



Local Government Electoral Review

STAGE 2 REPORT

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Foreword

The Local Government Electoral Review Panel's (the Panel) discussion paper, released in September 2013, opened up a dialogue on issues surrounding local government elections that are important to voters and candidates, policy makers and regulators. The Panel's Stage 1 report delivered 41 recommendations for reform of the arrangements relating to local government elections.

This second and final report has allowed us to have a broader conversation and present the views put to the Panel around what makes for effective representation in local government. It has also allowed us to look more deeply into issues of fairness and consistency within councils, between councils and at a system-wide level. These different viewpoints are all relevant in informing the 14 recommendations contained in this report.

The Panel found that the current system of electoral representation and the process of reviewing arrangements in each municipality could be further strengthened. Issues relating to councillor to voter ratios and ward structures are important policy questions and are at the heart of determining how the representative functions of local government are served. As policy matters that are critical to the work of the Victorian Electoral Commission (VEC), they are matters on which the State Government could offer additional guidance.

The ideas put forward here are complementary to the Stage 1 report, being focused on fairness and consistency and in making a contribution to participation in and the integrity of the overall electoral system, as anticipated by our terms of reference.

I would like to again thank the public for their contribution to the review, and acknowledge the ongoing support and assistance from the Electoral Commissioner and the professional and committed staff at the VEC.

Finally, I would like to thank my Panel colleagues, Sally Davis and Anne Murphy OAM, the Head of the Panel Secretariat, Kendrea Pope and other Secretariat members (Chris Phoon, Tim Presnell, Peter Jones and Carly Moorfield) for their work.

I commend the report to the Minister for Local Government.

Petro Georgiou AO

Chair

Local Government Electoral Review Panel

Local Government Electoral Review Panel

**Panel Chair**

Petro Georgiou AO (centre)

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Terms of reference

The Panel was charged with the responsibility of conducting a review and providing advice to the Minister for Local Government on the following subjects.

1. Electoral process

Whether improvements can be made to ensure the integrity of the electoral process, including addressing matters raised in the course of the 2012 election including, but not limited to, the following:

- a) candidate integrity, including issues regarding ‘dummy’ candidates, information disclosure, existing candidacy requirements, campaign funding and disclosure
- b) the role of the Victorian Electoral Commission in electoral administration and cost implications of this for councils, complaint handling and timeliness in responding.

2. Participation

Whether improvements can be made to ensure the highest level of participation in local government elections, including:

- a) improving public understanding and awareness of elections and candidates
- b) consistency and promoting greater understanding of voter eligibility rules
- c) use of postal and attendance voting and impact on informal voting
- d) franchise and eligibility provisions.

3. Integrity

Whether any other changes can be made that will enhance the integrity of local government elections, candidate conduct and governance.

4. Electoral representation

Whether the current system of electoral representation is appropriate to ensure fairness and consistency of representation within municipalities and between municipalities including:

- a) distribution of wards
- b) different ballot counting systems (proportional and preferential) across municipalities.

Terms of reference addressed by Stage 2 report

The Stage 2 report addresses the fourth term of reference: electoral representation. In assessing the fairness and consistency of representation in local government, the Panel examined ward structures, councillor numbers and the electoral representation review process. It also considered voting and ballot counting systems and the process for filling casual vacancies.

The Stage 1 report addressed the first three terms of reference: the electoral process, participation, and integrity.

Figure 1 shows the structure of the two reports as they relate to the terms of reference.

STAGE 1 REPORT					STAGE 2 REPORT
Terms of Reference 1–3 Electoral process Participation Integrity					Term of Reference 4 Electoral representation
Voters	Candidates	Caretaker period	Elections	After the elections	Councillor numbers
Voter franchise Roll integrity	Candidacy requirements and nomination process Information to assist meaningful participation by voters Campaign donations Dummy candidates, candidate participation and candidate capability	Legislative provisions Council policies	Polling method Election services provision Complaint handling and candidate investigation and prosecution	Non-voting enforcement Election validity	Ward structures Electoral representation reviews Voting and ballot counting Filling casual vacancies

Figure 1: Terms of reference addressed by the Stage 1 and Stage 2 reports

Glossary and abbreviations

Bains Review	State of Victoria 1979, <i>Board of Review of the role, structure and administration of local government in Victoria: Final report.</i>
electoral structure	in relation to a council, the electoral structure comprises: <ul style="list-style-type: none">• the number of councillors assigned to each council• the ward structure: whether the council is divided into wards or is unsubdivided
MAV	Municipal Association of Victoria
multi-member ward	a council ward is represented by two or more councillors
non-uniform multi-member wards	the number of councillors in each ward is more than one, but not the same number
optional preferential voting	voters need to indicate a first preference only. Voters may indicate more than one preference if they wish
Panel	Local Government Electoral Review Panel
partial preferential voting	voters are required to express a number of preferences equal to the number of councillor vacancies
single-member ward	a council ward is represented by one councillor
state	State of Victoria
triennial	once every three years
uniform multi-member wards	each ward in a council has the same number of councillors
VEC	Victorian Electoral Commission
VLGA	Victorian Local Governance Association
unsubdivided	a council not divided into wards

Executive summary

Background and context

This report deals with the Local Government Electoral Review's fourth term of reference: how to achieve fairness and consistency of representation within and between municipalities. It considers policy questions relating to councillor numbers, ward structures and voting and ballot counting systems. It also analyses the VEC's role as the review authority.

The basis for the conduct of local government elections is set out in the Victorian *Local Government Act 1989* and the *Local Government (Electoral) Regulations 2005*.

The electoral system must be fair, consistent and transparent. There are significant policy questions surrounding the design of the current electoral system, which is characterised by a patchwork of different electoral structures across the state.

Guided by its terms of reference, the Panel has focused on the following questions in this report:

- Is there equal value for each vote?
- Are electoral structures internally uniform?
- Is each councillor elected to any given council elected with the same proportion of voter support?
- Is it evident that the decision making criteria around councillor numbers and structures are used in a consistent way between reviews?
- Are the electoral structures across the state consistent with fairness and consistency of representation?

The 2012 local government elections were the subject of a significantly higher number of complaints than the number received during the 2008 elections. Participation rates were also the lowest they had been since the amalgamations of the 1990s.

The Panel believes that electoral structures should be more predictable, transparent and demonstrably fair and equitable to voters, councillors and participants. This report outlines how these changes may be achieved.

Scope and conduct of the inquiry

On 14 August 2013, the then Minister for Local Government, the Hon. Jeanette Powell MP, appointed the Panel, asking it to inquire into and report on the operation of local government democracy in Victoria.

Actions taken to consult with the community in preparing the Panel's reports are described below.

17–21 SEPTEMBER 2013

Public consultation announced:

- public hearings: interested parties could register online, by email, over the telephone or via post. Members of the public were welcome to attend
- written submissions: interested parties could make a submission online, by email or by post
- dates of 13 public hearings, the process for written submissions and where public hearings would be held were advertised in major metropolitan newspapers, and regional newspapers where public hearings would be held
- candidates at the 2012 council elections, business groups and residents groups were emailed and encouraged to participate
- forms to register for a public hearing or make a written submission were translated into the seven most spoken languages in Victoria apart from English (Chinese – traditional and simplified, Italian, Greek, Vietnamese, Arabic and Hindi). Translated forms were made available on the Department of Transport, Planning and Local Infrastructure (DTPLI) website and advertised.

24 SEPTEMBER 2013

Panel released the *Local Government Electoral Review Discussion Paper*.

3–21 OCTOBER 2013

Public hearings were held in 13 locations across Victoria:

Melbourne CBD	Thursday 3 October 2013
Geelong	Monday 7 October 2013
Horsham	Tuesday 8 October 2013
Ballarat	Wednesday 9 October 2013
Bendigo	Thursday 10 October 2013
Sunshine	Friday 11 October 2013
Melbourne CBD	Monday 14 October 2013
Wantirna South	Tuesday 15 October 2013
South Morang	Wednesday 16 October 2013
Mildura	Thursday 17 October 2013
Shepparton	Thursday 17 October 2013
Wodonga	Friday 18 October 2013
Traralgon	Monday 21 October 2013

29 OCTOBER 2013

Transcripts of public hearings were made available on the DTPLI website at:
www.dtpli.vic.gov.au/electoral-review.

31 OCTOBER 2013

Email survey was sent to all council Chief Executive Officers.

5 NOVEMBER 2013

Written submissions closed: 164 submissions received. See Appendix 2 for the names of people and organisations (that were prepared to have their names published) who made a submission.

12 NOVEMBER – 12 DECEMBER 2013

Telephone survey of 1000 members of the public conducted. Survey canvassed people's opinions on voter eligibility and enrolment, candidate requirements, information on candidates and polling methods.

Structure of the report

This report comprises four chapters:

- chapter 1 sets out the history of electoral structures
- chapter 2 examines the current electoral system and institutional arrangements
- chapter 3 explores options for improving the electoral system
- chapter 4 discusses voting and ballot counting systems, the process for filling casual vacancies and councillor allowances.

CHAPTER 1 – ELECTORAL STRUCTURES – HISTORY AND CURRENT SETTINGS: OVERVIEW

The ratio of councillors to voters varies dramatically across Victoria. At the 2012 elections, the lowest ratio of 804 voters per councillor was in West Wimmera Shire Council, which contrasted dramatically with 15,411 voters per councillor in Casey City Council, the highest ratio in Victoria. Victoria has the second-lowest average number of councillors per head of population in Australia.

The *Local Government Act 1989* requires every council to undergo an electoral representation review at least every 12 years. The VEC is required to conduct the reviews. The purpose of an electoral representation review is to recommend:

- a number of councillors and a ward structure that provides fair and equitable representation for voters
- if the municipality is divided into wards, a ward structure that:
 - provides a fair and equitable division of the municipality
 - ensures that the councillor-voter ratios vary by less than 10 per cent from ward to ward.

The Panel recognises that electoral structures should, in all cases, allow councillors to be accountable to the constituents who elected them, while enabling them to discharge their duties under the *Local Government Act 1989*.

CHAPTER 2 – EXAMINATION OF THE CURRENT SYSTEM AND INSTITUTIONAL ARRANGEMENTS: OVERVIEW

The Panel concluded that the issue of councillor numbers should be addressed. Chapter 3 recommends an approach to councillor number determinations that would provide greater fairness and consistency in policy and its application.

The Panel also concluded that decisions around ward structure should be addressed through statutory guidance on whether to divide a municipality into wards and in what ways. The range of matters to be considered and proposals for such guidance are outlined in chapter 3.

CHAPTER 3 – OPTIONS FOR THE FUTURE: OVERVIEW

Chapter 3 outlines the Panel's proposed reforms to representative structures. The Panel concluded that greater regulatory guidance would strengthen predictability, transparency and fairness for voters, councillors and participants. In pursuing this, the Panel was guided by several objectives. These were to:

- ensure that the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor in the municipality

- ensure that the quota to be achieved for election is the same for each candidate within the municipality in question
- ensure that ward structures enable application of a ballot counting system recognised as fair and equitable by the Victorian and Commonwealth parliaments
- ensure each council election has a single ballot counting system
- provide councils of similar voter range with broadly consistent rates of representation.

The Panel proposes to achieve these objectives by reducing the complexity in the process of assigning electoral structures by:

- fixing the number of councillors for particular voter population ranges of each council
- removing situations in which unequal quotas exist in different wards in the same municipality
- reducing the range of possible structures the VEC may select
- providing more guidance on the circumstances under which eligible structures should be applied
- creating a clearer hierarchy of criteria for decision making in selecting the appropriate structure for each council.

RECOMMENDATIONS

Proposed changes to legislation and ministerial direction

1. The Panel believes that the transparency and consistency of the review process and its outcomes would be improved through changes to the current legislative provisions and through the provision of a ministerial direction to guide the task of the review authority.
2. It is recommended that the legislation should provide for:
 - an increase in the upper limit of councillors to 15 and the provision for councils to have six, nine, 12 or 15 councillors, based on a simple distribution against voter numbers according to the ministerial direction proposed in recommendation 3
 - continuation of the '10 per cent rule', which ensures that the councillor-voter ratio does not deviate outside of 10 per cent in any one ward from the average for that municipality
 - the inclusion of a new legislative trigger for the start of a representation review, where the review authority considers that the voter population has increased or decreased to such an extent that a change to councillor numbers is warranted
 - the discontinuation of the current practice of having 'mixed wards', where municipalities contain a mix of single-member wards and multi-member wards or a mix of non-uniform multi-member wards. In these municipalities, councillors in different wards face different quotas to be elected in the one council election. For those municipalities with both single- and multi-member wards, ballot counting systems also differ from one ward to the next. Under this recommendation, the fairness and consistency of the system would be strengthened by ensuring that candidates in each council election in the one municipality would require the same quota to be elected. Furthermore, each elected councillor would come to council having secured the same minimum level of community support.

3. It is recommended that a ministerial direction provides for additional instruction on the following matters:
 - the fixing of councillor numbers based on a simple distribution relating to the number of voters in a municipality as follows:
 - councils with 6000 voters or fewer would have six councillors
 - councils with between 6001 voters and 40,000 voters would have nine councillors
 - councils with between 40,001 voters and 130,000 voters would have 12 councillors
 - councils with more than 130,000 voters would have 15 councillors
 - the fixing of the timeframe to be taken into account in each representation review to ensure that electoral structures are designed to meet the requirements of the electorate for the next two general elections after the review. This would improve the consistency in modelling the options for community consultation purposes.
4. The Panel found that the consistency of the review process would benefit from the consistent application of an explicit range of considerations that are addressed in each review and that would inform the review authority's consultation. The Panel recommends that to inform the evaluation of which electoral structure provides the best fit for a municipality, the review authority should consistently apply the following considerations:
 - communities of interest
 - municipality's population, growth and geographic dispersal
 - accessibility of councillors to the community.
5. The Panel recommends that the ministerial direction also includes guidance on the consideration of ward boundaries, based on factors contained in section 9(1) of the *Electoral Boundaries Commission Act 1982*¹, namely:
 - area and physical features of terrain
 - means of travel, traffic arteries, and communications and any special difficulties in connection therewith
 - community or diversity of interests.
6. The Panel further recommends regular reviews of the ministerial direction to ensure, in particular, that the councillor number distribution remains appropriate over time in the face of significant population growth.

¹ *Electoral Boundaries Commission Act 1982*, Section 9(1) (Vic).

