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Ancient land under brilliant skies

Local Government Reform

Positions and Recommendations

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Contact

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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

Local Government Reform – Consultation on Proposed Reforms

Theme 1: Early Intervention, Effective Regulation and Stronger Penalties

CURRENT PROVISIONS	PROPOSED REFORMS	MURCHISON SHIRE 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 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. 	<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. 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>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

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CURRENT PROVISIONS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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 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>The Inspector appoints a Monitor to host mediation sessions between the councillors. The Monitor works with the councillors to address the dispute.</p>	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

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	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		
<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
1.4 Review of Penalties		
<ul style="list-style-type: none"> There are currently limited penalties in the Act for certain types of non-compliance with the Local Government Act. 	<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 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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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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. 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. 		Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 		Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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1.7 Minor Other Reforms		
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

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Theme 2: Reducing Red Tape, Increasing Consistency and Simplicity

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE 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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
2.2 Standardisation of Crossovers		
<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
2.7 Regional Subsidiaries		
<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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Theme 3: Greater Transparency & Accountability

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE 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 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: <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"> 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. 	Not Supported
3.2 Recording All Votes in Council Minutes		
<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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

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CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 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"> 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> <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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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 	<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 	Not Supported

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performance review by agreement between both parties.	have influenced the results against KPIs).	

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Theme 4: Stronger Local Democracy and Community Engagement

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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 electors to express more than one preference. 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 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. 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>Support Preferential Voting for single position vacancies</p> <p>Support Proportional Representation for multi position vacancies</p> <p>Support random order ballot papers similar to Robson Method.</p> <p>Refer detailed explanation as per attachment 4.3.1</p>
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 	<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
meeting.	<p>Councils in bands 3 and 4 would retain the current system.</p> <ul style="list-style-type: none"> 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		
<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). 	Limit of 5 councillors for Shires with a population of up to 5,000 is not supported
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
4.8 Reform of Candidate Profiles		
<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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

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Theme 5: Clear Roles and Responsibilities

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE 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 Financial Management. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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). 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
	5.2.1 - Mayor or President Role <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 Working effectively with the CEO and councillors in overseeing the delivery of the services, operations, initiatives and functions of the local government. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
	<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>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>
	<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: <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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
	<ul style="list-style-type: none"> 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. 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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>
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 to the performance of the member in their functions. The availability of information is sometimes a source of conflict within local governments. 	<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. 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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
	<ul style="list-style-type: none"> 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 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. 	<p>Council does not support the proposal and believes that increasing the allowance would be a simpler method to achieve the desired outcome of providing more encouragement to recruiting potential councillors</p>
5.5 Local Governments May Establish Education Allowances		
<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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

Local Government Reform – Consultation on Proposed Reforms

Theme 6: Improved Financial Management and Reporting

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE 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 (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. 	<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 supports community decision-making about local government services and projects. 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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>
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. 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. 	<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, 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 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
	<p>ratepayers.</p> <ul style="list-style-type: none"> 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 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		
<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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
	<ul style="list-style-type: none"> A template would be published for use or adaption by all local governments. The Local Government Panel Report included this recommendation. 	
6.4 Monthly Reporting of Credit Card Statements		
<ul style="list-style-type: none"> No legislative requirement. Disclosure requirements brought in by individual councils have shown significant reduction of expenditure of funds. 	<ul style="list-style-type: none"> 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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.
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. 	Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.

Local Government Reform – Consultation on Proposed Reforms

CURRENT REQUIREMENTS	PROPOSED REFORMS	MURCHISON SHIRE COMMENTS
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. 	<p>Council has noted WALGA's comments and is comfortable with WALGA advocating on the Shire's behalf.</p>

Attachments



VOTING EXAMPLES

First Past The Post Preferential Proportional Representation December 2021

Introduction

The following brief paper has been developed to highlight the practical application of each methodology for the main voting systems used in local government, namely First Past The Post, Preferential and Proportional Representation.

An overall explanation is attached.

In addition, a mythical voting distribution (the last sheet) is provided support the calculation for to highlight the pros and cons for each system ie; First Past The Post, Preferential and Proportional Representation for both a single and multi-position electorates. The results for each are different. For a manual count, distribution sheets are often used as this simplifies the analysis but it also shows what is happening.

The voting distribution, whilst mythical, highlights a raft of issues and anomalies that have actually occurred in practice.

Premise

In this analysis there are five candidates **Abby**, **Bernie**, **Chris**, **Dave** and **Eddie** each who share 100 votes. The Voting distribution sheet shows where each candidates preferences flow right down to the last preference. Notional Primary Votes are summarised as follows.

