

Division 36: Local Government, Sport and Cultural Industries — Service 3, Local Government —

Mr P. Lilburne, Chair.

Ms H.M. Beazley, Minister for Local Government.

Ms L. Chopping, Director General.

Ms E. Gauntlett, Deputy Director General, Management and Coordination.

Ms J. McGrath, Deputy Director General, Capability and Performance.

Mr T. Fraser, Executive Director, Local Government.

Mr E. Redshaw, Director, Local Government Regulatory Reform.

Ms L. Kalasopatan, Executive Director, Finance.

Ms R. Sackville-Minchin, Chief of Staff, Minister for Local Government.

[Witnesses introduced.]

The CHAIR: The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with these details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

The member for Roe has the call.

Mr P.J. RUNDLE: My first question refers to page 532, new initiatives under spending changes, and the “Establishment of the Local Government Inspector” item. Could the minister describe the role of the local government inspector?

Ms H.M. BEAZLEY: As the member can see, funding of over \$700 000 has been provided to commence the initial work associated with establishing the local government inspector, including its implementation strategy. The local government inspector, the person and the office, will have expanded powers of intervention to deal with local government operational issues and noncompliance. It particularly will have a positive attribute, in my view, in being able to intervene early in areas of concern and provide local governments with support. It will not be purely a punitive office. It is very much designed to be a support to local governments. The powers of that inspector will be broad to ensure they can effectively deal with diverse functions of local government. The inspector will have the power to manage minor breaches as well as serious breaches of the Local Government Act that relate to council members and chief executive officers. This includes the investigation of complaints and the application of sanctions and penalties where breaches are found.

Mr P.J. RUNDLE: Will the inspector respond to complaints from constituents? Where will the majority of their work come from? Is it an audit-type regulatory function or is it more of a response to constituent complaints?

Ms H.M. BEAZLEY: Complaints can come from anywhere. They can come from ratepayers, from elected members and they can come from administrative staff of local government. The office of the inspector will analyse those complaints and see which are legit and which may not be and take what action is necessary. The inspector also has the power to appoint monitors to a local government. That monitor can provide assistance and support to the local government to ensure that it is compliant with the act and to help facilitate positive internal relations, either between elected members themselves or between elected members and administration.

[9.50 am]

Mr P.J. RUNDLE: In relation to the inspector, what will be the support mechanism within the department? Will there be a team or a secretariat? How does that work?

Ms H.M. BEAZLEY: The \$700 000-plus in this budget is for determining just that—how best to format that inspectorate and its position within the Department of Local Government, Sport and Cultural Industries. It will be based within DLGSC, but it will be established as a separate unit. This process is about discovering and defining what that unit will look like and its relationship within the broader DLGSC ecosystem.

Mr P.J. RUNDLE: I note there is no funding in the out years. What is the explanation for that?

Ms H.M. BEAZLEY: It is because that funding will be based on what is determined in the next little while about need and how many monitors may be appointed. That is what this \$700 000 will be used to determine—the basic scoping, planning and design work.

Mr P.J. RUNDLE: Will the minister put her hand up at the next budget meeting—if she is in government!—for ongoing funding into the out years? She can obviously see that this is an important function and something that is required in our local government sector around the state.

Ms H.M. BEAZLEY: Yes, in short. I absolutely believe that this is a fundamental element of our once-in-a-generation local government reform, and I think it will be incredibly helpful to and supportive of a well-functioning local government system. We have 139 local governments that all have very diverse needs, so this office and its team of monitors will be able to accommodate that diversity. With regard to the out years, as I said, we will need to determine what that will look like and we will also need to pass the second tranche of reforms in order to move that far forward.

Mr P.J. RUNDLE: I am sure the minister's director general is very familiar with the independent monitor for the casino. Does the minister or the director general visualise similar monitors—probably lower level—spreadeagled around the state, or some based in the metropolitan area and some in regional areas; or will it be a centralised function, with monitors sent out when needed?

Ms H.M. BEAZLEY: It is a demand-oriented system. However, it is also very new, so we will have to be agile in our delivery as time goes on. We do not know if it will be a shire in the great southern or in the Kimberley that will need support, so it will need to be agile in that way. It will be based within DLGSC, so we will have a centrally based model, but monitors will be needed throughout the state.

Mr P.J. RUNDLE: There are 139 local government CEOs of differing capacities around the state, in the metropolitan area, the regions, large councils, small councils, some with massive budgets and others with smaller budgets. Does the minister see a role for the inspector in monitoring the capacities of CEOs and council executives and the like? Is that something that is planned as part of the local government reform?

Ms H.M. BEAZLEY: There are a few things of note here. Some of that work is already in train. Since 2021, the department has been developing and implementing a risk-based approach to supporting councils, using a model developed by Riskwest. The member touched on resourcing between regional councils. Our local governments are doing a range of things to deal with these challenges. I know, for instance, that some metropolitan local governments have been partnering with rural councils to share staff, build capacity and provide other support. It is also proposed under our reforms to include measures to support shared CEOs and staff. To date, our reforms have also introduced greater standardisation, such as model financial statements, which makes it easier for local governments to share staff and adopt common systems. That provides shared knowledge that can be picked up and placed anywhere in WA, which makes resourcing a little easier.

Mr P.J. RUNDLE: I think it is probably appropriate to have shared resources, especially for some of our smaller regional councils. I seem to recall that councillors are required to complete training modules. Are there any figures on the uptake of that? Will the inspector also monitor that, as part of their role? Have all our councillors completed their training modules? Is there an ongoing regime under which each council is checked to make sure that their councillors have completed their training modules?

Ms H.M. BEAZLEY: Training for elected members is mandatory and is primarily provided through the Department of Local Government, Sport and Cultural Industries. That is a hot topic when I go out and visit elected members; they are very happy with the training that is provided, but they are full of very helpful suggestions about what should be provided in future. With regard to an ongoing training regime, that is something I am very happy to take feedback on and work on. With regard to the take-up, I will defer to the director general, if she has any numbers or feedback around that.

Ms L. Chopping: Thanks, minister. In addition to the training programs that the department provides on an ongoing basis for elected and executive local government members, we monitor the rate of new members' compliance with training programs. When we find deficiencies, we follow up with CEOs to ensure that those new members complete their training, so there is a compliance regime in that space.

Mr P.J. RUNDLE: I can imagine a rebel councillor saying, "I'm not going to do this module". How does the department deal with that?

Ms H.M. BEAZLEY: The reforms that I hope to bring to Parliament sooner rather than later will include further clauses to encourage—or otherwise—members who do not complete their training. We will have those mechanisms in place.

Mr P.J. RUNDLE: When does the minister think that legislation or those regulations will come to the Parliament? Will it be in the second half of the year?

[10.00 am]

Ms H.M. BEAZLEY: My aim is to have it before Parliament before the end of this year.

Ms M.J. DAVIES: I think my question relates to “Regulation and Support of Local Government” on page 540, and “Supporting local governments to fulfil their statutory obligations and improve capability in the sector”, but I am happy for the minister to tell me otherwise. Last year, we had the first round of local government elections under the new system. From a department perspective, what impact has there been in terms of feedback from the sector on how the elections were managed? I can cut straight to the chase. Some local government elections in my area had maybe 150 electors, with the election held on a Saturday, with volunteers. I am a member of Parliament in the state Parliament of Western Australia. There are 22 000-odd voters in my electorate, but I knew the result of the count in my electorate on the Saturday night. I am in a safe seat; I get that it takes a bit longer to count the votes in some seats and that the Western Australian Electoral Commission has to choof on. I will ask this question during the Electoral Commission section as well, but from a local government perspective, many councillors, as part of the local government remit, called me and said, “Why don’t we know the outcome of the election?” Someone in the community knew but they could not get access to the numbers and they were not allowed to tell anyone. I am talking about towns the size of Wyalkatchem, which is where I am from. It is not acceptable that they were not advised the outcome of the election until the following Monday. Is that something that the minister and the department are focused on, together with the Electoral Commission, to try to improve before the next round of elections?

