NSW and Victoria, there are provisions in place should a council wish to increase its rates above the percentage approved by the state governments. In Victoria, councils must demonstrate to the Essential Services Commission that an increase is warranted and that they



have engaged and listened to ratepayer and community views. Similarly in NSW councils can apply to IPART for a special rate variation for higher percentage increases.

## Assessment of the Practice

The NSW Independent Local Government Review Panel undertook a study in 2013, reviewing revenue and rates over a nine year period, 2001-02 to 2010-11. Growth in total revenue of NSW councils was 5.7 per cent per annum in comparison to an average 8.0 per cent for the other mainland states. Rates revenue increased by 4.4 per cent per annum in New South Wales compared to an average of 8.0 per cent elsewhere. A study by the Productivity Commission on Development Contributions (2020) found that rate capping can act as a disincentive for councils to accommodate growth in response to population growth.

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# Structure of Local Government



## 4.1. The Structure of Local Government in Australia: An Introduction

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Reforms to Australia's local government systems over recent decades have often focused on structural change, particularly around increasing scale. For example, in the 1990s, the Victorian Government dismissed all local governments in order to redraw boundaries and drastically reduce the number of councils. It was then voted out of office as voter discontent with the swiftness of these and other dramatic reforms became a major state election issue. Similarly, in 2008, the Queensland Government halved the number of local governments and a small number of the amalgamated councils have since demerged. In 2015-16, the New South Wales Government sought to reduce the number of local governments but the reform process remained incomplete. It was abruptly halted due to a mix of local community discontent (although the amalgamations in metropolitan areas were largely supported by the wider community), a change of state political leadership, and court challenges by a small number of local governments faced with merger. Despite these challenges in May 2019, 42 councils in NSW were merged into 19 organisations.

The driving force behind these moves to structural reform has largely been ideological, the notion being that smaller local governments are less efficient. While all local government reform to date has been 'done to' local government, it is interesting to note the reluctance or perhaps inability for significant self-initiated reform by the sector. Despite advanced financial modelling and optimistic projections, there is currently no Australian evidence to support the claims that larger local governments are necessarily more efficient. This is a topic currently being explored by the Institute for Public Policy and Governance of the University of Technology Sydney. There is more evidence that larger local governments can promote strengthened strategic leadership capacity but this has been difficult to measure and warrants further research.

It is important to note that not all of Australia's territory is covered by local government. Some remote 'unincorporated' areas are administered by state and territory governments, and the Australian Capital Territory – the home of Australia's national capital – does not have a formal system of local government and local services are delivered by the Territory Government.

As for cooperation between local governments, councils in most jurisdictions form regional governance collaborative structures, either voluntarily or through incentivisation. These generally come together on a sub-regional scale to share service delivery, for advocacy or strategic planning. In 2017 legislation was introduced in New South Wales (NSW) for Joint Organisations of councils in non-metropolitan areas, facilitating the establishment of regional strategic priorities, regional leadership and intergovernmental cooperation.



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## 4.2. Amalgamations in New South Wales

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### Relevance of the Practice

On 12 May 2016, the New South Wales (NSW) Government announced the amalgamation of 42 local governments into 19 new councils. The stated objective was to strengthen the local government sector by increasing financial sustainability and efficiency. However, local government amalgamations not only require a re-drawing of boundaries, but also a re-establishment of local representation, decisions about alignment of services across the former council areas, and creation of an amalgamated workforce. It was also difficult to see how the merger of two financial struggling rural councils could immediately result in a high functioning, sustainable new entity.

Further, the amalgamations in NSW focused on simply collapsing existing historical boundaries rather than taking the opportunity to strategically realign councils around contemporary economic or social communities or sub-regions.

The study of this practice is relevant to researchers as it will help them identify and discuss the relative merits of larger versus smaller local government organisations, drivers of efficiency, the role of incentives, evaluative tools, and other similar topics. Particular areas which could be considered include: the question of the responsiveness of service delivery versus efficiency; the effects of amalgamation on local representation and community engagement; and, differences in the challenges of amalgamation faced by urban versus rural councils.

