

Local Government Act 1995 Proposed Reforms

Serpentine Jarrahdale Officer positions for Council's consideration

Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

CURRENT PROVISIONS	PROPOSED REFORMS	SJ OFFICER POSITION	SJ OFFICER COMMENTS
1.1 Early Intervention Powers			
<ul style="list-style-type: none"> • The Act provides the means to regulate the conduct of local government staff and council members and sets out powers to scrutinise the affairs of local government. The Act provides certain limited powers to: <ul style="list-style-type: none"> ○ Suspend or dismiss councils ○ Appoint Commissioners ○ Suspend or, order remedial action (such as training) for individual councillors. • The Act also provides the Director General with the power to: <ul style="list-style-type: none"> ○ Conduct Authorised Inquiries ○ Refer allegations of serious or recurrent 	<ul style="list-style-type: none"> • It is proposed to establish a Chief Inspector of Local Government (the Inspector), supported by an Office of the Local Government Inspector (the Inspectorate). • The Inspector would receive minor and serious complaints about elected members. • The Inspector would oversee complaints relating to local government CEOs. • Local Governments would still be responsible for dealing with minor behavioural complaints. • The Inspector would have powers of a standing inquiry, able to investigate and intervene in any local government where potential issues are identified. • The Inspector would have the authority to assess, triage, refer, investigate, or close complaints, having regard to various public interest criteria – considering laws such as the <i>Corruption, Crime and Misconduct Act 2003</i>, the <i>Occupational Safety and Health Act 1984</i>, the <i>Building Act 2011</i>, and other legislation. • The Inspector would have powers to implement minor penalties for less serious breaches of the Act, with an appeal mechanism. 	SUPPORTED	<ul style="list-style-type: none"> • The concept of an Inspector of Local Government is supported. • As the Minister has identified that the Inspector will be an employee of the Department of Local Government and report to the Director General of the Department is not clear at this time how the Inspectors powers will interact with the existing powers of the Minister and Chief Executive under Part 8 of the Act which deals with the scrutiny of the affairs of local governments. • Improvements to provide greater clarity on roles and duties in respect to reporting suspected breaches of the Act (minor and serious) and misconduct as variously defined in the <i>Corruption and Crime Commission Act 1993</i> as well improved cooperation between integrity agencies is critical in strengthening integrity. • The introduction of the Inspector position and Conduct Panel alone

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<p>breaches to the State Administrative Tribunal</p> <ul style="list-style-type: none"> ○ Commence prosecution for an offence under the Act. ● Authorised Inquiries are a costly and a relatively slow response to significant issues. Authorised Inquiries are currently the only significant tool for addressing significant issues within a local government. ● The Panel Report, City of Perth Inquiry, and the Select Committee Report made various recommendations related to the establishment of a specific office for local government oversight. 	<ul style="list-style-type: none"> ● The Inspector would also have the power to order a local government to address non-compliance with the Act or Regulations. ● The Inspector would be supported by a panel of Local Government Monitors (see item 1.2). ● The existing Local Government Standards Panel would be replaced with a new Conduct Panel (see item 1.3). ● Penalties for breaches to the Local Government Act and Regulations will be reviewed and are proposed to be generally strengthened (see item 1.4). ● These reforms would be supported by new powers to more quickly resolve issues within local government (see items 1.5 and 1.6). 		<p>would not alleviate the challenges associated with Part 8 of the Act in addressing significant issues that arise from time to time across local government.</p> <ul style="list-style-type: none"> ● Part 8 of the Act already provides for sweeping powers for the Minister and Director General. These powers such as the power to suspend individual Councillors introduced during the Act Reform period have not been utilised. ● The Office of the Auditor General's Report into Regulation and the Support of Local Government Sector noted that: 'only limited resources had been allocated to LG advice, education and support'. The Inspectorate to be effective would need to be adequately resourced.
1.2 Local Government Monitors			
<ul style="list-style-type: none"> ● There are currently no legislative powers for the provision of monitors/temporary advisors. ● The DLGSC provides support and advice to local governments, however there is no existing mechanism for pre-qualified, specialised assistance to manage complex cases. 	<ul style="list-style-type: none"> ● A panel of Local Government Monitors would be established. ● Monitors could be appointed by the Inspector to go into a local government and try to resolve problems. ● The purpose of Monitors would be to proactively fix problems, rather than to identify blame or collect evidence. ● Monitors would be qualified specialists, such as: <ul style="list-style-type: none"> ○ Experienced and respected former Mayors, Presidents, and CEOs - to act as mentors and facilitators ○ Dispute resolution experts - to address the breakdown of professional working relationships 	SUPPORTED	<ul style="list-style-type: none"> ● The concept of Local Government Monitors is supported. ● More details on the powers of the Monitor and their responsibilities to refer matters to integrity agencies, Director General and Minister is required to adequately assess how effective the monitors could be in addressing significant issues in a timely manner. ● The pool of suitably qualified and skilled people that could function as local government monitors is small. With the

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	<ul style="list-style-type: none"> ○ 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. <p>Monitor Case Study 1 – Financial Management</p> <p>The Inspector receives information that a local government is not collecting rates correctly under the <i>Local Government Act 1995</i>. Upon initial review, the Inspector identifies that there may be a problem. The Inspector appoints a Monitor who specialises in financial management in local government. The Monitor visits the local government and identifies that the system used to manage rates is not correctly issuing rates notices. The Monitor works with the local government to rectify the error, and issue corrections to impacted ratepayers.</p> <p>Monitor Case Study 2 – Dispute Resolution</p> <p>The Inspector receives a complaint from one councillor that another councillor is repeatedly publishing derogatory personal attacks against another councillor on social media, and that the issue has not been able to be resolved at the local government level. The Inspector identifies that there has been a relationship breakdown between the two councillors due to a disagreement on council.</p>		<p>small pool of monitors available, the independence and quality of the advice that could be provided may be challenged by the community.</p> <ul style="list-style-type: none"> ● The details of this reform also need to be further drawn out. For example: <ul style="list-style-type: none"> ○ who pays for the monitors?, ○ what is the selection process?, ○ who determines when the monitor is no longer required? ○ what transparency provisions exist in the work of the monitors? ○ what is the relationship between the monitors and the powers and duties of other integrity agencies?