Candidate	Votes
Abby	31
Bernie	10
Chris	10
Dave	40
Eddie	9
Total	100

First Past The Post

Winner Takes All

For a **One Position** election Dave is elected with 40% of the vote. On the surface this appears clear cut.

For **Three Positions** Dave and Abby are elected. Eddie is eliminated. Draw by lots between Bernie and Chris for the remaining position

Having candidates drawn by lots is hardly democratic. This situation occurs not infrequently in practice. The lowest candidate Eddie also only misses by one vote and if there was some discrepancy in the acceptance of ballot papers could conceivably get over the line with 9 not 10% of the vote!!!

Preferential

An absolute majority is required. In multi position elections those that achieve an absolute majority distribute their excess at full value.

For a **One Position** election Abby is elected.

In this instance despite trailing Dave on first preferences Abby triumphs on a two-candidate preferred basis of 54% to 46%, reasonably comfortably. This mirrors what happens at a State and Federal Level and most other local government jurisdictions and changes the selection compared with first past the post.

Essentially Preferential Voting mirrors and is a short form of Exhaustive Ballot Voting where the elector casts a single vote for their chosen candidate. However, if no candidate is supported by an overall majority of votes, then the candidate with the fewest votes is eliminated and a further round of voting occurs. This process is repeated for as many rounds as necessary until one candidate has a majority.

Because voters may have to cast votes several times, the exhaustive ballot is not used in large-scale public elections. Instead, it is usually used in elections involving, at most, a few hundred voters, such as the election of a prime minister or the presiding officer of an assembly.

For **Three Positions** candidates elected in the following order - Abby, Chris and Bernie

In this instance the highest ranked on first preferences misses out. This shows how those on a "ticket" can have enormous influence and shows up a major flaw. A number of years ago this system applied in Victorian Local Government but has now been replaced by Proportional Representation.

Proportional Representation

A quota is required. A Quota is the (No of Votes / Number of vacancies plus 1) Plus 1. In multi position elections those that achieve a quota distribute their excess at a reduced value.

For a **One Position** election proportional representation is not applicable it is effectively a preferential system as the quota required is an absolute majority.

For **Three Positions** Candidates are elected in the following order - Dave, Abby and Eddie.

In this instance unlike other systems Eddie gets elected over Bernie and Chris, largely on the back of Dave's distribution. This system applies nationally for the Senate and also other jurisdictions such as the Tasmanian lower house and Tasmanian and Victorian and local government.

A manual count can use distribution sheets but input into a computer program is often used given the nature of the calculations

Ticket Voting

Ticket voting effectively describes the current How to Vote Cards that are distributed in State and Federal politics and on occasion Local Government. If voters were mature enough to ignore them, as they are only advisory in nature, then the impact would be minimal, but as history shows they are effective. They only work if the ballot papers are the same on all occasions. There is also a potential advantage if a person draws the top spot on the ballot paper.

However, if the ballot papers are randomly ordered the use of How to Vote Cards becomes redundant and would be confusing to the voter. Tasmania use the Robson Rotation method of random order with the number of variations depending on the number of candidates. They also have a law making it illegal to distribute how to vote cards at voting stations.

Summary

As a summary it is considered that for one vacancy elections Preferential Voting is the preferred democratic method but for multi position elections Proportional Representation should be used. Both are in widespread use in Australia for these types of situations. First past the post only has the advantages in that it may be more easier understood, simple and quick. Use of randomly ordered ballot papers should also be used to reduce / eliminate the potential effect of "*Ticket Voting*."

Bill Boehm
Chief Executive Officer

VOTE COUNTING SYSTEMS – PREFERENTIAL AND PROPORTIONAL REPRESENTATION

Candidates in local government elections are elected under one of two vote counting systems, depending on the electoral structure of the particular council.

In **single-member wards**, votes are counted under the ‘full preferential’ system (also known as ‘majority preferential’). Under this system:

- all candidates must be given a preference by the voter for the vote to be counted
- all first preference votes are counted for each candidate. If a candidate receives an ‘absolute majority’ of formal first preference votes, i.e. 50 per cent of votes plus one, that candidate is elected
- if no candidate has an absolute majority, the candidate with the fewest first preference votes is excluded and the second preference votes from their ballot papers are transferred to the other candidates at full value
- if still no candidate has an absolute majority, the next candidate with fewest first preference votes is excluded and their second preference votes are transferred at full value
- this process continues until one candidate obtains an absolute majority and is declared elected
- a by-election is required when an extraordinary vacancy occurs and where the preferential system was used at the previous election.

