

31 July 2019

The Hon. Adem Somyurek MLC  
Minister for Local Government  
Minister for Small Business  
Unit 2, 24 Langhorne Street  
Dandenong, VIC 3175

Dear Minister Somyurek

### **Proposed Local Government Bill 2019**

Committee for Melbourne, “the Committee”, is an apolitical, not-for-profit organisation that relies on its 150 members comprising Greater Melbourne’s business, academic, arts, and community sectors. The Committee has a passion for Melbourne as a leading global city in the world’s fastest-growing region.

The Committee welcomes the opportunity to provide feedback on the proposed Local Government Bill 2019. We appreciate the vision of the current State Government to refresh this legislation given the last iteration was introduced in 1989.

As part of Melbourne 4.0, we identified Metropolitan Collaboration as one of the nine Strategic Needs as an imperative for developing Greater Melbourne’s future prosperity. This Strategic Need recognises Greater Melbourne needs better metropolitan governance arrangements to build a resilient, economically competitive city that can confront the challenges and capture the opportunities that the 21st century will bring. As such, the Committee has started a Taskforce to work collaboratively with members and stakeholders to consider how metropolitan collaboration may further manifest in Greater Melbourne.

The proposed reforms cover a lot of ground which will no doubt be explored in consultation with Local Governments and peak Local Government bodies which have intimate operational knowledge of Local Government.

The Committee’s comments cover two components:

- Reform (2) from the Consultation paper, which focuses on single member wards, and
- The possible other opportunities presented by a new bill to further promote collaboration across the Metropolitan area

#### **Single member wards**

The Committee recommends a review into the consequences of Reform (2) in the Consultation Paper, which proposes, among other things, mandating single-member wards. Considering the findings by the Commission of Inquiry into Greater Geelong City Council, instituted by the current Government, the Committee believes moving to a single-ward model may be fraught. The 2016 independent Inquiry into the City Council of Geelong noted in Section (3.4) *Electoral system and Structure* that single-member wards ‘had the effect of undermining good governance, compromising

decision-making by trading off decisions for the common good in favour of ward interests and distorting resource allocation and rational priorities. '

Furthermore, Councillors, in a single-ward structure, have a higher incentive to focus on the needs of a smaller group instead of working with other wards for benefit of the entire municipality. Single member wards offer only one voice for an area whereas mixed-member wards can be mixed-party to allow for greater representation in the council structure. They also incentivise ward interaction by avoiding the mentality of the "lone councillor." The Inquiry noted that this "lone councillor" mentality arose from the single-ward system and allowed for the undermining of good governance and compromised decision-making by trading off concerns for the common good in favour of providing extra resources to a local ward. Committee for Melbourne believes it is essential to thoroughly consider independent advice, particularly in matters pertaining to government.

### **Metropolitan Collaboration**

As mentioned, one of the Committee's Taskforces is Metropolitan collaboration. The proposed Bill 2018 states in Part (2) Division (1) Section (8:2f), "collaboration with other Councils and Governments and statutory bodies is to be sought." The Committee warmly welcomes the inclusion of collaboration in the proposed Bill 2018 and encourages the State Government to retain this in the proposed Bill 2019. Further emphasis on collaboration and how this may be achieved, particularly on a metropolitan-wide scale, would be a welcome addition to the proposal.

The proposed Bill 2018 Part (3) Division (2) Section (58:1c) states councils should create Governance Rules in respect to joint meetings of Councils. Whilst the Committee sees this addition as a positive for promoting collaboration between Local Governments, there may be an opportunity to extend the proposed Bill. It may be more effective to legislate the rules of joint meetings rather than leaving these to be decided on a Council-by-Council basis which may lead to inconsistencies. Joint meetings of Councils with standard rules, beyond those in the proposed Bill 2018 Part (3) Division (2) Section (60), present an opportunity for councils to discuss and decide, where appropriate, on issues which transcend municipal boundaries – such as transport, housing, planning, or Smart City infrastructure – in a binding and effectual manner. It is key the binding nature of joint meetings is clarified.

The 21<sup>st</sup> century challenges facing our city require everyone – individuals, institutions, public and private entities – to work in partnership for viable solutions. In that context, the important role local government plays in keeping Melbourne as one of the world's most liveable cities cannot be overstated.

Committee for Melbourne will continue to work with its cross-sectorial membership, key stakeholders and all tiers of government, to ensure Greater Melbourne remains prosperous and liveable into the future. We look forward to developing our partnership on this issue and other matters of vital importance to Greater Melbourne.

Yours sincerely,



Martine Letts| Chief Executive Officer