

The local state of Victoria 2021

Shifting citizen expectations



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Foreword

I am very happy to write a foreword to this useful and timely piece of thought leadership by PwC. These reports are vital if we are to tackle the growing challenges that we face as a sector. In a world still in the grip of the COVID-19 pandemic, recovering from a recession and contending with financial, economic and political change as well as an environmental emergency, there has never been a more important time and role for the level of government that is nearest to the community – local government.

By meeting these challenges head on, local government can play a pivotal role to ensure that our communities are resilient and able to not just cope with the issues that face us today, but to address them continually and proactively long into the future. As many of the means to effect change exist in our communities, we as councils will need to be increasingly supported by all levels of government to work with our residents to deliver the outcomes we all seek and to meet their needs.

Our role in this challenge is supported by the new Local Government Act 2020 (the Act) in Victoria through the principles of deliberative democracy. This enables a genuine and respectful dialogue with our communities that, for the first time, allows us to add to the usual public consultation exercises and support a genuine dialogue between the whole of our community. Listening to those that we have found hardest to reach in the past will be key to the overall success of this role for local government and must be a focus for our sector in the coming years. I am pleased that throughout the research undertaken by PwC and outlined in the article below that this requirement and activity has been highlighted as critically important for our sector.





Local government will also need to support a move towards rapid, robust and citizen-centric service, putting thought into what our communities really need and how we can quickly provide it. This will mean local government organisations will need to get used to taking more risk than they have been comfortable with in previous years and leveraging the ocean of data that councils sit on for improved service management in the future. This will also include embracing new and emerging technologies to support our staff to deliver services in new ways, adding to their existing roles rather than just replacing them. As we all know, ensuring our employees are satisfied and fulfilled in their roles will in turn have a positive impact on the experience of all residents.

As part of improving staff experience and moving to new ways of working, it is pleasing to see my peers and other council executives recognising the importance of the future of work in this article. While COVID-19 has been a massive challenge for our communities and for local government it has also generated a hotbed of innovation.

The move to virtual working caused by the pandemic has been a huge achievement in local government and has enabled flexibility both in people's daily schedules and for staff to work between departments to respond to different needs. This provides a great opportunity to increase the diversity of people working in local government who were traditionally commuting into fixed workplaces, bringing in the new skills and capabilities we need to operate the new data and technology tools required to deliver future services.

The challenge now becomes embedding the transformative legacy of the actions taken during the initial response to the COVID-19 crisis and establishing them long-term.

However, I am confident that local government can be successful in this regard, and we now have a historical and unique opportunity to redefine the sector and reboot our relationship with other tiers of government, to support and accelerate our state's recovery, and then to thrive into the future.

Executive Summary

Welcome to the first edition of PwC's annual survey of local government in Victoria.



2020 was a tough year for all Australians, with no state suffering from the combined impact of bushfires and the COVID-19 pandemic. Through the pandemic's second wave, our state experienced one of the longest lockdowns seen globally, with citizens under stay-at-home orders and business operations restricted to prevent an escalating health crisis. Even now as the country begins to shift towards reopening and rebuilding the economy, the virus's recent Delta variant outbreak has proved to us that the pandemic will still be with us for some time yet.

At the heart of the response to the bushfires, subsequent lockdowns and management of the virus, local government bodies have worked tirelessly to keep our communities safe and as many people employed as possible. Even as our state continues its strong recovery, changing health restrictions and the challenging task of supporting businesses to reopen continue to provide difficult questions for leaders of government institutions at all levels.

This recovery will not be easy, as significant pressures now affect the sector, which will force councils to act differently and adjust as they move towards a future way of working that is both sustainable and supports community growth.

We have consulted with executives across Victoria, and the effect that 2020 has had on council plans, now and for the future, is clear. However, we have also observed a cautious optimism, as dealing with the year's devastating effects have revealed the incredible resilience of local authorities, as well as their innovation and adaptability, which may not have been associated with the sector previously.

As councils look to the future, chief executives and leaders recognise the need to do things differently, reaching beyond their organisational boundaries and learning from overseas to deliver new capabilities in a whole systems approach. However, new ways of working bring new risks and require new skills and collaborative relationships. As we look to FY22 and beyond, the challenge is to turn new strategies into new ways of working for staff, the public and partners that have a real effect on outcomes in the community.



Two-thirds of executives and leaders fear that either their local authority or others in Victoria will experience serious financial difficulties in the next 10 years without undergoing significant transformation. This is highly influenced by examples from overseas, and domestically in other states, where financial difficulties have been widely publicised. They are clearly a concern for leaders as state and federal bodies look to reduce spending and so funding for local councils as part of the pandemic recovery.

These challenges are increasing at a time when citizens' needs and expectations of their local council are growing, driven by rapid technology advances seen in other sectors and industries, and exacerbated by the pandemic. Local government authorities must continue to focus on understanding the needs of their community more than ever, due to new Local Government Act 2020 requirements, and research that shows some communities continue to feel disconnected from public services. For example, culturally and linguistically diverse (CALD) citizens' belief that Australian government services exceeded expectations fell from 39% in June 2020, to just 25% by October 2020.¹ As time progresses, local government services will need to evolve to serve their whole community, and new technology, organisational structures and ways of working will be crucial to enabling this change.

Key findings

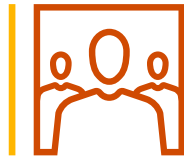
Despite the difficulties posed by the combined impact of bushfires, the COVID-19 pandemic, and shifting citizen expectations and needs, council leaders are relatively confident in the short-term outlook for their organisations as they begin FY22. Citizens who took part in our research were overwhelmingly positive about how their councils have responded to the pandemic and have increased levels of trust in their leadership to make decisions that will benefit the whole community in the coming years.

However, when looking further ahead, this perspective changes for citizens and leaders who are concerned with increasing technology challenges and assessing which services the council should continue to provide.

¹ Keeping up government's end of the trust bargain, PwC Digital Pulse 2021, <https://www.pwc.com.au/digitalpulse/citizen-government-trust-survey.html>

Call to action

Overall, this year's findings illustrate the need for a fundamental shift in local government's role and purpose, as citizens seek greater support and service excellence, while financial pressures on councils continue to grow. However, alongside growing pressures, new opportunities are emerging that local councils will need to embrace to continue the positive trends seen during the pandemic, and there is a small window of opportunity that will allow councils to firmly establish themselves as leaders in their localities for years to come.



Accelerated change in technology, digital and data is overdue: transforming processes and recasting the relationship between citizens and services is now more possible than ever and is an opportunity seized by many councils. However, many continue to lag behind and will struggle to meet growing citizen and staff expectations without immediate action. A data revolution will underpin this transformation, inspiring more informed decision-making, and delivering added personalised services that are 'smarter'.



Local government should continue to lead local responses to some of the biggest challenges facing society: whether responding to bushfires, the pandemic, flooding or drought, repeatedly in recent years, local governments have shown that they are closest to local communities and so can make some of the most effective decisions and actions to help manage a crisis. Local leaders must embrace recent difficulties and continue to be a leading voice for their residents.



There is a unique opportunity for new infrastructure projects, however they must be considered with long-term sustainability and growth in mind: the COVID-19 pandemic and increases in capital grant funding are creating new opportunities to invest in infrastructure. These will improve the lives of citizens, promote better ways of working in council facilities, and effect a truly once-in-a-generation change in service delivery to meet all citizens' needs. However, a growing environmental and social agenda (ESG) will require councils to think sustainably, making sure that decisions consider effects on the environment and future generations. New infrastructure projects must not be at the expense of long-term sustainability, and councils will need to carefully consider their large asset base and real estate portfolios to remain effective.



Collaboration and working together: placing local government at the centre of local public services and outcomes will require public sector bodies, local businesses and different councils to continue to work together and collaborate. Those who have done so already have benefited from such an arrangement, providing them with increased bargaining power and a greater ability to focus on results. Councils must move quickly to grasp these new strategies and opportunities to make sure they are fit for purpose for twenty-first century Victoria.

