

Local Government Reform – Summary of Proposed Reforms



Local Government Reform – Consultation on Proposed Reforms

Local government benefits all Western Australians. It is critical that local government works with:

- a culture of openness to innovation and change
- continuous focus on the effective delivery of services
- respectful and constructive policy debate and democratic decision-making
- an environment of transparency and accountability to ensure effective public engagement on important community decisions.

Since first coming to office in 2017, the McGowan Government has already progressed reforms to improve specific aspects of local government performance. This includes new laws that work to improve transparency, cut red tape, and support jobs growth and economic development - ensuring that local government works for the benefit of local communities.

Based on the significant volume of research and consultation undertaken over the past five years, the Minister for Local Government has now announced the most significant package of major reforms to local government in Western Australia since the Local Government Act 1995 was passed more than 25 years ago. The package is based on six major themes:

- 1. Earlier intervention, effective regulation and stronger penalties
- 2. Reducing red tape, increasing consistency and simplicity
- 3. Greater transparency and accountability
- 4. Stronger local democracy and community engagement
- 5. Clear roles and responsibilities
- 6. Improved financial management and reporting.

A large focus on the new reform is oversight and intervention where there are significant problems arising within a local government. The introduction of new intermediate powers for intervention will increase the number of tools available to more quickly address problems and dysfunction within local governments. The proposed system for early intervention has been developed based on similar legislation in place in other jurisdictions, including Victoria and Queensland.

This will deliver significant benefits for small business, residents and ratepayers, industry, elected members and professionals working in the sector.

Local Government Reforms

These reforms are based on extensive consultation undertaken over the last five years, and have been developed considering:

- The Local Government Review Panel Final Report (mid 2020)
- The City of Perth Inquiry Report (mid 2020)
- Department of Local Government, Sport and Cultural Industries (DLGSC) consultation on Act Reform (2017-2020)
- The Victorian Local Government Act 2020 and other State Acts
- The Parliament's Select Committee Report into Local Government (late 2020)
- Western Australian Local Government Association (WALGA) Submissions
- Direct engagement with local governments
- Correspondence and complaints
- Miscellaneous past reports.

Consultation

Comments on these proposed reforms are invited. Comments can be made against each proposed reform in this document. For details on how to make a submission, please visit www.dlgsc.wa.gov.au/lgactreform.

Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS	
1.1 Early Intervention Powers	1.1 Early Intervention Powers		
 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: Suspend or dismiss councils Appoint Commissioners Suspend or, order remedial action (such as training) for individual councillors. The Act also provides the Director General with the power to: Conduct Authorised Inquiries Refer allegations of serious or recurrent breaches to the State Administrative Tribunal Commence prosecution for an offence under the Act. Authorised Inquiries are a costly and a relatively slow response to significant issues. Authorised Inquiries are currently the only significant tool for addressing significant issues within a local government. The Panel Report, City of Perth Inquiry, and the Select Committee Report made various recommendations related to the establishment of a specific office for local government oversight. 	 It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate). The Inspector would receive minor and serious complaints about elected members. The Inspector would oversee complaints relating to local government CEOs. Local Governments would still be responsible for dealing with minor behavioural complaints. The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified. The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the Corruption, Crime and Misconduct Act 2003, the Occupational Safety and Health Act 1984, the Building Act 2011, and other legislation. The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism. The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations. The Inspector would be supported by a panel of Local Government Monitors (see item 1.2). The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3). Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4). 	Local Government Planners have sometimes been the subject of inappropriate comments and statements from elected members. Anybody should be able to make a complaint regarding this type of behaviour (which is contrary to Code of Conduct) to the Inspector, including staff, other elected members, members of the public and member-based organisations such as Planning Institute of Australia, Local Government Professionals Association and Local Government Planners Association.	