### Description of the Practice

The new council structure in NSW has been in place since 2016. Local government amalgamations took place across the state, covering urban and rural/regional areas from metropolitan Sydney to the more remote areas of the state. These newly created organisations have been in operation for approximately four years. Some have stabilised, while others are in financial difficulty and a small number are still looking to de-amalgamate. The next round of local government elections is due to take place in September 2021 and this will be the first opportunity to gauge community views on the performance of the new entities.



## Assessment of the Practice

The stated objective of the local government amalgamation process in NSW and other states was to strengthen the financial sustainability and efficiency of the sector. Whether this objective has been achieved is still a contested question. An analysis of the reform process to date would provide insight as to whether the sector is on track toward achieving these goals. In addition, these mergers have implications for other aspects of local service delivery, representation and democracy. For example, in NSW, the number of councillors for a local government area is capped at 15 (Section 224 of the Local Government Act 1993). The result is often that when a council is merged the number of residents one councillor represents can increase dramatically. The implications of this change for local representation and decision-making are currently unknown.

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# Intergovernmental Relations of Local Governments





## 5.1. Intergovernmental Relations of Local Governments in Australia: An Introduction

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From 1992 to 2020, local governments were represented at Australia's chief intergovernmental forum, the Council of Australian Governments (COAG), through the Australian Local Government Association (ALGA).

COAG was established to improve and promote intergovernmental arrangements. It sought to ensure co-operation between all levels of government and increase structural efficiency. It also aimed to find ways to enhance accountability, as service delivery in Australia is often poorly delineated between different levels of government. COAG focused on key policy reforms of national significance, such as the National Competition Policy.

ALGA is the peak body of state local government associations. It advocates on behalf of its members and has historically represented local government at a range of national government committees and forums. ALGA's board is made up of 2 representatives of each state association plus an independent chair. ALGA was a member of COAG, together with the Australian Government, the governments of the six states and two mainland territories.

When created, COAG replaced Premiers' Conferences and, progressively, a large number of Ministerial Councils including the Council on Local Government. Through ALGA, local government had observer status at some of these meetings, but formal membership was normally restricted to state and federal government representatives.

On 29 May 2020, in response to the crisis brought about by the Covid-19 pandemic, the Australian Prime Minister announced the establishment of a National Cabinet to replace COAG. The National Cabinet is now the country's chief inter-governmental decision-making body. It comprises the Premiers and Chief Ministers of the eight states and territories and the Prime Minister. ALGA, and by extension local government, is not a member of this Cabinet. Within this new institutional landscape, the Commonwealth may be more inclined to leave local government issues to the states, and state governments might become more centralist, increasing their control over local governments. This is a particular risk during and post-Covid where state and local government revenue bases have been much reduced and many local governments will likely not be financially viable without increased state support.

In this context, and during a time of major change, ALGA found itself potentially marginalised and expressed concern that the voice of local government would not be heard. While there have been calls for a decision about appropriate governance arrangements remain, the current question is how local government should position itself within this evolving institutional context.



## References to Scientific and Non-Scientific Publications

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## 5.2. Changes in the Structure of Intergovernmental Relations and their Implications for Local Government

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### Relevance of the Practice

It is not clear how changes in the structure of intergovernmental relations within the Australian Federation will affect the status of local governments. The ability of the sector through its peak body, the Australian Local Government Association (ALGA), to have its voice heard in policy debates and negotiations at a federal level has been severely curtailed. The implications of this exclusion not only in policy making but delivery of essential services and partnership in political leadership, may be examined as we evaluate the efficacy of our responses to Covid-19 pandemic.

### Description of the Practice

The shift from the Council of Australian Governments (COAG) to a National Cabinet structure has excluded local government from the primary intergovernmental mechanism within Australia. More work needs to be done to understand the repercussions and implications of this shift. A review of the relative strengths and failings of the COAG model, the opportunities and limitation of the National Cabinet structure, capabilities and limits of current local governments' engagement and influence in the national arena and exploration of comparative practice and models in other countries.

