

# WALGA Report

## GVROC Meeting

### January 2020



#### **WALGA State Budget Submission**

WALGA's State Budget Submission for 2020- 21 has been provided to the State Government.

The submission is focused on four key themes;

- Empowering Local Governments to contribute to the State's priorities
- Establishing a Strategic Approach to Economic Development in WA
- Investing in Important Local Government Infrastructure
- Ensuring a Sustainable Environment for our Communities

Across the identified four strategic themes, WALGA has put forward 20 initiatives in its 2020-21 State Budget Submission that total \$290 million across the four year forward estimates period. Some 90 per cent of the total funding ask is contained within just six initiatives – demonstrating that WALGA's funding asks are targeted and are not extensive. In addition, WALGA has suggested a reprioritisation of expenditure from specific existing sources of funding for the majority of the initiatives put forward, in order to ensure future budget surpluses are maintained.

A copy of the budget submission has been distributed to all Local Government CEO'S AND Elected Members.

#### **Local Government Act Review – Phase 1 Update**

The Local Government Legislation Amendment Act 2019 introduced a range of amendments to the Local Government Act including requirements for Elected Member training, reviewed gift provisions for Elected Members and CEO's and increased access to public information. A number of provisions from the Amendment Act have yet to commence and in December 2019, State Council adopted resolutions in relation to the draft Mandatory Code of Conduct and draft Chief Executive Officer Standards for Recruitment, Performance Review and Termination released for consultation by the Department of Local Government, Sport and Cultural Industries. The Department has yet to comment on the timeframe for completion of the drafts and further consultation with the sector is highly anticipated.

Additionally, a number of other Amendment Act provisions have yet to commence including the requirement for a Council Member training and development policy; changes to the authorisations process; policy for temporary employment of CEO; and publishing information such as primary and annual returns online. The Department has commenced instructing Parliamentary Counsel on these tasks and anticipate regulatory drafts to be available for sector consultation in April or May 2020.

#### **Local Government Act Review – Phase 2**

The Minister for Local Government has announced in November 2019, the formation of an expert panel to progress the next stage of the Act review process, which will include carrying out work to prepare for a Draft Local Government Act (Green Bill) to be developed in 2020/21.

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The panel will be chaired by Balcatta MLA David Michael and joined by fellow panel members:

- Professor John Phillipmore, Executive Director of the John Curtin Institute of Public Policy;
- A/Professor Graham Sansom of the University of Technology Sydney;
- Ms Anne Wood, Partner at Kott Gunning Lawyers, who specialises in local government law;
- Mr Henry Zelones OAM, the former long-serving Mayor of the City of Armadale; and
- Mr Duncan Ord OAM, Director General of the Department of Local Government, Sport and Cultural Industries.

WALGA's position is that the State Government need to identify the key principles for the Act in the first instance and then develop supporting policies. The detail of the Act then follows after the principles and policies are established.

The Panel has held a number of meetings and when information is available on their progress, WALGA will keep the sector informed.

### **Local Government Financial Ratios**

An agenda item was prepared for the November/December 2019 round of Zone and State Council meetings in respect to Local Government Financial Ratios.

Currently, there are seven financial performance indicators which are required to be included in the annual financial report of a Local Government under section 6.4(2) of the Local Government Act 1995 and Regulation 50 of the Local Government (Financial Management) Regulations 1996. Over a number of years there has been mounting concern as to the appropriateness of these indicators in providing a reasonable benchmark and measure of the financial performance of all local governments in WA.

WALGA has contracted a Local Government Financial consultant to provide recommendations on meaningful ratios and what the recommended indicators are for each ratio.

Following Zone input, the WALGA State Council resolved as follows;

*That the item on Financial Ratios be deferred and that WALGA form a Sector Reference Group to further review the ratios including all Zone feedback and provide recommendations to the May 2020 State Council meeting.*

Expressions of interest are being sought from Local Government professionals to participate in the reference group and it is anticipated that meetings to review the current ratios and recommend new ratios will be held over the next two months.

### **Select Committee into Local Government**

On 26 June 2019 the Legislative Council established the Select Committee into Local Government (Committee) to inquire into how well the system of local government is functioning in Western Australia. The Committee's reporting date is 26 June 2020.

The Committee received a significant response to its call for submissions; 276 submissions have been received and are being considered by the Committee.

