

Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

| CURRENT PROVISIONS | PROPOSED REFORMS | CITY OF MANDURAH SUBMISSION |
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| 1.1 Early Intervention Powers | | |
| <ul style="list-style-type: none"> The Act provides the means to regulate the conduct of local government staff and council members and sets out powers to scrutinise the affairs of local government. The Act provides certain limited powers to: <ul style="list-style-type: none"> Suspend or dismiss councils Appoint Commissioners Suspend or, order remedial action (such as training) for individual councillors. The Act also provides the Director General with the power to: <ul style="list-style-type: none"> Conduct Authorised Inquiries Refer allegations of serious or recurrent breaches to the State Administrative Tribunal Commence prosecution for an offence under the Act. Authorised Inquiries are a costly and a relatively slow response to significant issues. Authorised Inquiries are currently the only significant tool for addressing significant issues within a local government. The Panel Report, City of Perth Inquiry, and the Select Committee Report made various recommendations related to the establishment of a specific office for local government oversight. | <ul style="list-style-type: none"> It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate). The Inspector would receive minor and serious complaints about elected members. The Inspector would oversee complaints relating to local government CEOs. Local Governments would still be responsible for dealing with minor behavioural complaints. The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified. The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the <i>Corruption, Crime and Misconduct Act 2003</i>, the <i>Occupational Safety and Health Act 1984</i>, the <i>Building Act 2011</i>, and other legislation. The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism. The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations. The Inspector would be supported by a panel of Local Government Monitors (see item 1.2). The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3). Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4). These reforms would be supported by new powers to more quickly resolve issues within local government (see items 1.5 and 1.6). | <p>Supports early intervention model in principle and requests further information regarding the functioning and financial responsibility of the Inspector and Inspectorate.</p> <p>The City is broadly supportive of the early intervention model, however further information needs to be provided on this model and implementation.</p> <p>In the proposed submission it is stated that the local governments would continue dealing with minor complaints. The City strongly believes that local governments should not be responsible for minor behavioural complaints. This should be managed and determined by the Inspector or this could be delegated to a Local Government Monitor to make a determination.</p> <p>A definition of minor penalties is required. The City supports the Inspector having powers to implement minor penalties, however does not support the Inspector having powers to implement more serious penalties.</p> <p>The City does not support the Inspector to have the power to order a local government to address non-compliance. The City recommends that the Inspector makes recommendations to the Minister for Local Government who has the power to order a local government to address non-compliance.</p> <p>Local governments should not bear the cost of the State Government dealing with a complaint or conducting an inquiry. Appeal mechanisms should include the right to appeal a decision on all complaints (regardless of severity) and the right to appeal the penalty.</p> <p>Any changes require sufficient resources to ensure the response time is appropriate. A service standard should be included to inform involved parties of the expected timeframes for each stage of complaints and inquiries.</p> <p>It is unclear who will appoint the Inspector or who the position is reporting to. The appointment of this role should be transparent and free from political interference.</p> |
| 1.2 Local Government Monitors | | |
| <ul style="list-style-type: none"> There are currently no legislative powers for the provision of monitors/ temporary advisors. The DLGSC provides support and advice to local governments, however there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases. | <ul style="list-style-type: none"> A panel of Local Government Monitors would be established. Monitors could be appointed by the Inspector to go into a local government and try to resolve problems. The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence. | <p>Supports early intervention model in principle and requests further information regarding the proposed broad role and functioning of the Inspector and Inspectorate and financial impost on local government.</p> |

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| | <ul style="list-style-type: none"> Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators Dispute resolution experts - to address the breakdown of professional working relationships Certified Practising Accountants and other financial specialists - to assist with financial management and reporting issues Governance specialists and lawyers - to assist councils resolve legal issues HR and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction. Only the Inspector would have the power to appoint Monitors. Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose. <p>Monitor Case Study 1 – Financial Management</p> <p>The Inspector receives information that a local government is not collecting rates correctly under the <i>Local Government Act 1995</i>. Upon initial review, the Inspector identifies that there may be a problem. The Inspector appoints a Monitor who specialises in financial management in local government. The Monitor visits the local government and identifies that the system used to manage rates is not correctly issuing rates notices. The Monitor works with the local government to rectify the error, and issue corrections to impacted ratepayers.</p> <p>Monitor Case Study 2 – Dispute Resolution</p> <p>The Inspector receives a complaint from one councillor that another councillor is repeatedly publishing derogatory personal attacks against another councillor on social media, and that the issue has not been able to be resolved at the local government level. The Inspector identifies that there has been a relationship breakdown between the two councillors due to a disagreement on council.</p> <p>The Inspector appoints a Monitor to host mediation sessions between the councillors. The Monitor works with the councillors to address the dispute. Through regular meetings, the councillors agree to a working relationship based on the council's code of conduct. After the mediation, the Monitor occasionally makes contact with both councillors to ensure there is a cordial working relationship between the councillors.</p> | <p>The City's previous submission on the Local Government Review Panel Final Report generally supports the introduction of an early intervention framework of monitoring to support local governments and that DLGSC should have additional powers to appoint and support the monitoring. The City notes that adequate funding of this framework will be required by the State Government to ensure its success.</p> <p>The City also notes that there are many government organisations responsible for an oversight function of local government (Corruption and Crime Commission, Ombudsman, Worksafe, Public Sector Commission, DLGSC, Human Rights Commission, Office of the Auditor General). It is important that the role of the proposed Inspectorate be clearly defined. The proposed Inspectorate appears to be very broad in roles and responsibilities (the Inspector would have the power to order a local government to address non-compliance with the Act or Regulations). Given the diverse functions of local governments further clarification needs to be provided on the role of LGA monitors and their scope and process for appointment to resolve problems. It is recommended that the role be narrowed to focus on elected member and CEO complaints or broader systemic issues in the local government sector.</p> <p>A local government should be able to attempt to resolve disputes internally and be provided with sufficient time before an Inspector uses its power to appoint monitors. A threshold should be established before the Inspector enters a local government.</p> <p>The cost of the Monitor appointed to the local government should only be borne by the local government where the local government has requested assistance and a successful outcome has been achieved. Where a local government has been advised that a Monitor has been appointed without request, the cost of the service should be borne by the State Government.</p> <p>Any resolution must be realistic, that is, within a person or the local government's capacity and capability. Any recommendations should be mutually agreed to by the affected person(s) and the local government.</p> <p>Further clarification to be provided regarding how the monitors would be recruited and appointed and charged by the Inspectorate to the local government. As suggested above the appointments need to be transparent and free from political interference.</p> |
| <p>1.3 Conduct Panel</p> | | |
| <ul style="list-style-type: none"> The Local Government Standards Panel was established in 2007 to resolve minor breach complaints relatively quickly and provide the sector with guidance and benchmarks about acceptable standards of behaviour. | <ul style="list-style-type: none"> The Standards Panel is proposed to be replaced with a new Local Government Conduct Panel. The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to | <p>Supports the Conduct Panel, however do not support the Conduct Panel imposing stronger penalties, this should be referred to the Minister for Local Government for a decision.</p> |