Introduction

In Autumn 2021, we conducted our first annual survey of local council chief executives and leaders across Victoria. With the upheaval and change caused by the global pandemic in 2020, combined with local state elections, local government is facing unique and difficult times.

Our aim was to explore how councils are dealing with the pressures that these challenges present, their confidence to solve them and deliver added value to their communities, as well as their priorities for the future.

In recent years, even before the pandemic hit, local government had experienced a fundamental shift in response to deep and continued social change, at a time of growing demand from an ageing and increasingly digitally savvy population. Keeping this in mind and our consultation with council executives, we commissioned online polling of a representative sample of over 500 members of the public. Polling explored their views on the changing role of local government and their confidence in their council to deliver the services they need and expect into the future.

In this year's report we explore where local government stands at the start of a new councillor cycle, characterised by significant financial difficulties across all government levels. This report presents our research findings and focuses on five key themes that emerged from the results, covering the tough questions that chief executives and leaders across all councils need to address for each:

- **Dealing with the ongoing pandemic:** what has been the biggest effect on local councils from COVID-19? How confident are council leaders and chief executives about the future? Where do the views of leaders and chief executives diverge? Is the public onside when it comes to continued pandemic management? What do the public see as local government's main purpose?
- **New ways of working:** to what extent are local councils moving to result delivery instead of service delivery? Is this shift in thinking leading to new ways of working?
- **Future of work:** how prepared are council staff to use new tools available to them and leverage technological advances? Are staff able to develop and learn new skills so that they can perform optimally using new ways of working? Is the council actively recruiting staff with new skills, and retaining those staff with skills crucial to the organisation?
- **Rising to the digital challenge:** are councils leveraging digital opportunities in their interactions with citizens as well as internally? What are the public's expectations of councils when it comes to digital?
- **Gaining insight:** do councils have the capacity and skills they need to turn data into insight to underpin decision-making and strategy?



Adverse effects of 2020 and recovery from COVID-19

For Australia, 2020 was unlike any other year in living memory. Even on New Year's Day, our local councils were working with emergency services to battle raging bushfires across our state. Just when one crisis appeared to end, another arrived on our shores with a state of emergency announced in March to deal with a new potential deadly virus.

The COVID-19 pandemic has radically changed Australia's healthcare and economic landscape, and nowhere more so than in Victoria. Through over 200 days of strict lockdowns at various points since early 2020 our communities have suffered from the virus's adverse health effects and the economic downturn across Australia. More Victorians were on JobKeeper than the rest of the country combined², with the long-term consequences on communities and businesses still to be determined.

We know that citizens are feeling more disconnected and isolated than ever, with a significant increase in mental health conditions resulting from the COVID-19 pandemic. Some 35% of Australians have said their mental wellbeing has been negatively affected by the lack of in-person interactions during the pandemic and 44% of citizens have felt disconnected over the last year (PwC Australia's Citizen Survey of 2020). Even now as the economy begins to rebound and vaccines are rolled out across the state, major challenges remain for our country to start operating in a way that resembles our pre-pandemic globally envied lifestyle. While local government authorities have mainly responded extremely well to the pandemic in Victoria, they must now build on the trust they have gained to recover and grow in a financially sustainable way, while accelerating the modernisation that has already begun.

² Robert Mizen, 'Victoria dominates JobKeeper numbers as spending slumps' - Australian Financial Review, August 2020 <https://www.afr.com/politics/federal/victoria-dominates-jobkeeper-numbers-as-spending-slumps-20200830-p55q1t>

Our local government institutions have been at the heart of our country's pandemic response, playing a critical role in keeping our communities safe. Though the longer-term effects of this task remain uncertain, executives feel positive about the change that the pandemic has introduced, and citizens are evidently thankful for the work performed by local government on the frontline of the crisis. As part of our survey, we asked respondents questions relating to their experience of local government services during the pandemic, and how they perceived the reaction of council leaders to the virus. Overall, the response was positive, with an average rating of 7.53 out of 10 when asked if their council had reacted well to the pandemic. Respondents were quick to call out the flexibility shown by councils in their response, and the improved street cleaning services that were almost immediately put in place, as extremely successful and positive moves made by local governments.

Interestingly, the overall average survey satisfaction score for local governments in Victoria was significantly lower, scoring 6.62 out of 10. This indicates that while the public are overwhelmingly supportive of local leaders' actions during the pandemic, their opinion of services has yet to change significantly. To understand this and see why the scores are so different, we examined the result breakdown across these two questions. This highlighted an interesting pattern as the overall segments of satisfied, neutral and dissatisfied were almost identical in terms of size (Figure 1). The reason then for the significant difference in overall scores is not due to the number of satisfied or dissatisfied citizens, but due to their strength of feeling when they are satisfied.

Looking at those survey participants satisfied with the response to COVID-19, their answers were often in the highly satisfied range (9 or 10 out of 10), with very few reporting extreme dissatisfaction (1-3 out of 10). This leads to the much higher score average for this question and shows an overwhelming support for the way councils managed COVID-19. It also helps to explain why the Net Promoter Score (NPS) is -25, because survey participants, when not solely thinking about local government's response to COVID-19, were largely detractors, rather than passive participants or promoters. Yet despite the negative NPS score, this compares well with other government organisations across Australia, the majority of which also incurred negative NPS scores, based on PwC's knowledge of these scores through relevant projects and consultation. In this context then, despite the challenges of 2020 and early 2021, the public perception of local government in Victoria is still broadly positive, and has not declined in such a way that may have been anticipated at the beginning of the pandemic.

Figure 1. Average Overall Satisfaction Score, average Response to Covid-19 score and NPS score (n=521)

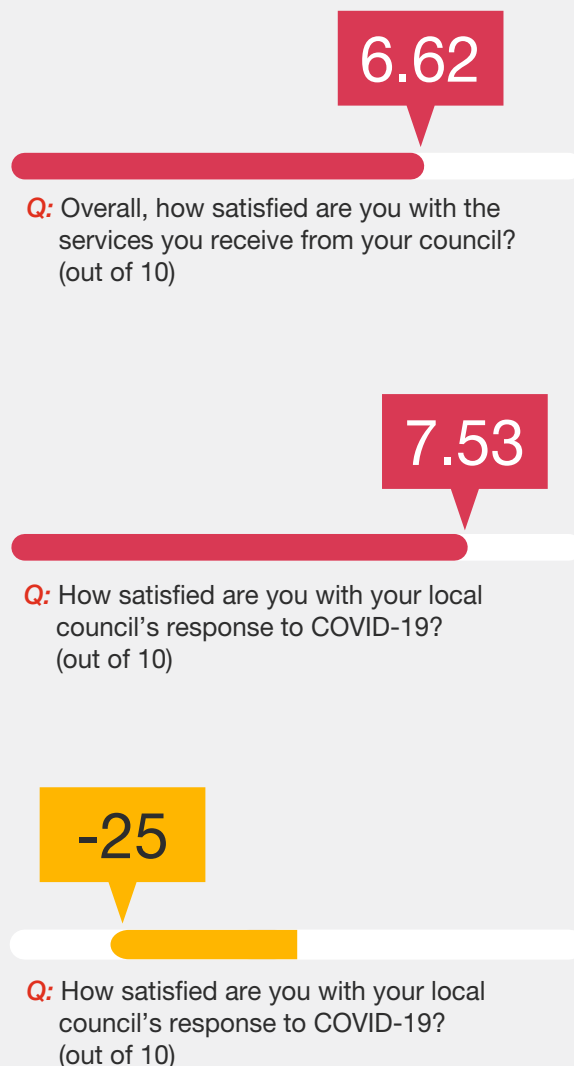
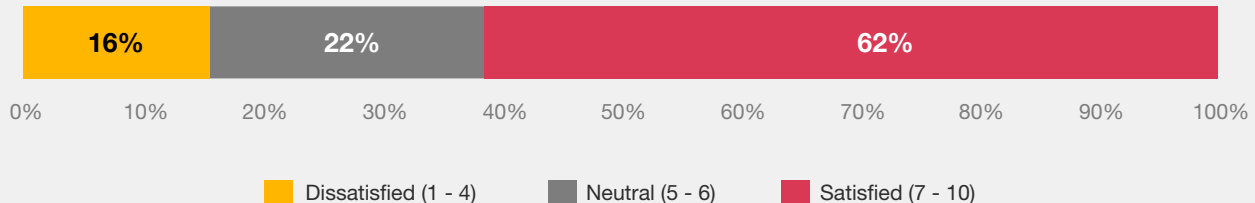


