

# Local Government Reform - Summary of Proposed Reforms

## **Shire of Goomalling Positions**

**December 2021**

## **Local Government Act Review Process**

---

WALGA through consultation with the Local Government Sector endorsed sector advocacy positions relating to Local Government Act amendments in March 2019 and December 2020. These advocacy positions were developed considering (but not limited to);

- The Department of Local Government, Sport and Cultural Industries (DLGSC) consultation on Act Reform (2017-2020)
- The City of Perth Inquiry Report (mid 2020)
- The State Parliament's Select Committee Report into Local Government (late 2020)

In December 2020, WALGA endorsed the following principles for any review of the Local Government Act.

## **Local Government Reform – WALGA Principles**

---

That the following key principles be embodied in the Local Government Act:

1. Uphold the general competence principle currently embodied in the Local Government Act
2. Provide for a flexible, principles-based legislative framework
3. Promote a size and scale compliance regime
4. Promote enabling legislation that empowers Local Government to carry out activities beneficial to its community taking into consideration Local Governments' role in creating a sustainable and resilient community through:
  - i. Economic development
  - ii. Environmental protection, and
  - iii. Social advancement
5. Avoid red tape and 'de-clutter' the extensive regulatory regime that underpins the Local Government Act, and
6. The State Government must not assign legislative responsibilities to Local Governments unless there is provision for resources required to fulfil the responsibilities.

It is worth noting that of the above principles, items 1, 2, and 3 are addressed in these legislative reform proposals and principles 4 and 5 are partially addressed.

## Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
<b>1.1 Early Intervention Powers</b>		
<ul style="list-style-type: none"> <li>• 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"> <li>○ Suspend or dismiss councils</li> <li>○ Appoint Commissioners</li> <li>○ Suspend or, order remedial action (such as training) for individual councillors.</li> </ul> </li> <li>• The Act also provides the Director General with the power to:               <ul style="list-style-type: none"> <li>○ Conduct Authorised Inquiries</li> <li>○ Refer allegations of serious or recurrent breaches to the State Administrative Tribunal</li> <li>○ Commence prosecution for an offence under the Act.</li> </ul> </li> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to establish a Chief Inspector of Local Government (the <b>Inspector</b>), supported by an Office of the Local Government Inspector (the <b>Inspectorate</b>).</li> <li>• The Inspector would receive minor and serious complaints about elected members.</li> <li>• The Inspector would oversee complaints relating to local government CEOs.</li> <li>• Local Governments would still be responsible for dealing with minor behavioural complaints.</li> <li>• The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified.</li> <li>• 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.</li> <li>• The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism.</li> <li>• The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations.</li> <li>• The Inspector would be supported by a panel of <b>Local Government Monitors</b> (see item 1.2).</li> <li>• The existing Local Government Standards</li> </ul>	<p><b>WALGA Recommendation</b></p> <ol style="list-style-type: none"> <li>1. Support the proposed reforms as they align with the sectors position on external oversight and support.</li> <li>2. Request the Minister to explore alternate mechanisms for resolving local level complaints.</li> </ol> <p><b>Shire of Goomalling Position</b></p> <p>Support WALGA recommendation(s) but request clarification about what is intended with respect to complaints about LG CEOs. In some communities the ‘Inspector’ could be kept very busy dealing with vexatious or frivolous complaints.</p> <p>The inspector should only deal with complaints about CEOs that have been made by an Elected Member, do not relate to other jurisdictions such as the Police, CCC, etc. Clarification and detail required. While Council may support a version of dot point 3, it would need to be convinced that an external investigation of a CEO complaint is justified.</p> <p>Clarification that it is not a ‘public’ process that could damage reputations purely by virtue of ‘an allegation’ being made, when or if it is subsequently not substantiated.</p>

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	<p>Panel would be replaced with a new <b>Conduct Panel</b> (see item 1.3).</p> <ul style="list-style-type: none"> <li>• <b>Penalties</b> for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4).</li> <li>• These reforms would be supported by new powers to more quickly resolve issues within local government (see items 1.5 and 1.6).</li> </ul>	
<b>1.2 Local Government Monitors</b>		
<ul style="list-style-type: none"> <li>• There are currently no legislative powers for the provision of monitors/ temporary advisors.</li> <li>• The DLGSC provides support and advice to local governments, however there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases.</li> </ul>	<ul style="list-style-type: none"> <li>• A panel of <b>Local Government Monitors</b> would be established.</li> <li>• Monitors could be appointed by the Inspector to go into a local government and try to resolve problems.</li> <li>• The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence.</li> <li>• Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> <li>○ Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators</li> <li>○ Dispute resolution experts - to address the breakdown of professional working relationships</li> <li>○ Certified Practising Accountants and other financial specialists - to assist with financial management and reporting issues</li> <li>○ Governance specialists and lawyers - to assist councils resolve legal issues</li> <li>○ HR and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction.</li> </ul> </li> </ul>	<p>WALGA Position As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Council sees some issues surrounding budget allocations for monitor intervention, particularly where the CEO requests this intervention as an unbudgeted action. Would the interventions be seen as an emergency measure?</p>

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	<ul style="list-style-type: none"> <li>• Only the Inspector would have the power to appoint Monitors.</li> <li>• Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose.</li> </ul> <p><b>Monitor Case Study 1 – Financial Management</b></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><b>Monitor Case Study 2 – Dispute Resolution</b></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</p>	

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	Monitor occasionally makes contact with both councillors to ensure there is a cordial working relationship between the councillors.	
<b>1.3 Conduct Panel</b>		
<ul style="list-style-type: none"> <li>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.</li> <li>Currently, the Panel makes findings about alleged breaches based on written submissions.</li> <li>The City of Perth Inquiry report made various recommendations that functions of the Local Government Standards Panel be reformed.</li> </ul>	<ul style="list-style-type: none"> <li>The Standards Panel is proposed to be replaced with a new Local Government <b>Conduct Panel</b>.</li> <li>The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel.</li> <li>The Inspector would provide evidence to the Conduct Panel for adjudication.</li> <li>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.</li> <li>For very serious or repeated breaches of the Local Government Act, the Conduct Panel would have the power to recommend prosecution through the courts.</li> <li>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.</li> </ul>	<p>WALGA Position As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<b>1.4 Review of Penalties</b>		
<ul style="list-style-type: none"> <li>There are currently limited penalties in the Act for certain types of non-compliance with the Local Government Act.</li> </ul>	<ul style="list-style-type: none"> <li>Penalties for breaching the Local Government Act are proposed to be strengthened.</li> <li>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</li> </ul>	<p><b>WALGA Comment</b></p> <p>The Local Government sector has long-standing advocacy positions supporting stronger penalties as a deterrent to disruptive Council Member behaviours. Clear guidance will be required to ensure there is consistent application of the power given to Presiding Members.</p>