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	These reforms would be supported by new powers to more quickly resolve issues within local government (see items 1.5 and 1.6).	
1.2 Local Government Monitors		
 There are currently no legislative powers for the provision of monitors/ temporary advisors. The DLGSC provides support and advice to local governments, however there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases. 	 A panel of Local Government Monitors would be established. Monitors could be appointed by the Inspector to go into a local government and try to resolve problems. The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence. Monitors would be qualified specialists, such as: Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators Dispute resolution experts - to address the breakdown of professional working relationships Certified Practicing Accountants and other financial specialists - to assist with financial management and reporting issues Governance specialists and lawyers - to assist councils resolve legal issues HR and procurement experts - to help with processes like recruiting a CEO or undertaking a major land transaction. Only the Inspector would have the power to appoint Monitors. Local governments would be able to make requests to the Inspector to appoint Monitors for a specific purpose. Monitor Case Study 1 - Financial Management The Inspector receives information that a local government is not collecting rates correctly under the Local Government Act 1995. Upon initial review, the Inspector identifies that there may be a problem. The Inspector appoints a Monitor who specialises 	The panel of monitors should include at least one Planning Institute of Australia Registered Planner, to be appointed for matters concerning town planning.

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	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.	
	Monitor Case Study 2 – Dispute Resolution	
	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.	
	The Inspector appoints a Monitor to host mediation sessions between the councillors. The Monitor works with the councillors to address the dispute. Through regular meetings, the councillors agree to a working relationship based on the council's code of conduct. After the mediation, the Monitor occasionally makes contact with both councillors to ensure there is a cordial working relationship between the councillors.	
1.3 Conduct Panel		
 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. Currently, the Panel makes findings about alleged breaches based on written submissions. The City of Perth Inquiry report made various recommendations that functions of 	 Local Government Conduct Panel. The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel. The Inspector would provide evidence to the Conduct Panel for adjudication. 	The Conduct Panel should include at least one Planning Institute of Australia Registered Planner, to be appointed for matters concerning town planning.

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
the Local Government Standards Panel be reformed.	 councillors for up to three months, with an appeal mechanism. For very serious or repeated breaches of the Local Government Act, the Conduct Panel would have the power to recommend prosecution through the courts. Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision. 	
1.4 Review of Penalties		
There are currently limited penalties in the Act for certain types of non-compliance with the Local Government Act.	 Penalties for breaching the Local Government Act are proposed to be strengthened. It is proposed that the suspension of councillors (for up to three months) is established as the main penalty where a councillor breaches the Local Government Act or Regulations on more than one occasion. Councillors who are disqualified would not be eligible for sitting fees or allowances. They will also not be able to attend meetings, or use their official office (such as their title or council email address). It is proposed that a councillor who is suspended multiple times may become disqualified from office. Councillors who do not complete mandatory training within a certain timeframe will also not be able to receive sitting fees or allowances. 	Mandatory training should include training on Town Planning. If available, the training should be delivered by a Planning Institute of Australia Registered Planner, and, be delivered by, or in conjunction with Planning Institute of Australia. Planning Institute of Australia should have line of sight on what is included in the training.
1.5 Rapid Red Card Resolutions		
 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 	• 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).	

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
powers provided in the local government standing orders local laws. Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings. Disruptive behaviour at council meetings is a very common cause of complaints. Having the Presiding Member be able to deal with these problems should more quickly resolve problems that occur at council meetings.	 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: Require the Presiding Member to issue a clear first warning If the disruptions continue, the Presiding Member will have the power to "red card" that person, who must be silent for the rest of the meeting. A councillor issued with a red card will still vote, but must not speak or move motions If the person continues to be disruptive, the Presiding Member can instruct that they leave the meeting. Any Presiding Member who uses the "red card" or ejection power will be required to notify the Inspector. 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. 	
1.6 Vexatious Complaint Referrals		
 No current provisions. The Act already provides a requirement for Public Question Time at council meetings. 	 Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government's operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner. Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person's query. 	Planning matters are often the subject of vexatious complaints, and this reform will assist the ability of local government planners to focus on their professional duties. It is therefore

CURRENT PROVISIONS	PROPOSED REFORMS	COMMENTS
	• 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.	supported by Planning Institute of Australia.
1.7 Minor Other Reforms		
 Other minor reforms are being considered to enhance the oversight of local government. Ministerial Circulars have traditionally been used to provide guidance to the local government sector. 	 Potential other reforms to strengthen guidance for local governments are being considered. 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. 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. 	

Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
2.1 Resource Sharing		
 The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs. Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing. 	 Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees. Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1. 	This reform is supported by Planning Institute of Australia. Often smaller local governments struggle to attract and retain suitably qualified planners and resource sharing can resolve this problem.
2.2 Standardisation of Crossovers		
 Approvals and standards for crossovers (the section of driveways that run between the kerb and private property) are inconsistent between local government areas, often with very minor differences. This can create confusion and complexity for homeowners and small businesses in the construction sector. 	 It is proposed to amend the Local Government (Uniform Local Provisions) Regulations 1996 to standardise the process for approving crossovers for residential properties and residential developments on local roads. A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this. The DLGSC will work with the sector to develop standardised design and construction standards. 	
2.3 Introduce Innovation Provisions		
The Local Government Act 1995 currently has very limited provisions to allow for innovations and responses to emergencies to (such as the Shire of Bruce Rock Supermarket).	 New provisions are proposed to allow exemptions from certain requirements of the Local Government Act 1995, for: Short-term trials and pilot projects Urgent responses to emergencies. 	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
2.4 Streamline Local Laws		
 Local laws are required to be reviewed every eight years. The review of local laws (especially when they are standard) has been identified as a burden for the sector. Inconsistency between local laws is frustrating for residents and business stakeholders. 	 It is proposed that local laws would only need to be reviewed by the local government every 15 years. Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable. Local governments adopting Model Local Laws will have reduced advertising requirements. 	
2.5 Simplifying Approvals for Small Business	and Community Events	
 Inconsistency between local laws and approvals processes for events, street activation, and initiatives by local businesses is frustrating for business and local communities. 	 Proposed reforms would introduce greater consistency for approvals for: alfresco and outdoor dining minor small business signage rules running community events. 	This proposal is consistent with recent planning reforms. Planning Institute of Australia supports consistency and simplification of process provided good outcomes are maintained.
2.6 Standardised Meeting Procedures, Includ	ing Public Question Time	
 Local governments currently prepare individual standing order local laws. The Local Government Act 1995 and regulations require local governments to allocate time at meetings for questions from the public. Inconsistency among the meeting procedures between local governments is a common source of complaints. 	 To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across the State. Regulations would introduce standard requirements for public question time, and the procedures for meetings generally. Members of the public across all local governments would have the same opportunities to address council and ask questions. 	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
2.7 Regional Subsidiaries		
 Initiatives by multiple local governments may be managed through formal Regional Councils, or through less formal "organisations of councils", such as NEWROC and WESROC. These initiatives typically have to be managed by a lead local government. In 2016-17, provisions were introduced to allow for the formation of Regional Subsidiaries. Regional Subsidiaries can be formed in line with the Local Government (Regional Subsidiaries) Regulations 2017. So far, no Regional Subsidiary has been formed. 	 Work is continuing to consider how Regional Subsidiaries can be best established to: Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments. 	

Theme 3: Greater Transparency & Accountability

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
3.1 Recordings and Live-Streaming of All Cor	uncil Meetings	
 Currently, local governments are only required to make written minutes of meetings. While there is no legal requirement for livestreaming or video or audio recording of council meetings, many local governments now stream and record their meetings. Complaints relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments. Local governments are divided into bands with the largest falling in bands 1 and 2, and smaller local governments falling bands 3 and 4. The allocation of local governments into bands is determined by The Salaries and Allowances Tribunal based on factors¹ such as: Growth and development Strategic planning issues Demands and diversity of services provided to the community Total expenditure Population Staffing levels. 	 It is proposed that all local governments will be required to record meetings. Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. Band 1 and 2 are larger local governments are generally located in larger urban areas, with generally very good telecommunications infrastructure, and many already have audio-visual equipment. Band 1 and 2 local governments would be required to livestream meetings and make video recordings available as public archives. Several local governments already use platforms such as YouTube, Microsoft Teams, and Vimeo to stream and publish meeting recordings. Limited exceptions would be made for meetings held outside the ordinary council chambers, where audio recordings may be used. Recognising their generally smaller scale, typically smaller operating budget, and potential to be in more remote locations, band 3 and 4 local governments would be required to record and publish audio recordings, at a minimum. These local governments would still be encouraged to livestream or video record meetings. All council meeting recordings would need to be published at the same time as the meeting minutes. Recordings of all confidential items would also need to be submitted to the DLGSC for archiving. 	Recognising that Development Assessment Panels and indeed the WAPC and its committees make similar decisions to Councils, there should be live streaming of these meetings and video recordings made available as public archives.