Ms H.M. BEAZLEY: Yes, it is. I understand that there were delays because the returning officers needed approval from the Western Australian Electoral Commission to conduct certain steps of the vote count before progressing. The time it took for those approvals to be granted caused those delays. We have preferential voting at the state and federal level, but last year’s local government elections were the first time that preferential voting was used at the local government level. In terms of the feedback that the member received as a local state member, I can tell her that I was getting the exact same feedback as both the local member and the Minister for Local Government. It was certainly a hot topic. It is not something that we wish to see repeated. The department has formed a working group with WAEC to ensure that it does not. It is going through the lessons learned to determine what needs to happen next time around so that we do not experience the same delays.

Ms M.J. DAVIES: Can the minister reflect on some of the learnings that have been discussed by that working group and what might be changed?

Ms H.M. BEAZLEY: The very obvious one is the approvals processes and the time they took. I do not want to usurp and jump; I am not sure how far along the working group is in progressing any recommendations, but be assured that we will determine what needs to happen to ensure that those delays do not happen again.

Ms M.J. DAVIES: Who is on the working group? Is there departmental or ministerial representation between the WA Electoral Commission and the minister?

Ms H.M. BEAZLEY: There is no ministerial representation; neither me nor my ministerial staff are on the working group. Certainly, we have a very strong working relationship, as the member can imagine. I will defer to Ms Lanie Chopping, as the director general, to outline the composition of the working group.

Ms L. Chopping: Thanks, minister. The executive director of local government, Mr Fraser, and the Deputy Electoral Commissioner are on the working group. I meet personally with the Electoral Commissioner when required, but at least once a year for general liaison. Obviously, we had further meetings about the issues associated with the last local government elections and their implementation. The work of that working group is due to be completed this year, and it will be presented to me and the Electoral Commissioner and referred up to the respective ministers.

Ms M.J. DAVIES: Was there a capacity issue in the sign-off or the approvals processes? I am presuming that the elections were run appropriately and that there was an administrative or resourcing issue at some level.

Ms H.M. BEAZLEY: I cannot speak for the WAEC because it is not under my remit. I encourage the member to speak to the Attorney General; Minister for Electoral Affairs about that.

Ms M.J. DAVIES: As the Minister for Local Government, can the minister advise me of her desired outcome as a result of these discussions? At the next local government elections, will the results be known on the day of the elections? I understand that there are sometimes exceptional circumstances and that things occur, but this issue was widespread.

Ms H.M. BEAZLEY: My desire as the local government minister and as an elected member who sympathises with other elected members who are waiting for votes to come in is that we will employ the same timeframe that occurs at the state election level. There will always be times when there is a very close count or other issues that

might make a result less clear than it would otherwise be, but it is reasonable to expect the same type of timeframe that we get during a state election.

Mr P.J. RUNDLE: I refer to page 534 of the *Budget statements* and the heading “*Dog Amendment (Stop Puppy Farming) Act 2021* and Centralised Registration System”. Can the minister outline how the centralised registration system is going?

Ms H.M. BEAZLEY: I thank the member for Roe for the question. As he would be aware, the Dog Amendment (Stop Puppy Farming) Act 2021 is a key area of import for this government. The act requires that we design and develop a centralised registration system for dogs and cats covered by both the Dog Act 1976 and the Cat Act 2011, as well as associated regulations to support the implementation of the centralised registration system. Development of the regulations has been undertaken in parallel with the procurement and implementation of the centralised registration system. Public consultation on the proposed regulations closed late year. The final regulations are now in development. A procurement process for the centralised registration system is well advanced; we are in the procurement phase of the CRS. The Department of Local Government, Sport and Cultural Industries is liaising with a preferred proponent on the delivery of this new system. The state government is committed to delivering the centralised registration system as soon as possible, but it is crucial that we get it right. There is need for an orderly transition to the new system, as the centralised registration system will merge with more than 130 existing cat and dog registers currently individually managed and administered by local governments across WA. That data migration and integration is quite a convoluted process, as well as the ability to register online. The department will provide regular updates to the local government sector and the broader community to ensure that all relevant stakeholders are kept up to date on where the centralised system is at as we continue to progress those reforms.

[10.10 am]

Mr P.J. RUNDLE: Can the minister predict the date on which the migration of all the information will happen and when the whole centralised system will be up and running? Can she make an educated guess on that one?

Ms H.M. BEAZLEY: I have made too many educated guesses in my lifetime to feel very uneducated, member, so I will not make an educated guess because I am not going to use the procurement process. In former lives I have been involved in developing systems such as this, and they have a tendency to be 100 per cent more convoluted and complicated than initially expected. I am looking forward to the outcomes of that procurement process. The timeframe and expectation of what can be delivered will be part of the finalised contract arrangements with the proponent.

Mr P.J. RUNDLE: In the meantime, what arrangements are in place? Are there any interim temporary arrangements or is it just business as usual, as has occurred in the past with various local governments having their own registers, if you like?

Ms H.M. BEAZLEY: We are currently looking at whether there will be interim measures. However, it is business as usual at the moment, so cat and dog owners, like me, progress as usual for the time being until the centralised registration system is in place.

Mr P.J. RUNDLE: What would the minister perceive to be the main difference between business as usual at the moment and the new centralised registration system when it is up and running?

Ms H.M. BEAZLEY: The biggest difference will be the ease for pet owners, me included. At the moment when people register their pet with their local government, they usually have to go in and do that in person. If they move to another local government area, they are responsible for re-registering their pet with that local government area. That is probably one of the more difficult things to do. I think a lot of pet owners believe that once their pet is registered, it is registered for life. They sometimes forget to put on the “moving house” checklist that they need to re-register their pet in the new local government.

When there is a centralised registration system, the pet owner will register wherever they live, and it will be incredibly easy to make that information portable; they can just go into the local government office and update the registration of their dog or cat for their new local government area. That also means that the local government will know what pets are in its area and, importantly, so will the rangers. When they pick up a lost dog in Dianella, they will not believe it is still in the City of Stirling when they know that the owner lives in Armadale.

Mr P.J. RUNDLE: To be honest, I have only ever owned the odd farm dog and so forth. I have never been involved in suburban registration or shifted from one suburb to another with a pet. What is the advantage of registering a pet, and is there a penalty if people do not register their Chihuahua or whatever dog they own?

Ms H.M. BEAZLEY: “Chi-chuana”! Sorry, member; I could not help it!

Sorry; I got very distracted. Was the member asking about the advantages of an online system compared with —

Mr P.J. RUNDLE: For starters, under the current system, what is the advantage of registering a pet in a suburb versus not registering? If people do not register, is there a penalty? Will the ranger go out searching for the dog to see whether it is registered and penalise the owner if it is not? What occurs under the current system and what will be the advantage when we move to the new system?

Ms H.M. BEAZLEY: Whether people do or not, it is mandatory to register a pet. Under the new system, breeders will have to be registered. That is also a way of ensuring that those bred dogs are registered as well when they go to their new owners. Registration will improve coordination between local governments and pet shelters. The benefit of registering a pet is that all the services in the area will be provided. Hopefully, there will be doggy bags down at the local park because the local government will know that dogs live in the area. Services will be provided to pet owners when they register their dogs in their area. Really importantly, lost pets can be found. If someone has an unregistered cat or dog walking the streets, unless they are able to find it through community connections, if that pet is not registered, they will not make their way back to their owner. There are penalties for not registering pets but they have not yet been defined in the regulations. That is part of the process that we are going through.

Mr P.J. RUNDLE: That relates to my further question. What penalties will be imposed if someone has not registered their pet on the new centralised system?

Ms H.M. BEAZLEY: The penalties have not yet been defined in the regulations. We have gone out and consulted the public on the other punitive measures or encouragements that should be provided. Public consultation only closed in mid-March this year. We are going through that to inform what the regulations will look like in that space.