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	<p>The Inspector appoints a Monitor to host mediation sessions between the councillors. The Monitor works with the councillors to address the dispute. Through regular meetings, the councillors agree to a working relationship based on the council's code of conduct. After the mediation, the Monitor occasionally makes contact with both councillors to ensure there is a cordial working relationship between the councillors.</p>		
1.3 Conduct Panel			
<ul style="list-style-type: none"> The Local Government Standards Panel was established in 2007 to resolve minor breach complaints relatively quickly and provide the sector with guidance and benchmarks about acceptable standards of behaviour. Currently, the Panel makes findings about alleged breaches based on written submissions. The City of Perth Inquiry report made various recommendations that functions of the Local Government Standards Panel be reformed. 	<ul style="list-style-type: none"> The Standards Panel is proposed to be replaced with a new Local Government Conduct Panel. The Conduct Panel would be comprised of suitably qualified and experienced professionals. Sitting councillors will not be eligible to serve on the Conduct Panel. The Inspector would provide evidence to the Conduct Panel for adjudication. The Conduct Panel would have powers to impose stronger penalties – potentially including being able to suspend councillors for up to three months, with an appeal mechanism. For very serious or repeated breaches of the Local Government Act, the Conduct Panel would have the power to recommend prosecution through the courts. Any person who is subject to a complaint before the Conduct Panel would have the right to address the Conduct Panel before the Panel makes a decision. 	SUPPORTED	<ul style="list-style-type: none"> Improvements to strengthen the efficiency and effectiveness of the Rules of Conduct within the <i>Local Government (Model Code of Conduct) Regulations 2021</i> are welcome.
1.4 Review of Penalties			
<ul style="list-style-type: none"> There are currently limited penalties in the Act for certain types of non- 	<ul style="list-style-type: none"> Penalties for breaching the Local Government Act are proposed to be strengthened. It is proposed that the suspension of councillors (for up to three months) is established as the main penalty 	SUPPORTED	<ul style="list-style-type: none"> Stronger penalties for non-compliance with the Act are welcome.

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<p>compliance with the Local Government Act.</p>	<p>where a councillor breaches the Local Government Act or Regulations on more than one occasion.</p> <ul style="list-style-type: none"> • 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. 		<ul style="list-style-type: none"> • It is noted that Part 8 of the Act already provides for sweeping powers for the Minister and Director General. These powers such as the power to suspend individual Councillors introduced during the Act Reform period have not been utilised. • The Act also provides significant penalties for contraventions of the Act that can amount of misconduct under the <i>Corruption and Crime Commission Act 1993</i>. • Stronger penalties that are not utilised will undermine rather than aid in efforts to improve sector integrity.
1.5 Rapid Red Card Resolutions			
<ul style="list-style-type: none"> • Currently, local governments have different local laws and standing orders that govern the way meetings run. Presiding members (Mayors and Presidents) are reliant on the powers provided in the local government standing orders local laws. • Differences between local governments is a source of confusion about the powers that presiding members have to deal with disruptive behaviours at council meetings. 	<ul style="list-style-type: none"> • It is proposed that Standing Orders are made consistent across Western Australia (see item 2.6). Published recordings of all meetings would also become standard (item 3.1). • It is proposed that Presiding Members have the power to “red card” any attendee (including councillors) who unreasonably and repeatedly interrupt council meetings. This power would: <ul style="list-style-type: none"> ○ Require the Presiding Member to issue a clear first warning ○ If the disruptions continue, the Presiding Member will have the power to “red card” that person, who must be silent for the rest of the meeting. A councillor issued with a red card will still vote, but must not speak or move motions 	<p>NOT SUPPORTED</p>	<ul style="list-style-type: none"> • Consistent standing orders across local government that deal with public question time, statements, deputations and debate are welcome. • Most standing orders already provide for significant powers for the Presiding Member but are not utilised because as noted in the Department’s guidance material responses should be proportional and disproportionate responses can result in a situation worsening and the conduct of the meeting being compromised.

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<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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			
<ul style="list-style-type: none"> No current provisions. The Act already provides a requirement for Public Question Time at council meetings. 	<ul style="list-style-type: none"> Local governments already have a general responsibility to provide ratepayers and members of the public with assistance in responding to queries about the local government's operations. Local governments should resolve queries and complaints in a respectful, transparent and equitable manner. Unfortunately, local government resources can become unreasonably diverted when a person makes repeated vexatious queries, especially after a local government has already provided a substantial response to the person's query. 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	<ul style="list-style-type: none"> This proposal is supported subject to the person being permitted to still make representations to integrity agencies and the WA Ombudsman.
1.7 Minor Other Reforms			
<ul style="list-style-type: none"> Other minor reforms are being considered to enhance 	<ul style="list-style-type: none"> Potential other reforms to strengthen guidance for local governments are being considered. 	SUPPORTED	<ul style="list-style-type: none"> The Department's Operational Guidelines documents are a useful

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

Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
2.1 Resource Sharing			
<ul style="list-style-type: none"> The Act does not currently include specific provisions to allow for certain types of resource sharing – especially for sharing CEOs. Regional local governments would benefit from having clearer mechanisms for voluntary resource-sharing. 	<ul style="list-style-type: none"> Amendments are proposed to encourage and enable local governments, especially smaller regional local governments, to share resources, including Chief Executive Officers and senior employees. Local governments in bands 2, 3 or 4 would be able to appoint a shared CEO at up to two salary bands above the highest band. For example, a band 3 and a band 4 council sharing a CEO could remunerate to the level of band 1. 	SUPPORTED	<ul style="list-style-type: none"> Reforms that improve the capacity of local governments to share resources are welcome. Such reforms could attract suitable CEO candidates to remote and regional Western Australia. Decisions regarding remuneration of CEOs are best determined by local governments within the parameters set by the independent Salaries and Allowances Tribunal.
2.2 Standardisation of Crossovers			