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| <ul style="list-style-type: none"> Currently, the Panel makes findings about alleged breaches based on written submissions. The City of Perth Inquiry report made various recommendations that functions of the Local Government Standards Panel be reformed. | <p>serve on the Conduct Panel.</p> <ul style="list-style-type: none"> The Inspector would provide evidence to the Conduct Panel for adjudication. The Conduct Panel would have powers to impose stronger penalties – potentially including being able to suspend councillors for up to three months, with an appeal mechanism. For very serious or repeated breaches of the Local Government Act, the Conduct Panel would have the power to recommend prosecution through the courts. Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision. | <p>Consideration be given to former Elected Members to be appointed to the Conduct Panel similar to the Local Government Monitors. Members of the Conduct Panel should be suitably qualified and experience in local government.</p> <p>Council's view in both the 2020 and 2019 submissions was consistent, in that local governments should not be responsible for the management of complaints and Council should not be the decision maker regarding themselves. It is appropriate to have complaints managed by an external body.</p> <p>Support the ability for any person who is subject to a complaint to address the Conduct Panel before a decision is made.</p> <p>Suitability and qualified monitors must include experience in local government.</p> <p>Appeal mechanism should include the right to appeal a decision on all complaints (regardless of severity) and the right to appeal the penalty.</p> <p>The conduct panel should be adequately resourced to ensure its effectiveness.</p> <p>Do not support the Conduct Panel imposing the stronger penalties such as suspension of Councillors, this should be a decision of the Minister for Local Government on recommendation by the Conduct Panel.</p> |
| <p>1.4 Review of Penalties</p> | | |
| <ul style="list-style-type: none"> There are currently limited penalties in the Act for certain types of non-compliance with the Local Government Act. | <ul style="list-style-type: none"> Penalties for breaching the Local Government Act are proposed to be strengthened. It is proposed that the suspension of councillors (for up to three months) is established as the main penalty where a councillor breaches the Local Government Act or Regulations on more than one occasion. Councillors who are disqualified would not be eligible for sitting fees or allowances. They will also not be able to attend meetings, or use their official office (such as their title or council email address). It is proposed that a councillor who is suspended multiple times may become disqualified from office. <p>Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances.</p> | <p>Partially Support – local government consultation required.</p> <p>Further information is required to support local governments in implementing these penalties, such as, is the Elected Member also prohibited from attending local government events, workshops, receiving correspondence from the local government and meeting constituent/applicants/stakeholders or responding to their enquiries.</p> <p>This may also disadvantage the community due to lack of representation.</p> |
| <p>1.5 Rapid Red Card Resolutions</p> | | |
| <ul style="list-style-type: none"> Currently, local governments have different local laws and standing orders that govern the way meetings run. Presiding members (Mayors and Presidents) are reliant on the powers provided in the local government standing orders local laws. | <ul style="list-style-type: none"> It is proposed that Standing Orders are made consistent across Western Australia (see item 2.6). Published recordings of all meetings would also become standard (item 3.1). It is proposed that Presiding Members have the power to “red card” | <p>Partially Supports.</p> |

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| <ul style="list-style-type: none"> Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings. Disruptive behaviour at council meetings is a very common cause of complaints. Having the Presiding Member be able to deal with these problems should more quickly resolve problems that occur at council meetings. | <p>any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would:</p> <ul style="list-style-type: none"> Require the Presiding Member to issue a clear first warning If the disruptions continue, the Presiding Member will have the power to “red card” that person, who must be silent for the rest of the meeting. A councillor issued with a red card will still vote, but must not speak or move motions If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting. <ul style="list-style-type: none"> Any Presiding Member who uses the “red card” or ejection power will be required to notify the Inspector. <p>Where an elected member refuses to comply with an instruction to be silent or leave, or where it can be demonstrated that the presiding member has not followed the law in using these powers, penalties can be imposed through a review by the Inspector.</p> | <p>The City supports the harmonisation of local laws however notes that extensive consultation of the local government sector will be required.</p> <p>The City does not support a red card system, however recommends that the Standing Orders include how presiding members can deal with inappropriate behaviour. The City of Mandurah Standing Orders already outlines how the Presiding Member can deal with inappropriate behaviour and expected behaviours of Elected Members are outlined in Code of Conduct. The current recommendation silences an elected member, stifles debate and prevents Council from hearing the reasons for voting for or against an item presented.</p> <p>If the red card system is introduced, to ensure this is used fairly and appropriately, it is recommended that there should be penalties for the Presiding Member issuing a red card without sufficient reason and following the process, just like penalties can be imposed on the disruptive elected member. It is also recommended that the person being disruptive is only silent for the current item and can participate the remainder of the meeting. There also needs to be the ability for Council to pass a dissent motion if they do not agree with the Presiding Member.</p> <p>Standing Orders will have to consider how to handle a right of reply option for a person who is disruptive and silenced during debate (are they allowed to speak, can the right of reply be offered to the seconder or is no right of reply allowed if they person has been given a red card).</p> |
| <p>1.6 Vexatious Complaint Referrals</p> | | |
| <ul style="list-style-type: none"> No current provisions. The Act already provides a requirement for Public Question Time at council meetings. | <ul style="list-style-type: none"> Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government’s operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner. Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person’s query. <p>It is proposed that if a person makes repeated complaints to a local government CEO that are vexatious, the CEO will have the power to refer that person’s complaints to the Inspectorate, which after assessment of the facts may then rule the complaint vexatious.</p> | <p>Do Not Support.</p> <p>The City acknowledges the intention for DLGSC to assist with the resource implications of vexatious complainants for local governments.</p> <p>It is recommended that a guideline is created for local governments on the criteria for a person who is vexatious and disruptive.</p> <p>Do not support the Inspectorate to determine the complaint vexatious. This is additional red tape and the CEO should have the ability to determine a vexatious complaint.</p> <p>It is recommended that there is an appeal mechanism in which the Inspectorate can make a final determination on whether the decision should remain in place.</p> |
| <p>1.7 Minor Other Reforms</p> | | |
| <ul style="list-style-type: none"> Other minor reforms are being considered to enhance the oversight of local government. | <ul style="list-style-type: none"> Potential other reforms to strengthen guidance for local governments are being considered. | <p>Supports.</p> <p>The City supports more DLGSC assistance to the sector in relation</p> |