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	<p>or Regulations on more than one occasion.</p> <ul style="list-style-type: none"> <li>• 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).</li> <li>• It is proposed that a councillor who is suspended multiple times may become disqualified from office.</li> <li>• Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances.</li> </ul>	<p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<b>1.5 Rapid Red Card Resolutions</b>		
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• 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).</li> <li>• It is proposed that Presiding Members have the power to “red card” any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would: <ul style="list-style-type: none"> <li>○ Require the Presiding Member to issue a clear first warning</li> <li>○ 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</li> <li>○ If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting.</li> </ul> </li> <li>• Any Presiding Member who uses the “red card” or ejection power will be required to notify the Inspector.</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) noting that it could be open to abuse if not supported by clear guidelines.</p> <p>Could be problematic where the Shire President is the member who is a problem. While this may be unusual, it is a distinct possibility.</p>

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	<ul style="list-style-type: none"> <li>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.</li> </ul>	
<b>1.6 Vexatious Complaint Referrals</b>		
<ul style="list-style-type: none"> <li>No current provisions.</li> <li>The Act already provides a requirement for Public Question Time at council meetings.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	<p><b>WALGA Comment</b></p> <p>The Act has been expanded significantly in recent years to permit an increased level of public involvement, scrutiny and access to information relating to the decisions, operations and affairs of Local Government in WA. Introducing a means to limit capacity for unreasonable complainants to negatively impact Local Governments will provide a necessary balance between the openness and transparency of the sector and the reasonable entitlement of citizens to interact with their Local Government.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Council sees that the initial call on a vexatious complainant should be dealt with locally with possibly an appeals process to the inspector should a member or ratepayer be aggrieved.</p>
<b>1.7 Minor Other Reforms</b>		



CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
<ul style="list-style-type: none"> <li>• Other minor reforms are being considered to enhance the oversight of local government.</li> <li>• Ministerial Circulars have traditionally been used to provide guidance to the local government sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential other reforms to strengthen guidance for local governments are being considered.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p><b>WALGA Comment</b> Operational guidance from the Department of Local Government, Sport and Cultural Industries leads to consistent understanding and application of statutory provisions by Local Government. The proposed reform that the Inspector issue non-compliance notices appears to replicate the Minister’s powers under Section 9.14A – ‘Notice to prevent continuing contravention’</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

**Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity**

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>2.1 Resource Sharing</b>		
<ul style="list-style-type: none"> <li>The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs.</li> <li>Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing.</li> </ul>	<ul style="list-style-type: none"> <li>Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees.</li> <li>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.</li> </ul>	<p><b>WALGA Comment</b> The proposed reforms will rely upon statutory provisions that enable and enhance regional collaboration. Recent over-regulation of Regional Subsidiaries in 2016 resulted in no subsidiaries being formed since that time.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<b>2.2 Standardisation of Crossovers</b>		
<ul style="list-style-type: none"> <li>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.</li> <li>This can create confusion and complexity for homeowners and small businesses in the construction sector.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this.</li> </ul>	<p><b>WALGA Comment</b> WALGA developed the Template Crossover Guideline and Specification resource in 2017 and have been part of the Minister’s working group on red tape reduction that has been looking at standardisation of crossovers.</p> <p><b>WALGA Recommendation</b></p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<ul style="list-style-type: none"> <li>The DLGSC will work with the sector to develop standardised design and construction standards.</li> </ul>	<p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) as long as size and scale, regional, rural and remote examples are considered and able to be applied.</p>
<b>2.3 Introduce Innovation Provisions</b>		
<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>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"> <li>Short-term trials and pilot projects</li> <li>Urgent responses to emergencies.</li> </ul> </li> </ul>	<p><b>WALGA Comment</b> It is arguable communities expect all levels of Government will apply innovative solutions to complex and emerging issues difficult to resolve by traditional means. Exemptions constructed with appropriate checks and balances, particularly where expenditure of public funds are concerned, has potential to facilitate efficient and effective outcomes.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<b>2.4 Streamline Local Laws</b>		
<ul style="list-style-type: none"> <li>Local laws are required to be reviewed every eight years.</li> <li>The review of local laws (especially when they are standard) has been identified as a burden for the sector.</li> <li>Inconsistency between local laws is frustrating for residents and business</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that local laws would only need to be reviewed by the local government every 15 years.</li> <li>Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable.</li> </ul>	<p><b>WALGA Comment</b> Proposed reforms meet the Sector's preference for simplified local law-making processes. Model local laws are supported, whilst recognising the models themselves will require review by State Government departments with the relevant head of power. For example, the Model Local Law</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
stakeholders.	<ul style="list-style-type: none"> <li>Local governments adopting Model Local Laws will have reduced advertising requirements.</li> </ul>	<p>(Standing Orders) 1998 formed the basis of many Local Government meeting procedures local laws but no review was completed. This model was superseded by individual local laws with added contemporary provisions. This pattern will repeat itself if model local laws are not reviewed to remain contemporary to the Sector's requirements.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) Current advertising costs for local law review are almost cost prohibitive for smaller LG's</p>
<p><b>2.5 Simplifying Approvals for Small Business and Community Events</b></p>		
<ul style="list-style-type: none"> <li>Inconsistency between local laws and approvals processes for events, street activation, and initiatives by local businesses is frustrating for business and local communities.</li> </ul>	<ul style="list-style-type: none"> <li>Proposed reforms would introduce greater consistency for approvals for: <ul style="list-style-type: none"> <li>alfresco and outdoor dining</li> <li>minor small business signage rules</li> <li>running community events.</li> </ul> </li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) as long as size and scale, regional, rural and remote examples are considered and able to be applied.</p> <p>These are not big issues in most rural Councils.</p>
<p><b>2.6 Standardised Meeting Procedures, Including Public Question Time</b></p>		
<ul style="list-style-type: none"> <li>Local governments currently prepare individual standing order local laws.</li> <li>The <i>Local Government Act 1995</i> and regulations require local governments to</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b></p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<p>allocate time at meetings for questions from the public.</p> <ul style="list-style-type: none"> <li>• Inconsistency among the meeting procedures between local governments is a common source of complaints.</li> </ul>	<p>meetings, including for public question time, are standardised across the State.</p> <ul style="list-style-type: none"> <li>• Regulations would introduce standard requirements for public question time, and the procedures for meetings generally.</li> <li>• Members of the public across all local governments would have the same opportunities to address council and ask questions.</li> </ul>	<p>Generally support WALGA recommendation(s) as long as size and scale, regional, rural and remote examples are considered and able to be applied.</p> <p>Has been many years since a member of the public has turned up to public question time or a proponent for that matter.</p>
<p><b>2.7 Regional Subsidiaries</b></p>		