Figure 2. Satisfaction with Response to Covid-19 Overall Satisfaction

Q: How satisfied are you with your local council's response to COVID-19? (out of 10)



Q: Overall, how satisfied are you with the services you receive from your council? (out of 10)

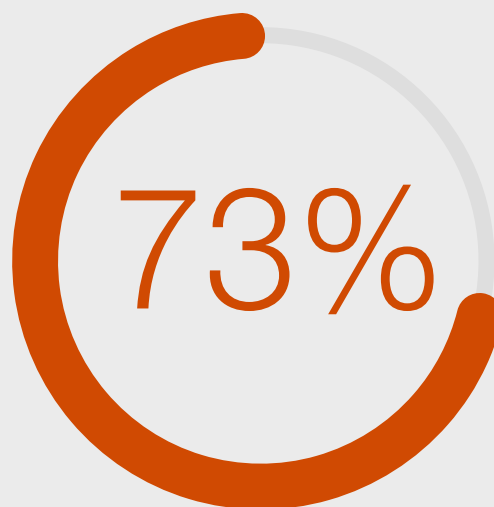


These measures are a positive story for local governments as we begin FY22, but they also highlight an interesting issue that council leaders will face over the next year. The pandemic has underlined the importance of local councils to Victorian communities, and as life returns to normal and citizens look to their local authorities for next steps, council leaders will have to make sure that they do not take their residents' confidence and support for granted. PwC's wider research, and that of the Victorian State Government, has identified that there are still many areas that could pose significant problems to councils in maintaining the engagement and support of their citizens. Especially, a focus on increased service level expectations, including citizens wanting local governments to take the lead on new services such as mental health or connected community services.

To understand if this was likely to be the case in local government in Victoria, we asked respondents how their experience of council services had changed over the past year, to see if services were a key driver for the high satisfaction scores assigned for councils' response during COVID-19, or if there were other driving factors. Over 73% of respondents felt that council services had either not changed, worsened or significantly worsened over the last year.

This demonstrates that services themselves are not the main reason for citizens' satisfaction during the pandemic, and as the pandemic eases, council leaders will soon come under pressure to deliver service improvements to maintain resident's support. To do this, they must capture and maintain citizen trust which has developed this year and continue to accelerate service modernisation in a financially sustainable way.

Figure 3. 73% of respondents felt services had not changed or had got worse in 2020



Q: Overall, how has your experience of council services changed in the last year?



Trust

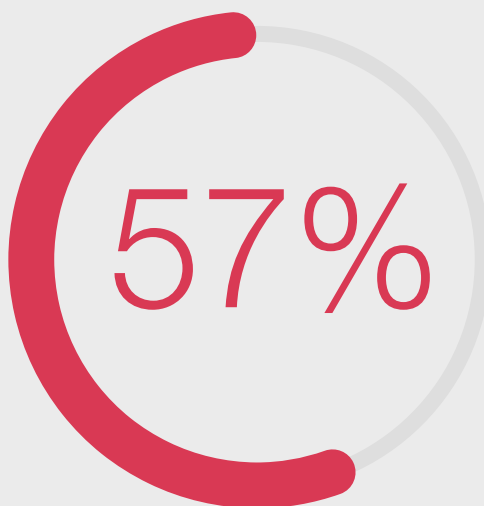
The high level of trust that citizens have placed in their local leaders has emerged from the lockdowns and increased frontline activity experienced during the COVID-19 pandemic. It is one of the primary drivers behind survey participants' positive satisfaction rate and increased level of confidence in councils' pandemic response.

PwC Australia's Citizen Survey 2020³ showed that the pandemic has also had a noticeable influence on trust in government services in the last year, with trust significantly increasing compared to the previous year from 18% to 45%. During the pandemic we saw our leaders across the country forced to rapidly shift their behaviour and interactions with the public, increasing communications and exchanges with the public, and delivering messages with more transparency and honesty.

Another major reason for heightened trust in government has been an increased reliance on the public sector to support citizens and communities through these difficult times, and local governments are crucial in this regard. It is then no surprise to see that citizens engaged as part of our local government survey have also reported an increased level of trust in their local councils compared to previous years, with 57% of respondents confident in decisions made by their leaders (figure 4), and only 29% feeling unconfident.

Past experiences locally and globally have highlighted that while increased trust in government is common following an emergency or disaster, a sharp decrease in this trust is also frequent when the government in question does not maintain action or communicate effectively with their citizens. So how do we sustain this increased trust long after the pandemic is over?

Figure 4. 57% of respondents had high trust in their local leaders to make the right decisions



Q: I am confident in the council leaders to make the right decisions for my community

³ PwC Australia's Citizen Survey 2020, <https://www.pwc.com.au/consulting/customer-led-growth/citizen-survey.html>

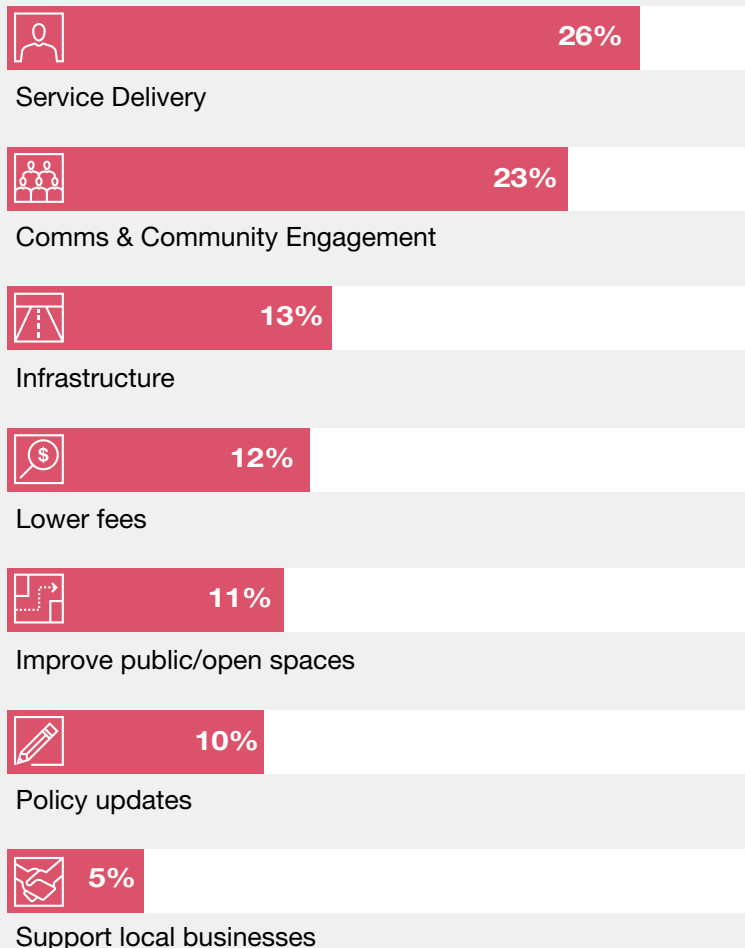
We know that citizens value consistent and honest communications and targeted, relevant services that meet their needs now and into the future. Communication of key decisions was highlighted as a major reason for citizens' high confidence in leaders, with open feedback calling out increased community engagement seen as having a positive effect over the last year. When asked what would improve citizen relationships with their local council, 23% of survey respondents also listed communication and community engagement as the main area for improvement. Only responses for specific service delivery improvements such as waste were listed more often.

In fact almost twice as many respondents expressed their main desire for improvement was to strengthen communications and engagement as opposed to lower council fees, demonstrating that citizens are prepared to accept higher rates in return for having a stronger relationship with their council.