¹ See page 3 of the <u>2018 Salaries and Allowance Tribunal Determination</u>

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
3.2 Recording All Votes in Council Minutes		
 A local government is only required to record which councillor voted for or against a motion in the minutes of that meeting if a request is made by an elected member at the time of the resolution during the meeting. The existing provision does not mandate transparency. 	 To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions would be required to be published in the council minutes, and identify those for, against, on leave, absent or who left the chamber. Regulations would prescribe how votes are to be consistently minuted. 	
3.3 Clearer Guidance for Meeting Items that may be Confidential		
 The Act currently provides broad definitions of what type of matters may be discussed as a confidential item. There is limited potential for review of issues managed as confidential items under the current legislation. 	 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. It is proposed to make the Act more specific in prescribing items that may be confidential, and items that should remain open to the public. Items not prescribed as being confidential could still be held as confidential items only with the prior written consent of the Inspector. All confidential items would be required to be audio recorded, with those recordings submitted to the DLGSC. 	Planning Institute of Australia supports transparent decision making. Local Government planning decisions are, on-the-whole, fully transparent. It is noted that WAPC planning decisions are not fully transparent, with many items confidential. It is considered appropriate that state government reform should also prioritise transparency.
3.4 Additional Online Registers		
 Local governments are required to provide information to the community through annual reports, council minutes and the publication of information online. Consistent online publication of information can substitute for certain material in annual reports. 	 It is proposed to require local governments to report specific information in online registers on the local government's website. Regulations would prescribe the information to be included. The following new registers, each updated quarterly, are proposed: 	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
 Consistency in online reporting across the sector will provide ratepayers with better information. These registers supplement the simplification of financial statements in Theme 6. 3.5 Chief Executive Officer Key Performance	 Lease Register to capture information about the leases the local government is party to (either as lessor or lessee) Community Grants Register to outline all grants and funding provided by the local government Interests Disclosure Register which collates all disclosures made by elected members about their interests related to matters considered by council Applicant Contribution Register accounting for funds collected from applicant contributions, such as cash-in-lieu for public open space and car parking Contracts Register that discloses all contracts above \$100,000. 	Registers for cash-in-lieu contributions are included in planning reforms and this reform is consistent. Planning Institute of Australia supports this transparency. Similarly, Development Contributions Plans and future community benefit plans should also be made available.
	 To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period) The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period) 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). 	