Community consultation

7. In undertaking a representation review, the VEC should continue its existing community consultation approach of:
 - conducting preliminary consultations
 - calling for public submissions
 - preparing a preliminary report for public release containing:
 - the models (including maps) that were developed in meeting the legislated requirements
 - an explanation of how the boundaries of wards (for subdivided electoral structures) were developed
 - an explanation of the reasons certain electoral structures could not be developed
 - the VEC's analysis of the strengths and weaknesses of the respective models that were developed
 - calling for public submissions on the preliminary report and allowing any person who makes a submission at this point to be heard in person.

Submission of a final report

8. In completing a representation review, the VEC should also continue its existing approach of submitting a copy of a final report to the council and the Minister for Local Government recommending a preferred model not later than six months before the subsequent general election.
9. The Panel recommends that the final report contains an analysis of community feedback received and how the VEC has given regard to the feedback in arriving at its recommended model, as is the VEC's current practice.

CHAPTER 4 – VOTING AND BALLOT COUNTING, FILLING CASUAL VACANCIES AND COUNCILLOR ALLOWANCES: OVERVIEW

The Panel has taken the view that consistency between the voting systems in the Victorian local and state elections and at the federal level is of basic importance. Accordingly, it has not explored in detail the claims made by proponents of variations on these systems, other than looking at the first-past-the-post and optional preferential systems, which were raised by participants in the course of consultations and submissions.

RECOMMENDATIONS

10. The Panel considers it important that the voting and ballot counting systems for local government elections are consistent with those used for federal and state elections to minimise voter confusion. In addition, being elected by the majority is an important feature of a fair electoral system. While first-past-the-post may make it easier for people to vote, it does not ensure that elected councillors in single-member wards have majority voter support.

Accordingly, the Panel does not support the introduction of first-past-the-post for elections in single-member wards.

11. The Panel believes that, should the State Government adopt the recommendations of the Victorian Electoral Matters Committee and introduce optional preferential voting for Victorian Legislative Assembly elections, it should also introduce it for voting in local government elections in single-member wards.
12. The Panel believes that if the Senate moves to a partial preferential voting system for those voting below the line, thereby making the voting system consistent with that of the Victorian upper house, the State Government should also introduce partial preferential voting for local government elections in multi-member wards and unsubdivided councils.
13. The Panel recommends that the countback process for multi-member elections be amended to include the valid votes cast by all voters at that election to identify the next candidate to fill a vacancy, should it arise. The exception to this arrangement is the City of Melbourne, where candidates run as part of a team or group.

The legislation should also be amended to provide for a by-election when the replacement candidate declines or is ineligible or the vacancy is the second or subsequent since the previous election.

14. In light of the concerns raised around councillor allowances, the Panel believes that the State Government should consider a review of councillor remuneration arrangements.

Chapter 1

Council electoral structures – history and current settings

Introduction

- 1.1. This chapter gives an overview of the history of electoral representation in local government in Victoria and highlights recent changes to the statutory framework that have led to the current arrangements. The chapter also compares Victoria's electoral structures with local governments across Australia, explains the voting and ballot counting processes that apply to each electoral structure in Victoria and details how electoral structures are periodically reviewed.
- 1.2. In this report, 'electoral structure' refers to:
 - the number of councillors assigned to each council
 - the ward structure: whether the council is divided into wards or is unsubdivided.
- 1.3. If a ward is represented by one councillor, it is called a single-member ward. If a ward is represented by two or more councillors, it is called a multi-member ward. An unsubdivided council contains no wards; all its councillors are elected by all voters in the municipality.

The concept of 'representation'

- 1.4. Different perceptions of what representation means in local government can give rise to different expectations of voters of their elected representatives². Similarly, voters' views on representation may shape their opinions on the different electoral structures.
- 1.5. The council itself has a range of objectives, roles, powers and functions set out in the *Local Government Act 1989* – primarily, it is responsible and accountable to the local community and must provide governance and leadership to that community through advocacy, decision making and action. As part of this, councillors must effectively engage with constituents to gain an understanding of and take into account their diverse needs when making decisions.
- 1.6. Other than stating that a reviewer must recommend electoral structures that provide "fair and equitable representation", the legislation gives no express guidance on a definitive model of representation for Victorian local government.
- 1.7. The *Local Government Act 1989*, however, requires that councils have the primary objective of endeavouring "to achieve the best outcomes for the local community having regard to the long term and cumulative effect of decisions"³. This requires councillors to represent the whole community when making decisions.

² As noted in Local Government Electoral Review Panel 2013, *Local Government Electoral Review Discussion Paper*, p. 76.

³ *Local Government Act 1989*, section 3C(1). The Local Government Amendment (Conduct and Governance) Bill 2014 (before Parliament at the time of printing) proposes to insert a new provision into the *Local Government Act 1989*, which will state the role of a councillor will include the requirement for them to represent the local community in decision making and consider the diversity of interests and needs of the local community (clause 7).

- 1.8. The Panel's discussion paper outlines three concepts of representation relevant to local government, put forward by Neil Burdess and Kevin O'Toole: interest representation (councillors as personal advocates of constituents), corporate representation (the council acts for the electorate as a whole) and mirror representation (the council's composition reflects the make-up of its constituents)⁴.
- 1.9. The Panel's discussion paper asked submitters what they thought was the most important factor in effective representation. In response, some submitters focused on the tension between the interest and corporate representation concepts; others suggested factors such as councillor-voter ratios and governance considerations.

"While it is important that elected councillors take careful consideration of the corporate outlook of the council, acting for the electorate as a whole and to deliberating and making decisions on behalf of all constituents, voters expect their representatives to pursue the constituents' particular interests and hold them responsible for activities that hinder their interests. This is the key element that makes local government local, at least it should. When local councillors lose a focus on the interests of their local constituents the electorate becomes alienated and disillusioned leading to a sense of apathy in isolated communities."

Kelvin Goodall, submission

"Effective representation has a great deal more to do with establishing effective governance and communication systems which allow residents to input views than it does in the actual number of councillors per voter. There are many other means such as electronic or physical community forums, advisory groups etc that if used effectively, can strongly contribute to effective representation."

Greater Dandenong City Council submission

"The most important factor in effective representation is population diversity and the ratio of Councillors to population. Large ratios increase the burden on each Councillor's ability to interact with the community and identify the issues concerning the majority. However, increasing the number of Councillors from the maximum of twelve may also lead to issues."

Moonee Valley City Council submission

- 1.10. Many submitters discussed representation in light of the electoral structure of their local council.

"[Under the unsubdivided structure], Local communities often ceased to be represented and have been treated as part of the homogenous whole rather than individual communities with their own character and identity."

North and West Melbourne Association submission

"I believe that wards should be the first priority especially in rural councils so the people have connection to the representatives and visa versa."

Harvey Benton, submission

⁴ Local Government Electoral Review Panel 2013, *Local Government Electoral Review Discussion Paper*, p. 76. In addition to the representation models outlined by Burdess and O'Toole, the Australian Centre of Excellence in Local Government and the VEC provide further commentary on the concept of electoral representation:
Tan, SF and Grant, B 2013 *Local representation in Australia: A review of the legislation and the literature*, Australian Centre of Excellence for Local Government, University of Technology Sydney, p. 12.
VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 10.

- 1.11. The VEC states that each concept of representation can lend itself to a particular electoral structure⁵. The VEC further states that all structures available under current legislation are valid, depending on the circumstances of individual municipalities⁶.
- 1.12. The VEC does not consider that its role is to decide which concept of representation is the most appropriate. Expectations within each municipality are one factor of many taken into account by the VEC when conducting electoral representation reviews⁷.
- 1.13. The Panel agrees that individual circumstances will drive local communities' expectations on representation. Given that the large disparity in sizes and voter numbers across Victorian councils results in varying relationships between voters and their councillors, it would be inadvisable to mandate one model across the board.
- 1.14. Nevertheless, the Panel recognises that electoral structures should, in all cases, allow councillors to be accountable to the constituents who elected them, while enabling them to discharge their duties under the *Local Government Act 1989*.
- 1.15. Chapter 3 provides further discussion on the suitability of electoral structures to local government in Victoria.

⁵ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 12.

⁶ *ibid*, p. 13.

⁷ *ibid*, p. 13.

Recent history of electoral structures

- 1.16. There was little change to electoral structures from the mid-19th century to the 1980s. Until 1989, when a new Act was introduced, two electoral structures were permitted. Councils were, predominantly, divided into three-member wards, with one councillor facing election each year. All other councils were unsubdivided.
- 1.17. In 1979, local government was subject to a major review. The Board of Review, chaired by Malcolm Bains⁸, considered local government electoral structures and laid the ground for significant reform. It recommended substantial changes, many of which were implemented in different stages in the years that followed. The changes included:
- undertaking structural reform to reduce the number of councils⁹
 - appointing nine or 12 councillors to most councils¹⁰
 - broadening the property-based franchise to include voters on the state roll (voters enrolled to vote in state elections)¹¹
 - introducing triennial elections (one election every three years) for all councils¹²
 - investigating the broader use of postal voting¹³
 - allowing councils to use proportional representation for elections in multi-member wards¹⁴.
- 1.18. The reforms to the voter franchise were made in 1983. Changes affecting electoral structures occurred later in three distinct phases: 1989, the mid-1990s and 2003. This chapter provides an overview of these changes to electoral structures.

Before 1989

- 1.19. Prior to the 1989 reforms, the number of councillors per council required by legislation was between nine and 21. While some councils were unsubdivided, most were divided into wards. All wards were required to have a number of councillors divisible by three.
- 1.20. Elections were held annually, with one-third of councillors elected each year. The system of 'alternative vote full preferential voting', which is currently used for elections in single-member wards, was used for all elections, regardless of how many vacancies were being contested. This system included 'block preferential voting' for elections in multi-member wards.

⁸ State of Victoria 1979, *Board of Review of the role, structure and administration of local government in Victoria: Final report*, 1979.

⁹ *ibid*, p. 70.

¹⁰ *ibid*, p. 143.

¹¹ *ibid*, p. 196.

¹² *ibid*, p. 196.

¹³ *ibid*, p. 198.

¹⁴ *ibid*, p. 197.

- 1.21. There was no regular review of electoral structures. The only way a council's electoral structure could be changed was for the minister to seek an Order in Council, either on their own initiative or based on a request from the council, the Local Government Commission¹⁵ or 10 per cent of voters. No review of electoral structures was mandated under the legislation and they rarely changed¹⁶. The 1979 Bains Review characterised the local government electoral system as so fixed as to be "ossified"¹⁷.

Reforms in 1989

- 1.22. In 1989, the *Local Government Act 1989* replaced the *Local Government Act 1958*. The *Local Government Act 1989* reduced the size of councils, specifying that there had to be between nine and 15 councillors. It no longer required the total number of councillors to be a multiple of three. Councils were given the choice of holding triennial or annual elections. For **triennial** elections, wards had to have one or more councillors. For **annual** elections, wards had to have three or more councillors. Councils could also be unsubdivided under either election system.
- 1.23. Councils **with wards** were now required to review their ward structure at least every six years to determine whether an alteration was required. If a council identified that an alteration was needed, it applied to the minister to seek an Order in Council to authorise the change. Councils **without wards** were exempt from the review process.

Local government amalgamations in the mid-1990s

- 1.24. The local government amalgamations in the mid-1990s reduced the number of councils from 210 to 78. The *Local Government Act 1989* was also amended to further reduce the number of councillors per council to between five and 12. The result of amalgamations and reductions in councillor numbers per council was an increase in the average representation ratio, from 2000 constituents per councillor across Victoria, to approximately 8000¹⁸.
- 1.25. As part of the amalgamations, the State Government appointed commissioners to oversee the setting up of new councils. All commissioners were charged with deciding on electoral structures and whether to adopt annual or triennial elections. Councils made up of entirely single-member wards became a common ward structure. Representing less than 1 per cent in 1993, they came to constitute half of all ward structures in Victoria in 1998¹⁹.

Reforms in 2003

- 1.26. In 2003, the *Local Government Act 1989* was amended to:
- require all council elections to be held every four years and all at the same time
 - replace block preferential voting with proportional representation for all elections in multi-member wards and unsubdivided councils. This reform provided a ballot counting system better designed for elections to fill more than one vacancy at a time²⁰

¹⁵ The Local Government Commission was a standing entity appointed by the minister of the day. It considered changes to external council boundaries and internal ward boundaries.

¹⁶ The Bains Review (p. 9) stated that, "The 1874 Local Government Act brought rural and urban local government together under a single statute and consolidated and extended the system into the structure which substantially remains today".

¹⁷ State of Victoria 1979, *Board of Review of the role, structure and administration of local government in Victoria: Final report*, 1979, p.xix.

¹⁸ Burdess, N & O'Toole, K 2003, 'Municipal wards in Victoria 1982–1999', *The electronic journal of Australia and New Zealand*, p. 9.

¹⁹ 1993–94 data is from an internal Office of Local Government 1994 survey. The 1998 data is from the Office of Local Government 1998, *Patterns in local government*.

²⁰ Under block preferential voting, a single group of closely aligned candidates could win every position on the ticket in an unsubdivided council or a multi-member ward election, making the system highly disproportionate.

- give the VEC responsibility for conducting electoral representation reviews every eight years²¹, which would consider:
 - the appropriate number of councillors for a municipality
 - whether a municipality should be divided into wards
 - if a municipality is to be divided into wards, the number of wards and councillors per ward, names of wards and positioning of ward boundaries²².

Patterns of change

1.27. After an extended period of stability, electoral structures have changed significantly in the last 20 years. Table 1 shows the patterns of change in electoral structures from 1978 to 2014. The numbers are shown as percentages of all councils, as the total number of councils changed significantly in the 1990s.

Council ward structure	1978 (%)	1993–94 (%)	1998 (%)	2003 (%)	2014 (%)
Unsubdivided	14.4	14.3	17.3	16.5	27.8
Uniform multi-member wards	85.6	83.3	10.7	12.7	20.3
Non-uniform multi-member wards	0.0	1.9	2.7	1.3	19.0
Single- and multi-member wards	0.0	0.0	18.7	15.2	19.0
Single-member wards only	0.0	0.5	50.7	54.4	13.9

Table 1: Proportion of local government ward structures across Victoria, 1978–2014²³

- 1.28. The dominance of uniform multi-member wards and unsubdivided structures (the only two structures permitted under legislation until 1989) was radically changed following the local government amalgamations in the mid-1990s. By 1998, single-member wards were predominant.
- 1.29. Another major shift occurred after 2003, when all councils were made subject to electoral representation reviews by the VEC. The trend to single-member wards reversed to a point where single-member wards are now the smallest component of all the current structures. Unsubdivided councils now predominate and non-uniform multi-member ward structures, negligible prior to 2003, have become significant.