Mr P.J. RUNDLE: Given that more attention has been paid to this legislation and there has probably been a bit more advertising and the like, has the minister noticed or does she have any figures on whether puppy farming has reduced? Has she been able to ascertain whether this new system will potentially reduce puppy farming?

Ms H.M. BEAZLEY: I do not have numbers in front of me relating to unwanted puppies and what would have happened without this legislation and the associated registration system and regulations. The whole design of the centralised registration system and the need for breeders to be registered will go to solving the problem of unwanted breeds and puppy farming. People who purchase a puppy from a registered breeder will know where the registered breeders are located, so they will be able to go to them to get their puppy. In that way, we will then be able to determine how many puppies that registered breeder is breeding. Pet shops selling dogs and cats will also be phased out unless they are registered as a shelter or welfare organisation. If they want to remain as a pet shop, they will only be allowed to sell cats and dogs—dogs in particular—that have come through an approved rescue organisation. They cannot purchase them from a backyard breeder.

Mr P.J. RUNDLE: What is the process? I know that people out in the suburbs may have a labrador they use for breeding purposes to sell a few pups. What process do they need to take to become a registered seller or breeder?

[10.20 am]

Ms H.M. BEAZLEY: In terms of being a registered breeder, they will obviously need to register. That will come through the Department of Primary Industries and Regional Development as well in terms of the registration and approval. Once a breeder is approved, they will come under the auspices of the RSPCA to ensure that they undertake breeding in a way that is healthy for animal welfare.

Mr P.J. RUNDLE: During the legislation in which I was involved from the opposition perspective, there was a lot of feedback from our local government sector. Local governments, and especially some of our regional councils, were unhappy that they were going to have to pick up the tab. Once again, the state government comes out with some new legislation and then, funnily enough, our councils are left with the job of monitoring it. Is there a funding program to enable local governments to put on more FTEs and the like to deal with this legislation?

Ms H.M. BEAZLEY: In terms of costs to local government, local government is already responsible for the registration of pets in their shires and municipalities, so it already has that cost burden. Local governments are also responsible for animal welfare in their local government area. The centralised registration system will actually relieve some of the burden of administration of registering pets in their area. In the long-term, it will be a resource saving for those local government areas. We have been out consulting on fees and charges regarding pet registration and the centralised registration system. In that consultation, the department directly consulted with 61 local governments around the state. A lot of the more active local governments in this space have been directly consulted by the department on those fees and charges.

Mr P.J. RUNDLE: Is the minister confident that this centralised system will alleviate the pressure on local governments as far as registration goes and that it will make it easier?

Ms H.M. BEAZLEY: In terms of what they will need to do to resource the registration of pets in their areas, yes.

Mr P.J. RUNDLE: The legislation is now three years old and we still do not appear to have the enabling regulations. What is the timetable for them?

Ms H.M. BEAZLEY: Those are the regulations that I have been speaking about and they were open for consultation until relatively recently. All of that work is continuing and is going on in parallel with the development of the centralised registration system. They go hand in glove; they are very much co-dependent on each other.

Mr P.J. RUNDLE: Is there a predicted date that they will come into play?

Ms H.M. BEAZLEY: I go back to the procurement timeframe and the need to finalise that contract. From the procurement, we will then have a much better idea of the timeframes involved.

Mrs L.M. O'MALLEY: I refer to page 532 of budget paper No 2 and the line item "Cyber Security Pilot Program for Local Governments". Can the minister please provide an overview of this program?

Ms H.M. BEAZLEY: I thank the member for her question. As we all know, and as the member knows as a former local councillor herself, local governments hold a range of information, including sensitive personal information. Local governments also manage billions of dollars of expenditure on public services and works every year. Smaller local governments in classes 3 and 4 may manage significant budgets and information assets with comparatively few employees and resources. Unfortunately, we have seen that some smaller local governments face ongoing difficulty in addressing audit findings relating to information technology security.

Accordingly, this budget provides funding for a two-year pilot program designed to assist smaller—that is, class 3 and 4—local governments to address critical security risks. This pilot program will be a joint initiative between the Department of Local Government, Sport and Cultural Industries and the Office of Digital Government, leveraging the resources and skills of the DGov cybersecurity unit and the WA Security Operations Centre. This pilot will trial approaches for supporting local governments to address cybersecurity risks, especially when there have been recurrent audit findings relating to IT vulnerabilities. Although local governments ultimately remain responsible for ensuring the security of their information, we want to understand how best we can support local governments to manage those risks.

Ms M.J. DAVIES: I refer to the explanation of significant movements under service area 3 on page 541 of budget paper No 2. Note 3 refers to the funding that is allocated to assist the department to provide support to the sector to meet statutory requirements and for governance, performance and capacity. I know that the Western Australian Local Government Association has been advocating around a couple of things. The first is the CEO recruitment panel. WALGA's position is that it would like a panel of approved members established to perform the role of the independent person on CEO recruitment panels. I have sat on one of those recruitment processes and it was quite an eye-opener for someone who does not have a local government background. It is time consuming and a fairly significant appointment is being made. Has that been considered, has it been implemented, is it anticipated, has it been discussed within the department and is it part of the minister's agenda?

Ms H.M. BEAZLEY: Absolutely. As we know, it is mandatory that every recruitment panel for a CEO appointment has an independent member. CEO recruitment is a very hot topic in local government. It is definitely something that we are looking at at the moment in terms of our reforms—that is, what those CEO recruitment panels look like and where they might be drawn from.

Ms M.J. DAVIES: Whilst the department is having those discussions, is there a timeline for when that is likely to be resolved, and will it require legislative change or is this a policy discussion?

Ms H.M. BEAZLEY: My understanding is that it would be regulatory. We are doing a lot of development of regulatory reform, and I can guarantee that we will be working on that up until the next election.

Ms M.J. DAVIES: Can the minister give an undertaking that if we go down this path, there will not be an added financial cost to local government?

Ms H.M. BEAZLEY: I understand. Everything we do is trying to relieve the burden on ratepayers and, by association, local governments as well. We are not interested in adding to financial or resource burdens; we are interested only in mitigating them. It is just about how we go about doing that. That is why we have gone along the lines of standardised financial recording. We have just finished consultation on standardised meeting procedures. It is all about relieving the burden on resourcing and budgets and making work much easier across local government.

Ms M.J. DAVIES: I think we all share that. As somebody who has 24 or 28 small local governments in their electorate, depending on the electoral boundaries that we refer to, I understand that a local government like the City of Canning or City of Vincent might be able to absorb the cost of paying somebody to be part of their independent panel, although I think there is a conflict if someone is being paid by them to do that task, so it probably needs to be funded or separate to be truly independent. For it then to be cost recovered by some mechanism through the local government would, I think, cause concerns for some of my smaller local governments. Most of my local

governments would fall into that category, as the minister would know. I am thinking of little shires like Nungarin, Wyalkatchem and Mukinbudin. It is a difficult process to attract and retain quality chief executive officers anywhere in regional Western Australia. Making it more difficult and adding a cost burden for the local governments would be a poor outcome as a result of them wanting to have a rigorous process to get the right person. I see CEOs shift around the communities on a regular basis. It is much better for everyone if we can get the appointment right.

[10.30 am]

Ms H.M. BEAZLEY: Thank you for the question, member. I do not think anyone would disagree with that sentiment. Everything we are doing is about supporting those class 3 and 4 smaller local governments. They are the ones that are most pressed in terms of internal resourcing and also the size and make-up of their ratepayer base. We are very cognisant of relieving as much burden as we can, particularly for those smaller local governments. In terms of appointments and recruitment, I go back to what I said before about our reforms allowing for resource sharing. The sharing of a CEO amongst smaller local governments, particularly neighbouring ones, is definitely something that local governments have spoken to me about at length. They have said that would be helpful. There are always varying opinions, with over 130 local governments, but the sharing of resources, whether it is the CEO, chief finance officer or chief operating officer, would also continue to relieve the burden.