Theme 4: Stronger Local Democracy and Community Engagement

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
4.1 Community and Stakeholder Engagement	Charters	
 There is currently no requirement for local governments to have a specific engagement charter or policy. Many local governments have introduced charters or policies for how they will engage with their community. Other States have introduced a specific requirement for engagement charters. 	 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. A model Charter would be published to assist local governments who wish to adopt a standard form. 	
4.2 Ratepayer Satisfaction Surveys (Band 1 a	nd 2 local governments only)	
 Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers. These surveys provide valuable data on the performance of local governments. 	 It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently-managed ratepayer satisfaction survey. Results would be required to be reported publicly at a council meeting and published on the local government's website. All local governments would be required to publish a response to the results. 	For ratepayers to be surveyed on planning services they must have been recipients of the service. General "perceptions" surveys are not helpful and often rate planning services poorly based on ratepayers' general disagreement with planning decisions. Communities need to understand and have been directly involved in a planning process to be surveyed.
4.3 Introduction of Preferential Voting		
 The current voting method for local government elections is first past the post. The existing first-past-the-post does not allow for electors to express more than one preference. 	 Preferential voting is proposed be adopted as the method to replace the current first past the post system in local government elections. In preferential voting, voters number candidates in order of their preferences. 	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
 The candidate with the most votes wins, even if that candidate does not have a majority. Preferential voting better captures the precise intentions of voters and as a result may be regarded as a fairer and more representative system. Voters have more specific choice. 	 Preferential voting is used in State and Federal elections in Western Australia (and in other states). This provides voters with more choice and control over who they elect. All other states use a form of preferential voting for local government. 	
4.4 Public Vote to Elect the Mayor and Presid	ent	
 The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: by the electors of the district through a public vote; or by the council as a resolution at a council meeting. 	 Mayors and Presidents of all local governments perform an important public leadership role within their local communities. Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4. Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system. 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. 	
4.5 Tiered Limits on the Number of Councillors		
 The number of councillors (between 5-15 councillors) is decided by each local government, reviewed by the Local Government Advisory Board, and if approved by the Minister. The Panel Report recommended electoral reforms to improve representativeness. 	 It is proposed to limit the number of councillors based on the population of the entire local government. Some smaller local governments have already been moving to having smaller councils to reduce costs for ratepayers. The Local Government Panel Report proposed: For a population of up to 5,000 – five councillors (including the President) 	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
and subsequently their legitimacy as councillors. 4.8 Reform of Candidate Profiles	 Home based businesses will not be eligible to register a person to vote or run for council, because any residents are already the eligible voter(s) for that address. Clarifying the minimum criteria for leases eligible to register a person to vote or run for council. The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home based businesses (where the resident is already eligible) and very small sub-leases. 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. 	
Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words.	 Further work will be undertaken to evaluate how longer candidate profiles could be accommodated. Longer candidate profiles would provide more information to electors, potentially through publishing profiles online. It is important to have sufficient information available to assist electors make informed decisions when casting their vote. 	
4.9 Minor Other Electoral Reforms		
Other minor reforms are proposed to improve local government elections.	 Minor other electoral reforms are proposed to include: The introduction of standard processes for vote recounts 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) The introduction of more specific rules concerning local government council candidates' use of electoral rolls. 	

Theme 5: Clear Roles and Responsibilities

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS	
5.1 Introduce Principles in the Act	5.1 Introduce Principles in the Act		
 The Act does not currently outline specific principles. The Act contains a short "Content and Intent" section only. The Panel Report recommended greater articulation of principles 	 It is proposed to include new principles in the Act, including: The recognition of Aboriginal Western Australians Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal) Community Engagement Financial Management. 		
 5.2 Greater Role Clarity The Act provides for the role of council, 	The Local Government Act Review Panel recommended		
 councillor, mayor or president and CEO. The role of the council is to: govern the local government's affairs be responsible for the performance of the local government's functions. 	 that roles and responsibilities of elected members and senior staff be better defined in law. It is proposed that these roles and responsibilities are further defined in the legislation. These proposed roles will be open to further consultation and input. These roles would be further strengthened through Council Communications Agreements (see item 5.3). 		
	5.2.1 - Mayor or President Role		
	 It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for: Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act 		

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	 Developing and maintaining professional working relationships between councillors and the CEO Performing civic and ceremonial duties on behalf of the local government Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government. 5.2.2 - Council Role 	The role of Councils in planning
	 It is proposed to amend the Act to specify the roles and responsibilities of the Council, which is the entity consisting of all of the councillors and led by the Mayor or President. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is responsible for: Making significant decisions and determining policies through democratic deliberation at council meetings Ensuring the local government is adequately resourced to deliver the local governments operations, services and functions - including all functions that support informed decision-making by council Providing a safe working environment for the CEO; Providing strategic direction to the CEO; Monitoring and reviewing the performance of the local government. 	decision making is complicated by the notion of making a "quasi-judicial" decision. Elected members struggle with this notion. Planning Institute of Australia wonders if this be resolved or clarified through this Local Government Reform. The role of an elected member includes the representation of the interests of electors, ratepayers and residents of the district and elected members can be subject to significant political pressures, making the proper application of quasi-judicial decision making (including planning matters) extremely difficult in some circumstances. There are times when the Council must, to some extent, put aside local community views or needs and consider them only in the context of the relevant legislation for that decision. Many elected members find this very