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<ul style="list-style-type: none"> • Approvals and standards for crossovers (the section of driveways that run between the kerb and private property) are inconsistent between local government areas, often with very minor differences. • This can create confusion and complexity for homeowners and small businesses in the construction sector. 	<ul style="list-style-type: none"> • It is proposed to amend the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> to standardise the process for approving crossovers for residential properties and residential developments on local roads. • A Crossover Working Group has provided preliminary advice to the Minister and DLGSC to inform this. • The DLGSC will work with the sector to develop standardised design and construction standards. 	SUPPORTED	<ul style="list-style-type: none"> • Improved regulation in this area is welcome.
2.3 Introduce Innovation Provisions			
<ul style="list-style-type: none"> • The <i>Local Government Act 1995</i> currently has very limited provisions to allow for innovations and responses to emergencies to (such as the Shire of Bruce Rock Supermarket). 	<ul style="list-style-type: none"> • New provisions are proposed to allow exemptions from certain requirements of the <i>Local Government Act 1995</i>, for: <ul style="list-style-type: none"> ○ Short-term trials and pilot projects ○ Urgent responses to emergencies. 	SUPPORTED	<ul style="list-style-type: none"> • Exemptions from regulatory requirements would need to be in line with community expectations for good governance.
2.4 Streamline Local Laws			
<ul style="list-style-type: none"> • Local laws are required to be reviewed every eight years. • The review of local laws (especially when they are standard) has been identified as a burden for the sector. • Inconsistency between local laws is frustrating for residents and business stakeholders. 	<ul style="list-style-type: none"> • It is proposed that local laws would only need to be reviewed by the local government every 15 years. • Local laws not reviewed in the timeframe would lapse, meaning that old laws will be automatically removed and no longer applicable. • Local governments adopting Model Local Laws will have reduced advertising requirements. 	SUPPORTED	<ul style="list-style-type: none"> • The purpose of local laws is to enable local communities to tailor laws to suit that community's unique objectives and aspirations. • While model local laws have their place, the widespread implementation of model local laws may inhibit the capacity of communities to establish laws that tailor to that community. • Rather than model local laws, if the aim of the reform is to introduce consistent

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			local laws across the state, consideration could be given to expanding the <i>Local Government (Uniform Local Provisions) Regulations 1996</i> .
2.5 Simplifying Approvals for Small Business and Community Events			
<ul style="list-style-type: none"> • Inconsistency between local laws and approvals processes for events, street activation, and initiatives by local businesses is frustrating for business and local communities. 	<ul style="list-style-type: none"> • Proposed reforms would introduce greater consistency for approvals for: <ul style="list-style-type: none"> ○ alfresco and outdoor dining ○ minor small business signage rules ○ running community events. 	SUPPORTED	<ul style="list-style-type: none"> • Clearer rules to enable diverse community expectations in these areas is welcome.
2.6 Standardised Meeting Procedures, Including Public Question Time			
<ul style="list-style-type: none"> • Local governments currently prepare individual standing order local laws. • The <i>Local Government Act 1995</i> and regulations require local governments to allocate time at meetings for questions from the public. • Inconsistency among the meeting procedures between local governments is a common source of complaints. 	<ul style="list-style-type: none"> • To provide greater clarity for ratepayers and applicants for decisions made by council, it is proposed that the meeting procedures and standing orders for all local government meetings, including for public question time, are standardised across the State. • Regulations would introduce standard requirements for public question time, and the procedures for meetings generally. • Members of the public across all local governments would have the same opportunities to address council and ask questions. 	SUPPORTED	<ul style="list-style-type: none"> • A single-set of clear rules to enable the effective, efficient and professional conduct of Council business at meetings would be welcome.
2.7 Regional Subsidiaries			

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<ul style="list-style-type: none"> Initiatives by multiple local governments may be managed through formal Regional Councils, or through less formal “organisations of councils”, such as NEWROC and WESROC. These initiatives typically have to be managed by a lead local government. In 2016-17, provisions were introduced to allow for the formation of Regional Subsidiaries. Regional Subsidiaries can be formed in line with the <i>Local Government (Regional Subsidiaries) Regulations 2017</i>. So far, no Regional Subsidiary has been formed. 	<ul style="list-style-type: none"> Work is continuing to consider how Regional Subsidiaries can be best established to: <ul style="list-style-type: none"> Enable Regional Subsidiaries to provide a clear and defined public benefit for people within member local governments Provide for flexibility and innovation while ensuring appropriate transparency and accountability of ratepayer funds Where appropriate, facilitate financing of initiatives by Regional Subsidiaries within a reasonable and defined limit of risk Ensure all employees of a Regional Subsidiary have the same employment conditions as those directly employed by member local governments. 	SUPPORTED	<ul style="list-style-type: none"> Reforms to support the creation of regional subsidiaries are welcome. Work to establish the Rivers Regional Subsidiary was commenced in early 2020 and was presented for the Minister’s consideration in June 2021.