This highlights that although modernisation and improvements to service delivery are still required, and will be discussed in the following section, more affordable improvements to areas such as communications, media and marketing may go a long way to maintaining public trust long after the pandemic.

Figure 5. Areas for improvement

Q: In your opinion, what could your council do better to support you and your community? (n=304)



Accelerating modernisation: finding the right service mix and growing sustainably

It has often been said that the greatest driver of digital transformation this century has been COVID-19, with the rapid shift from working in offices to working from home forcing organisations to rapidly adapt to new virtual ways of working. Indeed, the pandemic has proved a major catalyst for change in many industries in both the public and private sector, and local government is no different.

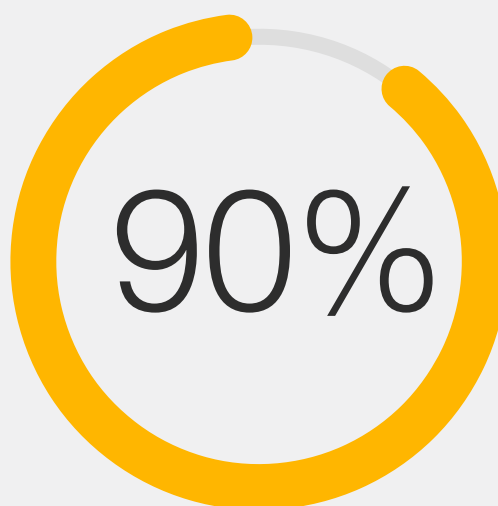
In what many perceive to be a traditional area of industry, local lockdowns and forced closures meant that local government staff were required to work from home almost overnight, with IT departments required to supply and support remote working almost immediately. Through our conversation with CEOs and executives, the actions taken by staff are viewed as overwhelmingly positive. Everyone we spoke to felt that their organisation's response to COVID-19 in terms of remote working had been excellent, with high praise also evident from citizens and local businesses who had in turn been supported throughout this shift. However, the concern leaders have for what comes next is significant. While 100% felt the initial workforce response had been excellent, only 60% felt that they were confident in taking this momentum forward and accelerating the modernisation of their council.

Many commented on concerns of meeting heightened staff expectations in a financially constrained environment. Leaders were also aware that tough decisions would likely be needed on funding allocation, as modernisation will come at a cost, which unless carefully planned could easily affect other ongoing or planned projects, especially infrastructure and capital project works.

This prompts interesting questions for leaders – with financial pressures rising, what is the right service mix that councils should offer their community, and do infrastructure investments need to be re-evaluated? We found this was a principal question for the citizens and council executives who took part in our research, with many strong and differing viewpoints.

Despite rising pressures on local governments, citizens of Victoria are clearly demanding more of their local authorities. In line with our theme of growing community expectations, 51% of survey respondents said they believe local governments should offer more services to their communities, with verbatim analysis of around 340 responses showing the themes of increased community engagement, small business development and infrastructure related services are highly in demand.

Figure 6. 90% of council leaders feel confident that they can modernise in the coming years

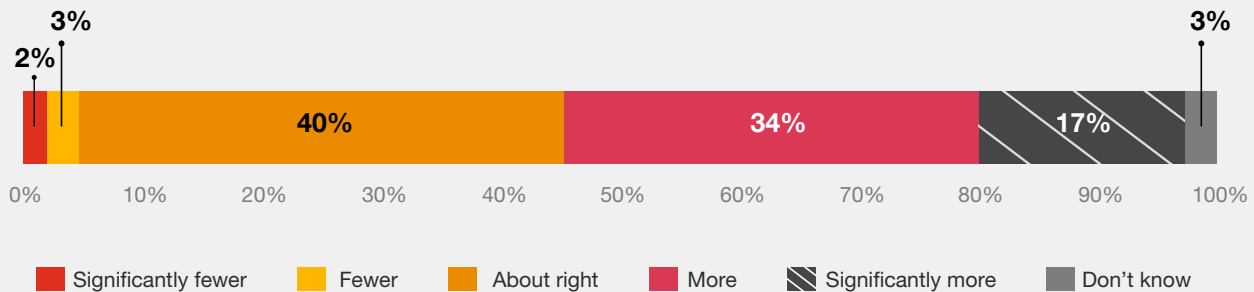


Q: I am confident in my council's ability to modernise our services and ways of working following the impact of the pandemic

Figure 7. Finding the right service mix

Q: Do you believe the council should offer more or less services to the community?

Overall response (n=521)



Although these demands are all likely to remain within the local councils' remit for years to come, for those respondents who said they believe councils should offer fewer services to the community, verbatim responses indicated that the main reason for this was a perception that there are now private providers who can offer a similar or improved service to the community for the same or lower price.

For our council executives, it is the services that could perhaps now be managed by private sector organisations that are most commonly contested during council meetings. Services that are often very important to the community, such as childcare or in-home care and, as such, many residents have come to rely on their council for support. However, as costs for these services continue to rise, many private organisations have now entered and excelled in these sectors, offering good service levels at newly competitive rates. Currently, this is not universal across Victoria, with some areas still without any true alternative option to council-run services, but it is expected that this trend will continue to grow.

Community engagement will be critical for leaders to determine what services matter most to residents, and where exiting from delivering council services is likely to have a disproportionate effect on the community. As financial pressures are set to increase, there will be very difficult decisions required to determine what the service mix needs to be, especially as many citizens feel that the current level of servicing is about right.

Infrastructure is an area strongly linked to this space, along with council-led major project and building programs. As a key pillar of any council's future plan or strategy, capital projects, assets and infrastructure programs have long been a focus for council funding and one of the main service areas for councils across Australia. Federal departments are now issuing increased grants and funding to encourage new infrastructure projects, which will stimulate the economy in response to COVID. Our work with councils has highlighted that this infrastructure spending at a local level will continue to ramp up over the next 3–5 years.

While this funding will stimulate jobs in the local community, leaders are also aware that the long-term plan must consider if the current level of investment in infrastructure is sustainable for their council.

Even before the pandemic, concerns were raised that the usual level of infrastructure investment, often demanded by councillors, was straining council budgets across Victoria. Rate capping and increases in material costs have been driven through a community desire for greater environmental and social sustainability so that consistently more funding has been needed to complete even simple building projects. Council leaders must consider carefully just how much effort and funding should be allocated to infrastructure projects at this time. Although the short-term gain may be large, the long-term sustainability of their organisations needs to be carefully modelled and understood before committing to expensive new building projects.

Just as the level of infrastructure in local government's overall service mix needs to be questioned, so does the amount of council assets and real estate owned by each authority, as these could support the sustainable growth of local communities significantly. Many Victorian councils have more than \$2 billion worth of assets, with varying amounts in use because old buildings often remain on council books as 'lazy assets'. All these assets need some level of upkeep, and therefore funding from the overall infrastructure budget. Unsurprisingly, this has led to council leaders looking to sell off assets for a healthy profit, and fund larger transformations or community works within their council.

Again, while this may provide a short-term revenue boost, leaders will need to consider the longer-term sustainability of these actions when determining the right mix of assets and real estate. This will ensure that any decisions are also aligned with emerging ESG goals for the local community and the wider Victorian government.

While there are no easy answers to many of these questions, what is clear is that a 'one size fits all' approach will not work, and significant community engagement will be required to work out the best approach for individual councils. What is common across all authorities, is that a long-term, sustainable view of how local authorities are funded is needed. Councils must be cautious about over-relying on grants and individual funding pots, moving towards a sustainable funding model that helps local government to make strategic investments for the best value for money and overall benefit to their local communities. In 2022, as we begin to emerge from the pandemic and repeated lockdowns, now more than ever, councils will need to think innovatively, creatively and ambitiously about the difference they can make to residents' everyday lives. This means capitalising on the increased role councils have played during the last year to emerge as Victoria's local leaders throughout the next decade.