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| <ul style="list-style-type: none"> Ministerial Circulars have traditionally been used to provide guidance to the local government sector. | <ul style="list-style-type: none"> For example, one option being considered is the potential use of sector-wide guidance notices. Guidance notices could be published by the Minister or Inspector, to give specific direction for how local governments should meet the requirements of the Local Government Act and Regulations. For instance, the Minister could publish guidance notices to clarify the process for how potential conflicts of interests should be managed. <p>It is also proposed (see item 1.1) that the Inspector has the power to issue notices to individual local governments to require them to rectify non-compliance with the Act or Regulations.</p> | to local government matters. |

Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

| CURRENT REQUIREMENTS | PROPOSED REFORMS | City of Mandurah Submission |
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| 2.1 Resource Sharing | | |
| <ul style="list-style-type: none"> The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs. Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing. | <ul style="list-style-type: none"> Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees. Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1. | Supports. |
| 2.2 Standardisation of Crossovers | | |
| <ul style="list-style-type: none"> Approvals and standards for crossovers (the section of driveways that run between the kerb and private property) are inconsistent between local government areas, often with very minor differences. This can create confusion and complexity for homeowners and small businesses in the construction sector. | <ul style="list-style-type: none"> It is proposed to amend the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> to standardise the process for approving crossovers for residential properties and residential developments on local roads. A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this. The DLGSC will work with the sector to develop standardised design and construction standards. | Not Currently Supported - local government consultation required Before implementing this reform, the City supports DLGSC to work with the sector to develop standardised design and construction standards. |
| 2.3 Introduce Innovation Provisions | | |
| <ul style="list-style-type: none"> The <i>Local Government Act 1995</i> currently has very limited provisions to allow for innovations and responses to emergencies to (such as the Shire of Bruce Rock Supermarket). | <ul style="list-style-type: none"> New provisions are proposed to allow exemptions from certain requirements of the <i>Local Government Act 1995</i>, for: <ul style="list-style-type: none"> Short-term trials and pilot projects Urgent responses to emergencies. | Not Currently Supported - local government consultation required Before any provisions are introduced, further consultation is required with the City of Mandurah and the sector in relation to what areas of the LGA 1995 this is related to. The implications of any exemption needs to consider good governance, financial management, amenity of the area, legal implications, community impact and a risk assessment. |
| 2.4 Streamline Local Laws | | |

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| <ul style="list-style-type: none"> Local laws are required to be reviewed every eight years. The review of local laws (especially when they are standard) has been identified as a burden for the sector. Inconsistency between local laws is frustrating for residents and business stakeholders. | <ul style="list-style-type: none"> It is proposed that local laws would only need to be reviewed by the local government every 15 years. Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable. Local governments adopting Model Local Laws will have reduced advertising requirements. | <p>Do Not Support - local government consultation required</p> <p>The City supports the harmonisation of local laws however notes that extensive consultation of the local government sector will be required. It is important to understand that local government is not a one size fits all sector and there are differences in local areas. Any local law need to have flexibility where additional provisions can be included.</p> <p>Local governments have individual situations that may need to be included and it is important that there remains flexibility in local laws to capture these.</p> <p>The City does not support where the local law hasn't been reviewed within the timeframe that it lapses. This is because the local government local laws play a pivotal role in good order of a community and are used to carry out core functions of a local government. It is critical to retain good order regardless of whether a review has been within the timeframe.</p> |
| <p>2.5 Simplifying Approvals for Small Business and Community Events</p> | | |
| <ul style="list-style-type: none"> Inconsistency between local laws and approvals processes for events, street activation, and initiatives by local businesses is frustrating for business and local communities. | <ul style="list-style-type: none"> Proposed reforms would introduce greater consistency for approvals for: <ul style="list-style-type: none"> alfresco and outdoor dining minor small business signage rules running community events. | <p>Do not currently support standardisation – local government consultation required</p> <p>There is insufficient information to comment.</p> <p>If introduced, factors that must be considered are:</p> <ul style="list-style-type: none"> ensuring the ratepayers are not bearing the cost of a private interest application, that the full costs of assessments are borne by the applicant and not subsidised by the ratepayer (public versus private interest); the approvals do not impact public infrastructure and do not place fixed assets of a private person on local government (public) land; allows public access and aligns to the public access between neighbouring properties; Consistent with Council policies and the local amenity of the area. <p>Before any reforms are introduced, further consultation is required with the City of Mandurah and the sector in relation to what these are.</p> |
| <p>2.6 Standardised Meeting Procedures, Including Public Question Time</p> | | |
| <ul style="list-style-type: none"> Local governments currently prepare individual standing order local laws. The <i>Local Government Act 1995</i> and regulations require local governments to allocate time at meetings for questions from the public. Inconsistency among the meeting procedures between local governments is a common source of complaints. | <ul style="list-style-type: none"> To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across the State. Regulations would introduce standard requirements for public question time, and the procedures for meetings generally. Members of the public across all local governments would have the same opportunities to address council and ask questions. | <p>Not currently supported - local government consultation required</p> <p>Before any requirements for public question time are introduced, further consultation is required with the City of Mandurah and the sector in relation to what these are.</p> <p>Factors that must be considered are:</p> <ul style="list-style-type: none"> Member of the public should present question in writing for the |

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| | As above | <p>minute officer to record accurately in the minutes and ask only questions that have been in writing.</p> <ul style="list-style-type: none"> • Questions that have been answered at a previous Council Meeting are not required to be responded to. • Does the person have to be in attendance or can they request questions be read aloud by presiding member. |
| 2.7 Regional Subsidiaries | | |
| <ul style="list-style-type: none"> • Initiatives by multiple local governments may be managed through formal Regional Councils, or through less formal “organisations of councils”, such as NEWROC and WESROC. • These initiatives typically have to be managed by a lead local government. • In 2016-17, provisions were introduced to allow for the formation of Regional Subsidiaries. Regional Subsidiaries can be formed in line with the <i>Local Government (Regional Subsidiaries) Regulations 2017</i>. • So far, no Regional Subsidiary has been formed. | <ul style="list-style-type: none"> • Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> ○ Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments ○ Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds ○ Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk <p>Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments.</p> | <p>Support.</p> <p>Pay rates and conditions should be based on industry standards otherwise it affects the enterprises ability to compete.</p> <p>The City of Mandurah would be interested in being involved in a local government working group in relation to how regional subsidiaries can be best established.</p> |

