Supporting Information

Background

Recent *Local Government Act 1995* (the Act) reforms through *the Local Government Amendments Act 2024*, will introduce changes to local Government Audit, Risk and Improvement committee Functions.

The Presiding Member of the Audit, Risk and Improvement Committee (ARIC) will be required to be a person who is not:

- A current council member of the Local Government or another Local Government or
- An employee of the Local Government.

Former Council Members are eligible.

These Act and Regulation amendments are expected to be effective in late 2025/early 2026. Transitional provisions will allow a further 6-month period for Local Governments to establish their ARIC and appoint, in accordance with the amended Act provisions, Committee membership that ***must*** include:

- An Independent Presiding Member ***and***
- Independent Deputy of the Presiding Member, and
- Optionally ***may*** appoint an Independent Deputy Presiding Member.

These reforms are intended to achieve independent oversight through an independent person chairing (presiding over) committee meetings.

Independent Member Roles and Responsibilities

Appointment to an ARIC is an appointment to specified office that is a member of the committee, in accordance with *Local Government Act 1995* provisions. The specified offices prescribed in the Act, include:

- **Presiding Member** – refer LG Act s.5.12(1) and the yet to be proclaimed s.7.1A *(Local government Amendment Act 2023)*
- **Deputy of the Presiding Member** – refer LG Act s.5.12(1) and the yet to be proclaimed s.7.1B *(Local government Amendment Act 2023)*
- **Deputy Presiding Member** – refer LG Act s.5.12(1) and the yet to be proclaimed s.7.1B *(Local government Amendment Act 2023).*

<u>An appointment is not a contract for supply of services or employment.</u> It is a legislative appointment to a statutory office.

ARIC Presiding Member

The independent Presiding Member is responsible for ensuring meetings are conducted in accordance with the *Local Government Act 1995* and legislated meeting procedures.

This includes:

- Preparing to attend Committee meetings, including in advance of Committee meetings:
    - Prerequisite reading of agenda and attachments to the agenda, and
    - Seeking advice, additional information, or clarifications regarding matters included in the agenda from the Local Government's CEO.
- Attending and presiding at Committee meetings, facilitating the meeting to progress through the order of business specified in the agenda.
- Maintaining orderly conduct of the meeting, Committee Members and members of the public.
- Complying with the *Local Government (Model Code of Conduct) Regulations 2021* as applicable to a Committee member.
- Disclosing Direct Financial, Indirect Financial, Proximity and Impartiality interests in relation to matters considered by the Committee (refer *Local Government Act 1995*, Part 5, Division 6, Subdivision 1 and the Model Code of Conduct Regulations).
- Facilitating the process of motions, including debate and voting requirements.
- Participating in debate, contributing your expertise and experience in the decision-making process and vote.
- Liaising with the Local Government's CEO, seeking advice or support to ensure Committee compliance, operational and business requirements are met.

Audit, Risk and Improvement Committee Deputy of the Presiding Member

Perform the role and responsibilities of the Audit, Risk and Improvement Presiding Member, when the Presiding Member is unable to attend a Committee Meeting.
Local Government's may additionally choose to appoint the Deputy of the Presiding Member as a Committee Member, with a Committee Member being required to:

- Preparing to attend Committee meetings, including in advance of Committee meetings:
    - prerequisite reading of agenda and attachments to the agenda, and
    - seeking advice, additional information, or clarifications regarding matters included in the agenda from the Local Government's CEO.
- Attending Committee meetings.
- Complying with the *Local Government (Model Code of Conduct) Regulations 2021* as applicable to a Committee Member.
- Disclosing Direct Financial, Indirect Financial, Proximity and Impartiality interests in relation to matters considered by the Committee (refer *Local Government Act 1995*, Part 5, Division 6, Subdivision 1 and the Model Code of Conduct Regulations).
- Participating in debate, contributing your expertise and experience in the decision-making process and vote.

- Liaising with the CEO, seeking advice or support to ensure your effective participation as a Committee Member.

Audit, Risk and Improvement Committee, Deputy Presiding Member

(optional Local Government appointment)
Perform the role and responsibilities of the Audit, Risk and Improvement Presiding Member, when the Presiding Member or Deputy of the Presiding Member is unable to attend a Committee Meeting – refer LG Act s.5.13.
Perform the duties of a Committee Member, as outlined above.

Remuneration

Local Governments may only remunerate independent Committee Members in accordance with the annually reviewed Salaries and Allowances Tribunal (WA) *Determination for Local Government Chief Executive Officers and Council Members*, which provides the following arrangements effective from 1 July 2025.

Meeting Attendance Fee – Independent Committee Member

The meeting attendance fee is paid per meeting attended and is inclusive of:

- time required to prepare adequately for meetings (consideration of agenda papers and consultation with Local Government staff), and
- meeting attendance.

Local Governments determine the meeting attendance fee to be paid within the Salaries and Allowances Tribunal Determination range of $0 to $450.

The Local Government may also pay the meeting attendance fee where the Council has requested the Committee Member to attend a meeting other than a committee meeting.

Reimbursement of expenses

Committee members are also entitled to be reimbursed for:

- Travel and associated expenses incurred relevant to attending a committee meeting or performing a function with the express approval of the Local Government. The extent to which reasonable travel costs may be reimbursed is:
    - If the committee member lives or works in the local government district or an adjoining local government district, the actual cost for the person to travel from the person's place of residence or work to the meeting and back; or

- If the person does not live or work in the local government district or an adjoining local government district, the actual costs in relation to a journey from the person's place of residence or work and back;
    - For the person's travel from the person's place of residence or work to the meeting and back; or
    - If the distance travelled is more than 100kms, for the person to travel from the outer boundary of an adjoining local government district to the meeting and back to that boundary.
- Travel costs incurred while travelling in a privately owned or leased vehicle (rather than a commercially hired vehicle) are to be calculated at the same rate contained in Section 30.6 of the Local Government Officers' (Western Australia) Award 2021 as at the date of the SAT Determination. For electric vehicles, the 1600cc Motor Vehicle Allowance rate will be applied.

- Childcare costs being up to $35 per hour. If the committee member incurs costs greater than $35 per hour, the Local Government may reimburse the elected member the actual costs upon provision of sufficient receipts / evidence to satisfy the Local Government that the expense has been legitimately incurred.
- The extent to which accommodation and meal costs may be reimbursed is in the same or similar circumstances under the Public Service Award 1992 issued by the WA Industrial Relations Commission as at the date of the Salaries and Allowances Tribunal's annual determination.

Reimbursement is subject to the Local Government being satisfied that the expenses have been reasonably incurred. Local Governments will provide procedures for Committee Members to make reimbursement claims.

Local Governments may directly fund a reimbursable expense, without requiring the Committee Member to incur the expense personally.