Ms M.J. DAVIES: Thank you, minister. I will comment on that. I have had a couple of shires that have shared a CEO. They reverted to having their own CEO after some time even though it costs them a significant amount. I am not sure whether that is a solution for everyone, but I agree it is an opportunity and that it already happens in environmental and planning matters. Some of my shires also have partnerships with metropolitan local governments. I guess what I am asking in relation to the work that has been done around the recruitment panel is: is the minister able to rule out that it would be a cost to the local government at this stage?

Ms H.M. BEAZLEY: Is the member asking whether appointing an independent panel member would be a cost?

Ms M.J. DAVIES: Yes.

Ms H.M. BEAZLEY: Appointing a CEO is a function of local government, and they have to maintain those functions. I cannot guarantee, because I do not know what local governments will do, whom they will appoint as the independent panel member or what sort of process they will undertake and the costs associated with that, but there are not any plans for cost recovery.

Ms M.J. DAVIES: What was that last bit around cost recovery?

Ms H.M. BEAZLEY: If that is a cost to the local government, it will have to make plans for its own cost recovery. However, the local government should be talking to the department because there certainly are a lot of qualified people who could sit as independent members who would not be either a cost or costly.

Ms M.J. DAVIES: That is under the current system, but the discussion, as I understood it, was that WALGA is looking for the establishment of a panel of approved independent members. One position WALGA advocates for is a panel of independent members established so that local governments can call on them. I guess what I am asking is: if the creation of that panel is under consideration, or if it already exists, would that be a cost to a local government if it required it?

Ms H.M. BEAZLEY: It is not my understanding that it would be a cost to a local government to access one of these panel members.

Ms M.J. DAVIES: Thank you.

I refer to the same page and the department's capacity to support local governments. My question is along the same lines as our discussion on the CEO recruitment panel. One of the regular discussions I have with my local governments is around the audit process. I know that is not the minister's department's responsibility anymore, but I am positive the minister must get feedback on the role of the Auditor General, the cost, the timeliness and whether that system is working for the sector. Is the minister able to advise whether the department is having those discussions with the Auditor General around the concerns being raised by local government?

Ms H.M. BEAZLEY: Thank you, member. Yes, I can also confirm that, as the Minister for Local Government, I get a lot of feedback from local governments themselves on their engagements with the Office of the Auditor General to date and the timeliness of some of the audit reports and the resourcing around that. I can tell the member that the department is currently in conversations with the Office of the Auditor General and that the director general meets with the Auditor General in order to work through any issues.

Ms M.J. DAVIES: I did a quick check—I am sure that WALGA has provided it—but I know that WALGA and the Local Government Professionals Association did a survey last year. This was probably 12 months ago now, well before the member became the minister, I think. Has a discussion been had around the results of the survey

that WALGA conducted and is there any progress that the minister might like to report on the discussions she is having with the Auditor General?

Ms H.M. BEAZLEY: Yes. WALGA and the LGPA have raised issues directly with the Auditor General, as has the director general. Those discussions are about those headline issues.

Ms M.J. DAVIES: Does the department have any role in that? I know it is an issue that obviously comes up from local governments. What is the department's role in those conversations about resourcing and supporting the sector?

Ms H.M. BEAZLEY: I might defer to the director general on the support services that are available to local governments regarding the auditing process.

Ms L. Chopping: Thanks, minister. In terms of the resourcing support function that the local government division of the department performs, there is ongoing follow-up with local governments to support them to remediate the findings of the Auditor General's audits. That can be down to the fine-line items and the business support mechanisms that go around that and assisting them to clear those findings. When there are thematic findings across a series of local governments, we will work across local government to assist them to uplift so that they can improve across the board. In many of the Auditor General's reports, there are recommendations for the department. In fact, when I arrived at the department in 2021, there were dozens of actions that the Auditor General had pointed out that the department needed to do. All those, with one exception, have now been cleared and put to bed. When the Auditor General makes recommendations to the department about what we can do more effectively to support local government, we take up those matters. Often that is around things like assisting the financial capability development within local government. As part of our resourcing and support function, we now offer some capability guidance. We do capability reviews of the financial capacity of local governments and support them to uplift to get them to the level they need to be at. We have a hotline for local governments to call to talk about and clarify issues that are raised by the Auditor General. We also, from time to time, provide some guidance material for local governments about whether we believe the Auditor General has jurisdiction over the matters that they are inquiring about at the local government level. I just add that we also have implemented and hosted regular webinars with the local government sector. One of the streams of those webinars discusses Office of the Auditor General matters, and the OAG attends when relevant.

[10.40 am]

Ms M.J. DAVIES: I have a couple of follow-up questions there, minister. One of the criticisms is timeliness. I understand that once the audit is done, obviously work needs to be done if there are recommendations to remediate, but it is more about the process for local governments. I understand the philosophy behind having different auditors coming in on occasions so that one does not have the same auditor. That is important from a process perspective. But a lot of my local governments say to me that they get auditors who have absolutely no idea about the framework within which local government operates, and it takes significant amounts of time for their staff to provide the information, and then the follow-up information, and the timeliness sometimes impacts upon their ability to report in the minister's reporting system, which puts them at risk because of what is published about their financial ratios and capabilities. It is a serious enough issue that it gets raised at all the zone meetings that I go to with local governments—there are a lot of them, so I reckon I have a fair sample size! I need some confidence for my local governments that this is something that is being actively worked on and improved. One local government member said they feel like they are under constant audit. It is now a 12-month process when it used to be one month, maybe. I do not think that is a good use of their time, particularly if it is a small organisation that does not have the resources to manage this because it has other business to be doing.

Ms H.M. BEAZLEY: These are precisely the issues that are getting worked through with the Auditor General and her office at the moment. I, too, get that feedback, and I understand it. The delays can be at either end. Sometimes the delay is at a capability end at the local government level, and other times the delay is on the OAG side. In terms of the auditors being allocated by the Office of the Auditor General to local governments, that is an area that the Auditor General is very open to feedback on, and it is something that is actively being worked through in terms of building capacity within that office around the knowledge that is specific to local government operations.

Ms M.J. DAVIES: Through the minister, the director general mentioned that there was one outstanding recommendation from the Auditor General, and there were 21 when she started in the role. Can the minister provide some information to me on what the outstanding recommendation is and what is being done to rectify that?

Ms H.M. BEAZLEY: I am very pleased that all but one of those recommendations have been implemented, and I congratulate the director general on that. As the director general gets some information together, I will defer to her as someone who is much more intimately involved with her department's response.

Ms L. Chopping: Thanks, minister. The one outstanding item relates to the local government portal upgrade. This is an IT system whereby local governments lodge their content to be analysed by the department. As the member

would appreciate, IT projects come at a cost and have a very highly regimented procurement process, so that is part of the design work for digital transformation for the department more broadly. The work is ongoing there, but it is unlikely that the final outcome will be cleared until at least 2025, if not 2026.

I think there were 47 items in total, and 46 of those have been cleared. Thirty-one of those were closed specifically by the department, and 16 related to things that we oversee within the local government sector for its remediation. The department's independent audit and risk committee has an independent chair and independent members who actively oversee the department's remediation of those 47 items. They have been very pleased, obviously, with the progress that has been made.

The final recommendation, the LG portal upgrade or replacement to make life easier for the departmental staff and, importantly, for local governments, is a complex IT procurement. There is a range of those procurements going on at the department at the moment, and capacity is limited for all those projects going through at the same time.

Ms M.J. DAVIES: I am sorry; I might have missed it in the director general's answer, which was very comprehensive. What is the timeline for that to be completed? Is there funding in the budget in that service area for the delivery of that portal?

Ms H.M. BEAZLEY: I was going to answer that question, but the director general just gave me a very comprehensive answer, so I will defer to her rather than puppet-ing.