Theme 3: Greater Transparency & Accountability

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
3.1 Recordings and Live-Streaming of All Council Meetings			
<ul style="list-style-type: none"> Currently, local governments are only required to make written minutes of meetings. While there is no legal requirement for livestreaming or video or audio recording of 	<ul style="list-style-type: none"> It is proposed that all local governments will be required to record meetings. Band 1 and 2 local governments would be required to livestream meetings, and make video recordings available as public archives. 	SUPPORTED	<ul style="list-style-type: none"> Officers have consistently supported the introduction of live-streaming meetings subject to existing building and technological constraints. The starting price for a live-streaming solution is approximately \$40,000 but a

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<p>council meetings, many local governments now stream and record their meetings.</p> <ul style="list-style-type: none"> • Complaints relating to behaviours and decisions at meetings constitute a large proportion of complaints about local governments. • Local governments are divided into bands with the largest falling in bands 1 and 2, and smaller local governments falling bands 3 and 4. The allocation of local governments into bands is determined by The Salaries and Allowances Tribunal based on factors¹ such as: <ul style="list-style-type: none"> ○ Growth and development ○ Strategic planning issues ○ Demands and diversity of services provided to the community ○ Total expenditure ○ Population ○ Staffing levels. 	<ul style="list-style-type: none"> • 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. 		<p>recent environmental scan has found that professional set-ups implemented by local governments which increasingly represent the accepted standard for live-streaming have cost between \$100,000 and \$250,000.</p> <ul style="list-style-type: none"> • Given these costs and the logistical restrictions that exist for local governments, including the Shire, an elongated implementation of the requirement would be preferred.
<p>3.2 Recording All Votes in Council Minutes</p>			

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

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<ul style="list-style-type: none"> A local government is only required to record which councillor voted for or against a motion in the minutes of that meeting if a request is made by an elected member at the time of the resolution during the meeting. The existing provision does not mandate transparency. 	<ul style="list-style-type: none"> To support the transparency of decision-making by councillors, it is proposed that the individual votes cast by all councillors for all council resolutions would be required to be published in the council minutes, and identify those for, against, on leave, absent or who left the chamber. Regulations would prescribe how votes are to be consistently minuted. 	SUPPORTED	<ul style="list-style-type: none"> This reform is supported in so far that the minutes record the collective decision-making of Council.
3.3 Clearer Guidance for Meeting Items that may be Confidential			
<ul style="list-style-type: none"> The Act currently provides broad definitions of what type of matters may be discussed as a confidential item. There is limited potential for review of issues managed as confidential items under the current legislation. 	<ul style="list-style-type: none"> Recognising the importance of open and transparent decision-making, it is considered that confidential meetings and confidential meeting items should only be used in limited, specific 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. 	SUPPORTED	<ul style="list-style-type: none"> Greater clarity to meet community expectations is welcome. Reforms should also consider confidentiality provisions related to materials provided to local government by the Joint Standing Committee on Delegated Legislation which are bound by confidentiality provisions of Parliamentary Privilege, documents that may be Cabinet in Confidence, or subject to code of conduct complaints.
3.4 Additional Online Registers			
<ul style="list-style-type: none"> Local governments are required to provide information to the community through annual reports, council minutes and the publication of information online. 	<ul style="list-style-type: none"> It is proposed to require local governments to report specific information in online registers on the local government's website. Regulations would prescribe the information to be included. <p>The following new registers, each updated quarterly, are proposed:</p>	SUPPORTED	<ul style="list-style-type: none"> Legislation that required local governments to publish this information would be welcome as publication is currently discouraged by concerns regarding compromising commercial-in-confidence and privacy principles.

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<ul style="list-style-type: none"> • Consistent online publication of information can substitute for certain material in annual reports. • Consistency in online reporting across the sector will provide ratepayers with better information. • These registers supplement the simplification of financial statements in Theme 6. 	<ul style="list-style-type: none"> ○ 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. 		
3.5 Chief Executive Officer Key Performance Indicators (KPIs) be Published			
<ul style="list-style-type: none"> • It is a requirement of the <i>Local Government Act 1995</i> that CEO performance reviews are conducted annually. • The Model Standards for CEO recruitment and selection, performance review and termination require that a local government must review the performance of the CEO against contractual performance criteria. • Additional performance criteria can be used for performance review by 	<ul style="list-style-type: none"> • To provide for minimum transparency, it is proposed to mandate that the KPIs agreed as performance metrics for CEOs: <ul style="list-style-type: none"> ○ Be published in council meeting minutes as soon as they are agreed prior to (before the start of the annual period) ○ The KPIs and the results be published in the minutes of the performance review meeting (at the end of the period) ○ 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). 	SUPPORTED	This reform is supported. Further engagement on the ways that this would be implemented is required.

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agreement between both parties.			

Theme 4: Stronger Local Democracy and Community Engagement

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4.1 Community and Stakeholder Engagement Charters			
<ul style="list-style-type: none"> There is currently no requirement for local governments to have a specific engagement charter or policy. Many local governments have introduced charters or policies for how they will engage with their community. Other States have introduced a specific requirement for engagement charters. 	<ul style="list-style-type: none"> It is proposed to introduce a requirement for local governments to prepare a community and stakeholder engagement charter which sets out how local government will communicate processes and decisions with their community. A model Charter would be published to assist local governments who wish to adopt a standard form. 	SUPPORTED	<ul style="list-style-type: none"> Clearer guidance on expectations for engagement across the sector would be welcome.
4.2 Ratepayer Satisfaction Surveys (Band 1 and 2 local governments only)			
<ul style="list-style-type: none"> Many local governments already commission independent surveying consultants to hold a satisfaction survey of residents/ratepayers. These surveys provide valuable data on the performance of local governments. 	<ul style="list-style-type: none"> It is proposed to introduce a requirement that every four years, all local governments in bands 1 and 2 hold an independently-managed ratepayer satisfaction survey. Results would be required to be reported publicly at a council meeting and published on the local government's website. All local governments would be required to publish a response to the results. 	SUPPORTED	<ul style="list-style-type: none"> This currently occurs at the Shire. Comparable metrics is benchmark performance across local governments would be welcome. Such metrics could incorporate a 'degree of difficulty' component using the disability factors set by the Local Government Grants Commission.
4.3 Introduction of Preferential Voting			
<ul style="list-style-type: none"> The current voting method for local government elections is first past the post. The existing first-past-the-post does not allow for 	<ul style="list-style-type: none"> Preferential voting is proposed be adopted as the method to replace the current first past the post system in local government elections. In preferential voting, voters number candidates in order of their preferences. 	NOT SUPPORTED	<ul style="list-style-type: none"> While the positives of preferential voting are understood given participating levels in local government elections, the likely increase in informal ballots and the additional complexity associated