²¹ In 2010, the interval for reviews was extended to every 12 years.

²² VEC, *About representation reviews*, www.vec.vic.gov.au/reviews/reviews-rep.html.

²³ While there are some limitations on the data available, the following references indicate what happened after each set of changes:

- 1978 data is from the Bains Review. It shows the electoral structures before 1989, when all councils were unsubdivided or had three-member wards.
- 1993–94 data is from an internal Office of Local Government 1994 survey. It shows the electoral structures after the relaxing of controls in 1989 but before amalgamations.
- 1998 data is from the Office of Local Government 1998, *Patterns in local government*. It shows the structures adopted after municipal restructuring on the advice of commissioners.
- The 2003 data is from the VEC. It shows the structures in 2003 before proportional representation was introduced and the VEC took over conducting electoral representation reviews.
- The 2014 data is from the VEC 2013, *Report on conduct of the 2012 local government elections*, showing structures adopted on the VEC's advice since 2003.

Current electoral structures

1.30. This section provides a brief snapshot of the existing electoral structures in Victoria.

Councillor numbers

LEGISLATIVE REQUIREMENTS

1.31. The *Local Government Act 1989* states that a council must have between five and 12 councillors²⁴. The number of councillors at any particular council is prescribed by an Order in Council under the *Local Government Act 1989* on the recommendation of the Minister for Local Government and usually following an electoral representation review conducted by the VEC. (For further details, refer to the 'electoral representation reviews' section at paragraph 1.52 on page 32.)

CURRENT ARRANGEMENTS

1.32. Table 2 sets out the current number of councillors for each Victorian council, showing the differences between metropolitan and non-metropolitan councils.

Number of councillors	Metropolitan councils	Non-metropolitan councils	All councils	Total councillors
5	0	6	6	30
6	0	1	1	6
7	7	27	34	238
8	0	0	0	0
9	13	13	26	234
10	1	0	1	10
11	9	0	9	99
12	1	1	2	24
Total	31	48	79	641

Table 2: Councillor numbers for Victorian councils, 2014²⁵

1.33. Table 2 shows that:

- councillor numbers are overwhelmingly uneven, with 75 of 79 councils having five, seven, nine or 11 councillors
- six councils have the minimum of five councillors. These are all small rural councils, which had an average of 6416 voters in the 2012 elections

²⁴ Currently, only Greater Geelong City Council does not have between five and 12 councillors, as it has a directly elected mayor in addition to 12 other councillors. This is a temporary arrangement until 2016 under the *City of Greater Geelong Act 1993*.

²⁵ Table 2 includes councillor numbers for Brimbank City Council and Wangaratta Rural City Council, which are currently governed by administrators. It does not include the mayor of Greater Geelong City Council.
Source: VEC, *Local council election results by municipality*, www.vec.vic.gov.au/Results/results-by-muni.html.

- the most common arrangement is for a council to comprise seven or nine councillors. At present, 60 councils have either seven or nine councillors
- nine councils have 11 councillors. All are located in the greater Melbourne metropolitan area
- Greater Geelong City Council is the only municipality with the maximum of 12 councillors (excluding the mayor). It had the largest voters' roll in the 2012 elections, with 170,408 people enrolled. This is about four times the size of a Victorian Legislative Assembly (lower house) district.

COUNCILLOR-VOTER RATIOS

- 1.34. The ratio of councillors to voters varies dramatically across Victoria. At the 2012 elections, the lowest ratio of 804 voters per councillor was in West Wimmera Shire Council, which contrasted dramatically with 15,411 voters per councillor in Casey City Council, the highest ratio in Victoria²⁶.
- 1.35. Table 3 summarises councillor-voter ratios at the 2012 elections and demonstrates the large variability. Councils with the lowest councillor-voter ratios were also, on average, the largest geographically.

Councillors per council	Councils (no.)	Average area (km ²)	Average voters per council	Average voters per councillor
5–6	7	5324	6509	1266
7	34	2939	27,356	3908
9–10 ²⁷	27	3173	68,737	7575
11–12 ²⁸	10	436	126,827	11,426

Table 3: Councillor-voter ratios by number of councillors in 2012 ²⁹

COMPARISON WITH OTHER STATES AND TERRITORIES

- 1.36. All states and territories with a system of local government prescribe a range for the number of councillors that may be elected for each council. Victoria and Tasmania currently have the lowest maximum of 12 councillors. For the other states and territories, the maximum is 14 to 16 councillors.

Victoria	New South Wales	Queensland ³⁰	Western Australia	South Australia	Tasmania	Northern Territory
5–12	5–15	5–16	6–15	6–16	7–12	6–14

Table 4: Range of councillor numbers in Australian states and territories ³¹

²⁶ VEC 2013, *Report on conduct of the 2012 local government elections*, pp. 75–87.

²⁷ The Melbourne City Council's Lord Mayor and Deputy Lord Mayor, who are both directly elected by all the municipality's voters, are not included.

²⁸ Greater Geelong City Council's mayor, directly elected by all that municipality's voters, is not included

²⁹ VEC 2013, *Report on conduct of the 2012 local government elections*, pp. 75–87. Excludes Brimbank City Council, which was governed by administrators when elections were held in 2012.

³⁰ Excludes Brisbane City Council, which has 27 members.

³¹ VEC, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. iv.

1.37. As shown in Table 5, Victoria has the second-lowest average number of councillors per head of population³².

State	Population	Number of councils	Number of councillors	Councillors per council	Average population per councillor
Victoria	5,545,932	79	698	8.8	7945
New South Wales	7,232,589	152	1513	10	4780
Queensland	4,513,850	73	561	7.7	8046
South Australia	1,644,582	68	714	10.5	2303
Western Australia	2,293,510	140	1249	8.9	1836
Tasmania	507,643	29	283	9.8	1794
Northern Territory	229,711	16	152	9.5	1511

Table 5: Councillor numbers in Australian states and territories³³

Ward structures

1.38. Victorian councils may have one of five ward structures, as follows:

- unsubdivided councils, where the councillors are elected by all the voters in the municipality
- councils divided into single-member wards, where one councillor is elected in each ward
- councils divided into uniform multi-member wards, where the same number of councillors is elected in each ward
- councils divided into non-uniform multi-member wards, where the number of councillors elected in each ward is not the same
- councils divided into a mix of single- and multi-member wards.

1.39. Table 6 and Figure 2 illustrate the current mix of ward structures for Victorian councils.

Ward structure	Metropolitan councils	Rural and regional councils	All councils
Unsubdivided	1	21	22
Uniform multi-member wards	10	6	16
Non-uniform multi-member wards	12	3	15
Mixed single- and multi-member wards	2	13	15
Single-member wards only	6	5	11

Table 6: Ward structures of Victorian councils³⁴

³² Queensland figures are distorted by including Brisbane City Council, the largest local government municipality in Australia, representing a population of more than one million people, with a councillor-voter ratio of 1:25,916. (Councillor-voter ratio calculated using data from Electoral Commission Queensland, *Brisbane City Council: 2012 Elections report*.)

³³ VEC, *Local council election results by municipality*, www.vec.vic.gov.au/Results/results-bymuni.html; New South Wales Independent Local Government Review Panel 2012, *Local representation and decision making*, p. 4.

³⁴ VEC, *Local council election results by municipality*, www.vec.vic.gov.au/Results/results-bymuni.html.

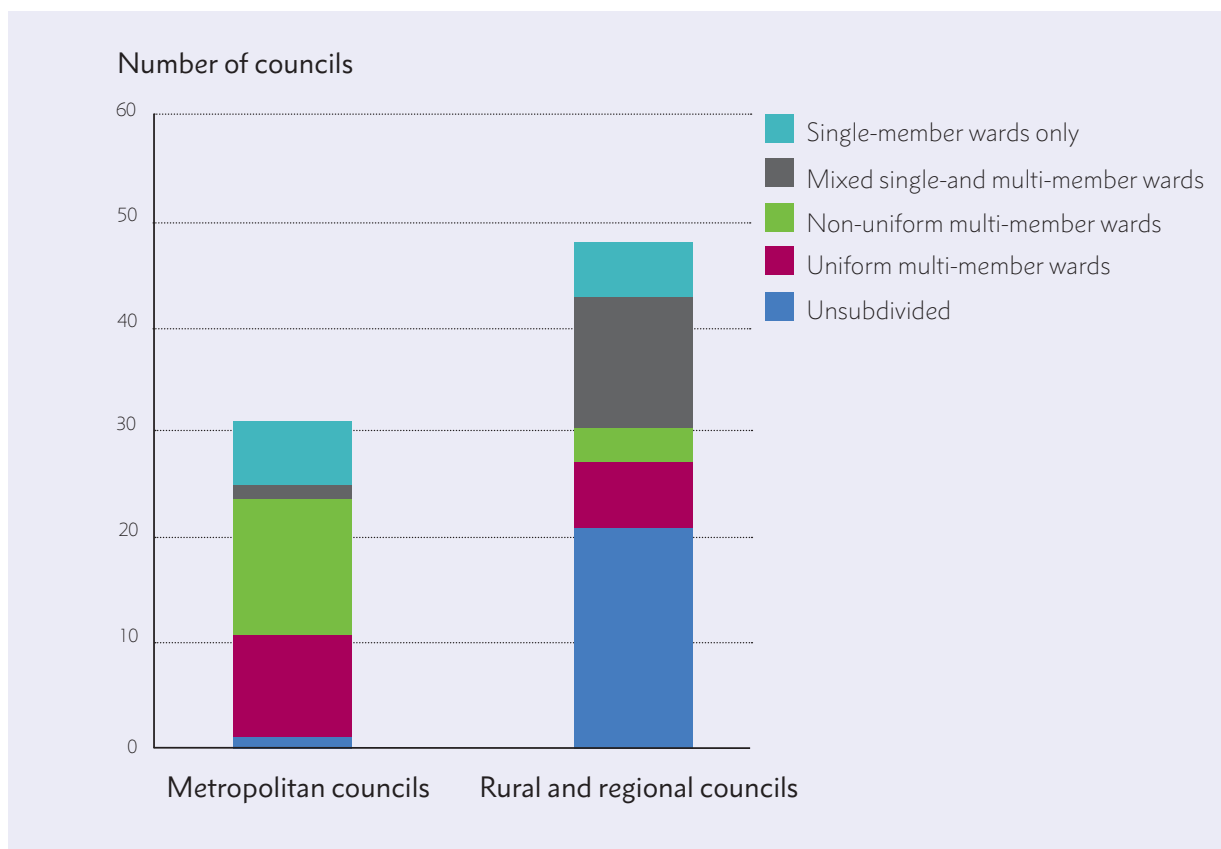


Figure 2: Ward structures of Victorian councils

1.40. Figure 3 maps the different ward structures across Victoria. While the geographic spread of ward structures may appear complicated, it is worth noting that, with the exception of the City of Melbourne, all unsubdivided councils are in rural areas.



35 VEC, *Statewide overview map – local council electoral structures*, www.vec.vic.gov.au/publications/publications-maps.html. Note: 'Mixed wards' includes councils that are divided into non-uniform multi-member wards or a mix of single- and multi-member wards.

COMPARISON WITH OTHER STATES AND TERRITORIES

1.41. Figure 4 compares the range of ward structures in Victoria with local governments in other states and territories. The following observations can be made:

- unsubdivided is the most common ward structure in all states and territories, except Victoria
- only two other states, South Australia and Western Australia, allow a council to have a mix of single- and multi-member wards, although Victoria has a much greater proportion of councils with this ward structure.

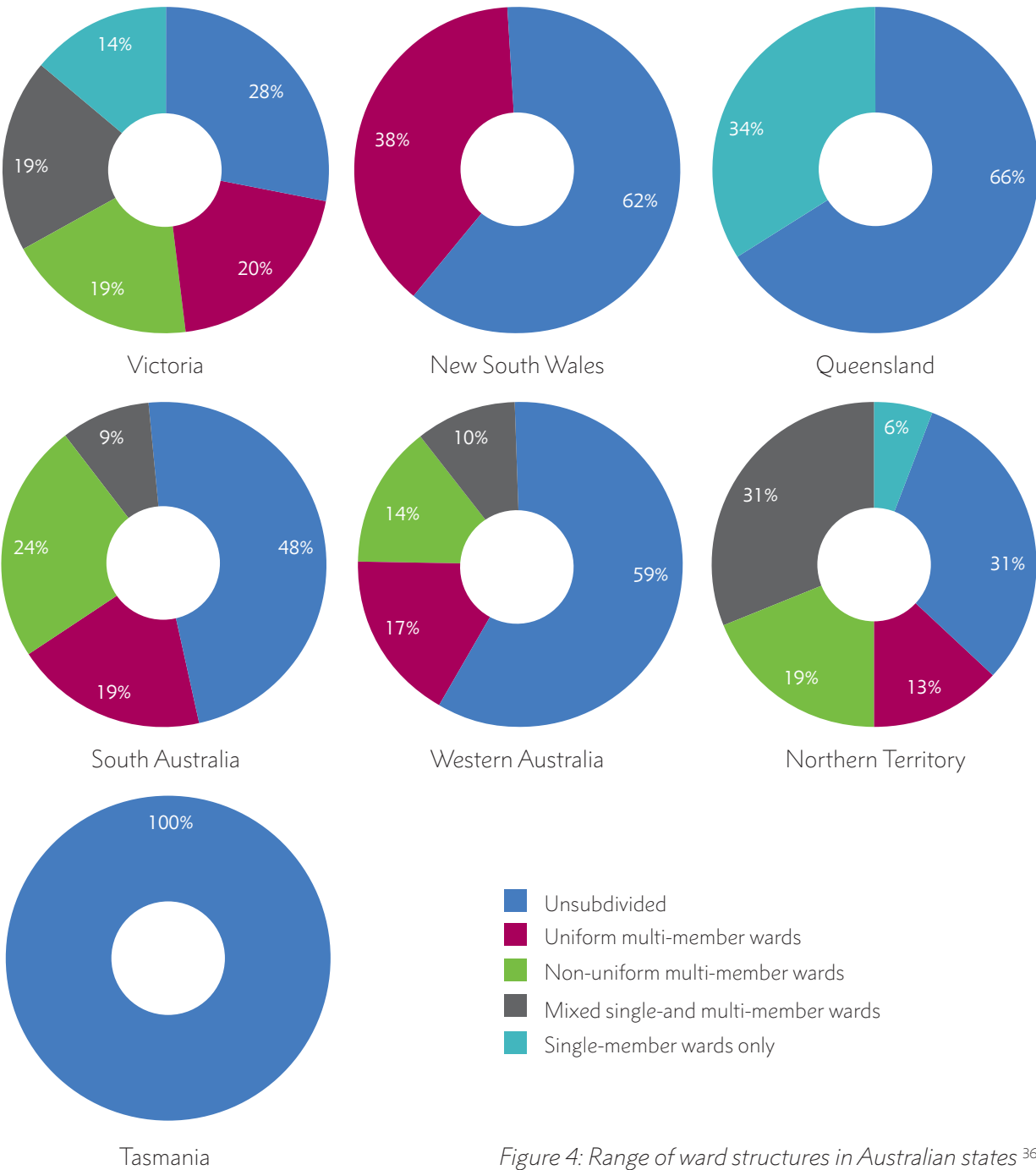


Figure 4: Range of ward structures in Australian states ³⁶

36 Sources: VEC; Electoral Commission NSW; Department of Local Government, Community Recovery and Resilience (Qld); Electoral Commission South Australia; Department of Local Government and Communities (WA); Department of Premier and Cabinet, Local Government Division (Tas.).