Ms L. Chopping: The department is undertaking a process to develop a digital transformation strategy, which is due to be delivered shortly into the new financial year for the department's executive. The local government portal will then have a business case developed for it wherein we will look at options for how it will be delivered and the total cost for it. There is no funding in the budget for it at the moment. We need a business case first before we can take a proposition to Treasury and then go through the budget process.

Ms M.J. DAVIES: Is there an end date in getting the business case completed and to Treasury?

Ms L. Chopping: Yes—sorry, minister!

Ms H.M. BEAZLEY: Thank you. I defer to the director general.

Ms L. Chopping: The future vision for the local government portal in particular is to implement a solution that will meet the business requirements within a single platform, focusing on improved record keeping for the department, security, data integrity and a data analytics capability that is a little more sophisticated than the one we have at the moment. Our ICT area has implemented two interim solutions for electronic submissions, and those currently exist, and local governments are well and truly familiar with those. The delivery of the portal is planned for early 2026. The business case development is currently in progress, and the business case and investment decision will need to be made early in 2025 for a 2026 delivery date. Expected benefits for the LG portal are a reduction in hours needed to lodge content from local governments, improved facilities for the research data and the compilation of reports across multiple areas from a compliance and reporting point of view.

[10.50 am]

Ms M.J. DAVIES: I refer again to page 540, regulation and support of local government, and the total cost of service. As one of my other duties, I sit on the Joint Standing Committee on the Corruption and Crime Commission, which is Parliament's oversight of the Corruption and Crime Commission, and one of the reports we have completed—it has been published so I am not speaking out of turn—is about what happens next to public servants or anyone who has been through that disciplinary process. As part of that inquiry, we were quite thorough in asking all departments to present and talk to us about their concerns. Local government featured heavily in some of the feedback we received as part of the submission process and also through the department. I think, because there are so many personnel in local government, there is the potential for greater risk of misconduct. Has the minister and the department looked at that report and noted some of the findings? Can the minister report on how the department is allocating resources to improve governance or help local government to meet their statutory requirements around misconduct, and any of the other recommendations?

Ms H.M. BEAZLEY: We are very well aware of the committee's report from late last year titled *What happens next? Beyond a finding of serious misconduct: Examining the responses to a finding of serious misconduct and building integrity in public agencies*. I know that our government issued its response in early March this year and acknowledged that 11 recommendations relate to government departments. Of those 11 recommendations, seven relate to the Minister for Local Government, two to the Department of Local Government, Sport and Cultural Industries, one to the Attorney General and one to the state government as a whole. I have seen our government's response and note that all the recommendations I have just noted were either supported in principle and/or have been noted by the state government. Any allegations or investigations that deal with corruption at the local government level go through the Department of Local Government, Sport and Cultural Industries. They can go through the CCC,

the Office of the Auditor General or the Public Sector Commissioner. The department itself is conducting education and training in this space, primarily through regularly held webinars and also through interagency information sharing, about what people can do to make sure they are in compliance with the act. But dealing with corruption at the local government level is at the heart of establishing the office of the local government inspector. That will be part of our tranche 2 reforms.

There will be much more beefing up of the ability to guide local government in appropriate behaviour and work ethics before getting to the point at which there is any type of fraudulent behaviour or corruption. There have been circumstances in the past whereby fraudulent behaviour has not necessarily been by design but through lack of knowledge, so education is very key in that space. We believe that the early intervention of monitors will go a long way towards capacity building, as will the more punitive measures that will be available to the inspector, the set of monitors to ensure compliance with the act, and being able to progress anything that has become of a serious nature. I know we all know of previous instances of fraudulent behaviour in local government, and that is really at the heart of what the office of the inspector is about, because we are trying to nip that in the bud before it becomes a cost to ratepayers. At the end of the day, fraud is a cost to ratepayers. We are trying to mitigate that in all its forms and ensure that local governments are operating within their ratepayers' set of expectations. The department has done a lot of education training and support work in that space; the office of local government inspector will be able to build on the good work of the department and do it in a slightly independent way.

I turn to what the department has done to date with the CCC and compliance issues. As I have said before, the department applies a risk-based approach to supporting local government and proactively monitors local councils. There are a lot of them, as we have repeatedly said. Since July last year, the department has undertaken early intervention actions with five local governments. Those early intervention actions focus on facilitating local governments to identify and address governance issues and improve their governance practices to prevent council dysfunction. Early intervention actions include—this is by no means an exhaustive list—assessing issues, data and complaints; meeting with councils and administration staff; issuing letters requesting information or action to address governance and/or compliance issues; providing advice on governance standards; monitoring media and local government council meetings; and continual engagement with local governments to progress the implementation of governance improvements.

The department has received a number of complaints since 2023 and has dealt with them all accordingly. The department uses the powers of the Local Government Act to facilitate the investigation of any serious breaches and enforce compliance with legislation governing the sector, including the use of direction notices issued under section 8.2 of the act. The use of these powers reinforces compliance with the act and promotes good governance in the local government sector. The Office of the Director General also refers matters to the Corruption and Crime Commission in circumstances in which there is a suspicion of serious misconduct. In 2023–24 to date, the department has issued three section 8.2 direction notices to local governments, 23 referrals to the Corruption and Crime Commission and 24 penalties through the Local Government Standards Panel. In 2023–24, the department has seen a reduction in the number of outstanding investigations, with a 40 per cent decrease in minor breach complaints and a 45 per cent decrease in serious breaches or offence complaints on hand compared with outstanding matters at the end of 2022–23.

Ms M.J. DAVIES: I have one further question to get us to 11 o'clock. I came to the committee halfway through that report being developed, but it struck me that local government and the local government sector was a big part of our discussion. I know that is because there are so many moving parts and interfaces with the community and different perceptions of what misconduct and serious misconduct is. I am interested in the minister's reflection. Sometimes there is an inability, going back to CEO recruitment, that they are—let me rephrase this. I need to be careful. There was some discussion around the fact that local councils are sometimes in the position of having no alternative other than to pay out a CEO to move them on, and then there can be no discussion as a result of that decision, and there is no register of someone who may have been moved on or moved on with a finding against them, so there is a bit of a churn of people who might have committed minor misconduct or had issues within the council. There was a discussion on the creation of a register, and I think one of the recommendations looked at whether—I am going from memory—that would be something the local government sector would find useful, and whether that is something the department would investigate. I would be interested in the minister's views on whether that has been contemplated to provide additional support to councils, so that in circumstances whereby there are bad players in the sector, there is some knowledge and information sharing about that, obviously balanced with privacy matters. It is not an easy issue and we struggle with it, but having been a member now for nearly 17 years, sadly, unfortunately, I have seen people who act in bad faith. They might be right on the line of not necessarily misconduct.

The CHAIR: Thank you very much, member.

Meeting suspended from 11.00 to 11.10 am

[Mrs M.R. Marshall took the chair.]

The CHAIR: Given we have a quorum again, we will resume. To remind everyone, we are dealing with division 36, Department of Local Government, Sport and Cultural Industries, service 3, local government. I believe we were with the member for Central Wheatbelt, who had a question.

Ms M.J. DAVIES: I am not going to repeat the preamble. We still have another hour to go, so I could. The crux of my question was about the discussion of a register. Again, it is going back to the recruitment process for CEOs and staff who may have been dismissed or moved on in unusual circumstances and the preventive work or support that is done in providing local governments with advice or a resource so that there is not a repetition of that. I will preface this by saying that I do not think that solves all the problems, and it is certainly fraught with some challenges to do with privacy, circumstances and things like that. I would be interested to know whether the department and the minister have looked at that recommendation and whether the recommendation has been set aside or looked at seriously.

Ms H.M. BEAZLEY: It is certainly something that I am aware of and that has been brought to my attention by various stakeholders. We supported that report recommendation in principle, but really very serious and due consideration needs to go to addressing potential issues relating to employment law, due process and privacy. Also in this space, we need to make sure that we do not unwittingly include any vexatious allegations or anything like that. I would also say about a resource like this for the recruitment of a CEO that it is incumbent on local governments, obviously, to employ a CEO but also to do their due diligence in that employment. If they are ringing referees or using their contacts within local government, I would hazard a guess that they would hear very quickly from our WA community if there was a legitimate issue.

