

Hon John Carey MLA Minister for Housing; Lands; Homelessness; Local Government

Our ref 78-08887

Your ref A984865 Petition No 055

Hon Peter Foster MLC
Chair
Standing Committee on Environment and Public Affairs
Legislative Council Committee Office
Parliament House
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Dear Mr Foster

PETITION NO. 055 - LOCAL GOVERNMENT REFORM PROCESS

Thank you for your correspondence dated 27 September 2022 in relation to Petition No.055.

As you may be aware, consultation on reforms to the *Local Government Act* 1995 (the Act) has been ongoing since 2017 and has resulted in more than 3,000 survey responses and written submissions. Feedback received during the previous public consultation, including through workshops held across the State, has informed both the *Local Government Review Panel Final Report*, as well as the proposed reforms announced in November 2021.

The McGowan Government's package of proposed local government reform was developed last year, based on a significant body of prior work and consultation, including the findings of.

- The Local Government Act Review (conducted by the Department of Local Government, Sport and Cultural Industries (DLGSC) between 2017-2020),
- The Local Government Review Panel Final Report (2020);
- Report of the City of Perth Inquiry (2020);
- The Select Committee into Local Government Final Report (2020),
- Direct engagement with the local government sector and the community, and
- Other reports to government, including authorised inquiry reports

Many of these reports illustrate the pressing need for reforms, particularly to facilitate earlier intervention where there are clear issues within a local government.

The proposed reforms were also informed by recent legislation and policy adopted in other Australian States.

The reform package was developed 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; and
- 6. Improved financial management and reporting.

The package of reform proposals was open for public comment from 10 November 2021 to 25 February 2022. Over 200 submissions were received and have been reviewed and considered.

The final package of reforms was released on 3 July 2022. As part of this announcement, an expanded document summarising changes to the proposals following consultation was published on the DLGSC website, and is available at:

https://www.dlgsc.wa.gov.au/local-government/strengthening-local-government/local-government-act-reform

Additional documents, including a Questions and Answers document on the proposed Local Government Inspector and Monitors, were posted on the website. Public submissions have been published by the DLGSC, if the author of the submission has consented. The consultation process also allowed for any interested person or organisation to make a submission on a confidential basis.

Submissions to the consultation process, as well as general public feedback, have reflected broad public support for the proposed reform themes and individual reforms.

Formal submissions were received from 90 local governments. The submissions broadly reflect that councils individually considered each proposal and provided comments accordingly. Several current or former council members also separately made individual submissions, providing their own views and comments.

More than half of the submissions were from community groups, individuals in the community and businesses. I note that some of these submissions were assembled by organisations through member or online surveying.

For instance, a submission which appears to be affiliated with the West Australian Ratepayers and Residents Association (entitled "One Voice for WA") reports on an online survey. While the representativeness of this survey is unclear, the results that are presented do appear to indicate broad support for the themes and core elements of the reform package, as well as the majority of individual reform proposals.

The consultation process has informed some changes, as well as development of further detail and clarifications on the reform proposals.

The most significant changes to the proposed reforms include:

- Rather than full preferential voting (which requires electors to preference all candidates), optional preferential voting is now proposed. Optional preferential voting ensures that electors may lodge a valid vote without numbering all candidates, if they wish to vote in that way.
- Following requests from impacted councils, it is proposed to adjust the limit on the size of a council with a population of less than 5,000 people to seven (rather than five) council members.
- Based on feedback from ratepayers, it is proposed that some questions in the Ratepayer Survey (proposed to be mandatory for band 1 and 2 local governments) will be standardised in Regulations, to allow for the comparison of results between local governments.
- Proposed reforms related to confidential items at council meetings (which are intended to prevent councils from unreasonably using confidentiality provisions to avoid public scrutiny) have been further strengthened.
- A further proposal to provide a right for council members to take up to six months
 of leave if they become a parent or guardian has been added. It is also proposed
 that all council members will be able to take up to six months of medical leave
 with a medical certificate.

In deciding to progress these reforms, the McGowan Government is acting on this wealth of prior work and extensive consultation. Focusing the reforms on the six themes will enable the significant benefits (including for ratepayers, residents, small businesses, and local communities) to be realised in the most timely and practical way.

The process the Government has undertaken – developing reforms based on years of prior work, and conducting open public consultation – forms a very strong basis for delivering legislative reforms. The process has been constructive, and has provided ample opportunity for individual proposals to be developed, considered, and refined.

The benefits of conducting a new, alternative process are entirely unclear, and would substantially defer addressing the significant issues within the local government sector which have motivated these reforms.

The Government is now working to implement the reforms, working in consultation with members of the Parliament, sector bodies, and key stakeholders.

I would be very pleased to provide a briefing to the Committee, if required. If the Committee would like a briefing, please contact my office to organise a time.

Yours sincerely

HON JOHN CAREY MLA MINISTER FOR LOCAL GOVERNMENT

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