

15.5 WALGA Best Practice Governance Review Consultation Paper

<div>Administration</div> 	
Responsible Officer:	Lisa Clack, CEO
Author:	As above
Legislation:	<i>Local Government Act 1995</i>
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Attachment 15.5A – WALGA Best Practice Governance Review Consultation Paper

Purpose of Report



Executive Decision



Legislative Requirement

To consider and rank the preferred options for the Shire of Merredin, identified for the future structure of the Western Australian Local Government Association (WALGA) in the WALGA Best Practice Governance Review consultation paper.

Background

The Shire of Merredin is a member of the Western Australian Local Government Association (WALGA).

A key strategic priority when developing WALGA's Corporate Strategy in 2019 was to undertake a Best Practice Governance Review, and as such, a steering committee was established to guide the review in March 2022. Subsequently, the proposed governance principles for the review were developed by the appointed steering committee and endorsed at the WALGA AGM on 3 October 2022.

The review considered five (5) model options, each of which were assessed against the three governance principles of: Representative, Responsive and Results Oriented.

Part of the review included making an assessment against the Board structure of the private organisations. This generally ranged from 6 to 22 members with an average of approximately 12. The current WALGA State Council Board have 25 members

The governance model options considered as part of this review are detailed in Attachment 15.5A WALGA Best Practice Review Consultation Paper and have been identified as follows:

- Option 1: Two-tier model, existing zones
- Option 2: Board, regional bodies
- Option 3: Board, amalgamated zones
- Option 4: Member elected board, regional groups
- Option 5: Current model

Options 1-4 inclusive, include an independent member of the board.

WALGA is now seeking views of Member Councils on the options presented.

	Comment
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Of note are the following considerations:

- Option 1: This is considered the least risky option, as it maintains regional representation, but provides an opportunity to increase the responsiveness and speed of advocacy and decision making.
- Option 2: Regional bodies have some advantages, however it creates significant potential variability across zones. The addition of independent members on policy teams may improve the speed and gravitas of the policy process.
- Option 3: This reduces regional representation, and a risk is the zones may become unwieldy and unworkable.
- Option 4: The risk with this option is the number of regional groups and the variability of representation across the State.
- Option 5: The current model can be unwieldy as it is not designed for agility on specific issues or speed. Additionally, much of the WALGA Governance effort goes into the Zones, as opposed to advocacy and projects.

Council discussed the proposed options and the implications at a workshop session in December.

During that discussion, Option 1 was identified as the model of best fit, however, Option 1 in its current format would not be preferred, and that the following additional feedback should be provided:

- While 11 members is considered a good number for the total number of representatives on the board, up to 3 independents is too high. This should be reduced to 1 or 2 independents, and independents should be non-voting. The total number of board members should remain 11.
- The rotation of the President role between Metro and Regional LGAs should remain as part of the board charter.
- If Zone meetings are to only be held twice per year, the meeting should transition into a full-day workshop arrangement, where key regional issues which require advocacy are discussed in sessions. This would allow the Zones to advocate meaningfully on regional issues and provide a potential vehicle for State and Federal Government to meaningfully engage on local issues in a responsive manner.

Policy Implications

Nil

Statutory Implications

Local Government Act 1995 Section 9.58 - Constitution of associations of local government. Additionally, the recent Local Government Panel Report has recommended that WALGA not be constituted under the *Local Government Act 1995*.

Strategic Implications

➤ Strategic Community Plan

Theme:	4. Communication and Leadership
Service Area Objective:	4.2 Decision Making
Priorities and Strategies for Change:	4.2.2 The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources.

Risk Implications

Changes to WALGA and its constitution may impact on the voice of regional Western Australian Local Governments and their ability to advocate as an industry group.

Financial Implications

Nil.

Voting Requirements



Simple Majority



Absolute Majority

Resolution

Moved: Cr Crook

Seconded: Cr Flockart

That Council ADVISE WALGA that it;

1. ENDORSES Option 1 from the 5 provided models, subject to the following proposed amendments:
 - a) The number of board members should remain at 11, with only 1 or 2 independents, and independents should be non-voting;
 - b) The rotation of the President role between Metropolitan and Regional LGAs should remain as part of the board charter; and
 - c) If Zone meetings are to only be held twice per year, the meeting should consider ways of advocating on matters of regional importance in an alternative format such as workshop sessions between relevant State and Local Government staff in addition to the meeting agenda; and
2. ADVISES whichever is the preferred model identified at the conclusion of this initial consultation, further consultation should be held with WALGA member Councils on the details and implementation of the selected model.

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CARRIED 6/0