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<p>electors to express more than one preference.</p> <ul style="list-style-type: none"> The candidate with the most votes wins, even if that candidate does not have a majority. Preferential voting better captures the precise intentions of voters and as a result may be regarded as a fairer and more representative system. Voters have more specific choice. 	<ul style="list-style-type: none"> Preferential voting is used in State and Federal elections in Western Australia (and in other states). This provides voters with more choice and control over who they elect. All other states use a form of preferential voting for local government. 		<p>with determining results, preferential voting is not recommended.</p> <ul style="list-style-type: none"> In the majority of local governments across the state, preferential voting would not make a difference due to the low number of candidates that run for election.
4.4 Public Vote to Elect the Mayor and President			
<ul style="list-style-type: none"> The Act currently allows local governments to have the Presiding Member (the Mayor or President) elected either: <ul style="list-style-type: none"> by the electors of the district through a public vote; or by the council as a resolution at a council meeting. 	<ul style="list-style-type: none"> Mayors and Presidents of all local governments perform an important public leadership role within their local communities. Band 1 and 2 local governments generally have larger councils than those in bands 3 and 4. Accordingly, it is proposed that the Mayor or President for all band 1 and 2 councils is to be elected through a vote of the electors of the district. Councils in bands 3 and 4 would retain the current system. 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. 	NOT SUPPORTED	<ul style="list-style-type: none"> In addition to their public leadership role, Mayors and Presidents have two other key responsibilities in the Act: <ul style="list-style-type: none"> Presiding of meetings Speaking on behalf of the local government. With a popularly elected Mayor/President these functions become more difficult if the Mayor/President does not have the support of their fellow Councillors. The City of Perth, City of Geelong and City of Melbourne provide examples of where a popularly elected Mayor/President has resulted in a breakdown of good governance. No other tier of government in Australia has the leader of the legislative arm elected by popular, public vote.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
4.5 Tiered Limits on the Number of Councillors			
<ul style="list-style-type: none"> The number of councillors (between 5-15 councillors) is decided by each local government, reviewed by the Local Government Advisory Board, and if approved by the Minister. The Panel Report recommended electoral reforms to improve representativeness. 	<ul style="list-style-type: none"> It is proposed to limit the number of councillors based on the population of the entire local government. Some smaller local governments have already been moving to having smaller councils to reduce costs for ratepayers. The Local Government Panel Report proposed: <ul style="list-style-type: none"> For a population of up to 5,000 – five councillors (including the President) population of between 5,000 and 75,000 – five to nine councillors (including the Mayor/President) population of above 75,000 – nine to fifteen councillors (including Mayor). 	SUPPORTED	<ul style="list-style-type: none"> This report is supported noting that the Shire's representation levels are consistent with those proposed as the bands within the Local Government Panel Report.
4.6 No Wards for Small Councils (Band 3 and 4 Councils only)			
<ul style="list-style-type: none"> A local government can make an application to be divided into wards, with councillors elected to those wards. Only about 10% of band 3 and 4 local governments currently have wards. 	<ul style="list-style-type: none"> It is proposed that the use of wards for councils in bands 3 and 4 is abolished. Wards increase the complexity of elections, as this requires multiple versions of ballot papers to be prepared for a local government's election. In smaller local governments, the population of wards can be very small. These wards often have councillors elected unopposed, or elect a councillor with a very small number of votes. Some local governments have ward councillors elected with less than 50 votes. 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. 	NO POSITION	<ul style="list-style-type: none"> This recommendation is not applicable to the Shire.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
4.7 Electoral Reform – Clear Lease Requirements for Candidate and Voter Eligibility			
<ul style="list-style-type: none"> • A person with a lease in a local government district is eligible to nominate as a candidate in that district. • A person with a lease in a local government district is eligible to apply to vote in that district. • The City of Perth Inquiry Report identified a number of instances where dubious lease arrangements put to question the validity of candidates in local government elections, and subsequently their legitimacy as councillors. 	<ul style="list-style-type: none"> • Reforms are proposed to prevent the use of “sham leases” in council elections. Sham leases are where a person creates a lease only to be able to vote or run as a candidate for council. • The City of Perth Inquiry Report identified sham leases as an issue. • Electoral rules are proposed to be strengthened: <ul style="list-style-type: none"> ○ A minimum lease period of 12 months will be required for anyone to register a person to vote or run for council. ○ Home based businesses will not be eligible to register a person to vote or run for council, because any residents are already the eligible voter(s) for that address. ○ Clarifying the minimum criteria for leases eligible to register a person to vote or run for council. • The reforms would include minimum lease periods to qualify as a registered business (minimum of 12 months), and the exclusion of home based businesses (where the resident is already eligible) and very small sub-leases. • 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. 	SUPPORTED	<ul style="list-style-type: none"> • This recommendation is supported as part of reforms to improve management of the Owners and Occupiers Roll, especially in respect to tools to assist local governments assess the validity of claims made.
4.8 Reform of Candidate Profiles			

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
<ul style="list-style-type: none"> Candidate profiles can only be 800 characters, including spaces. This is equivalent to approximately 150 words. 	<ul style="list-style-type: none"> Further work will be undertaken to evaluate how longer candidate profiles could be accommodated. Longer candidate profiles would provide more information to electors, potentially through publishing profiles online. It is important to have sufficient information available to assist electors make informed decisions when casting their vote. 	SUPPORTED	<ul style="list-style-type: none"> These reforms are welcome.
4.9 Minor Other Electoral Reforms			
<ul style="list-style-type: none"> Other minor reforms are proposed to improve local government elections. 	<ul style="list-style-type: none"> Minor other electoral reforms are proposed to include: <ul style="list-style-type: none"> The introduction of standard processes for vote re-counts if there is a very small margin between candidates (e.g. where there is a margin of less than 10 votes a recount will always be required) The introduction of more specific rules concerning local government council candidates' use of electoral rolls. 	SUPPORTED	These reforms are welcome.