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<ul style="list-style-type: none"> <li>• Initiatives by multiple local governments may be managed through formal Regional Councils, or through less formal “organisations of councils”, such as NEWROC and WESROC.</li> <li>• These initiatives typically have to be managed by a lead local government.</li> <li>• 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>.</li> <li>• So far, no Regional Subsidiary has been formed.</li> </ul>	<ul style="list-style-type: none"> <li>• Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> <li>○ Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments</li> <li>○ Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds</li> <li>○ Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk</li> <li>○ Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments.</li> </ul> </li> </ul>	<p><b>WALGA Comment</b></p> <p>Under the Regional Subsidiary model, two or more Local Governments are able to establish a regional subsidiary to undertake a shared service function on behalf of its constituent Local Governments. The model provides increased flexibility when compared to the Regional Local Government model because regional subsidiaries are primarily governed and regulated by a charter rather than legislation. While the regional subsidiary model’s governance structure is primarily representative, the model also allows independent and commercially focussed directors to be appointed to the board of management.</p> <p>A key advantage of the regional subsidiary model is the use of a charter, as opposed to legislation, as the primary governance and regulatory instrument. Accordingly, the legislative provisions governing the establishment of regional subsidiaries should be light, leaving most of the regulation to the regional subsidiary charter, which can be adapted to suit the specific circumstances of each regional subsidiary.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

**Theme 3: Greater Transparency & Accountability**

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>3.1 Recordings and Live-Streaming of All Council Meetings</b>		
<ul style="list-style-type: none"> <li>• Currently, local governments are only required to make written minutes of meetings.</li> <li>• 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.</li> <li>• Complaints relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments.</li> <li>• 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 factors<sup>1</sup> such as: <ul style="list-style-type: none"> <li>○ Growth and development</li> <li>○ Strategic planning issues</li> <li>○ Demands and diversity of services provided to the community</li> <li>○ Total expenditure</li> <li>○ Population</li> <li>○ Staffing levels.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed that all local governments will be required to record meetings.</li> <li>• Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives.</li> <li>• 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.</li> <li>• Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives.</li> <li>• Several local governments already use platforms such as YouTube, Microsoft Teams, and Vimeo to stream and publish meeting recordings.</li> <li>• Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used.</li> <li>• 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 publish audio recordings, at a minimum. These local governments would still be encouraged to livestream or video record meetings.</li> <li>• All council meeting recordings would need to</li> </ul>	<p><b>WALGA Comment</b></p> <p>Local Governments introducing electronic meeting procedures and the means for remote public attendance in response to the COVID-19 pandemic led to a swift uptake of streaming Council meetings. The proposed reform that Band 1 and 2 Local Governments will only be problematic where technical capability such as reliable bandwidth impact the district.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b></p> <p>Goomalling questions why the Department would need to involve itself in being provided copies of confidential recordings. Surely local governments should be required to retain for 'x' number of years and then provide to the Department or other agencies if an incident or need occurred. This seems like unnecessary red tape and bureaucracy and resourcing issue for the Department.</p> <p>With regard to recording of Council meetings this has the risk of grandstanding by members for political purposes rather than for community good. Recent Shire of Toodyay meetings have an element of grandstanding by members of the public.</p>

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

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p>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>It could also lead to meetings being staged to either increase or reduce the controversy attached to items contained in the agenda, again for political purposes. This could also contribute to less transparency in the conduct of meetings and decision making. SOG opposes recordings.</p>
<p><b>3.2 Recording All Votes in Council Minutes</b></p>		
<ul style="list-style-type: none"> <li>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.</li> <li>The existing provision does not mandate transparency.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Regulations would prescribe how votes are to be consistently minuted.</li> </ul>	<p><b>WALGA Comment</b>  There is an evolving common practice that Council Minutes record the vote of each Council Member present at a meeting.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b>  Council believes that decisions are made as a council, not as individuals. Members have always been taught that they need to stand by the Council decision and not their own unique position. On many occasions elected members have bitten their tongue to support the Council when their own opinion differs. As officers, we often do this too when Council makes sometimes controversial decisions.</p> <p>Council does support recording the numbers for and against showing that robust debate took place but sees the potential for some members to use this as another grandstanding tool, where divisions can be created for political rather than community purposes. We see politics and community as two distinctly unrelated matters.</p>



CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>3.3 Clearer Guidance for Meeting Items that may be Confidential</b>		
<ul style="list-style-type: none"> <li>The Act currently provides broad definitions of what type of matters may be discussed as a confidential item.</li> <li>There is limited potential for review of issues managed as confidential items under the current legislation.</li> </ul>	<ul style="list-style-type: none"> <li>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 circumstances.</li> <li>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.</li> <li>Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector.</li> <li>All confidential items would be required to be audio recorded, with those recordings submitted to the DLGSC.</li> </ul>	<p><b>WALGA Comment</b> Clarifying the provisions of the Act has broad support within the sector. New reforms requiring Local Governments to video or audio record Council meetings (Item 3.1) will add to the formal record of proceedings that includes written Minutes. While being supported, the requirement to provide audio recordings of confidential matters to the DLGSC is queried on the basis that written and audio records can be readily accessed from a Local Government if required.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Support WALGA recommendation(s) although query what is not working with the current system? Seems to have worked well for the last 25 years from our perspective.</p> <p>This will likely drive matters that would be discussed as confidential agenda items to back room unofficial meetings that will avoid scrutiny that is achieved at regular Council meetings.</p> <p>In the Majority of cases Council believes that Councils have a reasonable view of what is rightly a confidential item.</p>
<b>3.4 Additional Online Registers</b>		
<ul style="list-style-type: none"> <li>Local governments are required to provide information to the community through annual reports, council minutes and the publication</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed to require local governments to report specific information in online registers on the local government's website.</li> </ul>	<p><b>WALGA Comment</b> This proposal follows recent Act amendments that ensure a range of information is published</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<p>of information online.</p> <ul style="list-style-type: none"> <li>Consistent online publication of information can substitute for certain material in annual reports.</li> <li>Consistency in online reporting across the sector will provide ratepayers with better information.</li> <li>These registers supplement the simplification of financial statements in Theme 6.</li> </ul>	<p>Regulations would prescribe the information to be included.</p> <p>The following new registers, each updated quarterly, are proposed:</p> <ul style="list-style-type: none"> <li><b>Lease Register</b> to capture information about the leases the local government is party to (either as lessor or lessee)</li> <li><b>Community Grants Register</b> to outline all grants and funding provided by the local government</li> <li><b>Interests Disclosure Register</b> which collates all disclosures made by elected members about their interests related to matters considered by council</li> <li><b>Applicant Contribution Register</b> accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking</li> <li><b>Contracts Register</b> that discloses all contracts above \$100,000.</li> </ul>	<p>on Local Government websites. WALGA has sought clarity that the contracts register excludes contracts of employment.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) as long as size and scale, regional, rural and remote examples are considered and able to be applied. E.g. leases above \$100,000 for example.</p> <p>No residential leases which might disclose the location of residents, families or employees.</p> <p>Will this include employment contracts?</p> <p>With registers in general will they need to appear even if there are no entries on those registers for example there are no applicant contributions for POS in Goomalling does the register need to be displayed as a nil register.</p>
<p><b>3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published</b></p>		
<ul style="list-style-type: none"> <li>It is a requirement of the <i>Local Government Act 1995</i> that CEO performance reviews are conducted annually.</li> <li>The Model Standards for CEO recruitment and selection, performance review and termination require that a local government</li> </ul>	<ul style="list-style-type: none"> <li>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"> <li>Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period)</li> <li>The KPIs and the results be published in</li> </ul> </li> </ul>	<p><b>WALGA Comment</b></p> <p>In principle, this proposal has some merit and would be particularly effective if all CEO KPIs consistently reflect Strategic Community Plans and Corporate Business Plans of Local Governments, together with KPIs reflective of the CEO's statutory functions under Section 5.41 of</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<p>must review the performance of the CEO against contractual performance criteria.</p> <ul style="list-style-type: none"> <li>Additional performance criteria can be used for performance review by agreement between both parties.</li> </ul>	<p>the minutes of the performance review meeting (at the end of the period)</p> <ul style="list-style-type: none"> <li>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).</li> </ul>	<p>the Act. This approach would inform the community of the CEO's performance related to the strategic direction and operational function of the Local Government.</p> <p>In practice, the drafting of statutory provisions will require sensitive consideration of certain KPIs i.e. those relating to issues affecting the workplace or identified risk-based concerns, to reflect the way Audit Committees currently deal with some internal control, risk and legislative compliance issues confidentially. This approach will protect the interests of Local Governments and other parties associated with such KPIs. It would be prudent for exemptions to be provided, based on matters of confidentiality.</p> <p>The proposed reforms and recent Act amendments signal a clear intent to permit closer community involvement and scrutiny of Local Government. However, negative consequences are likely if Local Government Council's responsibility as the employing authority of the CEO became blurred due to perceived community entitlement to comment, question and influence KPIs and the performance review process.</p> <p>Additionally, the publication of CEO KPI's will elevate this employment position to a high degree of public scrutiny seldom evident in the public or private sector, if at all. It is worth investigating whether the proposed reforms considered whether this factor could impact on the recruitment of CEO's, particularly from outside the Local Government sector.</p> <p>The results of performance reviews should be confidential information between the employer</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		<p>and employee and should not be published and should remain within the confidential human resource records of the organisation.</p> <p><b>WALGA Recommendation</b></p> <ol style="list-style-type: none"> <li>1. <b>Conditionally Support the reporting of CEO KPIs that are consistent with the strategic direction and operational function of the Local Government, subject to exemptions for publishing KPI's of a confidential nature;</b></li> <li>2. <b>Do not support the results of performance reviews being published.</b></li> </ol> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Although there is some benefit in KPI's being available it also has a darker side where, in the current environment where small groups and individuals are often looking for any matter to twist to suit an alternative view will be sought to support some sort of vendetta against CEO's or even other staff. This is not always an issue but for those who are the subject of these situations, posting performance reviews would just be the last straw.</p> <p>Council would support some reporting against high level KPI's that don't expose CEO's to greater levels of risk of torment by vexatious residents. Certainly, we believe that reviews are a HR matter not a community matter. Does the DG have his/her performance reviews made public and do his/her individual KPI's appear on</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		the departmental website for public scrutiny.

**Theme 4: Stronger Local Democracy and Community Engagement**

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>4.1 Community and Stakeholder Engagement Charters</b>		
<ul style="list-style-type: none"> <li>There is currently no requirement for local governments to have a specific engagement charter or policy.</li> <li>Many local governments have introduced charters or policies for how they will engage with their community.</li> <li>Other States have introduced a specific requirement for engagement charters.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>A model Charter would be published to assist local governments who wish to adopt a standard form.</li> </ul>	<p><b>WALGA Comment</b> As indicated in Item 4.1 commentary, many Local Governments have already developed stakeholder engagement charters, or similar engagement strategies, that reflect their unique communities of interest. The development of guidance by the DLGSC, based on standards such as the International Standard for Public Participation practice, is supported in favour of taking a prescriptive approach or conducting a survey for the sake of a survey.</p> <p>Item 4.2 has potential to provide benchmarking of community satisfaction levels across Band 1 and 2 Local Governments.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only)</b>		
<ul style="list-style-type: none"> <li>• Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers.</li> <li>• These surveys provide valuable data on the performance of local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Results would be required to be reported publicly at a council meeting and published on the local government’s website.</li> <li>• All local governments would be required to publish a response to the results.</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<b>4.3 Introduction of Preferential Voting</b>		
<ul style="list-style-type: none"> <li>• The current voting method for local government elections is first past the post.</li> <li>• The existing first-past-the-post does not allow for electors to express more than one preference.</li> <li>• The candidate with the most votes wins, even if that candidate does not have a majority.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Preferential voting is proposed be adopted as the method to replace the current first past the post system in local government elections.</li> <li>• In preferential voting, voters number candidates in order of their preferences.</li> <li>• 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.</li> <li>• All other states use a form of preferential voting for local government.</li> </ul>	<p><b>WALGA Comment</b></p> <p>It should be noted that the sector’s advocacy against compulsory voting and “All in All out” 4 year terms has been successful and these items are not included in the reform proposals.</p> <p>The introduction of preferential voting will be a return to the system of voting prior to the <i>Local Government Act 1995</i>. The Local Government Advisory Board reported on voting systems in 2006 (<i>Local Government Structural Reform in Western Australia: Ensuring the Future Sustainability of Communities</i>) and provided the following comments in support of both first past the post voting and preferential voting:</p> <p><i>Comments in support of retaining first past the post include:</i></p> <ul style="list-style-type: none"> <li>• Quick to count. Preferential voting is time consuming to count.</li> <li>• Easily understood.</li> <li>• Removes politics out of campaigning. Preferential will encourage alliances formed for the distribution of preferences and party politics</li> </ul>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		<p><i>into local government.</i></p> <ul style="list-style-type: none"> <li>• <i>Preferential voting allows election rigging through alliances or 'dummy' candidates.</i></li> <li>• <i>In a preferential system, the person that receives the highest number of first preference votes does not necessarily get elected.'</i></li> </ul> <p><i>'Comments in support of replacing first past the post include:</i></p> <ul style="list-style-type: none"> <li>• <i>Preferential voting is more democratic and removes an area of confusion.</i></li> <li>• <i>Preferential voting ensures that the most popular candidates are elected who best reflect the will of the voters.</i></li> <li>• <i>Preferential system should be introduced. In FPP elections, candidates work together to get votes for each other. Preferential would make it more difficult for this practice to take place.</i></li> <li>• <i>FPP does not adequately reflect the wishes of electors when there are three candidates or more.</i></li> <li>• <i>FPP is unsuitable when there is more than one vacancy.</i></li> <li>• <i>Allows for a greater representation from a range of interest groups and prevents domination of elections by mainstream party politics.'</i></li> </ul> <p>The Sector supports first past the post voting for its simplicity and fundamental apolitical nature, therefore the proposed reforms are not supported. Feedback is sought to ensure the advocacy position for first past the post elections remains the preferred option.</p> <p><b>WALGA Recommendation</b>  <b>Not currently supported - Local Government feedback requested</b></p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		<p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s)  It is the Councils position that FPP is a less political form of counting votes, the most popular candidate attains the highest number of votes, the second most popular candidate achieves the second highest number of votes, and so on.</p> <p>In rural and remote settings nearly everyone knows all of the candidates personally and so there is unlikely to be unknown candidates sneaking in to power.</p> <p>Preference deals to alter the result to ensure that aligned parties/candidates are elected will politicise what is supposed to be a community role, not a party political one. There is evidence of this leading to poor outcomes for communities and for unwanted pressures on staff and CEO's.</p> <p>Broader political aspirations should not affect the decision making process to the detriment of staff and the wider community.</p> <p><b>Council does not support this change.</b></p>
<b>4.4 Public Vote to Elect the Mayor and President</b>		
<ul style="list-style-type: none"> <li>• The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: <ul style="list-style-type: none"> <li>○ by the electors of the district through a public vote; or</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Mayors and Presidents of all local governments perform an important public leadership role within their local communities.</li> <li>• Band 1 and 2 local governments generally have larger councils than those in bands 3</li> </ul>	<p><b>WALGA Comment</b>  There are 43 Band 1 and 2 Local Governments with 22 popularly electing the Mayor or President:  Band 1 - 15  Band 2 - 7</p>



CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<ul style="list-style-type: none"> <li>○ by the council as a resolution at a council meeting.</li> </ul>	<p>and 4.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>	<p>The remaining 21 Local Governments have a Council-elected Mayor or President. The cited examples of the City of Rockingham and City of Stirling electors determining by referendum to change the process for electing the Mayor are examples of the current system working as intended. There is no evidence of elector support for uniform direct election of Mayors.</p> <p><b>WALGA Recommendation</b></p> <p><b>Not currently supported - Local Government feedback requested</b></p> <p><b>Shire of Goomalling Position</b></p> <p>That the Council is of the view that the Mayor or Presidents of band 1 and 2 local governments should be elected by the elected members (their peers) and not by the people, in order that are accountable to the Council. Years of public inquiries and documented recommendations in local government in WA, have recommended against the practice proposed by the Minister.</p> <p>A popular mayor may not necessarily have the respect or confidence of the elected members who they oversee. This again is another way of politicising the role and grooming party political infighting in council chambers. <b>It makes the mayor a personality not an effective leader and this has occurred many times over the years.</b></p>
<p><b>4.5 Tiered Limits on the Number of Councillors</b></p>		
<ul style="list-style-type: none"> <li>• The number of councillors (between 5-15</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to limit the number of</li> </ul>	<p><b>WALGA Comment</b></p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<p>councillors) is decided by each local government, reviewed by the Local Government Advisory Board, and if approved by the Minister.</p> <ul style="list-style-type: none"> <li>The Panel Report recommended electoral reforms to improve representativeness.</li> </ul>	<p>councillors based on the population of the entire local government.</p> <ul style="list-style-type: none"> <li>Some smaller local governments have already been moving to having smaller councils to reduce costs for ratepayers.</li> <li>The <a href="#">Local Government Panel Report</a> proposed: <ul style="list-style-type: none"> <li>For a population of up to 5,000 – five councillors (including the President)</li> <li>population of between 5,000 and 75,000 – five to nine councillors (including the Mayor/President)</li> <li>population of above 75,000 – nine to fifteen councillors (including Mayor).</li> </ul> </li> </ul>	<p>The proposed reform to restrict Local Governments with populations under 5,000 to 5 Council Members does not reflect the varied communities of interest within this grouping. Some Local Governments are essentially regional centres such as the Shires of Katanning (9), Dandaragan (9), Merredin (9), Moora (9) and Northampton (9) (current Councillor numbers bracketed). Local Governments such as the Shire of Ngaanyatjarraku (9) manage substantial land areas, manage isolated communities such as the Shire of Meekatharra (7) and culturally diverse communities such as the Shire of Christmas Island (9). Some Local Governments with populations up to 5,000 warrant a greater number of Councillors to effectively share the representative role that Council Members play within their communities.</p> <p>The additional proposed reforms in population categories over 5,000 generally reflect the current Councillor numbers.</p> <p><b>WALGA Recommendation</b></p> <p><b>Recommend 5 to 7 Council Members for populations up to 5,000 and support the remaining proposed reforms.</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) of 5 to 7 elected members under 5,000.</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>4.6 No Wards for Small Councils (Band 3 and 4 Councils only)</b>		
<ul style="list-style-type: none"> <li>• A local government can make an application to be divided into wards, with councillors elected to those wards.</li> <li>• Only about 10% of band 3 and 4 local governments currently have wards.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed that the use of wards for councils in bands 3 and 4 is abolished.</li> <li>• Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government’s election.</li> <li>• In smaller local governments, the population of wards can be very small.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p><b>WALGA Comment</b> The proposed reform to discontinue wards in Band 3 and 4 Local Governments brings alignment with the majority and provides that affected Local Governments will no longer have to conduct 8 year ward reviews or make representation to the Local Government Advisory Board to revert to a no wards system.</p> <p>Remaining proposed reforms will improve and clarify election processes.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>No Wards in operation in Goomalling</p>
<b>4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility</b>		
<ul style="list-style-type: none"> <li>• A person with a lease in a local government district is eligible to nominate as a candidate in that district.</li> <li>• A person with a lease in a local government district is eligible to apply to vote in that district.</li> <li>• The City of Perth Inquiry Report identified a number of instances where dubious lease arrangements put to question the validity of</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The City of Perth Inquiry Report identified sham leases as an issue.</li> <li>• Electoral rules are proposed to be strengthened:</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Sham leases are not a big issue in most country locations. Again these are more likely to be used in political alignment cases in larger councils.</p>