Ms M.J. DAVIES: You would think, but that is not my experience, minister.

Ms H.M. BEAZLEY: I know. It is a shame, and we rely on common sense. We support resourcing that as well in principle. There are some significant issues to work through. Also, we need to ensure that our CEOs are supported and do not constantly feel under attack. Less than a handful of complaints have been made against CEOs, so we have to keep all that in perspective as well. The department has funded Local Government Professionals WA, otherwise known as LG Pro, for a CEO program in 2023–24 to help develop CEOs within the sector. It is certainly something we are actively looking at because working in local government should be a desirable career and an elevation to the position of CEO should also be an incredibly desired position. That is not consistently the case throughout local government, so that is the area we are dealing with. Like I said, local councils have to meet due diligence and we are looking at how we can support them in that due diligence.

[11.10 am]

Ms M.J. DAVIES: I agree in particular with the minister's comments that CEOs play an incredibly important role in an increasingly complex environment. I am glad to hear that there is funding in the budget for the development of CEOs because, as I see it, an increasing number of CEOs are stepping out of the sector because of that complexity and the pressures. I would be interested in the minister's or the department's comments. As members of Parliament, I think we see a little bit of that in people's expectation in a day when they can contact members immediately, but also in really complex matters like bushfire management and the risks that come with being in those statutory roles in my part of the world and those in areas where they have emergency services management responsibilities. Can I ask for advice on whether the department monitors the turnover, the number of CEOs, how many there are at certain levels, the tiers of local government and what the pipeline looks like from a central perspective—or is that something that WALGA or others are responsible for managing?

Ms H.M. BEAZLEY: It is not necessarily an area of responsibility. It is certainly in stated KPIs, but the department works with all those sorts of stakeholders to try to develop our CEOs within the system. That is where stakeholders such as WALGA and LG Pro have a particularly significant role—particularly LG Pro in this space; its sole focus is the support of local government professionals, particularly senior levels of CEO. They are very well aware of those issues with the pipeline, development and desirability. The department itself does not monitor CEO placements but it has regular meetings to triage any risks or CEO vulnerabilities. Certainly, administrative staff access LG Pro for support and development. When I mentioned before that the department takes a risk-based approach to supporting and monitoring various local governments, that rate of CEO turnover is an indicator through the Riskwest model. It is somewhat monitored when it comes to risk, but, in terms of just monitoring a constant churn of staff, it is not to the level because local governments are autonomous beings. We are very well aware of it, and that is one of the reasons the department has funded LG Pro for the CEO development package.

[11.20 am]

Mr P.J. RUNDLE: I understand that there is usually a pool of perhaps semi-retired CEOs for when someone goes on leave for three months or six months or whatever. Does the department have any interaction with the formulation of that pool? Does it help with placement, or does that fall outside its remit?

Ms H.M. BEAZLEY: Can I clarify whether the member is talking about how many temporary CEOs might be available or about risk? We just had the risk conversation, so I am just wondering: is the member talking about general resourcing?

Mr P.J. RUNDLE: Probably both, to be honest.

Ms H.M. BEAZLEY: Okay. WALGA has a pool of temporary CEOs. That is not the department's role; WALGA has taken it upon itself to provide that to the sector because there was obviously a need for it, but the department liaises very regularly with WALGA on the names it is circulating as part of that pool to ensure that risk is mitigated if there are known issues with, for example, someone who may have been in the sector for a very long time and there is a reason why they are not there anymore, or the past exposure they had was not up to standard. But, like I said, there have been fewer than a handful of complaints against CEOs. Just in terms of their mental health, we talk about the bad behaviour of CEOs to a disproportionate degree compared with what actually goes on, because it is an incredibly professional sector, on the whole.

Mr P.J. RUNDLE: This question is probably a little left field, but I thought I would bring it up to see whether the minister has a comment.

Ms H.M. BEAZLEY: Why not!

Mr P.J. RUNDLE: It is the issue of the disposal of rubbish by city councils in rural areas, such as North Bannister. I get complaints all the time about city rubbish being dumped out in the regions, and I know the member for Central Wheatbelt has also experienced that issue over time. A lot of rubbish flies out onto the road on the way down and is spread all over the place. Does the department have any interactions with councils, city and regional, on that issue? As I said, it is slightly left field.

Ms H.M. BEAZLEY: It is a bit more than slightly left field, member! The department liaises with local governments on their waste management, but waste management is the remit of the Minister for Environment. The advice to local governments when those sorts of dumping issues occur is to take it up with the Minister for Environment and his departments, because that is where waste management sits. We help facilitate local governments doing their duty with waste management, but we do not have control over it.

Ms C.M. TONKIN: I refer to page 534 of volume 2 of budget paper No 2 and paragraph 8 under "Local Government Regulatory Reforms". Can the minister please provide an update on the delivery of the Cook government's landmark local government reforms?

Ms H.M. BEAZLEY: I thank the member for the question. I point out that last month we introduced new long service leave regulations to provide clarity and certainty on entitlements for around 20 000 Western Australian local government workers. The new regulations will improve the operation of the local government long service leave portability scheme, which is an integral part of local government employment conditions. This means that when staff change employment from one local government to another, their previous service will continue to count towards their long service leave entitlements.

My apologies, was the member asking about local government reform or long service leave?

Ms C.M. TONKIN: I was asking about local government reform.

Ms H.M. BEAZLEY: Yes, I will speak about that. I have a lot to say about long service leave, but the member asked about reform, so I will go back to that.

As the member will be aware, the Local Government Amendment Bill 2023 was passed in May last year. That was the first tranche of the biggest set of local government sector reforms in 25 years. Since then, a range of positive reforms have come into effect. There have been electoral reforms, including optional preferential voting, the backfilling of vacancies and improved information for ratepayers, which came into effect for the local government elections in October 2023. We have also standardised and streamlined financial reporting through new model financial statements. Many other reforms, such as election caretaker periods and live streaming of meetings, are currently being transitioned in. In February, I opened consultation on proposed standardised meeting procedures; that consultation will close soon. Work on the second tranche legislation continues and is set for introduction into Parliament as soon as possible.

The department has produced a range of information materials to support local governments in implementing these reforms. The department reform team has done an incredible job, so I would like to acknowledge that team and its director, who is here today; I take this opportunity to thank him and his team. The government will continue to deliver these reforms in close consultation with sector stakeholders. In contrast with the previous government,

the Cook Labor government's local government reforms continue to deliver tangible benefits to ratepayers and local governments.

I apologise to the member for my confusion in reading the wrong notes at the beginning of my answer.

Ms M.J. DAVIES: I have two new questions, but I will start with this one on the same area—the regulation and support of local government. I note that in the Western Australian Local Government Association's budget submission, there is reference to an independent oversight body for child safeguarding.

Ms H.M. BEAZLEY: Sorry, independent oversight —

Ms M.J. DAVIES: The establishment of an independent child safeguarding oversight body. I think it arises from the fact that local governments have quite significant interactions with organisations that have interactions with children. They also have the capacity to provide leadership to other organisations. The sector has identified that it needs some capacity-building support, guidance and funding to play that role. So far, an implementation unit has been put in place to assist the department in meeting its responsibilities under the royal commission recommendations, but WALGA has said that it would like to see a whole-of-government approach and particularly some funding for local governments to increase their capacity to respond to, support and provide leadership for their communities.