Theme 5: Clear Roles and Responsibilities

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
5.1 Introduce Principles in the Act			
<ul style="list-style-type: none"> The Act does not currently outline specific principles. The Act contains a short "Content and Intent" section only. The Panel Report recommended greater articulation of principles 	<ul style="list-style-type: none"> It is proposed to include new principles in the Act, including: <ul style="list-style-type: none"> The recognition of Aboriginal Western Australians Tiering of local governments (with bands being as assigned by the Salaries and Allowances Tribunal) Community Engagement 	SUPPORTED	<ul style="list-style-type: none"> The greater articulation of the principles of local government within the enacting legislation is welcome.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
	<ul style="list-style-type: none"> ○ Financial Management. 		
5.2 Greater Role Clarity			
<ul style="list-style-type: none"> • The Act provides for the role of council, councillor, mayor or president and CEO. • The role of the council is to: <ul style="list-style-type: none"> ○ govern the local government's affairs ○ be responsible for the performance of the local government's functions. 	<ul style="list-style-type: none"> • The Local Government Act Review Panel recommended that roles and responsibilities of elected members and senior staff be better defined in law. • It is proposed that these roles and responsibilities are further defined in the legislation. • These proposed roles will be open to further consultation and input. • These roles would be further strengthened through Council Communications Agreements (see item 5.3). <p>5.2.1 - Mayor or President Role</p> <ul style="list-style-type: none"> • It is proposed to amend the Act to specify the roles and responsibilities of the Mayor or President. • While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Mayor or President is responsible for: <ul style="list-style-type: none"> ○ Representing and speaking on behalf of the whole council and the local government, at all times being consistent with the resolutions of council ○ Facilitating the democratic decision-making of council by presiding at council meetings in accordance with the Act ○ Developing and maintaining professional working relationships between councillors and the CEO ○ Performing civic and ceremonial duties on behalf of the local government 	SUPPORTED	<ul style="list-style-type: none"> • These reforms are welcome.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
	<ul style="list-style-type: none"> ○ Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government. <p>5.2.2 - Council Role</p> <ul style="list-style-type: none"> ● It is proposed to amend the Act to specify the roles and responsibilities of the Council, which is the entity consisting of all of the councillors and led by the Mayor or President. ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that the Council is responsible for: <ul style="list-style-type: none"> ○ Making significant decisions and determining policies through democratic deliberation at council meetings ○ Ensuring the local government is adequately resourced to deliver the local governments operations, services and functions - including all functions that support informed decision-making by council ○ Providing a safe working environment for the CEO; ○ Providing strategic direction to the CEO; ○ Monitoring and reviewing the performance of the local government. <p>5.2.3 - Elected Member (Councillor) Role</p> <ul style="list-style-type: none"> ● It is proposed to amend the Act to specify the roles and responsibilities of all elected councillors. ● While input and consultation will inform precise wording, it is proposed that the Act is amended to generally outline that every elected councillor is responsible for: 		

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
	<ul style="list-style-type: none"> ○ Considering and representing, fairly and without bias, the current and future interests of all people who live, work and visit the district (including for councillors elected for a particular ward) ○ Positively and fairly contribute and apply their knowledge, skill, and judgement to the democratic decision-making process of council ○ Applying relevant law and policy in contributing to the decision-making of the council ○ Engaging in the effective forward planning and review of the local governments' resources, and the performance of its operations, services, and functions ○ Communicating the decisions and resolutions of council to stakeholders and the public ○ Developing and maintaining professional working relationships with all other councillors and the CEO ○ Maintaining and developing their knowledge and skills relevant to local government ○ Facilitating public engagement with local government. ● It is proposed that elected members should not be able to use their title (e.g. "Councillor", "Mayor", or "President") and associated resources of their office (such as email address) unless they are performing their role in their official capacity. <p>5.2.4 - CEO Role</p> <ul style="list-style-type: none"> ● The <i>Local Government Act 1995</i> requires local governments to employ a CEO to run the local government administration and implement the decisions of council. 		

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ Coordinating the professional advice and assistance necessary for all elected members to enable the council to perform its decision-making functions ○ Facilitating the implementation of council decisions ○ Ensuring functions and decisions lawfully delegated by council are managed prudently on behalf of the council ○ Managing the effective delivery of the services, operations, initiatives and functions of the local government determined by the council ○ Providing timely and accurate information and advice to all councillors in line with the Council Communications Agreement (see item 5.3) ○ Overseeing the compliance of the operations of the local government with State and Federal legislation on behalf of the council ○ Implementing and maintaining systems to enable effective planning, management, and reporting on behalf of the council. 		
5.3 Council Communication Agreements			
<ul style="list-style-type: none"> • The Act provides that council and committee members can have access to any information held by the local government that is relevant 	<ul style="list-style-type: none"> • In State Government, there are written Communication Agreements between Ministers and agencies that set standards for how information and advice will be provided. 	SUPPORTED	<ul style="list-style-type: none"> • The need for a Communication Agreement is recognised in the Shire and the existence of state-wide agreement template would provide greater legitimacy and validity to the

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
<p>to the performance of the member in their functions.</p> <ul style="list-style-type: none"> The availability of information is sometimes a source of conflict within local governments. 	<ul style="list-style-type: none"> 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. 		<p>principles and procedures set out in the agreement.</p>
5.4 Local Governments May Pay Superannuation Contributions for Elected Members			
<ul style="list-style-type: none"> Elected members are eligible to receive sitting fees or an annual allowance. Superannuation is not paid to elected members. However, councillors can currently divert part of their allowances to a superannuation fund. Councils should be reflective and representative of the people living within the district. Local governments should be empowered to remove any barriers to the participation of gender and age diverse people on councils. 	<ul style="list-style-type: none"> It is proposed that local governments should be able to decide, through a vote of council, to pay superannuation contributions for elected members. These contributions would be additional to existing allowances. Superannuation is widely recognised as an important entitlement to provide long term financial security. Other states have already moved to allow councils to make superannuation contributions for councillors. Allowing council to provide superannuation is important part of encouraging equality for people represented on council – particularly for women and younger people. Providing superannuation to councillors recognises that the commitment to elected office can reduce a person's opportunity to undertake employment and earn superannuation contributions. 	NOT SUPPORTED	<ul style="list-style-type: none"> In accordance with Council Resolution OCM321/11/21 amendments to legislation to support the payment of Superannuation to elected members is not supported.
5.5 Local Governments May Establish Education Allowances			

