

**Management report to Council****Agenda item 6.4****Upcoming local government forums****Council****Presenter:** Michael Tonta, Director Governance**22 February 2022****Purpose and background**

1. The purpose of this report is to provide for City of Melbourne (CoM) participation in upcoming local government forums, namely
  - 1.1. Municipal Association of Victoria's (MAV) meeting of State Council which is held twice each year. Councillor Rohan Leppert is the CoM representative on the MAV.
  - 1.2. Australian Local Government Association's (ALGA) National General Assembly (NGA) which is held annually in June.
2. These forums provide local government the opportunity to discuss and advance issues of state and national significance to local government. The opportunities for networking and collaboration at both forums also complement CoM's recently adopted advocacy priorities in the lead up to the State and Federal election. An overview of the priorities can be found on CoM's website [www.melbourne.vic.gov.au](http://www.melbourne.vic.gov.au).

**Key issues***MAV State Council*

3. The 2022 meetings of MAV State Council will take place in June and September. The program for the June meeting will include consideration of a Directions Paper on the MAV Rules Review which is currently open for submissions. The review seeks to modernise the framework which governs the MAV, provides greater clarity on roles/functions and increased effectiveness of State Council, the MAV Board and office of the MAV President. Following consideration by Councillors of the Discussion Paper, it is proposed that a CoM submission be made by the due date of 28 February and a copy is included as Attachment 2.
4. Further consideration was given by Councillors on how local government forums such as meetings of State Council could be supported by CoM. One of the proposed avenues is through the ongoing staging of State Council meetings at the Melbourne Town Hall (MTH) after CoM played host to the May 2021 meeting. Following discussion with the MAV on how this could be facilitated, it is now proposed that funding support be provided towards staging one of two annual meetings. An amount of \$10,000 will be provided towards venue and associated access with the MAV absorbing any additional costs such as catering. It is also proposed that this support be in place for a period of five years (2022 to 2026) with a review at that point. This support will commence with the September 2022 meeting of State Council being held at MTH.
5. Supporting the MAV in staging State Council meetings is considered important from a Capital City Council perspective. It not only supports a key forum of collaboration and exchange in the local government sector, reinforcing the leadership role of the Capital City Council, but also seeks to further activate the central city (benefiting local hospitality and tourism operators) through participation of hundreds of visiting representatives from across Victoria.

*ALGA NGA*

6. The 2022 NGA will be held between 19 and 22 June and incorporates the theme *Partners in Progress*. It will provide local government representatives from across Australia an opportunity to consider issues for engagement with the Federal Government on national policy in areas that influence the direction of councils and their communities. The Discussion Paper supporting the 2022 NGA theme can be found on ALGA's website [www.alga.com.au](http://www.alga.com.au). Following consideration by Councillors, it is proposed that CoM be represented at the NGA by Councillor Rohan Leppert and others to be determined in coming months. The estimated cost of participation per person is \$3,800 and includes airfare, accommodation, registration and incidental costs.

## **Recommendation from management**

7. That Council
  - 7.1. Notes that the 2022 meetings of the Municipal Association of Victoria's (MAV) State Council will be held in June and September.
  - 7.2. Approves the proposal to host one of two annual MAV State Council meetings at the Melbourne Town Hall over the next five years (2022 to 2026) and provision of funding support of \$10,000 each year to the MAV for this purpose.
  - 7.3. Endorses the City of Melbourne submission on the MAV Rules Review included as Attachment 2.
  - 7.4. Notes that the Australian Local Government Association's (ALGA) National General Assembly (NGA) will be held between 19 and 22 June.
  - 7.5. Approves Councillor participation in the ALGA NGA through Councillor Rohan Leppert and other Councillors to be determined by the Lord Mayor in advance of the NGA at an estimated cost of \$3,800 per person.