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
		difficult, particularly where there are very real community tensions over some strategic town planning issues and a high level of social media driven political accountability.
		The clear recognition of the quasi- judicial functions of local government within the Local Government Act would improve transparency and governance. It would better reflect the reality of local government decision making and provide a stronger and clear statutory context to protect local government elected members when they are called upon to make difficult planning decisions.
	 5.2.3 - Elected Member (Councillor) Role It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every elected councillor is responsible for: Considering and representing, fairly and without bias, the current and future interests of all people who live, work and visit the district (including for councillors elected for a particular ward) Positively and fairly contribute and apply their knowledge, skill, and judgement to the democratic decision-making process of council 	The role of elected members in planning decision making is complicated by the notion of making a "quasi-judicial" decision. Elected members struggle with this notion. Planning Institute of Australia wonders if this could be resolved or clarified through this Local Government Reform. Mandatory training should include training on Town Planning. If available, the training should be delivered by a Planning Institute of Australia Registered Planner and

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	 Applying relevant law and policy in contributing to the decision-making of the council Engaging in the effective forward planning and review of the local governments' resources, and the performance of its operations, services, and functions Communicating the decisions and resolutions of council to stakeholders and the public Developing and maintaining professional working relationships with all other councillors and the CEO Maintaining and developing their knowledge and skills relevant to local government Facilitating public engagement with local government. 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. 	be delivered by, or in conjunction with Planning Institute of Australia. Planning Institute of Australia should have line of sight on any planning training.
	 The Local Government Act 1995 requires local governments to employ a CEO to run the local government administration and implement the decisions of council. To provide greater clarity, it is proposed to amend the Act to specify the roles and responsibilities of all local government CEOs. While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the CEO of a local government is responsible for: Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions Facilitating the implementation of council decisions Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council 	Interference by elected members in professional planning recommendations is a problem at some local governments. Planning Institute of Australia supports rules and clarity that remove the ability of elected member influence in planning recommendations.

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
	 Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3) Overseeing the compliance of the operations of the local government with State and Federal legislation on behalf of the council Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council. 	
5.3 Council Communication Agreements		
 The Act provides that council and committee members can have access to any information held by the local government that is relevant to the performance of the member in their functions. The availability of information is sometimes a source of conflict within local governments. 	 In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided. It is proposed that local governments will need to have Council Communications Agreements between the council and the CEO. These Council Communication Agreements would clearly specify the information that is to be provided to councillors, how it will be provided, and the timeframes for when it will be provided. 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. 	
5.4 Local Governments May Pay Superannua	tion Contributions for Elected Members	
Elected members are eligible to receive sitting fees or an annual allowance.	It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation	

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
 Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund. Councils should be reflective and representative of the people living within the district. Local governments should be empowered to remove any barriers to the participation of gender and age diverse people on councils. 	 entitlement to provide long term financial security. Other states have already moved to allow councils to make superannuation contributions for councillors. 	
5.5 Local Governments May Establish Education	tion Allowances	
 Local government elected members must complete mandatory training. There is no specific allowance for undertaking further education. 	 Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council. Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members. Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas, and university studies, which relate to local government. 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. 	Town Planning training programs should be delivered by a Planning Institute of Australia Registered Planner and be delivered by, or in conjunction with Planning Institute of Australia.

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS
 There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures. This is commonly a point of public confusion. 	 A statewide caretaker period for local governments is proposed. All local governments across the State would have the same clearly defined election period, during which: Councils do not make major decisions with criteria to be developed defining 'major' Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaigning activities. There are consistent election conduct rules for all candidates. 	Development applications and other planning decisions which have statutory timeframes attached should be excluded from the "major" decision definition.
5.7 Remove WALGA from the Act		
 The Western Australian Local Government Association (WALGA) is constituted under the Local Government Act 1995. The Local Government Panel Report and the Select Committee Report included this recommendation. 	 The Local Government Panel Report recommended that WALGA not be constituted under the Local Government Act 1995. Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity. 	
5.8 CEO Recruitment		
 Recent amendments introduced provisions to standardise CEO recruitment. The recruitment of a CEO is a very important decision by a local government. 	 It is proposed that DLGSC establishes a panel of approved panel members to perform the role of the independent person on CEO recruitment panels. Councils will be able to select an independent person from the approved list. Councils will still be able to appoint people outside of the panel with the approval of the Inspector. 	The panel should include at least one Planning Institute of Australia Registered Planner, so that in local governments where town planning matters have a high profile, the expertise is available if required.