Theme 3: Greater Transparency & Accountability

| CURRENT REQUIREMENTS | PROPOSED REFORMS | City of Mandurah Submission |
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| 3.1 Recordings and Live-Streaming of All Council Meetings | | |
| <ul style="list-style-type: none"> • Currently, local governments are only required to make written minutes of meetings. • While there is no legal requirement for livestreaming or video or audio recording of council meetings, many local governments now stream and record their meetings. • Complaints relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments. • Local governments are divided into bands with the largest falling in bands 1 and 2, and smaller local governments falling bands 3 and 4. The allocation of local governments into bands is determined by The Salaries and Allowances Tribunal based on factors¹ such as: <ul style="list-style-type: none"> ○ Growth and development ○ Strategic planning issues ○ Demands and diversity of services provided to the community ○ Total expenditure | <ul style="list-style-type: none"> • It is proposed that all local governments will be required to record meetings. • Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. • Band 1 and 2 are larger local governments are generally located in larger urban areas, with generally very good telecommunications infrastructure, and many already have audio-visual equipment. • Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. • Several local governments already use platforms such as YouTube, Microsoft Teams, and Vimeo to stream and publish meeting recordings. • Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used. • Recognising their generally smaller scale, typically smaller operating budget, and potential to be in more remote locations, band 3 and 4 local governments would be required to record and | <p>Not Currently Supported – local government consultation required.</p> <p>The City supports live streaming initiatives as will provide greater access and inclusion for the community to Council decision making processes. The City recommends that if live streaming is compulsory for local governments, all JDAP meetings should be subject to the same requirements as the greatest community interest relates to planning matters and developments in the community.</p> <p>The City does not support the livestreaming and recordings to be held as records due to the significant costs that this will impose on a local government. The storage of this format on a local governments website as well as retaining it for the required period (currently no disposal and retention period is specified in the proposed reforms) will significant increase the costs of managing a website, increase staffing requirements and increase software requirements. It is recommended that if livestreaming occurs, that the proposed reforms only require a local government to live stream as an event and there is no requirement to store</p> |

¹ See page 3 of the [2018 Salaries and Allowance Tribunal Determination](#)

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| <ul style="list-style-type: none"> Population Staffing levels. | <p>publish audio recordings, at a minimum. These local governments would still be encouraged to livestream or video record meetings.</p> <p>All council meeting recordings would need to be published at the same time as the meeting minutes. Recordings of all confidential items would also need to be submitted to the DLGSC for archiving.</p> | <p>the livestreaming as a record of the local government. The cost imposed on local governments should be known prior to any reform before implemented.</p> <p>The City does not support the provision of confidential recording to be provided to the DLGSC. The local government is its own entity and carries its own risks and consequences when making decisions. There has been no further explanation on the purpose and intent and the City cannot see the value or purpose of doing so. This would result in an increase in red tape and impose an administration burden on local governments.</p> <p>Before any requirements for recordings and live-streaming are introduced, further consultation is required with the City of Mandurah and the sector in relation to the following:</p> <ul style="list-style-type: none"> Can a local government stop the recording if a member of the public is offensive to the Council or officer (employee of the local government)? What happens if there is a system failure and the meeting cannot be recorded, does the meeting require adjournment to another date? Is it video capability or is it just audio recordings? Does the proposal include Committee of Council meetings as well? Will there be quality audio specifications (and video if video is required) that local governments must meet? What will be the storage, retention and disposal requirements be? Does the public participation section of the meeting require recording? If so, how does the local government deal with members of the public that do not wish to be recorded or video? There are practical matters with not recording confidentiality matters in the public livestreaming but recording for DLGSC. Refer to 3.3 for the City's reason for not supporting recordings of confidential items. Consideration of further protections for Elected Members and employees (legal action) Sector wide training for Elected Members would be required. |
| <h3>3.2 Recording All Votes in Council Minutes</h3> | | |
| <ul style="list-style-type: none"> A local government is only required to record which councillor voted for or against a motion in the minutes of that meeting if a request is made by an elected member at the time of the resolution during the meeting. The existing provision does not mandate transparency. | <ul style="list-style-type: none"> To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions would be required to be published in the council minutes, and identify those for, against, on leave, absent or who left the chamber. Regulations would prescribe how votes are to be consistently minuted. | <p>Support.</p> |
| <h3>3.3 Clearer Guidance for Meeting Items that may be Confidential</h3> | | |
| <ul style="list-style-type: none"> The Act currently provides broad definitions of what type of matters may be discussed as a confidential item. There is limited potential for review of issues managed as | <ul style="list-style-type: none"> Recognising the importance of open and transparent decision-making, it is considered that confidential meetings and confidential meeting items should only be used in limited, specific | <p>Partially not supported.</p> <p>Before any changes to the items that are confidential in the LGA 1995 are</p> |

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| <p>confidential items under the current legislation.</p> | <p>circumstances.</p> <ul style="list-style-type: none"> It is proposed to make the Act more specific in prescribing items that may be confidential, and items that should remain open to the public. Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector. All confidential items would be required to be audio recorded, with those recordings submitted to the DLGSC. | <p>introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>Discretion should be retained by the local governments to determine the items to be dealt with under confidentiality provisions. The City does not support seeking approval from an Inspector. The City does not support the audio recordings to be submitted to DLGSC and the explanation provides no justification.</p> <p>It is recommended that the JDAP follow the same rules around confidentiality as local governments as most of the community interest relates to planning matters that are now determined by JDAP.</p> |
| <p>3.4 Additional Online Registers</p> | | |
| <ul style="list-style-type: none"> Local governments are required to provide information to the community through annual reports, council minutes and the publication of information online. Consistent online publication of information can substitute for certain material in annual reports. Consistency in online reporting across the sector will provide ratepayers with better information. These registers supplement the simplification of financial statements in Theme 6. | <ul style="list-style-type: none"> It is proposed to require local governments to report specific information in online registers on the local government's website. Regulations would prescribe the information to be included. <p>The following new registers, each updated quarterly, are proposed:</p> <ul style="list-style-type: none"> Lease Register to capture information about the leases the local government is party to (either as lessor or lessee) Community Grants Register to outline all grants and funding provided by the local government Interests Disclosure Register which collates all disclosures made by elected members about their interests related to matters considered by council Applicant Contribution Register accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking <ul style="list-style-type: none"> Contracts Register that discloses all contracts above \$100,000. | <p>Do not support.</p> <p>Online registers create additional administration burden on a local government. This creates additional costs for local governments and reduces the amount of money spent on the community. Do not support the lease register, community grants register, interest disclosure register (except where there is a financial disclosure), applicant contribution register and contracts register.</p> <p>This creates red tape and local governments have registers that are maintained internally. More online registers also increase the internet data and maintenance costs.</p> |
| <p>3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published</p> | | |
| <ul style="list-style-type: none"> It is a requirement of the <i>Local Government Act 1995</i> that CEO performance reviews are conducted annually. The Model Standards for CEO recruitment and selection, performance review and termination require that a local government must review the performance of the CEO against contractual performance criteria. Additional performance criteria can be used for performance review by agreement between both parties. | <ul style="list-style-type: none"> To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: <ul style="list-style-type: none"> Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period) The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period) <p>The CEO has a right to provide written comments to be published alongside the KPIs and results to provide context as may be appropriate (for instance, the impact of events in that year that may have influenced the results against KPIs).</p> | <p>Do not support the results of performance reviews being published.</p> <p>KPIs relating to employees/ human resources matters should not be published.</p> <p>Support WALGAs response on why the results of the CEO KPIs should not be published.</p> |

