

## Local Government Legislation Amendment Bill 2014

### Second Reading Speech

I am pleased to introduce the Local Government Legislation Amendment Bill 2014.

An important focus of this Liberal-National Government is the reduction of red tape. This Bill introduces a number of important changes in relation to local governments to do just this.

Key amongst these are:

- improvements to the operations of the Local Government Standards Panel;
- providing for a regional subsidiary model for local governments to enable two or more of them to jointly provide a service or carry out an activity;
- giving the Executive Director, Public Health the power to make local laws under the *Local Government Act 1995* to deal with public health issues on Rottneest Island and in Class A reserves;
- removing duplication in electoral offence provisions between the *Local Government Act 1995* and the *Defamation Act 2005*;
- ensuring consistency in provisions which limit the termination payments of local government Chief Executive Officers and officers to a maximum of one year's remuneration; and
- providing increased clarity to underpin determinations of the Salaries and Allowances Tribunal in relation to the determination of payments to local government elected members.

The Bill makes a number of changes to the operation of the Local Government Standards Panel. The Standards Panel gains the discretion to refuse to deal with complaints where the complaint is officially withdrawn, or where the Panel determines that a complaint is frivolous, trivial or without substance.

While the Panel will gain the discretion to refuse to deal with complaints, this will not prevent the Panel from fully investigating a complaint if the Panel deems it appropriate.

In the event that the Panel decides to refuse to deal with a complaint, or chooses to investigate a complaint after it is withdrawn, the Panel must provide its reasons for taking this action.

These changes will increase the efficiency of operation of the Standards Panel and allow it to focus its efforts on dealing with complaints in a timely manner.

This Bill will strengthen the ability of local governments to deliver services to their communities by enabling two or more local governments to form a subsidiary body, in order to perform a service or carry out an activity jointly. The Bill provides a model for a legal entity which will have less compliance obligations than that of a regional local government, thus reducing red tape.

The regional subsidiary will be governed by a charter, which will be approved by the Minister for Local Government. By enabling establishment by way of a charter rather than legislation as the governance and regulatory instrument, the entities will be more readily able to be adapted to their purpose.

The governing body may include elected members from the constituting local governments, as well as people who are not elected members but have expertise or experience relevant to the purposes for which the regional subsidiary has been formed.

A regional subsidiary will not be able to make local laws or enter or commence a commercial enterprise as these are legislative and executive functions of a local government under Part 3 of the *Local Government Act 1995*. The model will be useful, however, as a mechanism for local governments to collaborate on such activities as the management of information technology, regional tourism or service delivery to Aboriginal communities.

The proposed new regional subsidiary model will provide increased flexibility for local governments in providing shared services to their communities, without the significant regulatory and compliance burden of the existing models.

The model is the same as that proposed in the Private Member's Local Government Amendment (Regional Subsidiaries) Bill 2014, with the provisions clearly setting out the matters to be addressed in the charter. A number of consequential amendments are being made to other legislation to provide for regional subsidiaries in the same way that local governments and regional local governments are identified, where this is appropriate.

The *Rottnest Island Authority Act 1987* and the *Land Administration Act 1997* are being amended to give the Executive Director, Public Health clear powers in relation to public health issues over Rottnest Island and Class A reserves. The Executive Director is being given the power to make local laws over these areas under the *Local Government Act 1995*, and establishes that these local laws will prevail to the extent of any conflict or inconsistency with a local government's local laws. This enshrines current practice while eliminating duplication in governance oversight of these areas.

At the request of the Western Australian Electoral Commission, the Bill deletes an electoral offence from the Act relating to defamatory statements. In addition to being potentially unconstitutional, the particular offence relates to matters that are now more appropriately covered by the *Defamation Act 2005*.

The Bill clarifies that the determinations of the Salaries and Allowances Tribunal will apply to any regional local governments formed under the Act. It also ensures that council members will only be paid the fees and allowances for which they are entitled under the Act.

The Salaries and Allowances Tribunal will also obtain the ability to make determinations to apply in circumstances where a person holds office of councillor for less than a full term.

The Bill also clarifies current provisions in Schedule 2.1 of the *Local Government Act 1995* to ensure that payments on termination of employment with a local government are limited to a maximum of one year's remuneration.

Amendments to the Act in relation to elected member allowances and employee payouts are designed to increase public confidence in the local government sector regarding the way in which public money is used.

A number of local government local laws have been disallowed by Parliament because the local government has not followed the local law making process set out in the *Local Government Act 1995* to the letter. A provision is being included in this Bill to the effect that local laws are not invalidated if the process is not exactly followed, providing that there has been substantial compliance. This amendment has been made at the request of the Joint Standing Committee on Delegated Legislation.

This is yet another example of the Liberal-National Government's steps towards reducing red tape and compliance burdens.

Pursuant to Standing Order 126(1), I advise that this Bill is not a uniform legislation Bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the Government of the State is a party. Nor does this Bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the Commonwealth.

I commend the Bill to the house and table an Explanatory Memorandum.