Next steps in the recovery from COVID-19 and transitioning to sustainable growth

The combined effect of the 2020 bushfires and COVID-19 pandemic had a huge impact on local councils, in terms of underlying finances, service provision and the wellbeing and productivity of internal staff. Despite these challenges, public satisfaction and trust have remained intact, and have in fact increased across multiple municipalities, with local leaders clearly demonstrating their commitment to their communities in these difficult times. Still, as has been seen after other disasters and even now at other levels of government in Australia, that trust fades quickly if leaders do not stay connected to the public. Local authorities need to embrace the innovation that the pandemic has generated, by investing in new capabilities and services that go to the heart of community needs. Aligned with the Local Government Act 2020, critical to this will be investing in new platforms and capabilities to listen to the public through community engagement and feedback. Council leaders must continue to show that they have their communities' interests at heart through their actions, not just words or during election campaigns, through improved community involvement. This will help them to demonstrate tangible measures of success and outcomes, taking clear and decisive action on the issues that are a priority for their community and offering the services that are most needed.

Council leaders must also not lose sight of sustainability challenges, as the ESG agenda ramps up and financial pressures increase. Councils need to consider new ways to deliver services with the greatest positive effect, allowing them to do more with less as state and federal government funding potentially decreases.

Executives and councillors must also recognise that to do this requires investment in new systems and capabilities, so some internal spending will need to be agreed. The earlier this is done, the fewer difficulties will be experienced over time, and the smaller the overall budget gap.

These changes must be made with ESG principles in mind too, delivering on the core values of each local council organisation and demonstrating to others in the community what it means to be an environmentally and socially responsible body.

Leaders will need to prepare for tough decisions and challenges during this process, making sure that change is well managed for the entire community, at all levels of government. Consequently, state government must trust in their local counterparts to deliver the right changes for their own communities who they know best, and where appropriate, empower them to make the most effective decisions to benefit the lives of all Victorians. Councils must see themselves, and be seen by others, as leaders in their locality.

Tough questions on the recovery from COVID-19 and growing sustainability

- 1 Do you have a clear plan to improve the financial sustainability of the Council in the wake of COVID-19?
- 2 Are you prepared to continue the increased transparency and communication with citizens following the pandemic, regularly seeking and acting upon feedback to build trust?
- 3 What is the right service mix for the Council, and do you have a clear plan for the services you plan to exit or perform in addition to the existing offerings?
- 4 Is the ESG agenda well understood by Council leaders, and in particular, have future infrastructure and capital works projects been designed with this in mind?

Bridging the digital divide

Digital technology is helping government bodies to become more effective, while reshaping the relationship between citizens and the state at all levels of Australian government.



Yet, chief executives and local government leaders are less confident about the extent to which they are rising to the digital challenge, compared to their state and federal government peers. Councils still have a long way to go to meet citizens' expectations, as they increasingly expect services to be available digitally. Embracing digital opportunities will be critical for local government, during 2021 and beyond, to deliver the results citizens and communities expect, while implementing internal improvements.

Over the last decade, the explosion of new digital technology – social media, mobile and smart technology, big data, cloud computing and, more recently, advanced automated intelligence – has triggered fundamental change in the way people communicate, make friends, shop, exchange information and use data, with significant consequences for local government. Councils need to find new ways to engage with the public as most of the customer base changes from traditional customers who would typically prefer face-to-face interaction and phone contact to 'digital natives' who have grown up with, and only know, life enabled by the internet and mobile phones.

Public bodies are starting to embrace digital technology as an innovation tool, to transform how they engage with citizens, to foster citizen interaction with one another and to explore how to secure better results. This includes involving citizens in service design and delivery and co-producing results, a major focus in the new *Local Government Act 2020*. The challenge for local government is to respond to citizens' evolving expectations, while dealing with the acute pressures of diminishing budgets, rising deficits and increased demand.



The digital gap

Chief executives and leaders are relatively confident about their approach to digital: 80% of chief executives and council executives agree that they are embracing the opportunities of new technologies in their public service provision, but just over a third of the public agree (Figure 8). This difference in opinion shows that councils still have more to do to effectively demonstrate the benefits of digital technology provision for civic centres, both internally and externally. Perhaps this reflects the growing realisation that the digital agenda is broader and potentially more complex to deliver than was originally thought, extending well beyond IT and involving internal cultural and behavioural change too, all of which must be made visible to the public in terms of improved service delivery and provision.

Figure 8. Embracing the Digital Agenda

Q: My council is confidently embracing new technology to improve local public services

80%

of Council Executives agree

36%

of the public agree

Digital expectations

While new technologies are now reshaping the delivery of council services, they are also rapidly transforming the way in which citizens live their lives and want to engage with their council. Arguably, the rate at which citizens are embracing these new technologies is outpacing that of local government, resulting in a growing digital divide.

As part of PwC Australia's Citizen Survey of 2020, we found that state and federal government demand and use of digital government services have rapidly increased in response to the pandemic. Just as overall levels of citizen trust have increased, the Citizen Survey survey found that 37% of respondents' use of digital channels has increased over the year, with all age groups embracing new technologies at times when face-to-face services were unavailable.

Figure 9. Channel Shift

70%

I would prefer to interact with council services online

47%

I prefer to interact with my council by telephone

35%

I prefer to interact with my council in person

To understand if this shift had also been experienced at the local level, we asked the public questions to better understand their experience when engaging with local government through digital channels. Over 70% of respondents would prefer to interact with council services online, while around a third still prefer to interact with their council in person (37%). There was also a continued preference for telephone availability to discuss complex cases, with just under half of respondents saying that they would prefer to interact via telephone when required.

A particular distinction from previous PwC surveys conducted here in Australia and globally, was that there was no significant age variation in responses to questions on how much digital interaction people desire with their councils. Respondents of all ages prefer digital channels.

This result demonstrates that as the number of 'digital natives' continues to increase, the traditional school of thought that older generations still prefer non-digital channels appears to have dissipated. In fact, socioeconomic factors seem to be more influential than age, with evidence of a growing divide between metro and regional areas due to limited access to more advanced technology and infrastructure affecting some areas of Victoria.

Our research highlighted that while 70% of respondents would prefer to use online channels, this drops to only 50% in regional and rural areas. This result aligns closely with existing research across Victoria, which shows that Victoria's digital inclusion index did not keep pace with the rest of the country in 2020.

In part, this can be attributed to the NBN rollout, as well as the fact that almost one in ten Australians don't have access to a personal laptop or computer in their household, especially in rural areas. As Victoria looks to rebound from COVID-19, improving digital inclusion will be critical to enabling societal growth, and this includes local government. Technology continues to evolve, and citizens are using increased digital services when engaging with all levels of government. Councils must make sure they have the capacity to capture and analyse these channels, including social media, and use insights gained to improve public service provision.

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Data analytics and insights

With an increasing number of citizens using digital tools to interact with councils, local leaders have more information than ever with which to inform services and decision-making. Data analytics and business intelligence are now critical for councils as they translate new priorities into smarter choices, interventions and ways of working. All the CEOs and council executives we consulted confirmed they are confident that their teams are already using this new data to support decision-making and strategy, but only around half of the citizens surveyed felt the same way, with their concern about data analytics' capability much higher (Figure 11 below). Encouragingly, around 60% of our respondents have high levels of trust in their local council to hold and manage their data, with less than 25% feeling uncomfortable about providing their information. This suggests that citizens are happy to share their information with their local council, and it is now up to local leaders to use this information more effectively, while maintaining citizens' trust.

Making smarter business choices relies on supporting strategic intentions with data and insight to prioritise government decisions to the greatest effect. When planning and delivering result-focused initiatives, particularly given the challenging financial context faced by local governments, councils need to be sure that they are investing in areas that achieve the best return. Increasingly, evidence will be required to measure and manage the overall impact of such decisions, showing the relationship between inputs, outputs, outcomes and impact.

Figure 10. Public trust in Council handling of data and information



Q: I trust my council to manage and share my personal data and information appropriately

For example, citizens will expect to see emerging technologies such as the Internet of Things (IoT) used in their local area to demonstrate why decisions are made. The capacity and capability to do this well is not commonplace in local government and is likely to be a prime reason for the disconnect between executive and public opinion shown in Figure 11 below.