Theme 4: Stronger Local Democracy and Community Engagement

| CURRENT REQUIREMENTS | PROPOSED REFORMS | CITY OF MANDURAH SUBMISSION |
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| 4.1 Community and Stakeholder Engagement Charters | | |
| <ul style="list-style-type: none"> There is currently no requirement for local governments to have a specific engagement charter or policy. Many local governments have introduced charters or policies for how they will engage with their community. Other States have introduced a specific requirement for engagement charters. | <ul style="list-style-type: none"> It is proposed to introduce a requirement for local governments to prepare a community and stakeholder engagement charter which sets out how local government will communicate processes and decisions with their community. <p>A model Charter would be published to assist local governments who wish to adopt a standard form.</p> | <p>Support.</p> <p>Acknowledge that local governments need to apply different engagement methods that suit their local community.</p> |
| 4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only) | | |
| <ul style="list-style-type: none"> Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers. These surveys provide valuable data on the performance of local governments. | <ul style="list-style-type: none"> It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently-managed ratepayer satisfaction survey. Results would be required to be reported publicly at a council meeting and published on the local government's website. <p>All local governments would be required to publish a response to the results.</p> | <p>Partially support – local government consultation required</p> <p>Before any new requirements are introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>Further considerations are: minimum set of questions, can local governments choose their own questions in general or in addition to a set imposed by DLGSC.</p> <p>If this proposed reform is to proceed the City suggests the following:</p> <ul style="list-style-type: none"> A more accurate response may be provided from the community over the course of a year, rather than one point in time. Implement a minimum standard required to ensure a consistent and statistically valid survey. Enable local governments to tailor questions for their community. |
| 4.3 Introduction of Preferential Voting | | |
| <ul style="list-style-type: none"> The current voting method for local government elections is first past the post. The existing first-past-the-post does not allow for electors to express more than one preference. The candidate with the most votes wins, even if that candidate does not have a majority. Preferential voting better captures the precise intentions of voters and as a result may be regarded as a fairer and more representative system. Voters have more specific choice. | <ul style="list-style-type: none"> Preferential voting is proposed be adopted as the method to replace the current first past the post system in local government elections. In preferential voting, voters number candidates in order of their preferences. Preferential voting is used in State and Federal elections in Western Australia (and in other states). This provides voters with more choice and control over who they elect. All other states use a form of preferential voting for local government. | <p>Do not support.</p> <p>Council has supported first past the post and aligns to the sectors position.</p> <p>The City continues to support the previously proposed trial for online voting.</p> <p>Before any changes to the voting method are introduced further consultation and definition of the type of preferential voting is required with the City of Mandurah and the sector.</p> |

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| 4.4 Public Vote to Elect the Mayor and President | | |
| <ul style="list-style-type: none"> • The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: <ul style="list-style-type: none"> ○ by the electors of the district through a public vote; or ○ by the council as a resolution at a council meeting. | <ul style="list-style-type: none"> • Mayors and Presidents of all local governments perform an important public leadership role within their local communities. • Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4. • Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system. <p>A number of Band 1 and Band 2 councils have already moved towards Public Vote to Elect the Mayor and President in recent years, including City of Stirling and City of Rockingham.</p> | <p>Neutral - Local government consultation required</p> <p>It is recommended that this is a local government decision as it is currently.</p> |
| 4.5 Tiered Limits on the Number of Councillors | | |
| <ul style="list-style-type: none"> • The number of councillors (between 5-15 councillors) is decided by each local government, reviewed by the Local Government Advisory Board, and if approved by the Minister. • The Panel Report recommended electoral reforms to improve representativeness. | <ul style="list-style-type: none"> • It is proposed to limit the number of councillors based on the population of the entire local government. • Some smaller local governments have already been moving to having smaller councils to reduce costs for ratepayers. • The Local Government Panel Report proposed: <ul style="list-style-type: none"> ○ For a population of up to 5,000 – five councillors (including the President) ○ population of between 5,000 and 75,000 – five to nine councillors (including the Mayor/President) <p>population of above 75,000 – nine to fifteen councillors (including Mayor).</p> | <p>Support.</p> <p>No change required for the City of Mandurah, except that there is requirement currently to undertake a review of wards and representation every 8 years.</p> |
| 4.6 No Wards for Small Councils (Band 3 and 4 Councils only) | | |
| <ul style="list-style-type: none"> • A local government can make an application to be divided into wards, with councillors elected to those wards. • Only about 10% of band 3 and 4 local governments currently have wards. | <ul style="list-style-type: none"> • It is proposed that the use of wards for councils in bands 3 and 4 is abolished. • Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government's election. • In smaller local governments, the population of wards can be very small. • These wards often have councillors elected unopposed, or elect a councillor with a very small number of votes. Some local governments have ward councillors elected with less than 50 votes. <p>There has been a trend in smaller local governments looking to reduce the use of wards, with only 10 councils in bands 3 and 4 still having wards.</p> | <p>Support.</p> <p>This does not impact the City of Mandurah.</p> |

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| 4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility | | |
| <ul style="list-style-type: none"> A person with a lease in a local government district is eligible to nominate as a candidate in that district. A person with a lease in a local government district is eligible to apply to vote in that district. The City of Perth Inquiry Report identified a number of instances where dubious lease arrangements put to question the validity of candidates in local government elections, and subsequently their legitimacy as councillors. | <ul style="list-style-type: none"> Reforms are proposed to prevent the use of “sham leases” in council elections. Sham leases are where a person creates a lease only to be able to vote or run as a candidate for council. The City of Perth Inquiry Report identified sham leases as an issue. Electoral rules are proposed to be strengthened: <ul style="list-style-type: none"> A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council. Home based businesses will not be eligible to register a person to vote or run for council, because any residents are already the eligible voter(s) for that address. Clarifying the minimum criteria for leases eligible to register a person to vote or run for council. The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home based businesses (where the resident is already eligible) and very small sub-leases. <p>The basis of eligibility for each candidate (e.g. type of property and suburb of property) is proposed to be published, including in the candidate pack for electors.</p> | <p>Supports - Local government consultation required</p> <p>Before any new requirements are introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>Further considerations include the date when the 12 months applies (candidate nomination closing date, local government election date or another date specified).</p> |
| 4.8 Reform of Candidate Profiles | | |
| <ul style="list-style-type: none"> Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words. | <ul style="list-style-type: none"> Further work will be undertaken to evaluate how longer candidate profiles could be accommodated. Longer candidate profiles would provide more information to electors, potentially through publishing profiles online. It is important to have sufficient information available to assist electors make informed decisions when casting their vote. | <p>Support.</p> <p>Although this change relates to candidate profiles, further review of eligibility of candidates should include:</p> <ul style="list-style-type: none"> Good financial standing with the local government (no outstanding debts) Verification of qualifications and work experience required by returning officer <p>The Returning Officer should have the power to remove statements on the candidate profile where it is not in accordance with the Code of Conduct.</p> |
| 4.9 Minor Other Electoral Reforms | | |
| <ul style="list-style-type: none"> Other minor reforms are proposed to improve local government elections. | <ul style="list-style-type: none"> Minor other electoral reforms are proposed to include: <ul style="list-style-type: none"> The introduction of standard processes for vote re-counts if there is a very small margin between candidates (e.g. where there is a margin of less than 10 votes a recount will always be required) <p>The introduction of more specific rules concerning local government council candidates’ use of electoral rolls.</p> | <p>Support.</p> |