<p>candidates in local government elections, and subsequently their legitimacy as councillors.</p>	<ul style="list-style-type: none"> <li>○ A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council.</li> <li>○ 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.</li> <li>○ Clarifying the minimum criteria for leases eligible to register a person to vote or run for council.</li> <li>● 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.</li> <li>● 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.</li> </ul>	
<p><b>4.8 Reform of Candidate Profiles</b></p>		
<ul style="list-style-type: none"> <li>● Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words.</li> </ul>	<ul style="list-style-type: none"> <li>● Further work will be undertaken to evaluate how longer candidate profiles could be accommodated.</li> <li>● Longer candidate profiles would provide more information to electors, potentially through publishing profiles online.</li> <li>● It is important to have sufficient information available to assist electors make informed decisions when casting their vote.</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Perhaps 500 words give or take 100 would be an appropriate number.</p>
<p><b>4.9 Minor Other Electoral Reforms</b></p>		
<ul style="list-style-type: none"> <li>● Other minor reforms are proposed to improve local government elections.</li> </ul>	<ul style="list-style-type: none"> <li>● Minor other electoral reforms are proposed to include:</li> </ul>	<p>As above</p>

	<ul style="list-style-type: none"> <li>○ 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)</li> <li>○ The introduction of more specific rules concerning local government council candidates' use of electoral rolls.</li> </ul>	<p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>10 Votes is a larger margin in rural areas than in city Councils.</p>
--	--	---

## Theme 5: Clear Roles and Responsibilities

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>5.1 Introduce Principles in the Act</b>		
<ul style="list-style-type: none"> <li>• The Act does not currently outline specific principles.</li> <li>• The Act contains a short “Content and Intent” section only.</li> <li>• The Panel Report recommended greater articulation of principles</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed to include new principles in the Act, including: <ul style="list-style-type: none"> <li>○ The recognition of Aboriginal Western Australians</li> <li>○ Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal)</li> <li>○ Community Engagement</li> <li>○ Financial Management.</li> </ul> </li> </ul>	<p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>5.2 Greater Role Clarity</b>		
<ul style="list-style-type: none"> <li>The Act provides for the role of council, councillor, mayor or president and CEO.</li> <li>The role of the council is to: <ul style="list-style-type: none"> <li>govern the local government's affairs</li> <li>be responsible for the performance of the local government's functions.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The <a href="#">Local Government Act Review Panel</a> recommended that roles and responsibilities of elected members and senior staff be better defined in law.</li> <li>It is proposed that these roles and responsibilities are further defined in the legislation.</li> <li>These proposed roles will be open to further consultation and input.</li> <li>These roles would be further strengthened through <b>Council Communications Agreements</b> (see item 5.3).</li> </ul>	<p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
	<p><b>5.2.1 - Mayor or President Role</b></p> <ul style="list-style-type: none"> <li>It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President.</li> <li>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"> <li>Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council</li> <li>Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act</li> <li>Developing and maintaining professional working relationships between councillors and the CEO</li> <li>Performing civic and ceremonial duties on behalf of the local government</li> <li>Working effectively with the CEO and</li> </ul> </li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) noting that clarity is required about 'only speaking' about resolutions made by a Council. There are numerous times where a Mayor or President is asked to comment on matters relation the district that the Council does not have a position on. E.g. when a member of the community dies suddenly. Not practical or realistic in this narrow interpretation. There are potentially many things that the President might express op[inions on regarding the council's opinion where no resolution has been made.</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p>councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government.</p>	
	<p><b>5.2.2 - Council Role</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is responsible for: <ul style="list-style-type: none"> <li>○ Making significant decisions and determining policies through democratic deliberation at council meetings</li> <li>○ 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</li> <li>○ Providing a safe working environment for the CEO;</li> <li>○ Providing strategic direction to the CEO;</li> <li>○ Monitoring and reviewing the performance of the local government.</li> </ul> </li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
	<p><b>5.2.3 - Elected Member (Councillor) Role</b></p> <ul style="list-style-type: none"> <li>• It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors.</li> <li>• While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every</li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s) but urge caution with the detail of interpreting when an elected member is wearing which hat in smaller communities.</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p>elected councillor is responsible for:</p> <ul style="list-style-type: none"> <li>○ 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)</li> <li>○ Positively and fairly contribute and apply their knowledge, skill, and judgement to the democratic decision-making process of council</li> <li>○ Applying relevant law and policy in contributing to the decision-making of the council</li> <li>○ Engaging in the effective forward planning and review of the local governments' resources, and the performance of its operations, services, and functions</li> <li>○ Communicating the decisions and resolutions of council to stakeholders and the public</li> <li>○ Developing and maintaining professional working relationships with all other councillors and the CEO</li> <li>○ Maintaining and developing their knowledge and skills relevant to local government</li> <li>○ Facilitating public engagement with local government.</li> </ul> <ul style="list-style-type: none"> <li>● 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.</li> </ul>	



CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p><b>5.2.4 - CEO Role</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs.</li> <li>• 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: <ul style="list-style-type: none"> <li>○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions</li> <li>○ Facilitating the implementation of council decisions</li> <li>○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council</li> <li>○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council</li> <li>○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3)</li> <li>○ Overseeing the compliance of the operations of the local government with State and Federal legislation on behalf of the council</li> <li>○ Implementing and maintaining systems to enable effective planning, management,</li> </ul> </li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	and reporting on behalf of the council.	

5.3 Council Communication Agreements		
<ul style="list-style-type: none"> <li>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.</li> <li>The availability of information is sometimes a source of conflict within local governments.</li> </ul>	<ul style="list-style-type: none"> <li>In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided.</li> <li>It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO.</li> <li>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.</li> <li>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.</li> </ul>	<p><b>WALGA Comment</b>  The availability of information not already in the public domain to Councillors under Section 5.92 of the Act can become contentious in the absence of a clear statement in support of the function the Council Member is performing. This can place CEO's in the invidious position of ruling on the availability of a record of the Local Government, when it is also their function under Section 5.41(h) of the Act to <i>'ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law'</i>. Consistent availability of information motivates this proposed reform and it does not appear that individual Council Communication Agreements will be a means to that end. There is a better case for a uniform approach in the form of a regulated Agreement, in much the same way that the Communication Agreements between Ministers and agencies are based on provisions of the <i>Public Sector Management Act 1994</i>.</p> <p><b>WALGA Recommendation</b></p> <p><b>Support a consistent, regulated Communications Agreement.</b></p> <p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s)</p>