Theme 6: Improved Financial Management and Reporting

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS	
6.1 Model Financial Statements and Tiered Fi	6.1 Model Financial Statements and Tiered Financial Reporting		
 The financial statements published in the Annual Report is the main financial reporting currently published by local governments. Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small (Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity. The Office of the Auditor General has said that some existing reporting requirements are unnecessary or onerous - for instance, information that is not relevant to certain local governments, or that is a duplicate of other published information. 	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.		

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS			
	• Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process.				
6.2 Simplify Strategic and Financial Planning	6.2 Simplify Strategic and Financial Planning				
 Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations. There is also the Integrated Planning and Reporting (IPR) framework. While many councils successfully apply IPR to their budgeting and reporting, IPR may seem complicated or difficult, especially for smaller local governments. 	 Having clear information about the finances of local government is an important part of enabling informed public and ratepayer engagement and input to decision-making. The framework for financial planning should be based around information being clear, transparent, and easy to understand for all ratepayers and members of the public. In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. Local governments would be required to adopt a standard set of plans, and there will be templates published by the DLGSC for use or adaption by local governments. It is proposed that the plans that are required are: Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives, with a new plan required at least every eight years. These will be short-form plans, with a template available from the DLGSC Simplified Asset Management Plans to consistently forecast costs of maintaining the local government's assets. A new plan will be required at least every ten years, though local government gains or disposes of major assets (e.g. land, buildings, or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape Simplified Long Term Financial Plans will outline any long term financial management and sustainability 	It is important that Council Plans are consistent with the Local Planning Strategy (LPS) and any other planning strategies. Ideally the process for the development, consultation, and approval of both Council Plan and LPS can run concurrently.			

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS		
	issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future years (referencing the Asset Management Plan and Long Term Financial Plan) – providing a forecast to ratepayers (updated at least every four years) The use of simple, one-page Service Proposals and Project Proposals that outline what proposed services or initiatives will cost, to be made available through council meetings. These will become Service Plans and Project Plans added to the yearly budget if approved by council. This provides clear transparency for what the functions and initiatives of the local government cost to deliver. Templates will be available for use by local governments.			
6.3 Rates and Revenue Policy				
 Local governments are not required to have a rates and revenue policy. Some councils defer rate rises, resulting in the eventual need to drastically raise rates to cover unavoidable costs – especially for the repair of infrastructure. 	 The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure. A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services. The Policy would need to reflect the Asset Management Plan and the Long Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs. A template would be published for use or adaption by all local governments. 			

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS		
	• The <u>Local Government Panel Report</u> included this recommendation.			
6.4 Monthly Reporting of Credit Card Statement	ents			
 No legislative requirement. Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds. 	 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. This provides oversight of incidental local government spending. 			
6.5 Amended Financial Ratios				
 Local governments are required to report seven ratios in their annual financial statements. These are reported on the MyCouncil website. These ratios are intended to provide an indication of the financial health of every local government. 	 Financial ratios will be reviewed in detail, building on work already underway by the DLGSC. The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful. 			
6.6 Audit Committees				
 Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members. The Audit Committee is to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under the Act. The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management. 	 To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government. Audit Committees would also need to consider proactive risk management. To reduce costs, it is proposed that local governments should be able to establish shared Regional Audit Committees. The Committees would be able to include council members but would be required to include a majority of independent members and an independent chairperson. 			

CURRENT REQUIREMENTS	PROPOSED REFORMS	COMMENTS		
6.7 Building Upgrade Finance				
 The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance for building improvements. This is not currently provided for under the Act. The Local Government Panel Report included this recommendation. 	 Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures. This would allow local governments to lend funds to improve buildings within their district. Limits and checks and balances would be established to ensure that financial risks are proactively managed. 			
6.8 Cost of Waste Service to be Specified on Rates Notices				
 No requirement for separation of waste changes on rates notice. Disclosure will increase ratepayer awareness of waste costs. The Review Panel Report included this recommendation. 	 It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service). This would provide transparency and awareness of costs for ratepayers. 			