Theme 5: Clear Roles and Responsibilities

| CURRENT REQUIREMENTS | PROPOSED REFORMS | CITY OF MANDURAH SUBMISSION |
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| 5.1 Introduce Principles in the Act | | |
| <ul style="list-style-type: none"> The Act does not currently outline specific principles. The Act contains a short “Content and Intent” section only. The Panel Report recommended greater articulation of principles | <ul style="list-style-type: none"> It is proposed to include new principles in the Act, including: <ul style="list-style-type: none"> The recognition of Aboriginal Western Australians Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal) Community Engagement Financial Management. | <p>Support.</p> |
| 5.2 Greater Role Clarity | | |
| <ul style="list-style-type: none"> The Act provides for the role of council, councillor, mayor or president and CEO. The role of the council is to: <ul style="list-style-type: none"> govern the local government’s affairs be responsible for the performance of the local government’s functions. | <ul style="list-style-type: none"> The <u>Local Government Act Review Panel</u> recommended that roles and responsibilities of elected members and senior staff be better defined in law. It is proposed that these roles and responsibilities are further defined in the legislation. These proposed roles will be open to further consultation and input. <p>These roles would be further strengthened through Council Communications Agreements (see item 5.3).</p> | <p>Support - local government consultation required</p> <p>Before any new requirements are introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>Further considerations relating to whether this should be prescribed in LGA 1995 or included in a guidance note or policy which can be much more flexible when a modification is required.</p> |
| | <p>5.2.1 - Mayor or President Role</p> <ul style="list-style-type: none"> It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for: <ul style="list-style-type: none"> Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act Developing and maintaining professional working relationships between councillors and the CEO Performing civic and ceremonial duties on behalf of the local government <p>Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government.</p> | <p>Support - local government consultation required</p> <p>Before any new requirements are introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>To avoid potential conflict, overseeing must be defined (refer to last responsibility that states “... in overseeing the delivery of the services, operations, initiatives and functions of the local government.”).</p> <p>It is recommended that an additional responsibility around providing leadership to Council including values and behaviour approaches, be included.</p> |
| | <p>5.2.2 - Council Role</p> <ul style="list-style-type: none"> It is proposed to amend the Act to specify the roles and responsibilities of the Council, which is the entity consisting of all of the councillors and led by the Mayor or President. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is | <p>Support - local government consultation required</p> <p>More information should be included on what it means to ensure the local government is “adequately resourced to deliver the local governments operations, services and functions - including all functions that support informed decision-making by council”. Examples of the strategic role a Council should take for each of these responsibilities should be included</p> |

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| | <p>responsible for:</p> <ul style="list-style-type: none"> ○ Making significant decisions and determining policies through democratic deliberation at council meetings ○ Ensuring the local government is adequately resourced to deliver the local governments operations, services and functions - including all functions that support informed decision-making by council ○ Providing a safe working environment for the CEO; ○ Providing strategic direction to the CEO; <p>Monitoring and reviewing the performance of the local government.</p> | <p>specifically level of involvement in budget and resource allocation.</p> <p>Clarify that the Council is not the entity, it is the local government (first dot point in proposed reforms - “which is the entity consisting of all of the councillors and led by the Mayor or President”).</p> |
| | <p>5.2.3 - Elected Member (Councillor) Role</p> <ul style="list-style-type: none"> • It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors. • While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every elected councillor is responsible for: <ul style="list-style-type: none"> ○ Considering and representing, fairly and without bias, the current and future interests of all people who live, work and visit the district (including for councillors elected for a particular ward) ○ Positively and fairly contribute and apply their knowledge, skill, and judgement to the democratic decision-making process of council ○ Applying relevant law and policy in contributing to the decision-making of the council ○ Engaging in the effective forward planning and review of the local governments’ resources, and the performance of its operations, services, and functions ○ Communicating the decisions and resolutions of council to stakeholders and the public ○ Developing and maintaining professional working relationships with all other councillors and the CEO ○ Maintaining and developing their knowledge and skills relevant to local government ○ Facilitating public engagement with local government. <p>It is proposed that elected members should not be able to use their title (e.g. “Councillor”, “Mayor”, or “President”) and associated resources of their office (such as email address) unless they are performing their role in their official capacity.</p> | <p>Support - local government consultation required</p> <p>Further information of examples of the role of council versus the operational role of administration.</p> <p>Further clarity on Elected Members role in ‘Facilitating public engagement with local government’. It is recommended that there is a change in terminology of the reform to clarify that Elected Members roles shouldn’t be to facilitate public engagement, but inform the public.</p> |
| | <p>5.2.4 - CEO Role</p> <ul style="list-style-type: none"> • The <i>Local Government Act 1995</i> requires local governments to employ a CEO to run the local government administration and implement the decisions of council. • To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs. • While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the CEO of a local government is responsible for: | <p>Support.</p> <p>Include additional responsibilities for risk management and oversight.</p> |