Voting systems

- 1.42. All Victorian council elections are held using a preferential system of voting, where voters have to number the candidates in order of preference. For all councils except the City of Melbourne, candidates are listed vertically with a box beside each name.
- 1.43. The City of Melbourne uses an 'above the line' system like that used for the Australian Senate. Voters either mark the number '1' only against their preferred group of candidates, or place numbers against all candidates in order of preference.

Ballot counting systems

- 1.44. The *Local Government Act 1989* specifies two systems for counting the votes. For elections in single-member wards, the ballot counting system used is the full preferential system. For elections in multi-member wards and unsubdivided councils, the ballot counting system used is the proportional representation system.

SINGLE-MEMBER WARDS

- 1.45. Votes in single-member ward elections are counted using a full preferential method, like that used for single-member electorates in federal and state elections.
- 1.46. Under the full preferential method, a candidate must obtain an absolute majority of votes to be elected. An absolute majority is 50 per cent of the votes plus one vote. If no candidate has an absolute majority of first preference votes, candidates are eliminated from the count progressively. Starting with the candidate with the fewest votes, each vote is transferred at full value to the candidate listed next on the voter's preferences. This process of transfer and elimination continues until one candidate has an absolute majority and is elected.

MULTI-MEMBER WARDS AND UNSUBDIVIDED COUNCILS

- 1.47. For elections in multi-member wards and unsubdivided councils, a proportional representation system is used to count the votes. This is the method used for Australian Senate and Victorian Legislative Council (upper house) elections.
- 1.48. Under proportional representation, a candidate needs to obtain a specific quota of votes to be elected. The quota is calculated by dividing the total number of formal votes by the number of vacancies plus one, and then adding one vote.
- 1.49. For example, the following quotas would apply for a ward or unsubdivided council with 10,000 formal votes cast at an election:
 - for a two-member ward, the quota would be 3334 (one-third of the votes plus one)
 - for a three-member ward, the quota would be 2501 (a quarter of the votes plus one)
 - for a four-member ward, the quota would be 2001 (one-fifth of the votes plus one)
 - for a seven-member unsubdivided council, the quota would be 1251 (one-eighth of the votes plus one)
 - for a nine-member unsubdivided council, the quota would be 1001 (one-tenth of the votes plus one)
 - for a 12-member council with a mix of single- and multi-member wards and 120,000 formal votes cast evenly across all wards, the quota would be:
 - two single-member wards (10,000 votes cast in each): 5001 for each ward
 - two two-member wards (20,000 votes cast in each): 6667 for each ward
 - two three-member wards (30,000 votes cast in each): 7501 for each ward.

- 1.50. The counting process under proportional representation is more complicated than the full preferential system, even though it is broadly based on that system. Candidates who receive at least a quota of first preference votes are elected first. Any remaining vacancies are then filled by redistributing the excess votes of elected candidates at less than their full value. If a quota is still not reached, the votes for the candidates with the fewest votes are redistributed and those candidates are eliminated. This process continues until a quota is reached.
- 1.51. Ballot counting systems are further discussed in chapter 4.

Electoral representation reviews

- 1.52. The *Local Government Act 1989* requires every council to undergo an electoral representation review at least every 12 years. This means that the council will be reviewed before every third general election. The VEC is required to conduct the reviews.
- 1.53. The *Local Government Act 1989* states that the purpose of a electoral representation review is to recommend:
- a number of councillors and a ward structure that provides fair and equitable representation for voters
 - if the municipality is divided into wards, a ward structure that:
 - provides a fair and equitable division of the municipality
 - ensures that the councillor-voter ratios vary by less than 10 per cent from ward to ward.
- 1.54. The *Local Government Act 1989* also provides for 'subdivision reviews', which are conducted between electoral representation reviews to correct ward boundaries that fall outside the 10 per cent councillor-voter variance. These are also conducted by the VEC.

ELECTORAL REPRESENTATION REVIEW PROCESS

- 1.55. The process for conducting an electoral representation review is prescribed in the *Local Government Act 1989*. It includes the following steps:
- the VEC must give notice of the electoral representation review and invite preliminary submissions from the public
 - the VEC must consider the preliminary submissions and prepare a preliminary report, which includes a preferred option
 - the VEC must invite public submissions in response to the preliminary report and give submitters the option of speaking on their submissions
 - the VEC must prepare a final report and submit copies to the minister and the council.
- 1.56. The VEC also conducts public hearings as part of its review process, although this is not a legislative requirement.
- 1.57. The *Local Government Act 1989* empowers the minister to seek an Order in Council to change the number of councillors, ward structures, ward boundaries or ward names as recommended by the VEC. Since 2003, ministers have always implemented the recommendations of the VEC's electoral representation reviews.
- 1.58. Electoral representation reviews are discussed in detail in chapter 2.



Chapter 2

Examination of the current system and institutional arrangements

Introduction

- 2.1. This chapter examines the current local government electoral system and representation review process in light of the Panel's fourth term of reference: to establish whether the current system of representation is appropriate to ensure **fairness and consistency** of representation within municipalities and between municipalities, including the distribution of wards.
- 2.2. The *Local Government Act 1989* assigns the VEC the responsibility for reviewing council electoral structures and recommending to the minister structures that provide for fair and equitable representation to voters in the municipality. This task is complex, exceeding the demands made of a federal redistribution committee³⁷ or a state electoral boundaries commission³⁸. A state electoral boundaries commission is charged with considering where boundaries are drawn to give representation to a similar number of constituents electing a fixed number of representatives. In comparison, VEC representation reviews for councils must determine a greater number of matters, including:
 - the **number** of councillors
 - **whether** the council is divided into wards
 - the **number** of councillors assigned to each ward if the municipality is divided
 - **where** boundaries should be drawn if the municipality is divided.
- 2.3. Guided by its terms of reference, the Panel focused on the following questions:
 - Is the principle of 'one vote, one value' protected?
 - Is each councillor elected to any given council elected with the same proportion of voter support?
 - Is the guidance in the legislation sufficient to ensure fairness and consistency in representation reviews?
- 2.4. The Panel found that given the range of tasks facing the VEC, the statutory guidance for the review process is limited.
- 2.5. The Panel concluded that clearer statutory guidelines and decision making criteria for determining councillor numbers and ward structures would make the decision making process more transparent and its outcomes demonstrably more consistent.

³⁷ *Commonwealth Electoral Act 1918*, section 60 (Cwlth).

³⁸ *Electoral Boundaries Commission Act 1982* (Vic.).

Current legislation guiding electoral representation

- 2.6. Reviews of electoral structures in local government have been conducted by the VEC since 2003. The VEC undertakes a review according to the requirements of the *Local Government Act 1989* and makes recommendations to the Minister for Local Government on any changes proposed in a municipality.
- 2.7. Under the *Local Government Act 1989*, each council is reviewed every 12 years³⁹.
- 2.8. At the end of each representation review, the *Local Government Act 1989* requires the VEC to recommend:
- the number of councillors to be elected (between five and 12)
 - whether the municipality is unsubdivided or divided into wards and the number and size of wards
 - the ward boundaries (unless unsubdivided).
- 2.9. In providing a recommended electoral structure, the *Local Government Act 1989* also requires that:
- the number of councillors and the ward structure provide for “fair and equitable representation for the persons who are entitled to vote”⁴⁰
 - if the municipality is to be divided into wards, ward boundaries provide a “fair and equitable division”⁴¹ of the municipality
 - the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor in the municipality **at the time of the review** or on the entitlement date⁴² for the next general election.
- 2.10. The *Local Government Act 1989* does not further define the meaning of “fair and equitable”.
- 2.11. The *Local Government Act 1989* also states that “A council may be constituted so that it consists of:
- only councillors elected to represent the municipal district as a whole or
 - only councillors elected to represent individual wards into which the municipal district is divided”⁴³.
- 2.12. This legislative provision has allowed councils to be constituted through five electoral structures (single-member wards, unsubdivided, uniform multi-member wards, non-uniform multi-member wards, and single-member and multi-member wards in the one municipality). All five models are used in Victoria; this is discussed in greater detail in chapter 3.

³⁹ Paragraph 2.17 explains what triggers a subdivision review, which can take place between electoral representation reviews.

⁴⁰ *Local Government Act 1989*, section 219D(1)(a) (Vic.).

⁴¹ *Local Government Act 1989*, section 219D(1)(b) (Vic.).

⁴² The entitlement date is the date the voters’ roll closes for an election. It is set at 57 days before an election.

⁴³ *Local Government Act 1989*, section 5B(2) (Vic.).

2.13. In fulfilling its role, the VEC is required to:

- call for public submissions
- prepare a preliminary report containing:
 - a preferred option (including a map) for the number of councillors and the electoral structure, and if it is proposed that the municipality be divided into wards, the boundaries of those wards
 - if the reviewer considers it to be appropriate, alternative options (including maps) to the preferred option
- call for public submissions once the preliminary report has been released and allow any person who makes a submission at this point to be heard in person
- submit a copy of the final report to the council and the Minister for Local Government no later than six months before the general election.

2.14. While not a requirement of the *Local Government Act 1989*, the VEC also conducts public hearings.

2.15. In addition to completing reports on each representation review, the VEC reports to the State Government and the public on each major tranche of reviews. As each municipality is required to be reviewed every 12 years, reviews are staggered into tranches. Around one-third of all councils are reviewed every four years, making the VEC's workload more manageable. Once each tranche is completed, the VEC provides an overall report on the conduct of its reviews in that period.

2.16. Several submitters made positive comments to the Panel about the quality of the VEC's public consultation.

"The Commission should be congratulated for the community consultation process they carried out."

Residents, Ratepayers and Friends of Berwick Village submission

2.17. Between representation reviews, if significant and unanticipated population growth occurs, a more immediate 'subdivision review' is triggered. If the VEC advises the Minister for Local Government that it considers a council's ward boundaries are unlikely to have councillor-voter ratios within 10 per cent of the average councillor-voter ratio across the municipality by the next general election, the minister may direct the VEC to conduct a subdivision review. A subdivision review only considers whether ward boundaries should be changed to bring the councillor-voter ratio back within the statutory limit.

The VEC's approach to electoral representation reviews

2.18. In undertaking its statutory role to recommend a fair and equitable ward structure and number of councillors⁴⁴ for any municipality, the VEC states that it will proceed on the basis of three main principles:

- “to ensure that the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor for that municipality...”⁴⁵
- to take a consistent, statewide approach to the total number of councillors...
- to ensure that communities of interest are as fairly represented as possible”⁴⁶.

2.19. The first of these principles is a legislative requirement. The VEC states that the second and third principles are overarching in its decision making on ward structures and councillor numbers. In elaborating on the third principle relating to communities of interest, the VEC states that “every municipality contains a number of communities of interest. The electoral structure should be designed to take these into account where practicable.”⁴⁷

2.20. The VEC also states it “bases its recommendations on a number of factors, including:

- conducting research
- drawing on its experience in conducting electoral representation reviews across Victoria and assisting the Electoral Boundaries Commission in establishing state electorate boundaries
- drawing on its experience in mapping and boundary modelling and also engages consultants with experience in local government to provide advice on specific local representation
- carefully considering all input from the public.”⁴⁸

⁴⁴ To enable analysis of VEC practice, the voter numbers and councillor-voter ratios used **in this chapter** are those used by the VEC at the time of each council's most recent electoral representation review unless otherwise indicated. The voter numbers and councillor-voter ratios used **in all other chapters** are based on VEC enrolments for the 2012 general election.

⁴⁵ Number of voters represented by each councillor = $\frac{\text{number of voters in ward}}{\text{number of councillors in ward}}$

Average number of voters per councillor = $\frac{\text{number of voters in whole municipality}}{\text{number of councillors in whole municipality}}$

Regardless of how many councillors represent a ward, the number of voters represented by each councillor in that ward cannot vary by more than 10 per cent from the average number of voters per councillor for that municipality. The exception to this is when the VEC recommends an unsubdivided council; as all councillors represent the same number of voters, this rule does not apply. For example, in a council with:

- nine councillors: one single-member ward, one three-member ward and one five-member ward
- a total of 90,000 voters in the municipality

the average number of voters per councillor is 10,000. The number of voters each councillor represents cannot be more than 10 per cent above or below 10,000, i.e. 1000 voters above or below. Therefore:

- the single-member ward must contain between 9000 and 11,000 voters
- the three-member ward must contain between 27,000 and 33,000 voters
- the five-member ward must contain between 45,000 and 55,000 voters.

⁴⁶ VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, p. 5.

⁴⁷ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 14.

⁴⁸ VEC, *About representation reviews*, <www.vec.vic.gov.au/reviews/reviews-rep.html>.