### **Attachments:**

1. Supporting Attachment (Page 3 of 6)
2. MAV Rules Review – City of Melbourne submission (Page 4 of 6)

## Supporting Attachment

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### Legal

1. There are no direct legal implications arising from the recommendation contained in this report.

### Finance

2. The cost associated with hosting one of two annual MAV State Council meetings at the MTH over the next five years (2022 to 2026) is \$50,000 and will be funded through the budget for the City Economy and Activation Division.
3. The cost associated with representation at the NGA in Canberra is estimated at \$3,800 per Councillor. This includes conference registration and associated activities, accommodation for three nights, airfare and incidental costs.

### Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

### Health and Safety

5. Councillors travelling to Canberra will undertake personal safety and awareness precautionary steps which apply to interstate travel including any COVID-19 restrictions current at the time of travel.

### Stakeholder consultation

6. Discussion was held with the MAV regarding ways local government forums such as meetings of the State Council could be supported by CoM.

### Relation to Council policy

7. Forums such as the MAV State Council and ALGA NGA provide Council with the opportunity of demonstrating leadership by advancing issues of state and national interest to local government.

### Environmental sustainability

8. The carbon emissions resulting from air travel to attend the NGA will be offset with the purchase of credits.

## PROPOSED SUBMISSION BY CITY OF MELBOURNE

### MAV RULES REVIEW DISCUSSION PAPER

#### 1. Introduction

Thank you for the opportunity to provide feedback on the MAV Rules Review discussion paper.

The City of Melbourne has not provided feedback on all questions raised. Through its delegate, the Council is committed to finding the best structure for the MAV and best practice rules, in the spirit of consensus.

#### 2. Principles guiding the Rules review

We agree that the principles set out in the discussion paper are the right ones to guide changes to the rules, and support the focus of the discussion paper. We commend the MAV and Mr Shanahan on the Rules Review process and this discussion paper.

It is important to emphasise that not all matters governing the MAV need to be set out in the Rules. Only those matters that must be in the Rules should be in the Rules. Given the difficulty involved in changing the Rules, it may be appropriate for the Rules to enable subsidiary rules on matters that should not be subject to a full Rules review and Governor-in-Council authorisation.

#### 3. Rules affecting the office of the MAV President and the MAV Board

We consider these matters together, as the matter of deciding who the electors are impacts both the Board and the President.

##### 3.1 Board structure

While the current structure is not fundamentally broken, the City of Melbourne puts the following considerations forward:

- The Board in its current structure attempts to be both a representative body and a functional board governing the organisation.
- The State Council is a purely representative body and it is not necessary for the Board to also attempt to be a purely representative body.
- Reinforcing the representational roles of the State Council, while removing the rigid representational roles of the Board, may improve the Board's functional responsibilities and its ability to maturely and collaboratively govern the organisation and provide leadership on matters important to the sector.
- The Board's purely representational structure has necessarily required the creation of appointed skills-based subsidiary boards to manage the Insurance and WorkCare arms.
- This structure facilitates a large number of paid Directors for one organisation, despite a relatively small number of staff and annual turnover.
- The Board's single-member electorates do not naturally facilitate a diverse Board overall, in terms of politics, sex and other characteristics.

The City of Melbourne considers that the regions that make up the Board, particularly the metropolitan regions, do not necessarily align with natural communities of interest.

There is merit in exploring 'at large' elections for the Board, either across the State generally or, if there is no consensus for such a move, at least in the metropolitan area.

It is also worth considering the introduction of a small number of skills-based members appointed by the Board, rather than being elected by the members, to ensure that the Board is a high-performing body with the skills necessary to undertake its functions. Of course, the overwhelming majority of the Board should remain elected by the members, to preserve accountability and a democratic mandate.

The appointed skills-based members may or may not be the chairs of the subsidiary boards. Taking these two matters together (proportional elections and skills-based appointments), the opportunity also arises to reduce the size of the Board over all. The current size – 13 Directors – is excessive.

Potential models could include:

- The President, plus 6 Directors elected at large, plus 2 skills-based appointees, for a total of 9 Directors.
- The President, plus 4 Directors elected from the metropolitan region at large, plus 4 Directors elected from 4 regional groupings of non-metropolitan Councils, plus 2 skills-based appointees, for a total of 11 Directors.