The full preferential system is used for the House of Representatives at the federal level, the lower houses in Victoria, South Australia, Western Australia and the Northern Territory, and in many local government elections where a single member is to be elected. It is designed to ensure that the elected candidate is acceptable to a majority of people who cast a valid vote.

In **multi-member wards** and **unsubdivided** councils, the proportional representation system of vote counting is used to elect councillors. Under this system:

- All candidates must be given a preference by the voter.
- All first preference votes are counted for each candidate.
- To be elected, a candidate must receive a ‘quota’, which is calculated by dividing the total number of formal ballot papers by one more than the number of candidates to be elected, and adding one to the result.

Example

Where four councillors are to be elected from 5,000 formal votes:

$$\text{The quota} = \frac{5,000}{(4 + 1)} + 1 = 1,001$$

- Each elected candidate's surplus votes (if any) are transferred to the remaining candidates according to the preferences on the ballot papers. Because it is not possible to tell which votes elected the candidate and which are surplus, all the elected candidate's votes are transferred, but at a value less than one.
- The value of the transferred votes is worked out by dividing the surplus by the total number of ballot papers for the candidate. Each ballot paper transferred to another candidate has this value.

Example

If Candidate X receives 1,600 votes when the quota is 1,001, that candidate is elected and their surplus votes total 599. Their transfer value is:

$$\frac{599}{1,600} = 0.374$$

On transfer of the Candidate X's votes, their 1,600 ballot papers give 405 ballot papers to Candidate Y. Candidate Y therefore receives 151 votes (405 x 0.374).

- Any candidate who has gained the quota once the surplus votes have been transferred is elected.

- If there are still vacancies to fill once the surplus votes have been distributed, the candidate with the lowest number of votes is excluded and their ballot papers are then transferred to the remaining candidates (at the value they were received) according to the preferences on them.
- A 'countback' is conducted to fill councillor extraordinary vacancies where proportional representation vote counting was used at the previous election. Votes cast for the vacating councillor at the previous election are redistributed to remaining candidates, rather than a by-election being required.

A council with a mix of single and multi-member wards will use both vote counting systems depending on the individual ward structure.

Proportional representation aims to produce 'proportional' election results, where councillors are elected in proportion to the votes cast. It is used in the Senate and in the upper houses of New South Wales, Victoria, South Australia and Western Australia.

Other vote counting systems

There are a number of variations of the proportional representation system used in liberal democracies throughout the world. Australia and a small number of other countries use the 'single transferable vote' system, which places emphasis on votes cast for individual candidates. Western Europe generally uses other systems, which operate on the assumption that party lists are important to the electoral process – these however may not be suited to Victorian local government elections where political parties do not play a significant role.

Within Australia there are variations on how votes are counted. Tasmania – where no single-member wards currently exist in local government – uses the 'Hare-Clark' variation of proportional representation in its state and local government elections. A feature of this system is the requirement that the order of candidates on individual ballot papers is randomly selected (commonly known as the 'Robson rotation' system), which effectively renders ticket voting and candidate preferencing obsolete. This system

also has no 'above the line' voting (which occurs in the Senate and other state upper house elections), thus removing party control over how votes are distributed.

There are also variations within Australia on how many boxes need to be filled on ballot papers by voters. Western Australia uses 'first past the post' counting in local government elections. Voters place an indication against only one candidate – preferences are not required. In Queensland state and single-member local government ward elections, 'option preferential voting' is used. Voters may mark numbers against as many candidates' names on ballot papers as they like.

Both 'first past the post' and optional preferential voting have advantages in that voting is simplified and informality is reduced, however both can result in candidates being elected with very little support across the whole electorate.

Having two systems to elect councillors may confuse candidates (but not necessarily be of concern to voters). Under a uniform vote counting system, all councillors would be elected by either preferential or proportional representation systems. This may have particular relevance to those councils with both single and multi-member wards where both preferential and proportional representation is mandated, and councillors are elected under different voting rules and with differing levels of support.

