



**CORANGAMITE
SHIRE**

Our Ref: D/15/54649

16 December 2015

Ms Ros Spence MLA
Chair
Local Government Act Review Advisory Committee
Local Government Victoria
PO Box 500
MELBOURNE VIC 3002

Dear Ms Spence

Corangamite Shire welcomes the opportunity to provide comments in relation to the Review of the Local Government Act 1989 Discussion Paper. Council considered the Discussion Paper at its Ordinary meeting on 15 December 2015 and resolved to lodge this submission.

Council believes the Discussion Paper is overly specific and attempts to address a broad range of issues. This is premature and carries some risk because if the principles underpinning the new Act are not right then it is unlikely the resulting legislation will achieve the desired outcomes.

Council recommends the fundamental principles be established before proceeding with a review of the specific elements of the Act which the Discussion Paper attempts to do. Council believes the principles need to resolve the following issues:

- The Primary roles and functions of local government
- The Primary roles of councillors
- The services councils must provide and those which the Government must provide
- The importance and retention of local democracy and council autonomy
- The role of Government, including the Minister and Local Government Victoria.

Council also recommends various other matters, as attached, be considered by the Government in its review of the Act.

Thank you for the opportunity to make this submission. Corangamite Shire looks forward to the continuing consultation on the Review of the Local Government Act 1989. Should you require further clarification on the matters raised in this submission please contact me on 5593 7100.

Yours sincerely

Andrew Mason
Chief Executive Officer

Review of the Local Government Act 1989 Discussion Paper

- Behaviour should not be legislated, but this should instead be addressed through good practice. Mechanisms should be development to deal with infrequent bad behaviour rather than legislating for isolated issues.
- Prescription on matters to do with practice, for example consultation and engagement, should be avoided because it stifles innovation and change. It should also be avoided in favour of legislation which is principle based and empowering.
- Councils must be recognised as a separate tier of Government and not merely an entity of convenience. Local Government must be clearly separated from State Government, their independence recognised and autonomy held in high regard. Government must remain at arms-length at all times.
- Procedural matters should not be legislated. Attempting to legislate for procedural matters stifles innovation and continuous improvement in a rapidly changing environment as legislation can become redundant or outdated quickly. Best Value is an example.
- Accountability and engagement should be a function of culture and practice not legislation.
- Councils must be provided sufficient opportunity to influence the development of the legislation to ensure a long-term mature working relationship with the Government.
- There are significant differences in capacity across councils to resource many of the possible changes to the Act. A one-size-fits-all approach may not be beneficial. Flexibility within the new legislation should be accommodated.
- The legislation should recognise cost shifting, including the requirement for Government to consider the impacts on Local Government through Regulatory Impact Statements.
- Corangamite has worked with its communities to prepare community plans. These are completed by our communities and are not Council plans. A legislated long-term community plan fails to understand the need for community plans to be separate from Council and in Corangamite's case it would be difficult to develop a single whole of Council community plan.
- A Fair Go Rating System creates uncertainty about future rate income and will make long term financial planning more difficult.
- Councils should be provided with greater flexibility in relation to borrowing, investing, collaborative arrangements and entrepreneurial activity.
- The review should result in reducing the administrative and compliance burden on councils including the level of reporting. There is also opportunity to for the review to consider the full oversight and reporting obligations required of Local Government, not just those legislated in the Act. A single State Government entry point for council reporting of all compliance and operational performance matters, which other agencies may use to gather the information they require, would assist in reducing the administrative burden and costs associated with delivery. As an example, Annual reports appear to be at odds with the corporate sector where streamlined reporting is increasingly being seen as best practice. The focus should be on short, regular and digestible reporting not on large and dense annual reports. Similarly, cost savings could be achieved by making delegations easier as the current process is burdensome.
- Non-compliance with prescriptive provisions should be dealt with through an educative process in the first instance rather than a heavy handed approach.
- It is desirable the Minister remains at arms-length at all times including when the number of Councillors and council structure is reviewed.
- Mayors should continue to be elected by their peers.