A move to more proportional elections, and the introduction of skills-based members, will give the MAV Board a greater opportunity to operate as a high-performing conventional Board, while the principle of representation can be retained through a strong State Council.

### **3.2 Electing the President**

We consider the method of election of the President, from an electorate of 79 member delegates, to have served the sector well. Requiring Councils to nominate a delegate is a useful means of screening candidates and managing an otherwise potentially unwieldy number of candidates.

It would not be desirable to create a special electorate to elect the President, made up of all elected councillors in the State: if it is the Council member delegates who are responsible for governing the MAV through State Council, then electing the President from a larger electorate creates more problems than it solves. Councils all have different numbers of councillors, and the relative sizes of Councils are not proportionate with municipal populations. Elections held under such a system would inevitably become populist at the expense of accountability to the State Council.

If the MAV wishes to move away from the current model of electing the President then, rather than look to a special, larger electorate, it should look to the Board to elect a President from among its number.

We do not support an automatic right for councillors who are not endorsed delegates of their Councils (at the time nominations for elections are due) to be eligible to nominate for President, simply by virtue of being the Interim President.

### **3.3 Electing the Board**

Similarly, the elected positions on the Board should continue to be drawn from the 79 Council delegates that make up the membership of State Council: these are the people who are responsible for coming together to agree to the MAV Strategic Plan, formulate policy, and scrutinise annual reports.

As set out above, the structure of the Board, and the regional groupings of Council, should be reviewed, and the overall size of the board reduced at the same time.

We do not support an automatic right for councillors who are not endorsed delegates of their Councils (at the time nominations for elections are due) to be eligible to nominate for the Board, simply by virtue of being an incumbent Board member. To maintain accountability to State Council, all elected councillors on the MAV Board should maintain a connection to the State Council, i.e. they should maintain the endorsement of their Council to be its representative.

### **3.4 Board terms**

The term for the Board and President is currently two years, and there does not appear to be evidence that this time limit is a problem. Rather than moving to a four year term for the sake of it, retaining an opportunity to refresh the Board in the middle of the Council term is a valuable opportunity that should not be removed without good reason.

## **4. Rules affecting the State Council**

### **4.1 Motions**

The City of Melbourne agrees that the large number of State Council resolutions, requiring implementation by a small number of MAV staff, is not strategic, and rather than determine the priorities of the sector, can dilute the priorities of the sector through sheer quantity.

Addressing this problem is not easy, as being seen to advocate to the sector peak body is an important political function of Councils and councillors.

A potential way to address this problem is to greatly tighten the criteria for motions to appear on the agenda of State Council, while also creating a second category of motion that does not appear on the agenda of State Council. The second category could be any issue that any Council seeks to advocate to the MAV on from time to time, and which does not become policy of the MAV through State Council, and which also does not guarantee that the matter will result in formal advocacy to a State Government Minister.

This model would allow the Council to demonstrate that it has advocated to the MAV on a matter, and it would also enable the MAV policy team to be aware of and to consider the positions of Councils at any time of the year (not just in association with two State Council meetings per year). Importantly, this will enable the MAV and its staff to prioritise the smaller number of resolutions of State Council, and differentiate between higher priority motions (those which become policy of the MAV) and lower priority motions (those which are merely advisory).

These matters do not necessarily need to be codified in the Rules, but the Rules should enable the State Council to determine its affairs through standing orders or similar.

### **4.2 Plural voting**

The City of Melbourne is open to exploring changes to the plural system of voting, provided that any new structure does not dilute the vote of more populous Councils generally. It is important to note that the one-Council-one-representative membership of State Council gives all Councils equal voice at State Council meetings and that voice, not vote, is the most influential means by which Councils can determine policy of the MAV.

### **4.3 Discontinuation of financial membership**

The City of Melbourne agrees that it is reasonable to require a notice period for Councils wishing to discontinue their financial membership.