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| | <ul style="list-style-type: none"> ○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions ○ Facilitating the implementation of council decisions ○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council ○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council ○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3) ○ Overseeing the compliance of the operations of the local government with State and Federal legislation on behalf of the council <p>Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council.</p> | |
| 5.3 Council Communication Agreements | | |
| <ul style="list-style-type: none"> • The Act provides that council and committee members can have access to any information held by the local government that is relevant to the performance of the member in their functions. • The availability of information is sometimes a source of conflict within local governments. | <ul style="list-style-type: none"> • In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided. • It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO. • These Council Communication Agreements would clearly specify the information that is to be provided to councillors, how it will be provided, and the timeframes for when it will be provided. <p>A template would be published by DLGSC. This default template will come into force if a council and CEO do not make a specific other agreement within a certain timeframe following any election.</p> | <p>Partially supported - local government consultation required</p> <p>Before any new requirements are introduced, further consultation is required with the City of Mandurah and the sector.</p> |
| 5.4 Local Governments May Pay Superannuation Contributions for Elected Members | | |
| <ul style="list-style-type: none"> • Elected members are eligible to receive sitting fees or an annual allowance. • Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund. • Councils should be reflective and representative of the people living within the district. Local governments should be empowered to remove any barriers to the participation of gender and age diverse people on councils. | <ul style="list-style-type: none"> • It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation contributions for elected members. These contributions would be additional to existing allowances. • Superannuation is widely recognised as an important entitlement to provide long term financial security. • Other states have already moved to allow councils to make superannuation contributions for councillors. • Allowing council to provide superannuation is important part of encouraging equality for people represented on council – particularly for women and younger people. • Providing superannuation to councillors recognises that the commitment to elected office can reduce a person's opportunity to undertake employment and earn superannuation contributions. | <p>As part of the WALGA request to local governments for feedback in relation to Elected Member superannuation, City of Mandurah Council supported the following:</p> <ol style="list-style-type: none"> 1. That the <i>Local Government Act 1995</i> be amended to require Local Governments to pay Elected Members, into a nominated superannuation account, an amount equivalent to the superannuation guarantee determined with reference to fees and allowances paid to each Elected Member. 2 The Salaries and Allowances Tribunal, when making their annual remuneration determination, consider all components of remuneration including any superannuation that is to be paid to Elected Members, in accordance with any amendments to the <i>Local Government Act 1995</i>. <ul style="list-style-type: none"> • The Salaries and Allowances Tribunal consider superannuation in their determination and already notes under the explanatory notes section |

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| | | <p>that where a local government pays superannuation to an elected member due to becoming an Eligible Local Governing Body, the fees listed are inclusive of superannuation.</p> <ul style="list-style-type: none"> The Salaries and Allowances Tribunal already determine the remuneration to be paid to Local Government CEOs and Elected Members. Superannuation is a benefit to the person who receives it as it goes into the superannuation account and is a financial benefit to the person. The Chief Executive Officer's Total Reward Package is determined by the Salaries and Allowances Tribunal where they consider superannuation (all mandatory and non-mandatory employer superannuation contributions) as a component of the Total Reward Package. A minimum and maximum Total Reward Package for each local government (in bands) is set each year by the Salaries and Allowances Tribunal and considering superannuation within the remuneration of Elected Members would be consistent with their current practice for CEOs. |
| 5.5 Local Governments May Establish Education Allowances | | |
| <ul style="list-style-type: none"> Local government elected members must complete mandatory training. There is no specific allowance for undertaking further education. | <ul style="list-style-type: none"> Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council. Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members. Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas, and university studies, which relate to local government. <p>Where it is made available, this allowance will help councillors further develop skills to assist with making informed decisions on important questions before council, and also provide professional development opportunities for councillors.</p> | <p>Support.</p> <p>The City of Mandurah already support Elected Members with educational allowances as part of the Elected Member CEO Training, Professional Development, Travel and Events Council Policy.</p> <p>It is recommended that there is flexibility for how local governments implement this option and can incorporate into existing policies relating to Elected Members entitlements (and not have to create a separate policy).</p> |
| 5.6 Standardised Election Caretaker period | | |
| <ul style="list-style-type: none"> There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures. This is commonly a point of public confusion. | <ul style="list-style-type: none"> A statewide caretaker period for local governments is proposed. All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> Councils do not make major decisions with criteria to be developed defining 'major' Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaigning activities. <p>There are consistent election conduct rules for all candidates.</p> | <p>Partially Support - local government consultation required</p> <p>Local Governments should choose whether to have a caretaker period policy. It is recommended that there is flexibility for how local governments implement this option and can incorporate into existing policies relating to Elected Members entitlements (and not have to create a separate policy).</p> <p>Further considerations should include how existing Elected Members that are candidates carry out Council duties and any restrictions imposed.</p> |

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| 5.7 Remove WALGA from the Act | | |
| <ul style="list-style-type: none"> The Western Australian Local Government Association (WALGA) is constituted under the <i>Local Government Act 1995</i>. The Local Government Panel Report and the Select Committee Report included this recommendation. | <ul style="list-style-type: none"> The <u>Local Government Panel Report</u> recommended that WALGA not be constituted under the <i>Local Government Act 1995</i>. Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity. | <p>Neutral – WALGA consultation required.</p> |
| 5.8 CEO Recruitment | | |
| <ul style="list-style-type: none"> Recent amendments introduced provisions to standardise CEO recruitment. The recruitment of a CEO is a very important decision by a local government. | <ul style="list-style-type: none"> It is proposed that DLGSC establishes a panel of approved panel members to perform the role of the independent person on CEO recruitment panels. Councils will be able to select an independent person from the approved list. <p>Councils will still be able to appoint people outside of the panel with the approval of the Inspector.</p> | <p>Do not support.</p> <p>The City understands the intent of the proposal however believes that Council should be able to approve the independent person based on its own requirements. It is recommended that if this proposal is introduced, that Council's should be able to request to the Inspector to appoint their own independent person outside of the approved list and that the independent member does not have any voting rights.</p> <p>If the reform is not supported, the Model standards for CEO recruitment (schedule 2, Division 2, clause 8) already states that at least one independent person must be included in the selection panel.</p> <p>Before any criteria for panel members is introduced, further consultation is required with the City of Mandurah and the sector.</p> |

Theme 6: Improved Financial Management and Reporting

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| 6.1 Model Financial Statements and Tiered Financial Reporting | | |
| <ul style="list-style-type: none"> The financial statements published in the Annual Report is the main financial reporting currently published by local governments. Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small (Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity. The Office of the Auditor General has said that some existing reporting requirements are unnecessary or onerous - for instance, information that is not relevant to certain local governments, or that is a duplicate of other published information. | <ul style="list-style-type: none"> The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance, and prudent financial management in local government. It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also supports community decision-making about local government services and projects. Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments. The Office of the Auditor General has identified opportunities to improve financial reporting, to make statements clearer, and reduce unnecessary complexity. Recognising the difference in the complexity of smaller and larger | <p>Not currently supported - local government consultation required</p> <p>Less reporting requirements for all local governments should be implemented and DLGSC work with the Office of the Auditor General to determine the required reporting.</p> |