The VEC's approach to determining councillor numbers

- 2.21. The VEC's second main principle is that it takes "a consistent, statewide approach to the total number of councillors"⁴⁹.
- 2.22. The VEC has indicated that there are three components to its consideration of councillor numbers:
- the diversity of the population
 - councillors' workloads
 - the desirability of preventing tied votes⁵⁰.
- 2.23. These considerations have led to the development of its table of "expected number of councillors by type and size of municipality"⁵¹ (referred to in this report as the 'VEC table'), which sets notional bands into which various councils should fall, based on their voter population and the VEC's assessment of type (metropolitan, metropolitan / rural fringe, regional with urban areas and rural), as shown at Table 8 on page 44.
- 2.24. The VEC has advised that the table acts as a starting point for determining councillor numbers, giving a "clear indication of the appropriate number of councillors for a municipality"⁵². This "appropriate number of councillors" can, however, be higher or lower, where the VEC determines that "special circumstances"⁵³ apply.

The VEC's approach to determining ward structures

- 2.25. Unlike its decisions on councillor numbers, which are guided by Table 8 on page 44, the VEC has no specific criteria for determining its approach to deciding whether to divide a municipality or leave it unsubdivided. The VEC does provide a lengthy description of "commonly expressed views" about the "more positive" and "less positive" features of unsubdivided structures and various combinations of subdivided municipalities⁵⁴.
- 2.26. Once the VEC has determined its initial views regarding councillor numbers, it then develops initial options for ward structures and ward boundaries that:
- fit the number of councillors it has initially determined for the municipality
 - comply with the legislated requirement for the number of voters per councillor to be within 10 per cent of the average number of voters per councillor in the municipality, within the determined councillor numbers to the next election
 - accommodate projected population change in the municipality over a chosen timeframe, sometimes six years, sometimes 12 years. This is to assess the capacity of the ward structure and boundaries to stay within 10 per cent of the average number of voters per councillor in the municipality over that timeframe.

49 VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. ii.

50 *ibid*, p. 15.

51 The VEC also states that, "as the number of voters in each municipality varies significantly, the VEC applies the requirements for fairness and equity in a logical way – those municipalities that have a larger number of voters should have a higher number of councillors". VEC 2011, *Electoral representation review: Stonnington City Council – 2011 Guide for submissions*, p. 7.

52 VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 17.

53 *ibid*, p. 12.

54 VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, pp. 8–10.

THE VEC'S APPROACH TO DRAWING WARD BOUNDARIES

2.27. When a decision is made to divide a municipality, the VEC states that it applies the following considerations when drawing possible ward boundaries:

- ward boundaries should take account of communities of interest
- ward boundaries should follow clear lines, such as major roads, rivers and significant landmarks
- growing areas should not be concentrated into the same ward, but should be spread over several wards
- the boundaries should take account of likely population changes by setting the number of voters in wards with high growth potential somewhat below the average, and the number of votes in wards with little growth potential somewhat above the average⁵⁵.

⁵⁵ VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, pp. 15–16.

Issues relating to fairness and consistency

2.28. There were strong views on issues relating to fairness and consistency in submissions to the Panel. Views were put forward about both the system and the particular outcomes in particular municipalities.

2.29. The Victorian Local Governance Association (VLGA) in its submission noted the need for a clearer articulation of principles and policy priorities to guide the review process.

"It is important to note that there is no policy document available for public view that details the process or the principles underpinning it to any further extent. Therefore, the VLGA recommends the development of a formal policy outlining the objectives, principles and processes underpinning representation and ward structure reviews, following extensive local government and community consultation..."

Victorian Local Governance Association submission

2.30. Boroondara City Council also highlighted its difficulty with the highly discretionary nature of the legislative framework.

"Currently, there are no prescribed regulations for the conduct of Electoral Representation Reviews, and it is therefore at the discretion of the VEC to conduct their review in any manner that they consider appropriate. Council's confidence in the review process would be greatly enhanced by the Victorian Government introducing comprehensive regulations governing the conduct of Electoral Representation Reviews. This would remove any real or perceived subjectivity and introduce an objective basis for the process."

Boroondara City Council submission

Councillor numbers

2.31. The Panel heard a range of views about what other considerations should inform thinking about councillor numbers. The VLGA proposed an increase to the upper limit of the councillor range.

"...the VLGA is supportive of a further review of s.5B of the Act to allow for more than 12 councillors... We know that that potentially has an impact on cost and other ratios but we would certainly be interested in a review... Our primary concern is the large growth areas and the large numbers of constituents that each councillor is responsible for, particularly in single member wards; that's a huge issue."

**Maree McPherson, Chief Executive Officer,
Victorian Local Governance Association, Melbourne public hearing**

2.32. In addition to the issues related to fairness of representation raised by the VLGA, the Municipal Association of Victoria (MAV) put forward a view on councillor numbers that reflects concerns around governance and what numbers work best to support effective decision making.

"Councils of 5 experience problems where there's a conflict of interest and cannot achieve a quorum. Councils of 7, 9 and 11 seem to function best."

Municipal Association of Victoria submission

2.33. Individual councils also put forward different views on the ideal number of councillors.

- 2.34. The Victorian Ombudsman has commented separately in reports on the desirable number of members of a board and has questioned whether government boards should have more than nine members.

*"Board sizes in the Victorian public sector vary, with some boards having as many as 15 members. Consideration should be given to whether boards with membership over nine are appropriate."*⁵⁶

Victorian Ombudsman, A review of the governance of public sector boards in Victoria

- 2.35. The average size of a Victorian public sector board is 9.22 members⁵⁷. The average size of a federal government board is 8.67 members⁵⁸. While this is at the lower end of the statutory band for councils in some jurisdictions, it is close to the median of the statutory band for Victorian councils (five to 12 councillors).
- 2.36. The Panel noted, however, that councils are not boards and perform a representation function.
- 2.37. Overall, the Panel found no conclusive evidence to suggest that the current range of between five and 12 councillors is necessarily inconsistent with good governance. There were examples put to the Panel of both small and large councils working well (or not working well) and this seemed to reflect a broader range of contextual factors, including the relationship with management, the approach of individual councillors to their role and the group dynamic, among other things.
- 2.38. Issues around the VEC's preference for uneven numbers and its incorporation of special circumstances were also raised with the Panel.
- 2.39. The VEC has a stated preference for recommending an uneven number of councillors to obviate the risk of tied votes. Some contributors, including the MAV, supported this approach.

"Odd number generally better than even to prevent mayor from being put in the often unenviable position of making a casting vote."

Municipal Association of Victoria submission

- 2.40. Others asserted that this created an artificial restriction on the options available in relation to both councillor-voter ratios and ward structures.
- 2.41. The VEC's stated preference for recommending councils with an uneven number of councillors contrasts with the provisions in the *Local Government Act 1989*, which clearly allow for even numbers of councillors and provide for procedures in the event of tied votes⁵⁹.
- 2.42. It is clear that, in some cases, the preference for an uneven number of councillors is decisive in the review process.

"(The) ideal number for Greater Dandenong is 12 councillors and this would have been the outcome of the last electoral representation review if the VEC did not focus on Council's having an odd number of councillors."

Greater Dandenong City Council submission

- 2.43. The Panel could not see any compelling reason for applying a preference for uneven numbers when determining councillor numbers, given that absences of councillors from time to time mean that the full complement of councillors is frequently not in attendance for council decisions and, in any case, the legislation allows for a stalemate to be resolved through the mayor's casting vote.

⁵⁶ Victorian Ombudsman 2013, *A review of the governance of public sector boards in Victoria*, p. 8.

⁵⁷ Figures supplied by the State Services Authority (now the Victorian Public Sector Commission).

⁵⁸ Australian Government, Department of Families, Housing, Community Services and Indigenous Affairs, Office for Women, *Gender balance on Australian Government boards report 2012–2013*, p. 8.

⁵⁹ *Local Government Act 1989*, sections 5B(1) and 90(1)(e) (Vic.).

FAIRNESS AND CONSISTENCY OF COUNCILLOR NUMBERS

2.44. Looking across Victoria's municipalities, a stark feature of the current electoral system is the disparity in councillor-voter ratios. This is a consequence of municipal boundaries, which the VEC cannot affect in its representation reviews and which lie outside of the scope of this review. Table 7 demonstrates this disparity at its extremes.

	Area (km ²)	Voters (at 2012 general election)	Number of councillors	Number of voters per councillor
Councils with lowest councillor-voter ratios				
West Wimmera Shire Council	9018	4018	5	804
Hindmarsh Shire Council	7521	5051	6	842
Buloke Shire Council	7998	5996	7	852
Borough of Queenscliffe	11	4268	5	854
Yarriambiack Shire Council	7324	6254	7	893
Towong Shire Council	6661	5486	5	1097
Councils with highest councillor-voter ratios				
Casey City Council	397	169,519	11	15,411
Greater Geelong City Council	1279	170,408	12	14,201
Banyule City Council	63	93,276	7	13,325
Mornington Peninsula Shire Council	726	145,378	11	13,216
Knox City Council	114	113,783	9	12,643
Kingston City Council	92	112,137	9	12,460

Table 7: Highest and lowest councillor-voter ratios in Victoria⁶⁰

- 2.45. Analysis shows that a councillor in a metropolitan municipality can expect to represent anywhere from an average of 5000 voters in a seven-councillor municipality to an average of 10,000 voters in a nine-councillor municipality⁶¹.
- 2.46. Even among councils that the VEC groups as the same type, there are large disparities from council to council. Overall, there is a degree of difference of almost 20 times between the highest and lowest councillor-voter ratios.
- 2.47. The Panel heard from submitters that this disparity could be addressed by increasing the upper statutory limit on councillor numbers. The VLGA in particular recommended this as a way of mitigating the stark differences in the councillor-voter ratios. The VEC has also recommended increasing the upper limit on councillor numbers to address this issue to some extent, noting that in the future voters in fast-growing municipalities may become "under-represented"⁶².

⁶⁰ VEC 2013, *Report on conduct of the 2012 local government elections*, pp. 75–87 and VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, pp. 47–50.

⁶¹ Calculations are based on the mid-point of the ranges indicated in Table 8.

⁶² VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. v.

- 2.48. The idea of increasing the upper limit of councillors has merit. There is, however, no satisfactory solution that fully addresses the differences in councillor-voter ratios, given the magnitude of the statewide discrepancy. The Panel found that even if the statutory limit on councillor numbers was raised to 20, this would only make a limited difference to the disparity in councillor-voter ratios. The net effect would be a reduction in the statewide range from the existing 1:804 to 1:15,411 to 1:804 to 1:8520, which is still a large difference⁶³.
- 2.49. Overall, increasing councillor numbers, even significantly, would merely make a vast councillor-voter ratio disparity a large one. The impact on council governance may also be negative, as a council made up of 20 councillors may be considered too large for efficient decision making. A compromise may be to increase the councillor number band to 15, to bring it in line with other large states. This is in line with the VEC's recommendation and would achieve a small improvement in representation, especially for the most populous councils, without creating councils so large that governance objectives may be compromised.

DECISIONS AROUND COUNCILLOR NUMBERS

- 2.50. The VEC states that it determines councillor numbers on the basis of a "consistent state-wide approach to the total number of councillors"⁶⁴, as set out at Table 8.

Expected number of councillors	Range of voters			
	Metropolitan	Metropolitan-rural fringe	Regional with urban areas	Rural
5	—	—	—	<8000
7	<70,000	<70,000	<45,000	8000–22,000
9	70,000–110,000	70,000–110,000	45,000–80,000	>22,000
10–12	>110,000	>110,000	>80,000	—

Table 8: VEC table of expected number of councillors by type and size of municipality⁶⁵

- 2.51. The Panel noted two issues with this approach.
- 2.52. Firstly, the notion of statewide consistency is very broad. For example, the VEC's table allocates nine councillors to a rural council with more than 22,000 voters. A regional council with 40,000 voters is allocated seven councillors.
- 2.53. It is understood that the VEC has taken into account other factors, such as the higher needs in different "types" of municipalities; however, it remains that the table itself does not deliver "state-wide consistency" in representation, as measured by any fixed relationship between councillors and voters.
- 2.54. It is inherent in the nature of the classifications outlined in the table that a small difference in voters can yield a significant difference in the number of councillors. This can give rise to discussion about whether the bands are appropriate. The certainty and consistency that the classifications offer are, however, compromised by the practice of increasing or decreasing councillors outside the numbers indicated in the table on the basis of "special circumstances"⁶⁶.

⁶³ This estimate is based on modelling councils with less than 10,000 voters with five councillors and adding one councillor for each 10,000 increase in the voter population. This data is derived from the 2012 general election voter numbers.

⁶⁴ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. ii.

⁶⁵ *ibid*, p. 18.

⁶⁶ *ibid*, p. 12.

- 2.55. In total, in the last two review cycles, there were 13 instances⁶⁷ of movements in councillor numbers above or below the indicative councillor number band. The movements were between one and two councillors⁶⁸. The Panel's analysis of the impact of such adjustments shows that these have increased the differences in councillor-voter ratios within each councillor number band.
- 2.56. The Panel also found that 10 of the 13 councils⁶⁹ were moved into another councillor number band, despite other councils with more or fewer voters being kept in the band in accordance with the VEC table. As an illustration of these movements, the following cases are highlighted.

Within the metropolitan type of councils:

- despite the fact that two other councils (Bayside and Port Phillip City Councils) with **higher** voter numbers (67,702 and 69,718 voters respectively) were kept within the seven-councillor band in the VEC table, Yarra City Council, with 65,512 voters, was moved to the nine-councillor band
- conversely, Banyule City Council, which had 90,094 voters, was also moved to the seven-councillor band, despite there being four councils (Stonnington, Maroondah, Moonee Valley and Manningham City Councils) with **lower** voter numbers (77,494, 77,739, 80,507 and 85,748 respectively) that were kept in the nine-councillor band.

Within the metropolitan/rural fringe type of councils:

- similar to the Yarra City Council situation, Cardinia Shire Council, with 53,794 voters, was moved to the nine-councillor band, despite a council with **more** voters (Melton City Council, with 60,054 voters) being kept in the seven-councillor band.

Within the regional with urban areas type of councils:

- Mildura Rural City Council, with 34,944 voters, was another council that leapfrogged a council with **more** voters (the seven-councillor Greater Shepparton City Council, with 40,176 voters) by being placed in the next band of nine councillors.

Within the rural type of councils:

- Mansfield Shire Council, with 9429 voters, was moved down to the five-councillor band, despite there being two councils with **fewer** voters (Gannawarra Shire Council with 9263 voters and Strathbogie Shire Council with 9268 voters) that were kept in the seven-councillor band
- however, Buloke Shire Council (6149 voters) and Yarriambiack Shire Council (6998 voters) were moved up into the seven-councillor band, despite two other councils in the five-councillor band having **more** voters (Pyrenees and Loddon Shire Councils with 7120 and 7699 voters respectively).