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
<ul style="list-style-type: none"> Local government elected members must complete mandatory training. There is no specific allowance for undertaking further education. 	<ul style="list-style-type: none"> Local governments will have the option of contributing to the education expenses for councillors, up to a defined maximum value, for tuition costs for further education that is directly related to their role on council. Councils will be able to decide on a policy for education expenses, up to a maximum yearly value for each councillor. Councils may also decide not to make this entitlement available to elected members. Any allowance would only be able to be used for tuition fees for courses, such as training programs, diplomas, and university studies, which relate to local government. 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. 	SUPPORTED	<ul style="list-style-type: none"> The <i>Local Government Act 1995</i> already provides requirements for local governments to prepare a policy for training and professional development of members. Local governments, including the Shire currently allocate funding for Councillor training. A dedicated training allowance enshrined in legislation would strengthen compliance with the Act's requirements and improve transparency.
5.6 Standardised Election Caretaker period			
<ul style="list-style-type: none"> There is currently no requirement for a formal caretaker period, with individual councils operating under their own policies and procedures. This is commonly a point of public confusion. 	<ul style="list-style-type: none"> A statewide caretaker period for local governments is proposed. All local governments across the State would have the same clearly defined election period, during which: <ul style="list-style-type: none"> Councils do not make major decisions with criteria to be developed defining 'major' Incumbent councillors who nominate for re-election are not to represent the local government, act on behalf of the council, or use local government resources to support campaigning activities. There are consistent election conduct rules for all candidates. 	SUPPORTED	<ul style="list-style-type: none"> This reform is supported although rules already exist to prevent local government resources being used to support campaign activities.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	SJ OFFICER COMMENTS
5.7 Remove WALGA from the Act			
<ul style="list-style-type: none"> The Western Australian Local Government Association (WALGA) is constituted under the <i>Local Government Act 1995</i>. The Local Government Panel Report and the Select Committee Report included this recommendation. 	<ul style="list-style-type: none"> The Local Government Panel Report recommended that WALGA not be constituted under the <i>Local Government Act 1995</i>. Separating WALGA out of the Act will provide clarity that WALGA is not a State Government entity. 	SUPPORTED	<ul style="list-style-type: none"> This reform is supported.
5.8 CEO Recruitment			
<ul style="list-style-type: none"> Recent amendments introduced provisions to standardise CEO recruitment. The recruitment of a CEO is a very important decision by a local government. 	<ul style="list-style-type: none"> It is proposed that DLGSC establishes a panel of approved panel members to perform the role of the independent person on CEO recruitment panels. Councils will be able to select an independent person from the approved list. Councils will still be able to appoint people outside of the panel with the approval of the Inspector. 	SUPPORTED	<ul style="list-style-type: none"> This reform is supported. Given the pool of availability people, the capacity of the state to find suitability qualified and experienced individuals for this pool and the pool for monitors is questionable.

Theme 6: Improved Financial Management and Reporting

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
6.1 Model Financial Statements and Tiered Financial Reporting			
<ul style="list-style-type: none"> The financial statements published in the Annual Report is the main financial reporting currently published by local governments. Reporting obligations are the same for large (Stirling, Perth, Fremantle) and small 	<ul style="list-style-type: none"> The Minister strongly believes in transparency and accountability in local government. The public rightly expects the highest standards of integrity, good governance, and prudent financial management in local government. It is critically important that clear information about the financial position of local governments is openly available to ratepayers. Financial information also 	SUPPORTED	<ul style="list-style-type: none"> These reforms are welcome.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
<p>(Sandstone, Wiluna, Dalwallinu) local governments, even though they vary significantly in complexity.</p> <ul style="list-style-type: none"> 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. 	<p>supports community decision-making about local government services and projects.</p> <ul style="list-style-type: none"> Local governments differ significantly in the complexity of their operations. Smaller local governments generally have much less operating complexity than larger local governments. The Office of the Auditor General has identified opportunities to improve financial reporting, to make statements clearer, and reduce unnecessary complexity. Recognising the difference in the complexity of smaller and larger 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. It is proposed to establish standard templates for Annual Financial Statements for band 1 and 2 councils, and simpler, clearer financial statements for band 3 and 4. Online Registers, updated quarterly (see item 3.4), would provide faster and greater transparency than current annual reports. Standard templates will be published for use by local governments. Simpler Strategic and Financial Planning (item 6.2) would also improve the budgeting process. 		
6.2 Simplify Strategic and Financial Planning			
<ul style="list-style-type: none"> Requirements for plans are outlined in the Local Government Financial Management and Administration Regulations. 	<ul style="list-style-type: none"> Having clear information about the finances of local government is an important part of enabling informed public and ratepayer engagement and input to decision-making. The framework for financial planning should be based around information being clear, transparent, 	NOT SUPPORTED	<ul style="list-style-type: none"> The implementation of Integrated Planning and Reporting has been one of the significant capability building reforms in local government over the last decade. All local governments across the state have to various degrees undergone a