Filling extraordinary vacancies

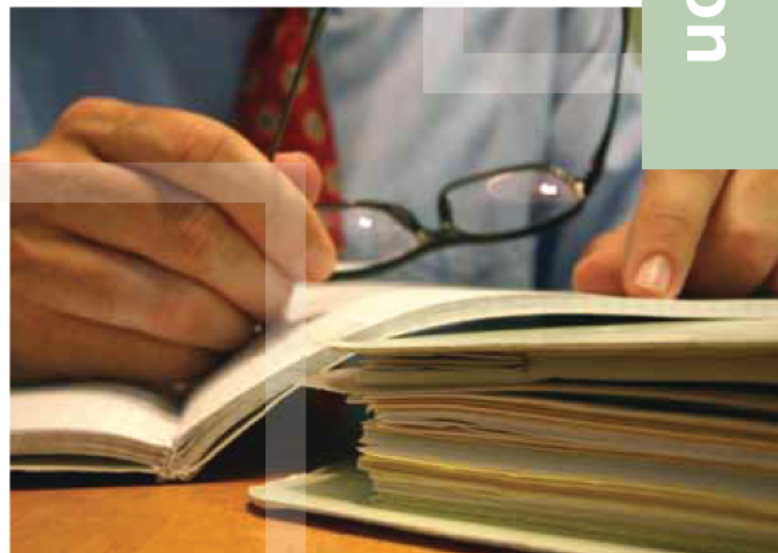
The countback system is a recognised system of filling vacancies under proportional representation. It uses the votes cast at the general election to ascertain which of the remaining candidates was most supported by the voters who voted for the vacating councillor. It is used in Victorian and Tasmanian local government, but not in New South Wales or South Australian local government, where proportional representation is used.

Previously elected councillors are excluded from the countback. If a vacancy cannot be filled by countback – for example there are no remaining unelected candidates – a by-election is conducted.

Countbacks have three distinct advantages:

- they enable the proportionality of representation achieved at the general election to be retained
- they allow a vacancy to be filled in a few weeks (avoiding a delay of about three months in the case of a by-election) and
- are significantly less expensive to conduct than a new election.

Concerns have been raised that countbacks are based on dated nominations and votes, and that as people may have changed their views in the intervening period, they should be given a fresh vote. Other concerns centre on the justifiability of automatically electing a sole remaining candidate without a count. That candidate may have received very few votes in the first place, and there is no reason to think that the voters who elected the departing councillor would support the remaining candidate as a replacement.



Questions

- 6.5 Is the vote counting method important to how electorates are represented? Why?
- 6.6 Which system do you think offers the best means of ensuring effective representation? Why?



VOTING EXAMPLES

First Past the Post

Preferential

Proportional Representation

December 2021

First PastThe Post						
Candidate		%	No Votes	Distrib	Subtotal	
<i>Highest three elected. If a tie draw by lots</i>						
1st Preference Votes						
Abby	A	31.0%	31			
Bernie	B	10.0%	10			
Chris	C	10.0%	10			
Dave	D	40.0%	40			
Eddie	E	9.0%	9			
Total			100			
Summary						
One Position - Dave is elected.						
Three Positions - Dave and Abby are elected. Eddie is eliminated. Draw by lots between Bernie and Chris for the remaining position						

Preferential Voting						
Candidate		%	No Votes	Distrib	Subtotal	
Target is an absolute majority (No of votes / (no of vacancies +1) plus 1						
If no absolute majority after the first count eliminate lowest candidate and distribute their preference's. If no one has an absolute majority continue process until one is elected. Once one is elected redistribute first elected back to original votes and repeat process till next elected. Continue process until all positions are filled. On all occasions votes are transferred at a value of 1.						
1st Preference Votes						
Abby	A	31.0%	31			
Bernie	B	10.0%	10			
Chris	C	10.0%	10			
Dave	D	40.0%	40			
Eddie	E	9.0%	9			
Total			100			
Target			51			
No Absolute Majority. Distribute Lowest Candidate Eddy						
Abby	A		31	4	35	
Bernie	B		10	3	13	
Chris	C		10	2	12	
Dave	D		40	0	40	
Eddie	E		9	-9	0	
Total			100	0	100	
No Absolute Majority. Distribute Lowest Candidate Chris						
Abby	A		35	8	43	
Bernie	B		13	4	17	
Chris	C		12	-12	0	
Dave	D		40	0	40	
Eddie	E		0	0	0	
Total			100	0	100	
No Absolute Majority. Distribute Lowest Candidate Bernie						
Abby		A	43	15	58	
Bernie	B		17	-17	0	
Chris	C		0	0	0	
Dave	D		40	2	42	
Eddie	E		0	0	0	
Total			100	0	100	
Abby has an absolute majority and is elected. Now start again and redistribute Abby's preferences to the remaining candidates						
Abby		A	31	-31	0	
Bernie	B		10	9	19	
Chris	C		10	18	28	
Dave	D		40	1	41	
Eddie	E		9	3	12	
Total			100	0	100	
None of the remaining candidates has an absolute majority. Now redistribute lowest candidate's preferences (Eddy) to the remaining candidates						
Abby		A	0	0	0	
Bernie	B		19	8	27	
Chris	C		28	4	32	