Figure 11. Data & Analytics in decision making

Q: I believe my council uses data analytics to inform decision making and strategy

Chief Executives and Council Leaders



Citizens



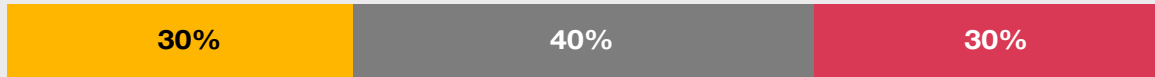
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Disagree Neutral Agree

Figure 12. Digital security

Q: I am confident that my council has the necessary tools in place to manage cyber attacks and risks

Chief Executives and Council Leaders



Citizens



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Disagree

Neutral

Agree

Growing cyber risks

Across all governments levels, cyber security has evolved exponentially in the last few decades. Once a reactive, IT add-on focused solely on technology, it has matured into a profession in its own right, with the cultural, technological and business understanding necessary to combat a growing threat landscape. However, against the backdrop of a pandemic and subsequent economic downturn, 2020 saw a surge in intrusions, ransomware, data breaches and phishing attempts across the globe. In response, businesses are shoring up their defenses, and local councils are no exception. As individuals continue to share more of their personal information online than ever before, living in a digital age exposes us as a society to personal and social vulnerability.

Although new digital approaches offer great opportunities for local authorities, it is important to establish the relevant safeguards for privacy and cyber security. High profile cyber attacks have understandably caused concern for the public, and this affects their confidence in council cyber capabilities. Today, it is commonly recognised that cyber security is as important as physical safety. From our conversation with chief executives and council leaders, it was evident that cyber and digital security will remain a pressing concern, and priority for improvement, in the year ahead, with 30% of those asked feeling unprepared for a significant cyber attack at this time. Citizens were also closely aligned with leaders on this point as 23% shared the view that councils may be ill-prepared for a major cyber attack. Therefore, while it will be important for leaders to continue investing to improve digital architecture and infrastructure for users, security should not be ignored in the pursuit of experience and efficiency.

Next steps on digital

Public sector organisations need to develop a clear vision, strategy and plan to maximise value from their digital investments. They must also ensure that they have the capacity and capability to respond to these digital opportunities, including the use of data analytics to generate insight. Too many large transformations fail in the sector because they lack a plan on how to maximise the use of these systems and clear understanding of user needs.

The benefits digital transformation offers are being lost due to their lack of adoption, both internally and externally. To deliver on the opportunities digital presents it needs to be fully embedded in the council's broader change agenda and seen as a core component in all services.

Taking a digital approach is not about introducing an IT change: digital thinking sets out a new paradigm and with it comes cultural and organisational change that must be embraced throughout the organisation, workforce and community. Councils don't need a digital strategy; they need a business strategy for a digital age. While some local authorities across the state are placing digital thinking right at the heart of their change program, embracing innovation, technology and change management in equal measure across the entire council, many have not yet responded extensively enough to the challenges and opportunities that digital presents. Delivering transformation on the scale required takes strategic vision and leadership and a preparedness to take risks and experiment. As public expectations grow, digital transformation is an agenda councils cannot afford to ignore any longer, and the benefits that could be realised are substantial.

Tough questions on bridging the digital divide

- 1** Do you have a clear vision on how emerging technology can engage residents and communities and enable the delivery of outcomes for all?
- 2** Is your leadership team empowering staff to champion digital technology, and prepared to embrace innovation?
- 3** What would a 'Digital First' approach mean to your organisation in terms of policy and delivery, and are you set up for the significant change management required to drive benefit realisation?
- 4** Is your organisation prepared to manage the growing complexity of data that is available, and protect your citizens' information from the risk of cyber attacks?

The future of work: new capabilities, retaining talent and working together across the sector

As we know, 2020 has turned Australians into a once-in-a-generation case study that began with an almost overnight disruption of entrenched ways of working.

As we know, 2020 has turned Australians into a once-in-a-generation case study that began with an almost overnight disruption of entrenched ways of working. This has created an unmissable opportunity, but one which is potentially problematic for local government organisations in Victoria. In a sector considered ‘traditional’ and outdated by many outside observers, CEOs and council leadership must respond to tough challenges that living with the COVID-19 pandemic now demands:

- How do councils define and measure output during and after the pandemic?
- How do leaders negotiate the tension between wellbeing and productivity?
- How do all staff cultivate a sense of certainty, drive innovation and forge new capabilities in a world shaped by factors we can’t predict or control?

Council staff are now embracing more flexible work options that may have seemed impossible in the past and expect their leaders to continue to offer this arrangement in the future, due to the largely successful adoption of mobile working across all council departments. Such perhaps unforeseen success means local councils are well placed to tackle these difficult questions, and there is a growing cautious optimism among local leaders that they will be able to manage and take the lead in this area. Increasingly, there is a sense that now is the time to be brave, to innovate and iterate, and define a new path for local government, making a conscious decision to embrace experimentation. Inevitably, this will require careful thought and deliberate action in the years to come.

A common theme throughout our consultation with Victorian leaders has been a new confidence to tackle these problems head on, embracing innovation, and using the pandemic as a catalyst to change the sector’s reputation for good. Although the initial shock of the pandemic and its effect on the workforce should not be understated, it did force the rapid uptake of mobile working solutions for employees across councils who may never have had the opportunity or desire to adopt new technology. And unlike other sectors, the natural vocation of staff to help their communities and go the extra mile even in times of uncertainty gives councils a unique advantage in many ways. Leaders who participated in our research universally identified their staff as highly engaged and committed to delivering outcomes for their communities, with staff also regularly reporting their satisfaction with their roles in their council. Taking these factors into account, it is understandable that leaders are confident in their ability to continue with transformation into the future; the main obstacle being how to attract new staff with new skills to the sector.

Future capabilities

Despite a largely satisfied workforce with deep skill sets built over a long tenure, there is a small yet growing concern among council executives and leaders that new ways of working will require significant upskilling of existing staff. Individuals with completely different capabilities will also need to be recruited to deliver outcomes that meet community needs and expectations.

Across Australia, it is recognised that increased automation, robotics and AI are already rapidly changing the nature of work, and our existing research has highlighted that the future workforce will need to work hand in hand with cognitive systems, machines and robots. Typically, these are not capabilities or skills commonly found across local government in 2021, with new and emerging technologies still being explored by many organisations rather than being in frequent use across the sector. Skills in critical areas such as cyber, robotics, data visualisation and AI often only belong to a few individuals in an organisation. This situation creates significant key person risks and a fight for top talent in these areas with not only other councils, but other government departments and private sector organisations who are also increasingly keen to build out their own workforce with these future-fit skills. Unsurprisingly, upskilling existing staff with new capabilities is an attractive option to many council leaders.

Change management and training, therefore, are likely to be critical future skill sets and will enable the wider transformation of the workforce over the coming years. Councils looking to transform with existing staff members will need to invest in significant change management and training programs, learning from other industries and sectors who may have a head start in this space, either in the form of new recruits or by giving existing change management staff the resources they need to deliver such a major change. This process will need to be more inclusive than ever before. It should examine in-person and virtual learning and use new digital learning pathways. It should also involve forming strategic partnerships with external bodies to help coach skills that are not currently commonplace in the sector. This would help to meet growing staff needs and demands for more learning opportunities too. Internal change management teams or business champions can also be approached to learn these new skills and cascade expertise throughout the organisation, in a train-the-trainer style approach that is often preferred in the sector currently.

Indeed, many of these teams have already demonstrated their worth throughout the changes resulting from the pandemic and may prove to be a lower cost option in overcoming the challenges that lie ahead. Still, for all these changes to be successful, adopting new skills and retaining and attracting staff to fill these skill gaps will be more important than ever.



Attracting and retaining new staff

Attracting new and often younger staff also remains difficult within the sector. Through our work and research across councils in Victoria, we found that many organisations have a workforce with an average age of over 50, leading executives to fear that soon-to-retire staff will exit their roles with crucial skills and knowledge before the next generation of the workforce has been upskilled in critical areas.