- 2.57. A table illustrating the movement across councillor number bands is at Appendix 3 on page 87.

⁶⁷ The 13 councils are Bass Coast, Buloke, Cardinia, Hindmarsh, Mansfield and Yarriambiack Shire Councils; Mildura Rural City Council; and Banyule, Greater Dandenong, Melbourne, Moreland, Wyndham and Yarra City Councils.

⁶⁸ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, pp. 47–50. VEC 2009, *Report of local government electoral activity 2008–09, Part III: Report of local government electoral representation reviews conducted by the VEC between 2004 and 2008*, pp. 100–112.

⁶⁹ The 10 councils are Bass Coast, Buloke, Cardinia, Mansfield and Yarriambiack Shire Councils; Mildura Rural City Council; and Banyule, Greater Dandenong, Melbourne and Yarra City Councils.

2.58. The variety of rationales advanced by the VEC for increasing or decreasing the number of councillors from the table include the following:

- projected population growth over the next 10 years⁷⁰
- “long, narrow shape of the Shire”⁷¹
- “municipality is the largest in the State geographically, so councillors have a much larger than normal workload travelling to different and remote areas than is the case in other municipalities with similar numbers of voters”⁷²
- “shire is geographically larger than most other five-councillor rural municipalities”⁷³
- “large area and dispersed population”⁷⁴
- “population is more concentrated than any other Victorian municipality”⁷⁵
- “ageing population”⁷⁶
- better represents the communities of interest⁷⁷
- “cultural diversity”⁷⁸
- “social diversity and the level of disadvantage in parts of the City”⁷⁹
- “unemployment in the area is considerably higher than the metropolitan average, and that 6% of residents have a severe or profound disability”⁸⁰
- “high proportion of residents on lower than average incomes”⁸¹
- “high proportion of public housing”⁸²
- “high migrant population ... higher proportion of residents with low proficiency in English”⁸³
- “increasing number of highly educated residents, large industrial areas”⁸⁴
- “high proportion of non-resident ratepayers”⁸⁵
- “44% of the voters in the Shire are non-resident and the VEC believes this results in a lower level of councillor workload compared to those municipalities where most voters are resident in the municipality”⁸⁶
- “the number of licensed premises (which involve amenity issues)”⁸⁷

70 VEC 2012, *Electoral representation review, Cardinia Shire Council – final report 2012*, p. 10 and VEC 2012 *Electoral representation review, Wyndham City Council – final report 2012*, p. 18.

71 VEC 2005, *Electoral representation review, Yarriambiack Shire Council – final report 2005*, p. 10.

72 VEC 2005, *Electoral representation review, Mildura Rural City Council – final report 2005*, p. 9.

73 VEC 2005, *Electoral representation review, Hindmarsh Shire Council – final report 2005*, p. 10.

74 VEC 2007, *Electoral representation review, Buloke Shire Council – final report 2007*, p. 12.

75 VEC 2011, *Electoral representation review, Yarra City Council – final report 2011*, p. 15.

76 VEC 2011, *Electoral representation review, Moreland City Council – final report 2011*, p. 11.

77 VEC 2007, *Electoral representation review, Banyule City Council – final report 2007*, p. 11.

78 VEC 2011, *Electoral representation review, Moreland City Council – final report 2011*, p. 11.

79 VEC 2012, *Electoral representation review, Whittlesea City Council – final report 2012*, p. 19.

80 VEC 2008, *Electoral representation review, Greater Dandenong City Council – final report 2008*, p. 16.

81 VEC 2008, *Electoral representation review, Greater Dandenong City Council – final report 2008*, p. 16.

82 VEC 2011, *Electoral representation review, Yarra City Council – final report 2011*, p. 15.

83 VEC 2008, *Electoral representation review, Greater Dandenong City Council – final report 2008*, p. 15–16.

84 VEC 2011, *Electoral representation review, Maribyrnong City Council – final report 2011*, p. 21.

85 VEC 2008, *Electoral representation review, Bass Coast Shire Council – final report 2008*, p. 16.

86 VEC 2007, *Electoral representation review, Mansfield Shire Council – final report 2007*, p. 10.

87 VEC 2011, *Electoral representation review, Yarra City Council – final report 2011*, p. 15.

- “seven councillors offered the Council extra diversity to enable it to deal with issues more effectively”⁸⁸
- “special responsibilities of the City’s councillors”⁸⁹
- “tradition of intensive community consultation and engagement”⁹⁰.

2.59. **The Panel concluded that the issue of councillor numbers should be addressed. Chapter 3 recommends an approach to councillor number determinations that would provide greater fairness and consistency in policy and its application.**

Ward structures

2.60. As discussed at paragraph 2.25, the VEC has no explicit criteria making it clear on what basis it will decide whether or not to divide a municipality into wards. Instead, the VEC has published an overview of some commonly expressed views on the perceived advantages and disadvantages of the different ward structures, to inform input from participants into representation reviews⁹¹.

2.61. The absence of explicit criteria makes it difficult to compare decision making practices on ward structures.

2.62. The VEC put forward a variety of rationales for recommending particular ward structures. Some rationales appeared to be regarded as material in some reports, but not so in others. A sample of these are as follows:

- the ward structure and whether it leads to higher levels of informal voting⁹²
- the likelihood of an unsubdivided ward structure for a metropolitan council resulting in voter confusion and higher rates of informal voting:

*“In an unsubdivided metropolitan council, there would probably be so many candidates that many voters would be confused and vote at random or accidentally vote informally, meaning they would not be represented at all.”*⁹³

- public reaction in previous reviews to particular ward structure options:

*“In the 2003 electoral representation review, the VEC accepted that the previous ward structure was not supported by the community. The strong opposition was based on a perception that the mix of single-councillor and multi-councillor wards led to unequal representation across the Shire.”*⁹⁴

- the risk of boundaries giving rise to old rivalries⁹⁵
- low levels of contestation (the number of candidates standing)⁹⁶.

2.63. The Panel believes a clearly articulated basis for determining whether or not to divide a municipality and in what ways would improve the transparency of the review process, lift consistency and foster the perception that the recommended electoral structure will deliver fair and equitable representation.

⁸⁸ VEC 2011, *Electoral representation review, Central Goldfields Shire Council – final report 2011*, p. 13.

⁸⁹ VEC 2012, *Electoral representation review, Melbourne City Council – final report 2012*, p. 27.

⁹⁰ VEC 2011, *Electoral representation review, Moreland City Council – final report 2011*, p. 11.

⁹¹ VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, pp. 12–14.

⁹² VEC 2012, *Electoral representation review, Hobsons Bay City Council – final report 2012*, p. 14.

⁹³ VEC 2011, *Electoral representation review, Stonnington City Council – preliminary report 2011*, p. 15.

⁹⁴ VEC 2012, *Electoral representation review, Surf Coast Shire Council – preliminary report 2012*, p. 14.

⁹⁵ VEC 2012, *Electoral representation review, Latrobe City Council – final report 2012*, p. 28.

⁹⁶ VEC 2011, *Electoral representation review, Moorabool Shire Council – final report 2011*, p. 11.

- 2.64. The Panel heard concerns expressed by residents in the largest municipalities of effective under-representation due to the vastness of the geography and the distances required to be travelled to afford effective representation. This was particularly clear in the north-west and east of the state. Constituents in some of these municipalities could not comprehend why their municipality was not subdivided, like many of their smaller regional neighbours.

“Fair and equitable representation’ has not been achieved for the voters of far East Gippsland... There is no effective representation for constituents east of the Orbost line [the area from Marlo on the coast through Orbost to Benambra]... At the very least single member wards would be more effective in recognising the diversity of the area now encompassed by the EGSC.”

Dr Joan Kimm, submission

- 2.65. As with its contemplation of councillor numbers, the VEC projects forward in time to inform decisions on ward structure. Like considerations around councillor numbers, the timeframe for such projections vary from one review to another. The VEC “considers it generally desirable that wards be designed to last until the next scheduled representation review (ie for two elections)”⁹⁷. In practice, this means keeping the number of voters represented by each councillor within the 10 per cent tolerance for at least 10 years. This consideration is not required by legislation; the *Local Government Act 1989* only requires a 10 per cent tolerance at the next election.

- 2.66. In an illustration the VEC provided to the Panel, the VEC noted that:

“... in the City of Melbourne review Cr Jackie Watts proposed a ward model that fitted communities of interest and complied with the numbers requirements at the time of the review. However, explosive growth in parts of the City meant that enrolments for two of the five wards would be outside the 10 per cent margin by 2016, and so the model could not be considered. The VEC’s own wardbased options for Melbourne would have stayed within the 10 per cent threshold at least up to 2016, but a subdivision review may have been required before the 2020 election, and each option cut across local geographic communities of interest. In general, the need for longevity impelled the VEC to favour a small number of multi-councillor wards in growing municipalities.”⁹⁸

- 2.67. This example demonstrates that the requirement for sustainability of the ward beyond the legislated requirement changes the range of ward structures considered.
- 2.68. The VEC’s approach goes beyond the legislated requirement to consider voter numbers at the time of the review or on the entitlement date for the next general election. However, it is consistent with the legislated timeframe for reviews, which is 12 years.
- 2.69. The Panel reached the conclusion that a fixed timeframe of two electoral cycles should be set as a way of strengthening consistency of application of the policy.
- 2.70. **The Panel concluded that decisions around ward structure should be addressed through statutory guidance on whether to divide a municipality into wards and in what ways. The range of matters to be considered and proposals for such guidance are outlined in chapter 3.**

⁹⁷ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, pp. 47–50 and VEC 2009, *Report of local government electoral activity 2008–09, Part III: Report of local government electoral representation reviews conducted by the VEC between 2004 and 2008*, pp. 100–112.

⁹⁸ VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 14.



Chapter 3

Options for the future

Introduction

- 3.1. Chapter 2 examined the current electoral arrangements by analysing legislative and policy settings against the Panel's terms of reference relating to fairness and consistency.
- 3.2. Under the current system, the VEC must deliberate on a large range of structures in a highly variable environment, with limited guidance provided in the legislation.
- 3.3. The Panel believes that greater regulatory guidance would strengthen predictability, transparency and fairness for voters, councillors and participants. In pursuing this, the Panel was guided by several objectives. These were to:
 - ensure that the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor in the municipality
 - ensure that the quota to be achieved for election is the same for each candidate within the municipality in question
 - ensure that ward structures enable application of a ballot counting system recognised as fair and equitable by the Victorian and Commonwealth parliaments
 - ensure each council election has a single ballot counting system
 - provide councils of similar voter range with broadly consistent rates of representation.
- 3.4. The Panel proposes to achieve these objectives by reducing the complexity in the process of assigning electoral structures by:
 - fixing the number of councillors for particular voter population ranges of each council
 - removing situations in which unequal quotas exist in different wards in the same municipality
 - reducing the range of possible structures the VEC may select
 - providing more guidance on the circumstances under which eligible structures should be applied
 - creating a clearer hierarchy of criteria for decision making in selecting the appropriate structure for each council.
- 3.5. For the purpose of this discussion, electoral structures include councillor numbers and wards.
- 3.6. In discussing ward structures, external council boundaries are considered fixed, as examining them is not within the Panel's terms of reference.

Fixed councillor numbers

- 3.7. It was important to the Panel that the approach to determining councillor numbers strengthened the fairness and consistency of the electoral system by allocating a fixed number of councillors, based on the number of voters to be represented.
- 3.8. The Panel noted the range of voter numbers across Victoria's 79 councils that would have to be accommodated in the councillor number allocation approach. At the 2012 elections, West Wimmera Shire Council had 4018 voters (the lowest number of voters in a municipality), while Greater Geelong City Council had 170,408 voters (the largest number of voters in a municipality).
- 3.9. By 2028, the voter number range is projected to widen to a low of 3748 for West Wimmera Shire Council and a high of 259,255 for Casey City Council⁹⁹.
- 3.10. To better accommodate this range and in accounting for the VEC's and the VLGA's recommendation that the upper limit of the range be increased¹⁰⁰, the Panel is of the view that the maximum number of councillors should be increased to 15.
- 3.11. The Panel also believes that the councillor numbers should allow for a choice between single-member wards, uniform multi-member wards and an unsubdivided ward structure, as shown in Table 9.

Number of councillors	Electoral structure
6	<ul style="list-style-type: none"> • single-member wards • two wards with three councillors • three wards with two councillors • unsubdivided
9	<ul style="list-style-type: none"> • single-member wards • three wards with three councillors • unsubdivided
12	<ul style="list-style-type: none"> • single-member wards • six wards with two councillors • four wards with three councillors • three wards with four councillors • two wards with six councillors • unsubdivided
15	<ul style="list-style-type: none"> • single-member wards • five wards with three councillors • three wards with five councillors • unsubdivided

Table 9: Councillor numbers and possible electoral structures for Victorian councils under proposed reforms¹⁰¹

⁹⁹ Figures calculated by Local Government Electoral Review secretariat using population projections published by the Department of Transport, Planning and Local Infrastructure in *Victoria in future 2014*.

¹⁰⁰ VEC, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. iv.

¹⁰¹ Table prepared by the Local Government Electoral Review secretariat.