Preferential Voting						
Candidate		%	No Votes	Distrib	Subtotal	
Dave	D		41	0	41	
Eddy	E		12	-12	0	
Total			100	0	100	
None of the remaining candidates has an absolute majority. Now redistribute lowest candidate's preferences Bernie) to the remaining candidates						
Abby	A		0	0	0	
Bernie	B		27	-27	0	
Chris	C		32	19	51	
Dave	D		41	5	46	
Eddy	E		0	0	0	
Total			100	-3	97	
Chris has an absolute majority and is elected. Now start again and redistribute Abby's and Chris's preferences to the remaining candidates						
Abby	A		31	-31	0	
Bernie	B		10	27	37	
Chris	C		10	-10	0	
Dave	D		40	4	44	
Eddie	E		9	10	19	
Total			100	0	100	
None of the remaining candidates has an absolute majority. Now redistribute lowest candidate's preferences Eddie) to the remaining candidates						
Abby	A		0	0	0	
Bernie	B		37	17	54	
Chris	C		0	0	0	
Dave	D		44	2	46	
Eddie	E		19	-19	0	
Total			100	0	100	
Bernie has an absolute majority and is elected.						
Summary						
One Position - Abby is elected						
Three Positions - Candidates elected in the following order - Abby, Chris and Bernie						

Proportional Representation

Candidate		Quota	No Ballot Papers	Transfer Ballot Papers	Transfer Value	Actual Votes	Subtotal
Target is the (number of votes divided by the no of vacancies plus 1) plus 1 ignoring decimals (Quota)							
If no one has a quota eliminate lowest candidate and distribute their preferences to other candidates. Prefereces are transfered at a value of 1. Once a person reaches a quota and is elected distibute that persons excess votes to continuing candidates at a transfer value in proportion to the number of first preference that thet received. Repeat proccess as required for continuing candidates until a quota is achieved. If a quota is not achieved, but all continuing candidates have been eliminated, then that person is elected							
1st Preference Votes							
Abby	A	1.192	31				
Bernie	B	0.385	10				
Chris	C	0.385	10				
Dave	D	1.538	40				
Eddie	E		9				
Total			100				
Target			26				
Dave & Abby have reached a quota and are elected. Now redistribute Dave's amd Abbys's excess preferences to all other candidates at a transfer value based on their votes in excess over the quota							
Distribute Daves at a Transfer Value>>>>					0.350		
Abby	A	Elected	31	0	0.000	31.000	
Bernie	B	Continuing	10	8	2.800	12.800	
Chris	C	Continuing	10	6	2.100	12.100	
Dave	D	Elected	40	-40	-14.000	26.000	
Eddie	E	Continuing	9	26	9.100	18.100	
Total			100	0	0.000	100.000	
Distribute Abby's at a Transfer Value>>>>					0.161		
Abby	A	Elected	31.000	-31	-5.000	26.000	
Bernie	B	Continuing	12.800	9	1.452	14.252	
Chris	C	Continuing	12.100	19	3.065	15.165	
Dave	D	Elected	26.000	0	0.000	26.000	
Eddie	E	Continuing	18.100	3	0.484	18.584	
Total			100.000	0.000	0.000	100.000	
No one of the continuing candidates has reached a quota so the lowest (Bernie) is eliminated. Now redistribute Bernie's preferences to all other continuing candidates at a transfer value of 1 plus those transfered votes that Bernie received from Dave and Abby in the previous distribution at their respective transfer values							
			Initial	Bernie Transfer	Bernie via Dave Transfer	Bernie via Abby Transfer	
Abby	A	Elected	26.000	0	0.000		26.000
Bernie	B	Elliminated	14.252	0	-2.800	-1.452	10.000
Chris	C	Continuing	15.165	4	1.750	1.129	18.044
Dave	D	Elected	26.000	0	0.000		26.000
Eddie	E	Continuing	18.584	6	1.050	0.323	19.956
Total			100.000	10	0.000	0.000	100.000
Eddie is now then highest ranked candidate and Chris is now ellimated. As a result notwithstanding that Eddie has not achived a quota he is elected as the last remaining candidate							
Summary							
One Position - Not Applicable							
Three Positions - Candidates elected in the following order - Dave, Abby and Eddie							

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