There are also recruitment challenges in this sector, with a traditional yet potentially outdated view across the job market that local councils are not always the most challenging place to work, and that young professionals looking to start their careers will often look to the private sector before considering a role in local government. This issue is often exacerbated for regional councils, with many young professionals seeking experience in larger cities before considering living and working closer to home.

In coming years, millennials are expected to comprise the majority of the workforce, and councils need to use intergenerational coaching and mentoring opportunities to upskill staff in digital and soft skills.

Restricted global mobility and skilled migration has made attracting key talent harder than ever, so organisations are creating new ways to source talent and skills that are in short supply domestically, which is challenging traditional workforce models. Gone are the days of hiring a workforce that comprises full and part-time staff found via job-search websites - now managed services, outsourcing, independent contractors, gig workers and crowdsourcing are the new norm.

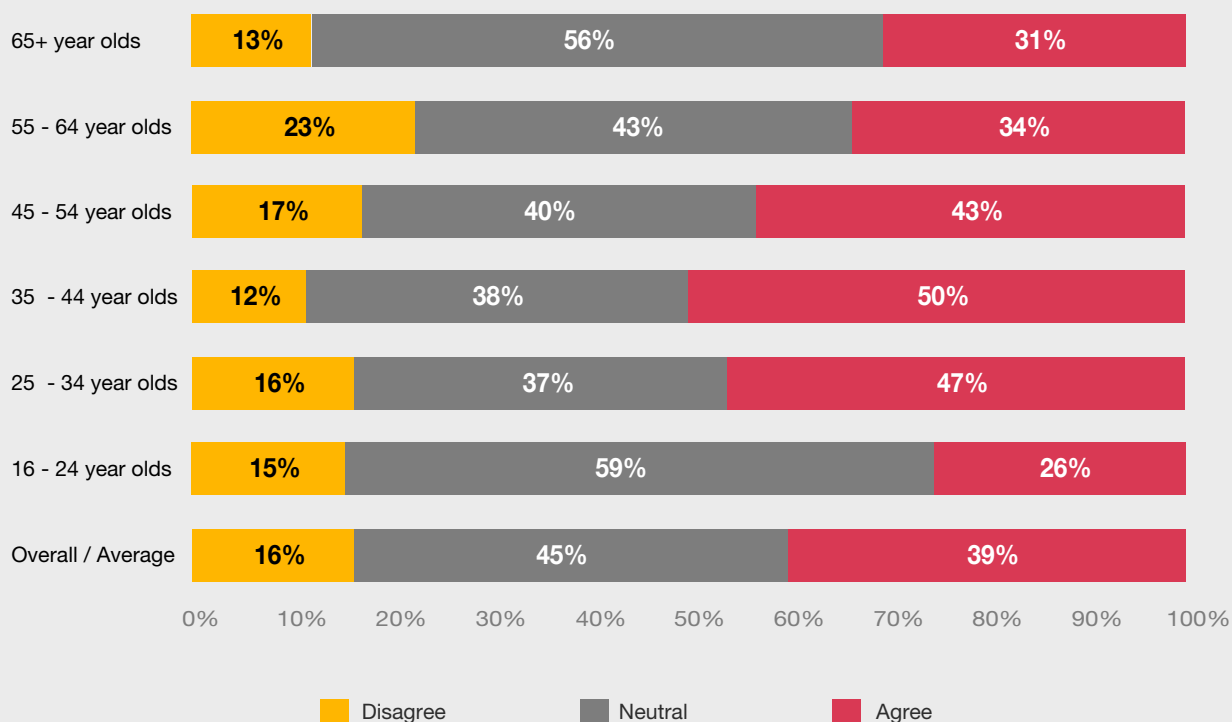
While citizens also upheld some of these views during our research, there is still a large proportion of the community who view their councils as a promising career path. Respondents to our survey reported that 39% agreed with the statement that their local council would be an attractive place to work, with only 16% disagreeing (Figure 13 below). Verbatim feedback also provides insights into these figures, with multiple respondents regarding local councils as leaders in flexible working; allowing staff to deliver outcomes for their community that are meaningful and fulfilling.

When considering the breakdown by age groups, this also reinforces the view that flexible working and the opportunity to be based around a single location are major attractions for potential employees, with respondents typically in age brackets where starting a family is most common reported they saw working in a council as more attractive than other age groups.

This breakdown by age group also highlights that those under 25 are the least positive about working in local government, with only 26% seeing a council as an attractive place to work. Typically, verbatim feedback for this segment focused on a perceived lack of job progression and the opportunity to develop transferable skills as the main reasons for a highly neutral response base, although the opportunity for fair pay and flexible working again was seen as a positive. This demonstrates that local government still has some way to go to attract young professionals to the sector. Professionals who are most likely to have the future-fit, in-demand capabilities previously mentioned, and can also bring new ideas and a diversity of thought that will support councils to reflect their communities' needs and expectations.

Figure 13. Working for Local Government Organisations

Q: My local council would be an attractive place to work



Working flexibly and working together

If the pandemic has shown us anything in the business world, it is that the traditional physical office space with a stationary computer will soon be obsolete. Fifty-two per cent of companies are embracing new ways of working – they plan to make remote work a permanent option for roles that allow it.⁴ Physical face-to-face proximity that was once seen as a requirement to get work done or serve customers and residents is being reimaged and enabled through digital collaboration platforms and tools. This allows for the opportunity to have diverse and dispersed teams, which has significantly redefined our individual ways of working but, for some, has posed issues to ensuring there is no impact to service delivery, collaboration or productivity. While many organisations have seamlessly transitioned to virtual work, others are still struggling to build cohesive and connected teams that actively collaborate in a virtual environment, with junior staff members in particular feeling they no longer have access to the same learning and development opportunities. Numerous studies during the last year show that a hybrid working model is now becoming the choice for many organisations.

The Victorian Government is already making strides in this space, by launching their contemporary Suburban Hubs. These collaboration hubs aim to deliver flexible working environments to help and encourage the Victorian Public Service (VPS) to work flexibly from home or in these hubs at their primary office space. Suburban Hubs have already received a satisfaction rating of 99% from staff⁵ and provide insight into how local governments may look to do the same.

Our research shows that many council executives have already started to consider community hubs or ‘one stop shops’ that provide council services with a focal point for the local community and create a more flexible workspace for their employees. The challenge for councils is likely to be how they best use or redevelop their existing assets to create a more flexible space for their workforce, especially when faced with financial pressures, while maintaining an innovative approach to future workplaces and collaboration.

Such an adaptable working approach may go some way to improving collaborative work and attracting new staff to the sector, but this alone is unlikely to be enough to overcome the capability gaps recognised by local leaders. One way in which council executives have identified they can bridge these gaps in capability and recruitment are by sharing resources and ideas with other local councils. Not only will this help to cover these areas, but it is also likely to reduce costs and provide better value for money for the taxpayer. Encouragingly, our conversations with council leaders highlighted that many are already collaborating in this way.

Typically, those leaders we spoke to were working together in areas such as new technology system implementation and sharing elements of service delivery where it made sense to do so, such as library or community development services. Across these areas, there are clear financial benefits from shared systems and resources, but a potentially less obvious advantage has emerged with regional councils coming together to use their collective power for greater influence in both the design and implementation of new policies and systems.

Using their combined might, local council leaders explained how together they have been able to demand changes in solution design from major technology providers, who may not have been so willing to change for an individual council. Similarly, regional councils have been able to apply for grants and engage Victorian state government departments with greater strength in numbers, and this approach is likely to continue as communities across Victoria seek support in response to the bushfires, pandemic and other recent challenges.

Working together and collaborating may also prove to be useful for attracting new staff and skillsets to the sector. By combining their budgets in critical skill areas, councils may be able to compete with other sectors or industries, and regional councils may even be able to compete with metropolitan counterparts, to bring in individuals to work across multiple authorities. For example, three regional councils could offer a combined cyber security role that would give them access to the skilled resource they require and attract a highly experienced individual on a competitive salary that they would not be able to offer individually. This shared resourcing model has already been used in other countries across the world, particularly in the UK, and it is likely that this model (alongside shared service offerings) will succeed in Australia too.