According to the Committee –

*“The submissions provide a range of perspectives both from within and outside of local government, and canvass a wide range of issues. Some submissions*

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*explicitly address the Committee's terms of reference and discuss broad issues regarding the system of local government in Western Australia. Other submissions express strong views about individual local governments, or provide detailed information about specific issues or challenges relating to local government. The Committee will examine a range of systemic issues raised in submissions."*

The Committee has conducted preliminary private briefings with the Department of Local Government, Sport and Cultural Industries, WALGA, and the Office of the Auditor General and has recently commenced public hearings. WALGA has been advised that it will be required to give evidence at future public hearings with the first likely to focus on Local Government Insurance Services.

## **Emergency Management Operational Season**

From December 2019 to January 2020 WALGA have been maintaining situational awareness of the bushfire and cyclone seasons, participating in All Hazard Liaison Groups and two State Emergency Coordination Group Meetings. These were for the Wanneroo/Gingin fire, Norseman Complex, Tropical Cyclone Blake. The WALGA CEO represents the sector alongside heads of departments and agency heads to ensure the State can assist local communities when an emergency occurs. WALGA commends all Local Governments who have been operational so far this season.

## **State Emergency Management Committee**

The State Emergency Management Committee (SEMC) met on Friday 13<sup>th</sup> December 2019. WALGA addressed the SEMC and Telstra representatives to advocate on behalf of members regarding telecommunications failures during emergencies. This led to a follow up meeting with State Telstra representatives, WALGA and State Councillor Cr Stephen Strange. This was a successful meeting, with Telstra preparing fact sheets which have been disseminated to rural and regional councils on business continuity arrangements and considerations for the sector.

WALGA also tabled a paper to initiate a review of the Local Emergency Management Arrangements. This was endorsed by SEMC and WALGA will be consulting with the sector in the coming months.

## **Libraries**

The current allocation model for the distribution of State Government funding to Local Governments was developed in 2010 by a group comprising State and Local government stakeholders. The methodology for this model is based around a clear set of principles for the allocation of funds that has stood the test of time in providing equitable funding over the past nine years.

As part of the implementation of the WA Public Libraries Strategy's new tiered model and the introduction of grants-based funding from July 2020, a Reference Group established by the Public Libraries Working Group (PLWG), was tasked with reviewing the current model. This Reference Group comprises the Public Libraries WA (PLWA) President, Viv Barton, Paul Nielsen (City of Albany), Stuart Taylor (Shire of Wongan-Ballidu), Audrey Bell (Shire of Toodyay), Kirstie Davis (WALGA) and Sue North (SLWA).

Currently, funding is allocated to local governments based on two principles

1. Demand for library services.
2. Disadvantage in delivering equivalent library services.

Five factors are considered within the two principles above.

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Principles	Factors considered under each principle
Demand for library services	<ul style="list-style-type: none"> <li>• Population</li> <li>• Regional Activity Centres</li> </ul>
Disadvantage in delivering equivalent library services	<ul style="list-style-type: none"> <li>• Remote Population Centres</li> <li>• Secondary Libraries</li> <li>• Minimum Funding</li> </ul>

The Reference Group has reviewed principles and factors as well as considering opportunities for aligning future funding with the framework for the new tiered model and the Guidelines, Standards and Outcome Measures for Australian Public Libraries, endorsed by WALGA State Council in 2019.

All of the principles and factors (above) will remain unchanged. However, the Reference Group has recommended changes to the methodology for allocating funding to each of five factors.

It is proposed that these changes be implemented from 1 July 2020.

Key points for the implementation of the tiered model include:

- The new tiered model that has been endorsed by WALGA State Council and the Library Board in May 2019, is on track for implementation from 1 July 2020.
- The model contains three tiers primarily based on population and capacity.
- The tiers apply to a Local Government not a library i.e. all libraries within a Local Government will fall into the tier selected by that Local Government.
- Local Governments can choose what tier they go into based on the requirements for each tier and will be offered the opportunity to move between tiers on an annual basis if local circumstances change.
- Standards (included with the model in the attachment) align with the Guidelines, Standards and Outcome Measures for Australian Public Libraries developed for the Australian Public Library Alliance and the Australian Library and Information Association.
- SLWA will continue to broker consortia purchasing for print and electronic materials purchased with State Government funding.
- The Inter-library loans system continues state-wide with the participation of all Local Government libraries.

PLWG has endorsed the recommendations from the review and WALGA will host an information session for Local Government on the proposed new allocation model.

Date: Monday 24 February 2020

Venue: WALGA Boardroom, Level 1, 170 Railway Parade, West Leederville

Time: 9:00 – 11:00am (Registration from 8:45am)

A webinar will be provided for those who are unable to attend in person.

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