		<p>This is likely to be a bigger issue in the City than rural Councils and where there is significant broader political involvement.</p>
<p><b>5.4 Local Governments May Pay Superannuation Contributions for Elected Members</b></p>		
<ul style="list-style-type: none"> <li>Elected members are eligible to receive sitting fees or an annual allowance.</li> <li>Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Superannuation is widely recognised as an important entitlement to provide long term financial security.</li> <li>Other states have already moved to allow councils to make superannuation contributions for councillors.</li> <li>Allowing council to provide superannuation is important part of encouraging equality for people represented on council – particularly for women and younger people.</li> <li>Providing superannuation to councillors recognises that the commitment to elected office can reduce a person’s opportunity to undertake employment and earn superannuation contributions.</li> </ul>	<p><b>WALGA Comment</b>  WALGA was in the process of consulting with the sector when this reform was announced. The feedback to date from Local Governments varied. The proposed discretionary approach will permit Local Governments to exercise general competence powers to make their own determination on paying superannuation to Council Members.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b>  Council does not support the payment of superannuation to elected members due to the risk of confusion of the term ‘employee’ of the local government.</p> <p>Particularly not for local governments in bands 3 or 4</p>
<p><b>5.5 Local Governments May Establish Education Allowances</b></p>		
<ul style="list-style-type: none"> <li>Local government elected members must complete mandatory training.</li> </ul>	<ul style="list-style-type: none"> <li>Local governments will have the option of contributing to the education expenses for</li> </ul>	<p><b>WALGA Comment</b>  The proposal augments recent Act amendments</p>

<ul style="list-style-type: none"> <li>• There is no specific allowance for undertaking further education.</li> </ul>	<p>councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p>that require Local Governments to adopt a professional development policy for Council Members. Many Local Governments now budget for training requirements that align with the policy statement.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>
<p><b>5.6 Standardised Election Caretaker period</b></p>		
<ul style="list-style-type: none"> <li>• There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures.</li> <li>• This is commonly a point of public confusion.</li> </ul>	<ul style="list-style-type: none"> <li>• A statewide caretaker period for local governments is proposed.</li> <li>• All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> <li>○ Councils do not make major decisions with criteria to be developed defining 'major'</li> <li>○ 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.</li> <li>○ There are consistent election conduct rules for all candidates.</li> </ul> </li> </ul>	<p><b>WALGA Comment</b> WALGA developed a template Caretaker Policy in 2017 on request for a consistent approach. There are no know instances where Caretaker Policy have led to unforeseen or unmanageable consequences impacting on decision-making functions.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Again this would be a bigger issue for city Councils than Country where usually there is just a continuance of budgeted projects around</p>

		election times. It would be unwise to hold up significant DA's on the back of a caretaker provision.
<b>5.7 Remove WALGA from the Act</b>		

<ul style="list-style-type: none"> <li>• The Western Australian Local Government Association (WALGA) is constituted under the <i>Local Government Act 1995</i>.</li> <li>• The Local Government Panel Report and the Select Committee Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>• The <a href="#">Local Government Panel Report</a> recommended that WALGA not be constituted under the <i>Local Government Act 1995</i>.</li> <li>• Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity.</li> </ul>	<p><b>WALGA Comment</b>  WALGA is conducting its own due diligence on this proposal, previously identified in the Local Government Review Panel Report. The outcome of this reform would require a transition of WALGA from a body constituted under the Act to an incorporated association. It is important to the Local Government sector that the provisions relating to the mutual self-insurance scheme and tender exempt prequalified supply panels remain in the Act and are not affected by this proposal. Further work is being carried out by WALGA to fully understand the effect this proposal will have on WALGA and the sector.</p> <p><b>WALGA Recommendation</b>  <b>WALGA to undertake its due diligence on this proposal and advise the sector accordingly.</b></p> <p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s)</p>
---	--	---

5.8 CEO Recruitment		
<ul style="list-style-type: none"> <li>Recent amendments introduced provisions to standardise CEO recruitment.</li> <li>The recruitment of a CEO is a very important decision by a local government.</li> </ul>	<ul style="list-style-type: none"> <li>It is proposed that DLGSC establishes a panel of approved panel members to perform the role of the independent person on CEO recruitment panels.</li> <li>Councils will be able to select an independent person from the approved list.</li> <li>Councils will still be able to appoint people outside of the panel with the approval of the Inspector.</li> </ul>	<p><b>WALGA Comment</b> The proposed reform augments the CEO Standards in relation to recruitment introduced in February 2021.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally does not support the proposal as it will incur additional costs and removes the responsibility from elected members who have been elected to 'govern' the affairs of the local government. Guidelines, training and support should be provided for elected members in recruitment processes relating to its CEO.</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>6.1 Model Financial Statements and Tiered Financial Reporting</b>		
<ul style="list-style-type: none"> <li>• The financial statements published in the Annual Report is the main financial reporting currently published by local governments.</li> <li>• Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small (Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments.</li> <li>• The Office of the Auditor General has identified opportunities to improve financial reporting, to make statements clearer, and reduce unnecessary complexity.</li> <li>• Recognising the difference in the complexity of smaller and larger 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.</li> <li>• It is proposed to establish standard templates for <b>Annual Financial Statements</b> for band 1 and 2 councils, and simpler, clearer financial statements for band 3 and 4.</li> <li>• <b>Online Registers</b>, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports.</li> </ul>	<p><b>WALGA Comment</b></p> <p>The Sector has a long-standing position for a broad review of the financial management and reporting provisions of the Act, which remain largely unchanged since commencing in 1996.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>The Shire of Goomalling hopes that this is a serious attempt to simplify reporting and not just tokenism to say that at least the government did something!!</p> <p>Current statements are difficult for members of the public to understand. Anything that simplifies and provides greater understanding is supported by Council</p>



CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p>Standard templates will be published for use by local governments.</p> <ul style="list-style-type: none"> <li>• <b>Simpler Strategic and Financial Planning</b> (item 6.2) would also improve the budgeting process.</li> </ul>	
<b>6.2 Simplify Strategic and Financial Planning</b>		
<ul style="list-style-type: none"> <li>• Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations.</li> <li>• There is also the Integrated Planning and Reporting (IPR) framework.</li> <li>• While many councils successfully apply IPR to their budgeting and reporting, IPR may seem complicated or difficult, especially for smaller local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• Local governments would be required to adopt a standard set of plans, and there will be templates published by the DLGSC for use or adaptation by local governments.</li> <li>• It is proposed that the plans that are required are: <ul style="list-style-type: none"> <li>○ Simplified <b>Council Plans</b> 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</li> <li>○ Simplified <b>Asset Management Plans</b> to consistently forecast costs of maintaining the local government's assets. A new plan will be required at least every ten years,</li> </ul> </li> </ul>	<p>As above</p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Recognition of size and scale, that not all Councils are in the throes of significant development or large scale population growth. Sometimes a given period for smaller LG's is about maintaining status quo rather than seeking to set the world on fire.</p> <p>Council would support a move to five year budget documents that are fully costed similar to our own.</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	<p>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</p> <ul style="list-style-type: none"> <li>○ Simplified <b>Long Term Financial Plans</b> 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</li> <li>○ A new <b>Rates and Revenue Policy</b> (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 (updated at least every four years)</li> <li>○ The use of simple, one-page <b>Service Proposals</b> and <b>Project Proposals</b> that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become <b>Service Plans</b> and <b>Project Plans</b> 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.</li> </ul>	
<b>6.3 Rates and Revenue Policy</b>		
<ul style="list-style-type: none"> <li>• Local governments are not required to have a rates and revenue policy.</li> <li>• Some councils defer rate rises, resulting in</li> </ul>	<ul style="list-style-type: none"> <li>• The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum</li> </ul>	<b>WALGA Recommendation</b>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<p>the eventual need to drastically raise rates to cover unavoidable costs – especially for the repair of infrastructure.</p>	<p>costs for maintaining essential infrastructure.</p> <ul style="list-style-type: none"> <li>• A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services.</li> <li>• 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.</li> <li>• A template would be published for use or adaption by all local governments.</li> <li>• The <a href="#">Local Government Panel Report</a> included this recommendation.</li> </ul>	<p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p> <p>Goomalling provides an incredibly detailed budget for the Council and ratepayers to better understand where money is spent. We include detailed planning for individual housing, public buildings, parks &amp; gardens, long term plant and roads planning, loans, fees &amp; charges both in capital and operating.</p> <p>To some degree we believe that we already meet this obligation and in some respects exceed it significantly.</p>
<p><b>6.4 Monthly Reporting of Credit Card Statements</b></p>		
<ul style="list-style-type: none"> <li>• No legislative requirement.</li> <li>• Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• This provides oversight of incidental local government spending.</li> </ul>	<p><b>WALGA Comment</b> This proposed reform reflects widespread common practice for credit card transactions to be included in monthly financial reports and lists of accounts paid.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s), this is current practice for the Shire of Goomalling</p>
<p><b>6.5 Amended Financial Ratios</b></p>		

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<ul style="list-style-type: none"> <li>Local governments are required to report seven ratios in their annual financial statements.</li> <li>These are reported on the MyCouncil website.</li> <li>These ratios are intended to provide an indication of the financial health of every local government.</li> </ul>	<ul style="list-style-type: none"> <li>Financial ratios will be reviewed in detail, building on work already underway by the DLGSC.</li> <li>The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful.</li> </ul>	<p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s) noting that the key issue is the benchmarks set by the Department relating to the ratios is more a problem with perception of sustainability of the sector and many smaller local governments, and not taking into account regularly received Commonwealth and State untied grants should be factored in and not discounted.</p>
<b>6.6 Audit Committees</b>		
<ul style="list-style-type: none"> <li>Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members.</li> <li>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.</li> <li>The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Audit Committees would also need to consider proactive risk management.</li> <li>To reduce costs, it is proposed that local governments should be able to establish shared Regional Audit Committees.</li> <li>The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson.</li> </ul>	<p><b>WALGA Comment</b></p> <p>The Sector's view is well established, that the Council must maintain, and be seen by the community to have, majority involvement and investment in the purpose of an Audit Committee. There is sector support for some independent members on the Audit Committee, however not a majority.</p> <p>The dual effect of the proposed reform is to guarantee a place for a majority of independent persons on Audit Committees, with the additional requirement that an independent person Chair this Committee. Presently, not all Local Government Audit Committees are able to include an independent person. This may be for a variety of reasons not least of which is a lack of suitable, available candidates with the required</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		<p>qualification, skill and experience.  It would be counter-productive if the proposed reforms led to the appointment of unsuitable independent persons to a skills-based role. The concept of Regional Audit Committees has apparent merit in this case but there is no detail regarding practicalities; for example, is the Regional Audit Committee intended to include the same independent persons who will meet separately with each Local Government within the region?  There is too little certainty that the imperative question of appropriate representation will be managed as a consequence of the proposed reforms for it to be supported.  The proposal for the Audit Committees to also consider proactive risk management is supported.</p> <p><b>WALGA Recommendation</b></p> <ol style="list-style-type: none"> <li><b>1. Do not support majority independent members of the Audit Committee</b></li> <li><b>2. Support Audit Committees of Local Government with an Elected Member majority including independent members, and to consider proactive risk management issues.</b></li> </ol> <p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s)  Adding an independent chair in rural areas will add cost and questionable benefit. It should be optional and scalable – Bands 3 and 4 where complexity is less should be optional.</p> <p>It is likely that the Council and the audit committee</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		<p>will have areas of disagreement and this will likely create resourcing conflicts for smaller LG's where an audit committee may demand resources that the Council does not approve of or agree to.</p> <p>Ultimately the Council trumps the Audit committee in terms of power so there is no guarantee that this move will provide better audit results, risk management or oversight.</p>
<p><b>6.7 Building Upgrade Finance</b></p>		
<ul style="list-style-type: none"> <li>The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance for building improvements.</li> <li>This is not currently provided for under the Act.</li> <li>The Local Government Panel Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures.</li> <li>This would allow local governments to lend funds to improve buildings within their district.</li> <li>Limits and checks and balances would be established to ensure that financial risks are proactively managed.</li> </ul>	<p><b>WALGA Comment</b>  Building Upgrade Finance would enable Local Governments to guarantee finance for building upgrades for non-residential property owners. In addition to building upgrades to achieve environmental outcomes, Local Governments have identified an opportunity to use this approach to finance general upgrades to increase the commercial appeal of buildings for potential tenants. In this way, BUF is viewed as means to encourage economic investment to meet the challenges of a soft commercial lease market and achieve economic growth.</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b>  Generally support WALGA recommendation(s)</p>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
<b>6.8 Cost of Waste Service to be Specified on Rates Notices</b>		
<ul style="list-style-type: none"> <li>• No requirement for separation of waste changes on rates notice.</li> <li>• Disclosure will increase ratepayer awareness of waste costs.</li> <li>• The Review Panel Report included this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>• It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service).</li> <li>• This would provide transparency and awareness of costs for ratepayers.</li> </ul>	<p><b>WALGA Comment</b> This proposed reform will require a relatively simple calculation,</p> <p><b>WALGA Recommendation</b></p> <p><b>Supported</b></p> <p><b>Shire of Goomalling Position</b> Generally support WALGA recommendation(s)</p>