4 PwC COVID-19: Global CFO Pulse Survey, <https://www.pwc.com/gx/en/issues/crisis-solutions/covid-19/global-cfo-pulse.html?sa=D&source=docs&ust=1634073670635000&usg=AOvVaw2j3-5DaNZUZmIL0aIUQ076>

5 *Suburban Hubs are delivering more flexible working choices for VPS*, Victorian Government press release, <https://www.ssp.vic.gov.au/suburban-hubs>

Next steps on workforce

Local councils need to identify what makes them a great place to work, and proactively engage with existing and potential employees to demonstrate this to them and provide them with a fulfilling, long-term career. With so many different roles and skills needed to successfully deliver services, councils must consider the needs and career paths of all staff when monitoring staff performance and progression, and clearly articulate a future that works for everyone. While attracting new employees is likely to remain difficult in a COVID-19 constrained job market, retaining existing staff, their skills and knowledge will be even more important. This includes retaining the knowledge of an aging workforce and devising clear succession and knowledge management plans to make sure that knowledge of these roles is not lost when individuals retire.

In the face of these challenges we have seen councils become more innovative and work together to solve some of their biggest problems. By joining forces to procure large systems, or deliver vital services to the community, councils can achieve large savings and have a greater collective voice on policy and design. This has already had a hugely positive effect in rural and regional areas especially. Strong leadership and relationships across authorities will be required for such collaboration, with leaders compromising and accommodating the views and needs of others when it comes to change. However the benefits of such an approach, both financially and for improved service quality, are hard to ignore.

Tough questions on creating the workforce of the future

- 1** Do you have a clear understanding of your employee value proposition, and how to demonstrate this to both existing and potential staff members?
- 2** Where are your capability gaps, for both skills needed now and in the future, and how do you plan on filling these roles?
- 3** As experienced staff head towards retire, do you have a plan to retain their vital knowledge and skills through enhanced knowledge management and training for others?
- 4** Are you making the most of opportunities to collaborate with other local authorities to deliver services and projects who are undertaking similar transformations?

Agenda for action

This year's survey has demonstrated that, although the future remains uncertain and there are challenges ahead, local councils have demonstrated their ability to transform during the pandemic and must move towards the future confident in their ability to meet new challenges head on and continue to innovate and evolve in response.



There is a unique opportunity for new infrastructure projects, but they must be considered with long-term sustainability and growth in mind

The financial effects of the pandemic are likely to be felt by local councils for years to come, with reductions in federal and state funding likely to recover some of the nation's financial deficit. At the same time, a year of low user fees and charges will start to adversely affect local authorities. This will mean a review of planned programs of work, particularly in the capital and infrastructure space, to ensure that citizens are receiving value for money and the services that matter to the community most. However, the pandemic may also open short-term opportunities for growth, typically through increased grants for infrastructure, allowing councils to take on ambitious projects to get ahead of some potential financial challenges. Finding a healthy balance to these issues and creating a sustainable financial future is front of mind for all Victorian councils. As has been seen in other jurisdictions around the world, it is possible for councils to continue to deliver exceptional services and capital works while making savings and becoming more sustainable through transformation. Councils across Australia are just beginning this journey, but there is every reason to be optimistic and confident in their ability to succeed; be leading figures in demonstrating how to rebuild sustainably, both economically and environmentally; and be leaders in the ever-growing ESG space.



Accelerated change in technology, digital and data, is overdue

Embracing the potential of digital technologies offers councils the opportunity to make significant savings, but also to engage in new ways of working with individuals and communities, and with their workforce. Progress is underway, in part due to the shift in work patterns caused by the COVID-19 pandemic, but there is a risk of the digital divide growing wider; technology used by citizens often changing at a greater pace than technology used by councils. Social media and other collaborative digital platforms allow councils to engage directly with residents and communities, aid interaction, and access new insights through improved data analytics. Councils must be conscious of digital inclusion and make sure that change is both considerate of and designed for members of the community from various backgrounds and life stages, to deliver a transformation that improves results for all residents, businesses and visitors.



Local government should continue to lead local responses to some of the biggest challenges facing society

The council of 2030 will be fundamentally different to that of 2021. Councils need to make sure that they have the capabilities and new skills they need to survive and thrive in future and engage with their residents to deliver the value that matters to them most. Whether responding to bushfires, the pandemic, flooding or drought, local governments have shown repeatedly in recent years that they are the ones closest to local communities and can make some of the most effective decisions and measures to help manage a crisis. Local leaders must embrace recent difficulties and continue to be a leading voice for their residents, while evolving to remain relevant in an ever-changing society.



Collaboration and working together

Placing local government at the centre of local public services and outcomes will require public sector bodies, local businesses and different councils to continue to work together and collaborate. Those who have done so already have already benefited from such an arrangement, giving them greater bargaining power and greater ability to focus on results. By working together, councils will also be able to attract new capabilities and staff to the sector, save money and fill critical skills gaps. As all sectors are now competing for these critical skills and resources, councils must move quickly to action new strategies and opportunities to ensure they are fit for purpose into the future.

Methodology

Our research covered local council chief executives and council leaders from across Victoria, Australia. These surveys and interviews were conducted during virtual meetings from February–April 2021. The range of responses from different types of councils and their geographical spread gave us confidence that the results were a broad representation of views from across the sector.

An online survey of 521 Victorian adults aged 18+ was carried out from 21–27 April 2021.

This is the first edition of the *Local State We're In for Victoria*, and we will look to continue this publication in the future, and extend our research into other states.

Contacts

PwC's local government team builds citizen trust in government services and improves outcomes for all members of society.

Behind every complex issue, there are citizens whose everyday lives depend on the actions you take. We combine our local and global expertise, public sector experience and people-focused purpose to help local governments tackle your biggest issues head on, and make life better in the communities you serve. After all, our team are all residents of these communities, and our people are passionate about making a difference.

Our vision is to help build trust in society and solve important problems. So the way we work with you reflects our aim by empowering you and your teams to solve these problems in a way that works for you. Our teams across the firm combine their expertise to provide a tailored approach for every project including issues that affect multiple departments and services, and partner organisations where appropriate.

We draw on national and international experience to provide new perspectives and approaches to help you develop the policies, programs and services to meet the changing needs of the Australian public, using our market leading local government accelerators and toolkits to rapidly advance your projects and transformations.

To find out more about how we can help you, or to simply have a chat about our perspective on the biggest issues affecting your council, please reach out to one of our experts below.



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Sanmeet is a partner for PwC and has over 20 years' experience in customer experience transformation across both the public and private sector. As one of PwC's lead partners across the Victorian State Government, Sanmeet focuses on supporting public sector bodies to deliver outstanding value to citizens, transforming their operations to respond flexibly to changing citizen needs.

As a leader across DELWP and DJPR, Sanmeet manages our relationships with several key government departments and is passionate about delivering local government services that work for all Victorians, whether metro or regional.



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Michael is a senior manager for PwC's consulting team in Australia, with extensive experience across the UK, Europe and Australia. He specialises in local government transformations and has led large-scale customer and digital transformation programs from strategy and design through to implementation. He has also delivered significant savings and benefits for a number of clients, both here in Australia, and for some of PwC's leading council transformation projects in the UK.

Michael leads our local government account in Victoria and has worked with clients across our state to help them transform their operations and respond to the challenges of the last year.



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Holly Sullivan is a manager in consulting at PwC, specialising in customer experience, strategy and front office transformation. She has a significant depth of knowledge and experience improving citizen outcomes across state and federal governments. She has an extensive insight into what our citizens need, want and expect from their interactions across all three levels of government and has designed many future-fit experiences that exceed these expectations.

Holly is a key driver on our local government account in Victoria, focused on relationships and finding innovative ways to approach problems that the local government sector currently faces.

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