[11.30 am]

Ms H.M. BEAZLEY: An independent oversight body would operate in such a way that it would fall under the responsibility of Minister Winton. With regard to local governments and the budgeting associated with child safeguarding, the child safeguarding implementation unit that the member just referred to is part of the Department of Local Government, Sport and Cultural Industries. It works to ensure that the children and young people who engage with the department and its sector partners are safe and protected. That unit coordinates the department's responses to requests for information, improves the department's own child safeguarding practices, supports the department's sector partners to implement child-safe practices and responds to the various findings of reports, such as Sport Integrity Australia's *Western Australian Institute of Sport: Women's artistic gymnastics program review*.

Ms M.J. DAVIES: Can the minister advise the FTE funding associated with that unit and the funding that will be available to support, enhance or capacity build within the sector more broadly to meet its responsibilities?

Ms H.M. BEAZLEY: In the 2024–25 budget year, \$1.65 million is dedicated to that unit, and seven FTE are associated with that unit.

Ms M.J. DAVIES: Is the \$1.65 million program funding or does it include the FTEs?

Ms H.M. BEAZLEY: That includes the FTEs. Having confirmed with the chief finance officer, it is for the FTEs.

Ms M.J. DAVIES: The amount of \$1.65 million covers the seven FTEs. Is there program funding or additional funding that local governments can access to increase or build their capacity, as was requested?

Ms H.M. BEAZLEY: That is the work of those seven FTEs themselves, but I will defer to the director general to extrapolate.

Ms L. Chopping: The Child Safeguarding Unit currently comprises seven FTEs, three of whom are funded through time-limited funding from the Department of Justice to meet the Department of Local Government, Sport and Cultural Industries' requirements under the National Redress Scheme. The remainder FTEs exist, firstly, to ensure that all the departmental services are child safe and, secondly, to ensure that all the entities for which we have regulatory responsibility are operating in a child-safe manner. Part of it includes working with the Western Australian Local Government Association and individual local governments on their implementation of the national principles to ensure that their services are safe. I want to put on record the four local governments that are exemplars of good practice working with us in that space. They are the City of Melville, the City of Swan, the Shire of Narembeen and the Shire of West Arthur. They have all collaborated intensively with our staff to uplift their capability. They have not received additional funding to do so; they have done so because they recognise that child safeguarding is everyone's responsibility in the same way that work health and safety and other compliance obligations are everyone's responsibility. They have done a remarkable job. Those benchmarked examples of good practice have been shared across the local government sector so that other local governments can, if they choose, replicate, with our support, the initiatives of those exemplars or they can call upon us for additional support in their implementation. We have had things like poster campaigns, and model standards and practices policies have been rolled out and accepted across the sector. The work is done by experts in child safeguarding, who are dedicated to ensuring that the 139 local governments in this state are child safe.

Ms M.J. DAVIES: The director general mentioned four local governments—excellent, one of them, the Shire of Narembeen, is in my electorate—very good. Does the minister have a list of where the other local governments are at after having gone through the process of assessing their capability and current status? There are obviously

obligations. How is the department monitoring all the other local governments? It sounds like the four mentioned were very proactive. Presumably at some point, the department will need a push to make sure that it does not find itself with a local government that has done no work in this space and is creating risk in the community and the sector more broadly.

Ms H.M. BEAZLEY: The department is not the oversight body in this space. What it can do is provide support and training, which is what it is doing. It will provide further training to local governments to implement reforms, particularly those with high child engagement. It is not the oversight body, but it takes this issue very seriously and is dedicating resources to the supports that it can provide local governments in that space to ensure they have the capacity and capability to do so.

Ms M.J. DAVIES: As part of that work, has the department done a risk assessment or an assessment across the sector in each local government, either with local government or independently, to identify where there are gaps and where there can be improvements, or is it very much driven by each local government wanting to participate and having their own obligations under the royal commission?

Ms H.M. BEAZLEY: It is, and this is a part of local governments being autonomous decision-makers. What we can do is encourage and support. The department is about to roll out a survey—just next month, I have been told—in order to gauge where everybody is at and provide the necessary supports in the child safeguarding area.

Mr P.J. RUNDLE: I refer to the registration work that local governments do for the Department of Transport. Does the minister interact with the off-road vehicle account or is that the responsibility of a different —

Ms H.M. BEAZLEY: Off-road vehicles are part of my remit.

Mr P.J. RUNDLE: Can the minister provide some details? Last year's budget showed that \$258 000 was transferred to the off-road vehicle account, but I am struggling to locate it in this year's budget. Can the minister enlighten us at all?

Ms H.M. BEAZLEY: I do not have the line item, but I will get it for the member. As the member knows, the ORV account is populated by moneys from the registrations of those who own and register their off-road vehicle. I refer the member to page 555. It sits within the line item "Other Regulatory Fees and Fines".

Mr P.J. RUNDLE: What amount has been transferred to the off-road vehicle account this year?

Ms H.M. BEAZLEY: There was \$878 000 as of 29 February this year. The revenue generating the ORV account has amounted to \$980 814. There has been no expenditure so far this year.

[11.40 am]

Mr P.J. RUNDLE: Can the minister outline how the process of subcontracting to the Department of Transport works when someone goes to their local council office to pay a bill or whatever? Does the council get a fee for each item it processes? How is that managed?

Ms H.M. BEAZLEY: Councils do not register off-road vehicles; they are registered by the Department of Transport. The money that the Department of Transport collects when off-road vehicles are registered is transferred into the off-road vehicles account. Local governments that manage areas used by off-road vehicles can go through that process in order to access funds.

Mr P.J. RUNDLE: For normal registrations and the like, is that just a fee for service? Are registrations et cetera managed by local governments on a contract basis with the Department of Transport? Let us say that I sell my car to the member for Central Wheatbelt and we arrange for the payment of a transfer fee or stamp duty and the like, which is processed by a local government authority. Is that done on a contract basis by a local government for the Department of Transport?

Ms H.M. BEAZLEY: I am slightly confused by the question because local governments do not handle registrations. If someone owns an off-road vehicle, they would not register it with their local government.

Mr P.J. RUNDLE: I am talking about normal registrations, not off-road vehicle registrations.

Ms H.M. BEAZLEY: Is the member talking about normal registrations?

Mr P.J. RUNDLE: Yes.

Ms H.M. BEAZLEY: I apologise. The member would need to ask the Minister for Transport.

Mr P.J. RUNDLE: So it has nothing at all to do with local governments?

Ms H.M. BEAZLEY: No.

Ms C.M. TONKIN: I am partly interested in long service leave.

Ms H.M. BEAZLEY: I am so pleased to hear it, member!

Ms C.M. TONKIN: I refer the minister to “Regulation and Support of Local Government” on page 536 of budget paper No 2. Can the minister please provide an overview of the reforms to the local government long service leave regulations that have been introduced by the Cook government?

Ms H.M. BEAZLEY: I am so pleased that I now have my listening ears on. I will not say what I have already said, except I will very quickly say that last month we introduced long service leave entitlements, providing certainty around them. The local government sector has a lot of employees; 23 000 people work in local government around Western Australia. The size of that workforce is often underestimated in the community. These entitlements and their extension affect all those employees and their families.

The new regulations will improve the portability of long service leave entitlements. If an employee moves from the Shire of Ashburton to the Shire of Broome, their long service leave will automatically carry over to their new place of employment. Even though they will be employed by a different employer, they will still be in the sector. The reforms will enable sector-wide portability and a longer permitted break between local government sector employers while still maintaining employee continuity of service. Very pleasing for me, the reforms will allow parental leave from the Australian government to count towards long service leave. That break in service will not affect parents’ entitlements. The reforms will also allow employees to access advanced long service leave and provide them with the option to cash out long service leave. They will also provide clear protections for entitlements in the event of unlawful or unfair dismissal.

These changes will also bring specific benefits for employees who have worked casually or part time or have moved between employers. They will replace outdated regulations. It is just one part of the Cook government’s reform agenda. As I have said a number of times, and I am happy to keep repeating it, they are the biggest reforms to the sector in 25 years. These changes will bring much-needed clarity to employees’ entitlements in different situations. We expect that it will also be easier for local government employers to calculate and administer long service leave. It is a win-win for both parties.