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| | <p>local governments, it is proposed that financial reporting requirements should be tiered – meaning that larger local governments will have greater financial reporting requirements than smaller local governments.</p> <ul style="list-style-type: none"> It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils, and simpler, clearer financial statements for band 3 and 4. Online Registers, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports. Standard templates will be published for use by local governments. <p>Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process.</p> | |
| 6.2 Simplify Strategic and Financial Planning | | |
| <ul style="list-style-type: none"> Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations. There is also the Integrated Planning and Reporting (IPR) framework. While many councils successfully apply IPR to their budgeting and reporting, IPR may seem complicated or difficult, especially for smaller local governments. | <ul style="list-style-type: none"> Having clear information about the finances of local government is an important part of enabling informed public and ratepayer engagement and input to decision-making. The framework for financial planning should be based around information being clear, transparent, and easy to understand for all ratepayers and members of the public. In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. Local governments would be required to adopt a standard set of plans, and there will be templates published by the DLGSC for use or adaption by local governments. It is proposed that the plans that are required are: <ul style="list-style-type: none"> Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives, with a new plan required at least every eight years. These will be short-form plans, with a template available from the DLGSC Simplified Asset Management Plans to consistently forecast costs of maintaining the local government's assets. A new plan will be required at least every ten years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g. land, buildings, or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape Simplified Long Term Financial Plans will outline any long term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long Term Financial Plan) – providing a forecast to ratepayers | <p>Not currently supported - local government consultation required</p> <p>Before any new requirements and templates are introduced, further consultation is required with the City of Mandurah and the sector to determine the content and the resource implications.</p> <p>Support local governments to adopt a standard set of plans and recommend that the methodology of how to calculate items is also included to ensure consistency across local governments.</p> <p>Simplified asset management plans must be verified to ensure the data for maintenance and renewal is included in the Long Term Financial Plan (LTFP).</p> <p>LTFP should be reviewed annually to reflect decisions and the impact that these have over 10 years.</p> <p>Not support a rates and revenue policy and recommend that there is a section in the LTFP that captures the objectives. This will ensure the forecast is included in the LTFP.</p> <p>The service and project proposals must be prepared for costs for the next 10 years and detail how this is going to be funded in the LTFP. For example, if a new project states that it will be loan funded, the servicing of the loan wont commence to the next financial year and the additional costs (interest and other fees) will have to be funded by an increase in revenue, generally through rates, or decrease in expenditure.</p> <p>Incorporating these into the budget is short term planning and does not capture impacts past one year.</p> |

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| CURRENT REQUIREMENTS | PROPOSED REFORMS | CITY OF MANDURAH SUBMISSION |
|---|--|---|
| | <p>(updated at least every four years)</p> <p>The use of simple, one-page Service Proposals and Project Proposals that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become Service Plans and Project Plans added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments.</p> | |
| 6.3 Rates and Revenue Policy | | |
| <ul style="list-style-type: none"> Local governments are not required to have a rates and revenue policy. Some councils defer rate rises, resulting in the eventual need to drastically raise rates to cover unavoidable costs – especially for the repair of infrastructure. | <ul style="list-style-type: none"> The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure. A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services. The Policy would need to reflect the Asset Management Plan and the Long Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs. A template would be published for use or adaption by all local governments. <p>The Local Government Panel Report included this recommendation.</p> | <p>Support, however should be included in the Long Term Financial Plan.</p> <p>The City does not support a separate rates and revenue policy and recommend that there is a section in the LTFP that captures the objectives that the DLGSC are aiming to achieve. This will ensure the forecast is included in the LTFP.</p> |
| 6.4 Monthly Reporting of Credit Card Statements | | |
| <ul style="list-style-type: none"> No legislative requirement. Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds. | <ul style="list-style-type: none"> The statements of a local government's credit cards used by local government employees will be required to be tabled at council at meetings on a monthly basis. <p>This provides oversight of incidental local government spending.</p> | <p>Support.</p> |
| 6.5 Amended Financial Ratios | | |
| <ul style="list-style-type: none"> Local governments are required to report seven ratios in their annual financial statements. These are reported on the MyCouncil website. These ratios are intended to provide an indication of the financial health of every local government. | <ul style="list-style-type: none"> Financial ratios will be reviewed in detail, building on work already underway by the DLGSC. <p>The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful.</p> | <p>Support – local government consultation required</p> <p>Before any new amendments to ratios are introduced, further consultation is required with the City of Mandurah and the sector.</p> <p>Support WALGAs recommendation relating to ratios to be included.</p> <p>There should be different standards/benchmarks/targets for each maturity level of local government (growth, maturity, regional, rural).</p> |
| 6.6 Audit Committees | | |
| <ul style="list-style-type: none"> Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members. The Audit Committee is to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under the Act. | <ul style="list-style-type: none"> To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government. Audit Committees would also need to consider proactive risk management. To reduce costs, it is proposed that local governments should be able | <p>Strongly do not support.</p> <p>In the City's view the Committee should continue to be strategically led by a membership comprising of the majority Elected Members and independent (and appropriately qualified) members. In the role of Council, it is already</p> |

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| CURRENT REQUIREMENTS | PROPOSED REFORMS | CITY OF MANDURAH SUBMISSION |
|--|---|--|
| <ul style="list-style-type: none"> The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management. | <p>to establish shared Regional Audit Committees.</p> <p>The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson.</p> | <p>recognised that Council are to manage risk and therefore Elected Members should remain as the committee currently functions.</p> <p>Do not support the Chair being an independent person. Elected Members are experienced with standing orders and running meetings and prescribing this requirement may not achieve the objective of efficient and effective meetings.</p> <p>Support Audit Committees considering risk and establishing Regional Audit Committees.</p> <p>Do not support majority of independent members and there has been no reason provided to justify this proposal.</p> <p>Request that change in legislation to allow for sitting fees to be paid to independent members to attract suitably qualified persons.</p> |
| 6.7 Building Upgrade Finance | | |
| <ul style="list-style-type: none"> The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance for building improvements. This is not currently provided for under the Act. The Local Government Panel Report included this recommendation. | <ul style="list-style-type: none"> Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures. This would allow local governments to lend funds to improve buildings within their district. Limits and checks and balances would be established to ensure that financial risks are proactively managed. | <p>Do not support.</p> <p>It is not a core function to administer finance to external parties. Recommend that WA Treasury Corporation provide this option to third parties and the State Government manage as they have a department who is qualified and resourced to do so.</p> |
| 6.8 Cost of Waste Service to be Specified on Rates Notices | | |
| <ul style="list-style-type: none"> No requirement for separation of waste charges on rates notice. Disclosure will increase ratepayer awareness of waste costs. The Review Panel Report included this recommendation. | <ul style="list-style-type: none"> It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service). This would provide transparency and awareness of costs for ratepayers. | <p>Support.</p> <p>No change to the City of Mandurah.</p> |