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
<ul style="list-style-type: none"> • 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. 	<p>and easy to understand for all ratepayers and members of the public.</p> <ul style="list-style-type: none"> • In order to provide more consistency and clarity across the State, it is proposed that greater use of templates is introduced to make planning and reporting clearer and simpler, providing greater transparency for ratepayers. • Local governments would be required to adopt a standard set of plans, and there will be templates published by the DLGSC for use or adaption by local governments. • It is proposed that the plans that are required are: <ul style="list-style-type: none"> ○ Simplified Council Plans that replace existing Strategic Community Plans and set high-level objectives, with a new plan required at least every eight years. These will be short-form plans, with a template available from the DLGSC ○ Simplified Asset Management Plans to consistently forecast costs of maintaining the local government's assets. A new plan will be required at least every ten years, though local governments should update the plan regularly if the local government gains or disposes of major assets (e.g. land, buildings, or roads). A template will be provided, and methods of valuations will be simplified to reduce red tape ○ Simplified Long Term Financial Plans will outline any long term financial management and sustainability issues, and any investments and debts. A template will be provided, and these plans will be required to be reviewed in detail at least every four years ○ A new Rates and Revenue Policy (see item 6.3) that identifies the approximate value of rates that will need to be collected in future 		<p>transformation in their ability to plan long term and employ corporate business planning as the primary tool in budget setting and resource allocation.</p> <ul style="list-style-type: none"> • The introduction of simplified plans across the sector may be backwards set in this regard in some parts of the sector. • The suitably high standard for Integrated Planning and Reporting should continue to be enshrined in legislation to ensure that the benefits of IPR continue to be realised to communities. • The role of the Strategic Community Plan could be overhauled to make it a more relevant document in direction setting and planning. • However, the Corporate Business Plan is a very important document in setting the medium term goals and objectives of a local government that informs service team planning, budget decisions, workforce planning and asset management. • The requirement for simplified plans could be considered for lower tier local governments.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
	<p>years (referencing the Asset Management Plan and Long Term Financial Plan) – providing a forecast to ratepayers (updated at least every four years)</p> <ul style="list-style-type: none"> ○ 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			
<ul style="list-style-type: none"> • Local governments are not required to have a rates and revenue policy. • Some councils defer rate rises, resulting in the eventual need to drastically raise rates to cover unavoidable costs – especially for the repair of infrastructure. 	<ul style="list-style-type: none"> • The Rates and Revenue Policy is proposed to increase transparency for ratepayers by linking rates to basic operating costs and the minimum costs for maintaining essential infrastructure. • A Rates and Revenue Policy would be required to provide ratepayers with a forecast of future costs of providing local government services. • The Policy would need to reflect the Asset Management Plan and the Long Term Financial Plan (see item 6.2), providing a forecast of what rates would need to be, to cover unavoidable costs. • A template would be published for use or adaption by all local governments. • The Local Government Panel Report included this recommendation. 	SUPPORTED	<ul style="list-style-type: none"> • These reforms are welcome.
6.4 Monthly Reporting of Credit Card Statements			
<ul style="list-style-type: none"> • No legislative requirement. 	<ul style="list-style-type: none"> • The statements of a local government’s credit cards used by local government employees will be 	SUPPORTED	<ul style="list-style-type: none"> • These reforms are welcome.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
<ul style="list-style-type: none"> Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds. 	<ul style="list-style-type: none"> required to be tabled at council at meetings on a monthly basis. This provides oversight of incidental local government spending. 		<ul style="list-style-type: none"> Public reporting on credit card transactions already occurs at the Shire.
6.5 Amended Financial Ratios			
<ul style="list-style-type: none"> Local governments are required to report seven ratios in their annual financial statements. These are reported on the MyCouncil website. These ratios are intended to provide an indication of the financial health of every local government. 	<ul style="list-style-type: none"> Financial ratios will be reviewed in detail, building on work already underway by the DLGSC. The methods of calculating ratios and indicators will be reviewed to ensure that the results are accurate and useful. 	SUPPORTED	<ul style="list-style-type: none"> These reforms are welcome.
6.6 Audit Committees			
<ul style="list-style-type: none"> Local governments must establish an Audit Committee that has three or more persons, with the majority to be council members. The Audit Committee is to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under the Act. The Panel Report identified that Audit Committees should be expanded, including to provide improved risk management. 	<ul style="list-style-type: none"> To ensure independent oversight, it is proposed the Chair of any Audit Committee be required to be an independent person who is not on council or an employee of the local government. Audit Committees would also need to consider proactive risk management. To reduce costs, it is proposed that local governments should be able 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. 	SUPPORTED	<ul style="list-style-type: none"> Council recently resolved to call for independent members of audit committees to be able to be paid. While the Shire recently welcomed four external members to its nine member audit committee, the experience of local governments across the state is that it is difficult to attract suitably qualified persons even in metropolitan areas.

CURRENT REQUIREMENTS	PROPOSED REFORMS	OVERALL	COMMENTS
6.7 Building Upgrade Finance			
<ul style="list-style-type: none"> The local government sector has sought reforms that would enable local governments to provide loans to property owners to finance for building improvements. This is not currently provided for under the Act. The Local Government Panel Report included this recommendation. 	<ul style="list-style-type: none"> Reforms would allow local governments to provide loans to third parties for specific building improvements - such as cladding, heritage and green energy fixtures. This would allow local governments to lend funds to improve buildings within their district. Limits and checks and balances would be established to ensure that financial risks are proactively managed. 	NOT SUPPORTED	<ul style="list-style-type: none"> The benefit of such reforms versus the risks to public funds and opportunity cost associated with pursuing this activity versus other priorities has not been articulated.
6.8 Cost of Waste Service to be Specified on Rates Notices			
<ul style="list-style-type: none"> No requirement for separation of waste charges on rates notice. Disclosure will increase ratepayer awareness of waste costs. The Review Panel Report included this recommendation. 	<ul style="list-style-type: none"> It is proposed that waste charges are required to be separately shown on rate notices (for all properties which receive a waste service). This would provide transparency and awareness of costs for ratepayers. 	SUPPORTED	<ul style="list-style-type: none"> These reforms are welcome. The Shire already separates waste service charges on the rates notice.