Ensuring that part-time or casual workers have fair access to long service leave is especially important, again, for women and younger people in our local government workforce. Tens of thousands of Western Australians serve our community by working in local government, and their dedication needs to be recognised and fairly rewarded through long service leave.

I would like to take a moment to thank a few of the players. The new reforms on long service leave entitlements have been a long time coming; they have been called for by various stakeholders for some time. I would like to thank the sector’s unions, the Western Australian Local Government Association and Local Government Professionals Australia WA for their input into these important reforms. I know that they have been incredibly well received by those in the sector.

Ms M.J. DAVIES: I have a very quick question relating to service 3, “Regulation and Support of Local Government” on page 540 of budget paper No 2. I read that there was a review of the Cemeteries Act 1986 and the Cremation Act 1929. I think they are two of the things the minister is responsible for as the Minister for Local Government.

Ms H.M. BEAZLEY: They are.

Ms M.J. DAVIES: I understand that a discussion paper was released at the end of 2023. Can the minister provide me with an update on the progress of that review and what outcomes the government is looking to achieve?

Ms H.M. BEAZLEY: Yes, the Cemeteries Act is within my purview. Interestingly, the Minister for Health is responsible for the Cremation Act.

Ms M.J. DAVIES: Really?

Ms H.M. BEAZLEY: We reviewed both acts together, as is appropriate. Public consultation on that legislation closed a little over a month ago, on 15 March 2024. Now that the public consultation period has closed, the department is reviewing and analysing the 229 submissions that were received from 95 individual respondents during the consultation process. That feedback will inform what happens next. It is anticipated that the consultation summary from that process will be released by the end of this year, and that will drive forward work. The time it will take to implement any possible reforms will depend on the extent and nature of the reforms required.

Ms M.J. DAVIES: Has the government contemplated centralising the charging system? I understand that local governments charge for the use of the cemeteries they manage. They set the rates individually. Is that likely to change or does the government have a policy position on centralising or changing that system?

Ms H.M. BEAZLEY: To be honest, that issue has not been raised separately with me as local government minister or the person associated with cemeteries, somewhat surprisingly. I hear most things, but I have not heard that one. As such, it may very well have come through in the feedback that is currently being analysed. If so, it will be part

of the process of figuring out the next steps associated with the costs. That is a new one for me. It is not topically brought up.

Ms M.J. DAVIES: I think that is the very nature of cemeteries and death; we do not think about them until we have to deal with them.

I know people working in the industry who have a direct interface with all those local governments. From a local government perspective, it is important because there is nothing worse than turning up to find that a hole has not been dug or the cemetery has not been taken care of. Enabling local governments to set their own rates is the position that WALGA has in terms of its advocacy. I am interested in allowing those local governments to have some autonomy going forward rather than centralising the process.

I return to the minister's earlier comment when she said that the Cremation Act is not in her portfolio. That is a shame.

Ms H.M. BEAZLEY: We are dealing with them both together though.

[11.50 am]

Ms M.J. DAVIES: With the minister's indulgence, and I will follow it up with the Minister for Health as well, it has been put to me that there is no crematorium between Perth and Kalgoorlie and that people from regional communities in that part of the world have to come to Perth. The crematoriums are regulated by the state government, so a private sector operator cannot just set one up and off it goes. Is this something that the government has turned its mind to or is open to having a discussion about, certainly in terms of locations and making it more accessible for communities that are remote from the Perth metropolitan area?

Ms H.M. BEAZLEY: The issues with crematoria definitely have been discussed, particularly within the context of the review of the two acts. A discussion paper was released last year that sought public comment on the key proposal that cremations continue to be operated by publicly owned crematoria, which, as the member just mentioned, has been the practice for many decades.

Ms M.J. DAVIES: I am very supportive of that; I am not interested in the private sector as I do not think that is appropriate.

Ms H.M. BEAZLEY: Noted; that feedback is gratefully received, member. Those submissions are currently being analysed by the department, but access to services is always key to that. I thank the member, and I will continue those discussions with the department as we analyse that review.

Ms L. METTAM: My question relates to the explanation of significant movements on page 541 of budget paper No 2. The first note refers to —

... the Asset Maintenance Fund for high priority safety needs at Albany Entertainment Centre and works at other cultural sites around the State.

Can the minister outline what that contribution is, provide a bit of information about those works and tell us what are the other sites around the state?

Ms H.M. BEAZLEY: I am sorry; that sits under Minister Templeman as Minister for Culture and the Arts.

Ms M.J. DAVIES: I have just one more question and then I think we are done. It is on the same budget line item, "Regulation and Support of Local Government". Some feedback I get from local governments is around the country local government fund that existed under the previous government and their desire for it to be returned to support them to deliver some essential works and services in their communities. Is there allowance, capacity or work being done within the forward estimates around reinstating the fund, not necessarily as it was but in some capacity, to create a funding stream for our local governments in regional Western Australia to access for essential works and services to support the delivery of what they are responsible for in their communities?

Ms H.M. BEAZLEY: I thank the member for the question. Although that fund was for local governments, it actually sat under the Minister for Finance, I believe, so it was never something that was reportable through this ministership. This is not the first time that the fund has been brought up with me; it is brought up with me regularly, particularly in country areas. That fund was used to support road infrastructure and that sort of thing, which is also brought up with me a lot. Even though there is not a dedicated fund like the one that previously existed under Finance, we fund roads and other infrastructure through other means. In terms of the Minister for Transport, there has been record investment in that space. I know that the department is working with Finance on better practice and raising awareness across government, as required, on the needs of our local governments in that space. I know it is surprising, but that is not an area that this ministership would have had control over.

Ms M.J. DAVIES: The minister is relatively new in the role, so there is always an opportunity for her to put her stamp on the portfolio. It is an election year. I know that every one of those local governments would welcome, with Local Government Week coming up, the minister's advocacy to the Minister for Regional Development,

Treasury or both for the return of that fund. I acknowledge that some of our local governments previously spent the funding on roads, but I can tell the minister that it was used for a significantly more diverse delivery than that. Local governments had road funding allocations, so a lot of it was used, in the first instance, on essential infrastructure works. Some time down the track they shifted to doing more collaborative works with neighbours to create greater efficiency in service delivery. It was also used to provide amenity upgrades and support non-government organisations in their community to run service provision for child care. As the minister would know, a lot of our local governments in regional Western Australia actually fill the gaps in terms of doctor provision and childcare services, and they foot the bill for a lot of that when they have no capacity to raise rates. I put to the minister that somewhere along these forward estimates there is a conversation to be had with the Minister for Regional Development and the Treasurer around reinstating some form of local government fund.

Ms H.M. BEAZLEY: Very much noted, member.

Ms M.J. DAVIES: Thank you.

The CHAIR: Any further or new questions?

Ms L. METTAM: I will give this a go. I refer to page 532 of budget paper No 2. This is about recreational camps.

Ms H.M. BEAZLEY: Unfortunately, that comes under Sport and Recreation.

Mr P.J. RUNDLE: I refer to page 551 of budget paper No 2. About 90 per cent of the way down is the heading “Local Government” and under that is the line item “Activate Perth”. There is \$250 000 for this budget year and then another \$250 000 before it disappears from the out years. Can the minister outline why that funding is being cut off?

Ms H.M. BEAZLEY: The department entered into an agreement to support Activate Perth’s operations and extend its services to expand the Fill This Space program for four years. That was the ask of Activate Perth. This is the fulfilment of the ask for that program. Activate Perth is an incorporated body. We will see how that work goes, whether the key performance indicators are met and whether there are any future requests. There will be an evaluation process at the end of that agreement.

Mr P.J. RUNDLE: Has any application been made by that group to continue funding further into the out years or is it just a four-year program?

Ms H.M. BEAZLEY: Not to the best of my knowledge past 2025–26. Activate Perth is certainly an active advocate for the work that it does. I know that it is keen for local government support as well.

The appropriation was recommended.