- 3.12. An important feature of any proposed approach is that existing councillor-voter ratios should be maintained or reduced, so that no municipality is left worse off.
- 3.13. **Taking these considerations into account, the Panel proposes that councillor numbers be determined by a simple distribution, based on the number of voters in a municipality. This would replace the VEC's existing table of expected number of councillors by type and size of municipality.**
- **Councils with 6000 voters or fewer would have six councillors.**
 - **Councils with between 6001 voters and 40,000 voters would have nine councillors.**
 - **Councils with between 40,001 voters and 130,000 voters would have 12 councillors.**
 - **Councils with more than 130,000 voters would have 15 councillors.**
- 3.14. The numbers would allow the VEC to apply either single-member wards, uniform multi-member wards or an unsubdivided ward structure. It would provide a clear, fair and consistent starting point for electoral representation reviews.
- 3.15. Modelling by the Panel suggests that replacing the VEC's existing table of expected number of councillors by type and size of municipality with the proposed approach would affect existing councillor numbers in the following ways:
- an **improvement** on the average councillor-voter ratios from 1:6591¹⁰² to 1:5159
 - the minimum number of voters represented per councillor would be 1:670 (a small improvement on the existing 1:804 minimum councillor-voter ratio)
 - the maximum number of voters represented per councillor would be 11,361 (an improvement on the existing maximum of 15,411)
 - no council would have fewer councillors
 - of the three councils with 130,000 voters or more, all would experience an increase in councillor numbers
 - of the 35 councils with between 40,001 and 130,000 voters, all would experience an increase in councillor numbers
 - of the 36 councils with between 6001 and 40,000 voters, 27 would experience an increase in councillor numbers and nine would remain unchanged
 - of the five councils with 6000 voters or fewer, four would gain one councillor and one would remain unchanged.
- 3.16. The rapid growth in Victoria is such that accurately fixing councillor numbers becomes very challenging for the review authority. It is normal practice for the review authority to undertake a broad scan of the sector prior to each general election to ensure that the legislative requirements are met in each of the municipal electoral structures. Under existing legislation, where the 10 per cent deviation rule is breached, the review authority can propose a subdivision review to the minister.
- 3.17. It was concluded by the Panel that there was a need to consider a new legislative trigger to ensure that the risk of electorates being under-represented was also addressed. The review authority would scan the sector prior to each general election to ensure that municipalities were afforded the correct level of representation. The Panel has addressed this under proposed changes to the legislation in recommendation 2 on page 62.

¹⁰² All existing ratios are based on the VEC's data from the general elections in 2012.

Fair and equitable representation

- 3.18. In Victorian local government, the general understanding of equality of representation is that councillor-voter ratios are equivalent for each ward within a municipality. The Panel believes that, as well, candidates should require the same proportion of voter support (as measured by the quota) to be elected.
- 3.19. The provisions of the *Local Government Act 1989*¹⁰³ require the VEC to create electoral structures to ensure that councillor-voter ratios do not vary by more than 10 per cent across any given municipality. Table 10 contains an example that shows how this mechanism protects the principle of ‘one vote, one value’.

	Councillors	Voters
Ward A	3	3000
Ward B	2	2000
Ward C	1	1000

Table 10: Example of how the requirement for councillor-voter ratios to not vary by more than 10 per cent across any given municipality protects the ‘one vote, one value’ principle¹⁰⁴

- 3.20. However, the 10 per cent rule does not ensure that all councillors come to council having attained a similar minimum threshold of voter support. While the VEC appropriately gives highest priority to the maintenance of the 10 per cent variation requirement, protection of fairness and equity would be further reinforced by enforcing parity in the quota for each ward in a municipality.
- 3.21. The quota represents the level of support that a candidate must attain in order to be elected to council. Parity in the quota for each ward in a municipality guarantees that, to be elected, every councillor must attain a similar minimum threshold of voter support¹⁰⁵.
- 3.22. When quotas are different between wards, councillors must attain different proportions of voter support and different numbers of formal votes in order to be elected, depending on where a candidate chooses to stand, as noted by the Proportional Representation Society.

*“If disparity or asymmetry exists between wards in the size of the percentage quota, there will be distinct differences among the wards ...Disparity will – all other things being equal – allow some candidates of a particular background, or identified with a particular stance, to be elected in wards with a smaller percentage quota, but not to be elected in wards with a larger percentage quota.”*¹⁰⁶

¹⁰³ Section 219D, *Local Government Act 1989* (Vic).

¹⁰⁴ Table prepared by the Local Government Electoral Review secretariat.

¹⁰⁵ Within the allowable band of 10 per cent.

¹⁰⁶ Proportional Representation Society website, ‘Parity among wards and quotas in a municipality’, viewed 7 July 2014, <www.prsa.org.au/2014-06-25_parity_among_wards_in_municipality.pdf>.

3.23. In the hypothetical example in Table 11, this difference in the formal votes required to be elected becomes evident.

Council	Quota	Number of formal votes needed to be elected
Hypothetical council		
A Ward (1 councillor – 1000 voters)	50%+1	501
B Ward (2 councillors – 2000 voters)	33%+1	667
C Ward (3 councillors – 3000 voters)	25%+1	751
D Ward (4 councillors – 4000 voters)	20%+1	801

Table 11: Formal votes required for election to wards with different quotas¹⁰⁷

3.24. In the real world, the difference in the total vote required to be elected is also apparent. For example, the votes required to be elected to Latrobe City Council in 2012 (as shown in Table 12) varied substantially from ward to ward, as a consequence of the variance in the quota from ward to ward within that municipality. At this election, a candidate in East Ward required 1113 (or 44 per cent) more formal votes to secure election than a candidate in South Ward.

Council	Quota	Number of formal votes needed to be elected
Latrobe City Council		
East Ward (4 councillors)	20%+1	3365
Central Ward (2 councillors)	33%+1	2769
West Ward (2 councillors)	33%+1	3029
South Ward (1 councillor)	50%+1	2252

Table 12: Formal votes required for election to different wards at Latrobe City Council in 2012¹⁰⁸

3.25. The Panel believes it would be more fair and consistent for candidates within any given municipality to face the same quota requirements, regardless of the ward contested. The Panel notes that, in contrast to the local government system, the consistency of quota for the Victorian Legislative Council (upper house) is a constitutional requirement. Section 27(1) of the *Constitution Act 1975* provides that the “State of Victoria is to be divided into 8 regions each of which is to return 5 members to the Council”. Section 35(1) of the *Constitution Act 1975* in relation to the Victorian Legislative Assembly (lower house), provides that “Victoria shall be divided into 88 districts each of which shall return one member to the Assembly”. The role of Victoria’s Electoral Boundaries Commission as outlined in its Act¹⁰⁹ (Section 5) provides for “establishing and maintaining electoral regions of approximately equal enrolment...”. The fixing of uniform representative numbers in the upper house and the single-member lower house, combined with the requirement to maintain approximately equal enrolment between electorates, provides for consistency in the quotas facing candidates across the parliamentary system.

¹⁰⁷ Table prepared by the Local Government Electoral Review secretariat.

¹⁰⁸ Table prepared by the Local Government Electoral Review secretariat based on data provided by the VEC.

¹⁰⁹ *Electoral Boundaries Commission Act 1982* (Vic.).

- 3.26. In the 2002 final report of the Constitutional Commission Victoria, *A house for our future*, the commission considered the option of having a differential number of candidates in electorates. It noted:

“The differential number of Members to be elected would also allow the Electoral Boundaries Commission to tailor electorates more closely to regional and ‘community of interest’ needs. On the other hand, this model gives a perception of a ‘gerrymander’. It also means that quotas for election vary depending on whether a candidate is standing in a seven, five or three-member electorate, and that results in country Victoria would be far less proportional than in the metropolitan area.

Although this differential membership model was the second most popular among respondents to the survey that accompanied the Consultation Paper, the Commission does not recommend it. Whatever proportionality and quotas are best should be applied equally in country and city.”¹¹⁰

- 3.27. The VEC acknowledged the differences in quotas that apply for councils in its *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, saying that:

“The Proportional Representation Society of Australia (PRSA) observed that a consequence of unequally sized wards was that the quotas required for election varied. To take a theoretical example, in a municipality with five councillors and 10,000 voters, the quota required for election for a single-councillor ward of 2,000 votes would be 1,001; for a two-councillor ward of 4,000 votes the quota would be 1,334; and for a three-councillor ward of 6,000 votes the quota would be 1,501. The PRSA argued that this disparity was undesirable, because it meant that voters and candidates were not in the same position across the municipality. The PRSA’s point is mathematically undeniable.”¹¹¹

- 3.28. Ensuring that the number of voters represented by each councillor is within 10 per cent of the average number of voters per councillor in the municipality is fundamental to ensuring fairness and consistency of representation. This objective is reinforced where there is parity in the quota to be achieved for election. The Panel considers that fairness and consistency are also served by candidates being elected on the basis of the same level of support, guaranteed by achieving parity in the quota for each election within a municipality.

- 3.29. **The Panel’s conclusion is that to reinforce the fairness and consistency of representation, the practice of allowing two electoral structures within one municipality should be discontinued, including municipalities that consist of:**

- **both single- and multi-member wards**
- **multi-member wards with different numbers of councillors in each ward.**

¹¹⁰ Constitutional Commission Victoria 2002, *A house for our future*, p. 31.

¹¹¹ VEC, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 17.

A simpler range of council structures

3.30. Of the five existing ward structures, three would continue:

- single-member wards
- unsubdivided councils
- uniform multi-member wards.

3.31. These three ward structures have merits and shortcomings and regard needs to be had as to the characteristics of each and the municipality in which they are to be applied. Single-member wards can work well to represent major geographic communities of interest, but may be challenging to apply in areas of rapid growth. Unsubdivided structures may promote municipal-wide representation, but may not work so well in very large and dispersed municipalities. Uniform multi-member wards may cater for effective representation in very rapidly growing municipalities. The application of each of these structures needs to be considered in context, given the significant diversity of municipalities across the state.

3.32. As has been noted above, guidelines for whether or not wards are subdivided and, where subdivided, whether they should be multi-member or single-member wards have not been laid down by the VEC. The Panel proposes that where the statutory guidelines can be met by the three electoral structures, the VEC gives preference to the structure that has the best relative advantage.

Option 1: Single-member ward structures

3.33. Single-member wards have only been allowed by the legislation in Victoria since 1989. Municipalities that are comprised exclusively of single-member wards have been used largely in metropolitan Melbourne, and were relatively common between the mid-1990s and 2003. Since 2003, the number of councils with entirely single-member wards has diminished. Now, only 11 of Victoria's 79 councils are comprised entirely of single-member wards.

3.34. The VEC has highlighted the following advantages of single-member wards:

- councillors are more likely to be truly local representatives, easily accessible to residents and aware of local issues
- major geographical communities of interest are likely to be represented¹¹².

3.35. Some regard a single-member ward structure as best suited to local representation, in which "local constituents perceive their elected representatives as their personal advocates"¹¹³. This kind of representation is predicated on constituencies being small enough for councillors to make personal contact with a significant proportion of the electorate.

3.36. The Panel heard views from submitters that single-member ward councillors were likely to be more accessible, accountable and engaged with the local concerns of constituents. It was put to the Panel that, in particular, smaller geographic communities of interest could expect to have their concerns understood and reflected in council decision making. In this respect, single-member ward structures may have advantages for councils with distinct geographic communities of interest.

¹¹² VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, p. 12.

¹¹³ Burdess, N & O'Toole, K 2004, 'Elections and representation in local government: A Victorian case study', *Australian journal of public administration*, vol. 63, no. 2, p. 67.

"Single member wards establish clear accountability between individual Councillors and their constituents making it difficult for poorly performing Councillors to 'hide' behind colleagues in the same ward."

Knox City Council submission

- 3.37. Differing views were put to the Panel on whether single-member wards were less likely to facilitate participation by dummy candidates because the overall field of candidates was likely to be smaller and provide less camouflage for them.

"Dummy candidates is less of a problem in single member wards, therefore single member wards should be the universal ward system across the local government sector."

Bayside City Council submission

- 3.38. This view was contested by Monash City Council in its submission.

"Dummy candidates are just as relevant (in fact, in many regards – more so) in single-member wards as they are in multi-member or un-subdivided contests."

Monash City Council submission

- 3.39. Given existing municipal boundaries and patterns of population dispersion and growth, the single-member ward structure faces at least two real-world problems.
- 3.40. Single-member wards require relatively even population dispersion to achieve what the VEC referred to as "clear, readily identified boundaries... [that] made it easier for voters to know which wards they were in and therefore who their councillors were"¹¹⁴. In regional and rural areas where the population pattern includes a major regional city or town and an otherwise dispersed population, single-member wards can demand problematic boundaries, such as cutting through townships or distinct communities of interest, which undermines one important rationale for creating the single-member ward structure.
- 3.41. The second practical challenge arises in outer metropolitan areas with high population growth. The *Local Government Act 1989* requires that individual councillor-voter ratios do not deviate from the average number of voters by more than 10 per cent. In areas of rapid population growth, the sustainability of single-member wards within the 10 per cent margin is particularly difficult, if achievable at all.
- 3.42. The Panel found that councils comprised entirely of single-member wards may offer an effective electoral structure where populations are evenly distributed and relatively stable, and are more challenging to apply where populations are unevenly dispersed (often in rural and regional areas) and in places with rapidly and unevenly changing population growth (often in the growth suburbs of Melbourne).

Option 2: Unsubdivided councils

- 3.43. Unsubdivided councils have existed for most of Victoria's history of local government. At present, 22 municipalities are unsubdivided: the City of Melbourne and 21 rural and regional councils.
- 3.44. The VEC has highlighted the following advantages of an unsubdivided structure:
- promotes the concept of a municipality-wide focus
 - gives residents and ratepayers a choice of councillors to approach with their concerns
 - each voter has the opportunity to express a preference for every candidate in the council election
 - removes the need to define internal ward boundaries
 - results in a simple, less expensive voters' roll for elections

114 The VEC chose the following features for ward boundaries: rivers, railways, roads, locality boundaries, park boundaries, property boundaries, transmission lines and road reserves. VEC, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, p. 22.

- if a councillor resigns, a replacement councillor is elected through a countback system, negating the need for the expense of a by-election¹¹⁵.

- 3.45. The Panel has heard that this option is most closely aligned with the municipal-wide responsibilities of councillors, as described in the charter in the *Local Government Act 1989*¹¹⁶.
- 3.46. The minister who oversaw the amalgamations in the mid-1990s, the Hon. Roger Hallam, stated that, “I’ve been a fervent advocate of the concept of unsubdivided municipalities on the grounds that this brings a corporate level to the council table and thus addresses the issue of parochialism and small P politics which has long bedevilled local government”¹¹⁷.
- 3.47. When the City of Melbourne was changed to an unsubdivided structure in 2001, the minister at the time stated that consultation showed that “city stakeholders want stability, improved representation and good governance in their council. They want their councillors to be able to represent a diversity of views and to balance business interests and city revitalisation with residential needs.”¹¹⁸
- 3.48. Present-day councils have significant financial, economic, social and environmental challenges and require highly evolved business, management, legal and governance competency to meet community expectations. It has been put to the Panel that these expectations require municipal-wide representation, in which councillors set corporate objectives and establish strategic directions.
- 3.49. Advocates of unsubdivided structures attribute a narrowness of focus and lack of holistic governance to single-member ward structures and argue that policy decision making is better integrated in unsubdivided structures. In his advocacy of unsubdivided structures, the Lord Mayor of Melbourne makes the following point.