### Assessment of the Practice

While some lobbying has taken place by ALGA and some of the state level peak bodies for the inclusion of local government within National Cabinet, debate on this issue continues to be relatively muted. It is unclear whether the presence of local government within this intergovernmental mechanism would indeed make a significant difference to the sector or to the federation as a whole.



## References to Scientific and Non-Scientific Publications

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# People's Participation in Local Decision-Making



## 6.1. People's Participation in Local Decision-Making in Australia: An Introduction

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There are increasing efforts across local government in Australia to directly involve residents in local decision-making. This could be undertaken through a range of consultative and deliberative processes, particularly with regard to determining budget allocations, service levels and long-term community strategic planning. In many cases consultation is required under legislation and a recent survey of councils in Victoria and New South Wales revealed that, for many, consultation was still seen as primarily a compliance activity. However, practice is gradually changing and more councils are building the capacity to conduct meaningful engagement with their communities on a range of issues.

For example, community satisfaction surveys have become a common tool to ascertain what residents expect in terms of service delivery and performance. These surveys vary in their implementation but in general they target service users through feedback surveys. In addition, councils may carry other activities to canvas the community's thoughts, such as setting up stalls in shopping centres or engaging external agencies to carry out wider resident surveys. This has helped local governments to identify gaps between expectations and performance and by highlighting where performance improvement is needed. Increasingly, the findings of these surveys form the basis of local government annual reports and are being fed into the major whole-of-organisation service delivery review processes. These reviews, in varying forms, are generally required by the various Acts which govern local government across Australia.

Other engagement mechanisms are also increasingly used including focus groups and deliberative tools such as citizen's juries. For example, from August to November 2019, the City of Sydney in NSW convened a citizens jury of 50 members of the community. The jury considered, and made recommendations on, concepts that should be introduced by 2050 in order to facilitate the realisation of the communities' vision for the city. This included strategic objectives such as the improved involvement and representation of the First Peoples of Australia in community decision-making.

For many small councils, capability and resource limitations are impacting on their ability to actively engage their communities and further innovation is required.

## References to Scientific and Non-Scientific Publications

Christensen H and McQuestin, 'Community Engagement in Australian Local Governments: A Closer Look and Strategic Implications' (2019) 45 *Local Government Studies* 453



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Ryan R and Hunting S, *Service Delivery Review: A How to Manual for Local Government* (2nd edn, Australian Centre of Excellence for Local Government, University of Technology Sydney 2015)

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## 6.2. Innovative Approaches to Citizen Participation

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### Relevance of the Practice

While there are many examples of Australian local governments involving citizens in decision-making through processes like citizen's juries and participatory budgeting, there is little research which looks at the effectiveness of these activities. Many case studies have been documented but little work has been done to follow up the engagement process to determine the impacts (both positive and negative) on the decisions taken.

### Description of the Practice

Local Governments in Australia have a track record of developing and implementing innovative approaches to citizen participation in decision-making. In Melbourne a citizen's jury was held to help council shape the future of the city. In New South Wales (NSW), Canada Bay Council carried out an extensive participatory budgeting exercise with its residents to inform the development of its budget. In addition to these activities, local government reform processes are strengthening requirements for community engagement in the strategic planning process. The Integrated Planning and Reporting framework was established in NSW in 2009 requiring extensive community engagement in the development of the long term community strategic plan. In Western Australia (WA) similar requirements were introduced in 2011.

### Assessment of the Practice

Little is known about the impact of stronger requirements for community engagement on the quality of the decisions made. Whether the community and councillors are more supportive of these decisions; how a council reconciles opposing views during engagement activities; and, if citizens should be given the opportunity to deliberate and come to mutual agreements, or whether the final decision left up to councillors or staff when there are contrasting ideas, are all points worth further examination.





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Thompson NK, 'Participatory Budgeting-the Australian Way' (2012) 8 Journal of Public Deliberation 5

Hartz-Karp J, 'Laying the Groundwork for Participatory Budgeting – Developing a Deliberative Community and Collaborative Governance: Greater Geraldton, Western Australia' (2012) 8 Journal of Public Deliberation



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