“I find the parochialism and the sectarianism of ward councils to be very destructive... It’s too easy if you want to be elected to the Carlton ward to come out and just be pro things all things Carlton... Because you don’t have to worry about the rest of the municipality. All you have to do is make enough noise in your own little ward and in that little ward you can become a local hero and elected. But I would argue once you come into council... your priorities become city wide priorities in perspective and in balance rather than driven by parish pump prime politics and despite everything that people say, that’s all I see in ward politics.”

Rt Hon. Robert Doyle, Lord Mayor, Melbourne City Council, Melbourne public hearing

- 3.50. Arguments were put to the Panel on what structures, if any, promoted effective corporate functioning. The evidence of this, in reality, is mixed, although submitters frequently expressed very strong views one way or the other.
- 3.51. The Panel’s view is that effective corporate functioning is influenced by ward structures, the competence of councillors, a functional council body, and a competent organisation to support informed and sound decision making by the council.
- 3.52. An additional argument put forward by submitters in support of unsubdivided and multi-member ward structures are that they are more equitable in representation.

“...the will of the majority can only be reflected accurately, transparently and fairly in the result if the spectrum of views in the persons elected by an electoral district corresponds with the spectrum of views held by its voters. That outcome cannot be achieved by a system of single-councillor wards in each of which almost half of the voters have no effect on the outcome.”

Proportional Representation Society – Victoria/Tasmania submission

¹¹⁵ VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, p. 12.

¹¹⁶ Part 1A *Local Government Act 1989* (Vic).

¹¹⁷ Hallam, R 1998, ‘The politics of change’, in B Galligan (ed.), *Local government reform in Victoria*, p. 122.

¹¹⁸ Victorian Parliamentary Debates, Legislative Assembly, 22 March 2001, p. 436.

- 3.53. A final argument put to the Panel in favour of an unsubdivided structure was that it empowered voters to vote for any candidate in a council election, rather than being restricted to the candidates contesting a particular ward.

"Single-member wards confine voter choice to their geographic area even if that isn't their overriding concern. Undivided municipalities empower the voter as they choose what is most important to them by how they vote."

Stephen Hart, submission

- 3.54. There are few impediments to applying a uniform unsubdivided electoral structure across Victoria; it does not follow, however, that this would be desirable.

- 3.55. It was raised with the Panel that in geographically large municipalities, there is a risk that the vast majority of councillors will be drawn from a single part of the municipality, such as a regional city. This problem was raised with the Panel in relation to East Gippsland Shire Council and Mildura Rural City Council, where the great majority of councillors live in the regional centres of Bairnsdale and Mildura respectively, leaving some voters in other parts of the municipality feeling inadequately represented.

"Since inception, the Mildura Rural City Council has had an open electoral system (no wards or ridings). We now have a city based and focussed council representation... PLEASE consider the special needs of this unique area. Establish a WARD based representation in our council area."

Michael O'Callaghan Snr, submission

- 3.56. It was also put to the Panel that wholly unsubdivided structures might diminish a councillor's capacity for local engagement and representation.

- 3.57. In addition, unsubdivided wards were criticised for enabling dummy candidates to thrive.

"Far East Gippsland has no representation... [the unsubdivided] structure accentuates the effects of tickets/factions and causes undue influence by well organised groups... The town [Mallacoota] presently feels disenfranchised from the communication and consultation process."

Robin Bryant, submission

- 3.58. The VEC has noted that "In 2008 there was a very strong correlation of 0.971004 between the number of candidates for a ward and the informal vote, meaning that the more candidates there were, the higher the informal vote"¹¹⁹. It is notable that the VEC has not recommended unsubdivided structures in any metropolitan municipality, except for the City of Melbourne, which alone has 'above the line' voting in recognition of its team-based election system¹²⁰. In 2012, more than 15 candidates contested all but one metropolitan council election.

- 3.59. The evidence of correlation between large candidate fields and voting informality was not as strong for the 2012 general election. However, the VEC has indicated it remains wary of adversely impacting formality rates in its decision making, especially when dealing with municipalities with traditionally large candidate fields.

- 3.60. The Panel was cognisant of issues of voting formality, but believes that the proposals made regarding optional preferential voting and the measures proposed in the Stage 1 report¹²¹ are an appropriate way of dealing with large fields of candidates.

- 3.61. The Panel found that unsubdivided councils may promote municipal-wide representation, but may not offer a sufficient level of access to councillors in larger municipalities where there are geographically dispersed populations.

¹¹⁹ VEC 2012, *Electoral representation review, Whittlesea City Council, final report 2012*, p. 12.

¹²⁰ "In an unsubdivided election, all the candidates would be on one ballot paper, and voters would have to number all the squares correctly for their vote to count. In 2008 there was a very strong positive correlation of .971004 between the number of candidates for a ward and the informal vote, meaning that the more candidates there were, the higher the informal vote. With more than 30 candidates on one ballot paper, the informal vote would probably rise dramatically, with the result that a high proportion of voters would not be represented because of numbering mistakes." VEC, *Electoral Representation Review, Whittlesea City Council, Final Report 2012*, p. 12.

¹²¹ Local Government Electoral Review Panel 2014, *Local Government Electoral Review Stage 1 report*.

Option 3: Uniform multi-member ward structures

3.62. Currently in Victoria, 16 out of 79 councils have uniform multi-member wards, where each ward has the same number of councillors¹²².

3.63. The VEC has highlighted the following advantages of multi-member wards:

- support the accommodation of a whole community of interest within a ward
- focus on issues may be broader than for single-member wards
- councillors may be more accessible than in an unsubdivided council
- voters have a choice of councillor to approach
- ward boundaries are likely to be easy to identify and less susceptible to change as a result of population growth or decline than single-member wards¹²³.

3.64. It was put to the Panel that a ward structure with three councillors in each ward has significant strengths. It avoids the instability associated with wholly single-member wards in areas of high population growth because larger ward populations allow it to tolerate larger shifts and remain within the 10 per cent allowable deviation.

3.65. In keeping with the discussion earlier in the chapter, it was also put to the Panel that wards with equal numbers of councillors more equitably promote fair representation, as the quota required to be elected is consistent across the council. This results in councillors being elected with equally proportionate support from each of their wards.

“PRSAV-T Inc. supports increasing the maximum number of councillors to fifteen, as a council of that size could be constituted with a parity between multi-member wards and quotas that is not possible with councils having 7, 11, or 13 members. A 15-member council would allow for five 3-councillor wards or three 5-councillor wards, each of which configurations would provide parity among the councillors and their wards.”

Proportional Representation Society submission

3.66. Advocates for multi-member wards argue that they engender a more collegiate approach to corporate governance than single-member wards. Monash City Council changed from single-member wards to multi-member wards in the mid-2000s. As stated in Monash City Council's submission, councillors who served under both structures have “a preference for the current multi-member structure as it fosters a more team-oriented approach... rather than a more parochial and territorial single-ward focus.”

3.67. This view was also supported in Yarra City Council's submission.

“The [multi-member] ward structure in Yarra has proven to indicate support for councillors working together collegiately, while enabling residents to identify with their local area and local councillors. This situation engages the community at a more local scale in the local government civic process.”

Yarra City Council submission

3.68. The Panel found that multi-member wards with equal numbers of councillors provide a viable structure for council governance that can meet the conditions for good representation under a wide range of challenging geographic and growth conditions.

3.69. The Panel concluded that, given the vast diversity in municipal structures, there would be no one single electoral structure that could cater to the representation needs across Victorian municipalities.

¹²² VEC 2013, *Report on conduct of the 2012 local government elections*, pp. 118–120.

¹²³ VEC 2011, *Electoral representation review, Stonnington City Council – 2011 Guide for submissions*, p. 13.

Recommendations

PROPOSED CHANGES TO LEGISLATION AND MINISTERIAL DIRECTION

1. The Panel believes that the transparency and consistency of the review process and its outcomes would be improved through changes to the current legislative provisions and through the provision of a ministerial direction to guide the task of the review authority.
2. It is recommended that the legislation should provide for:
 - an increase in the upper limit of councillors to 15 and the provision for councils to have six, nine, 12 or 15 councillors, based on a simple distribution against voter numbers according to the ministerial direction proposed in recommendation 3
 - continuation of the '10 per cent rule', which ensures that the councillor-voter ratio does not deviate outside of 10 per cent in any one ward from the average for that municipality
 - the inclusion of a new legislative trigger for the start of a representation review, where the review authority considers that the voter population has increased or decreased to such an extent that a change to councillor numbers is warranted
 - the discontinuation of the current practice of having 'mixed wards', where municipalities contain a mix of single-member wards and multi-member wards or a mix of non-uniform multi-member wards. In these municipalities, councillors in different wards face different quotas to be elected in the one council election. For those municipalities with both single- and multi-member wards, ballot counting systems also differ from one ward to the next. Under this recommendation, the fairness and consistency of the system would be strengthened by ensuring that candidates in each council election in the one municipality would require the same quota to be elected. Furthermore, each elected councillor would come to council having secured the same minimum level of community support.
3. It is recommended that a ministerial direction provides for additional instruction on the following matters:
 - the fixing of councillor numbers based on a simple distribution relating to the number of voters in a municipality as follows:
 - councils with 6000 voters or fewer would have six councillors
 - councils with between 6001 voters and 40,000 voters would have nine councillors
 - councils with between 40,001 voters and 130,000 voters would have 12 councillors
 - councils with more than 130,000 voters would have 15 councillors
 - the fixing of the timeframe to be taken into account in each representation review to ensure that electoral structures are designed to meet the requirements of the electorate for the next two general elections after the review. This would improve the consistency in modelling the options for community consultation purposes.

4. The Panel found that the consistency of the review process would benefit from the consistent application of an explicit range of considerations that are addressed in each review and that would inform the review authority's consultation. The Panel recommends that to inform the evaluation of which electoral structure provides the best fit for a municipality, the review authority should consistently apply the following considerations:
 - communities of interest
 - municipality's population, growth and geographic dispersal
 - accessibility of councillors to the community.
5. The Panel recommends that the ministerial direction also includes guidance on the consideration of ward boundaries, based on factors contained in section 9(1) of the *Electoral Boundaries Commission Act 1982*¹²⁴, namely:
 - area and physical features of terrain
 - means of travel, traffic arteries, and communications and any special difficulties in connection therewith
 - community or diversity of interests.
6. The Panel further recommends regular reviews of the ministerial direction to ensure, in particular, that the councillor number distribution remains appropriate over time in the face of significant population growth.

COMMUNITY CONSULTATION

7. In undertaking a representation review, the VEC should continue its existing community consultation approach of:
 - conducting preliminary consultations
 - calling for public submissions
 - preparing a preliminary report for public release containing:
 - the models (including maps) that were developed in meeting the legislated requirements
 - an explanation of how the boundaries of wards (for subdivided electoral structures) were developed
 - an explanation of the reasons certain electoral structures could not be developed
 - the VEC's analysis of the strengths and weaknesses of the respective models that were developed
 - calling for public submissions on the preliminary report and allowing any person who makes a submission at this point to be heard in person.

¹²⁴ *Electoral Boundaries Commission Act 1982*, Section 9(1) (Vic).

SUBMISSION OF A FINAL REPORT

8. In completing a representation review, the VEC should also continue its existing approach of submitting a copy of a final report to the council and the Minister for Local Government recommending a preferred model not later than six months before the subsequent general election.
9. The Panel recommends that the final report contains an analysis of community feedback received and how the VEC has given regard to the feedback in arriving at its recommended model, as is the VEC's current practice.

Conclusion

- 3.70. The proposed reforms would simplify the VEC's electoral review role in three ways.
- 3.71. First, they would remove one of the major variables for reviews – councillor numbers – from the equation by fixing numbers according to a specific formula. This reform would align this part of the VEC's role with that of a state electoral boundaries commission, which is also presented with a fixed number of representatives per electoral district. The starting point for each review would be clear and unequivocal.
- 3.72. Secondly, they would narrow the range of allowable electoral structures from five to three, by excluding the two structures that currently allow for variable quotas in wards within a single municipality. This further reduces the variables the VEC must reconcile.
- 3.73. Thirdly, they would specify a clear range of considerations, which would be applied consistently in each representation review.
- 3.74. The Panel considers that the overall effect would be to deliver a more transparent and consistent system, for both the VEC and participants. Participants in the review process would be presented with transparent and unequivocal criteria and processes.



Chapter 4

Voting and ballot counting, filling casual vacancies and councillor allowances

Introduction

- 4.1. The voting system used for conducting elections is an important component of the electoral arrangements, ensuring that the results of an election are representative and it gives people confidence that the system is fair.
- 4.2. For the purpose of this report, there are three key components of the voting system used for local government elections in Victoria:
 - the way that voters cast their votes
 - the method used to count the votes
 - the method used to fill a vacancy between general elections.

Voting and ballot counting

Council voting systems

- 4.3. To cast a valid vote in a council election in Victoria, voters must consecutively number every box on the ballot paper in the order of their choice. The method of voting is the same, regardless of the ward structure and the number of vacancies to be filled.

Ballot counting systems

- 4.4. While the process for the voter is identical, the ballot counting systems differ for different ward structures.
- 4.5. For elections in single-member wards, preferential voting is used. For elections in multi-member wards and unsubdivided councils, proportional representation is used.
- 4.6. Under the preferential voting system used for elections in single-member wards:
- all candidates must be given a preference by the voter for the vote to be counted
 - all first preference votes are counted for each candidate. If a candidate receives an 'absolute majority' of formal first preference votes, ie 50 per cent of votes plus one, that candidate is elected
 - if no candidate has an absolute majority, the candidate with the fewest first preference votes is excluded and the second preference votes from their ballot papers are transferred to the other candidates at full value
 - if still no candidate has an absolute majority, the next candidate with fewest first preference votes is excluded and their second preference votes are transferred at full value
 - this process continues until one candidate obtains an absolute majority and is declared elected
 - a by-election is required when an extraordinary vacancy occurs and where the preferential system was used at the previous election.
- 4.7. The full preferential system is used for the House of Representatives at the federal level, the lower houses in Victoria, South Australia, Western Australia and the Northern Territory, and in many local government elections where a single member is to be elected. It is designed to ensure that the elected candidate is preferred by a majority of people who cast a valid vote.
- 4.8. Under the proportional representation system used for elections in multi-member wards and unsubdivided councils:
- all candidates must be given a preference by the voter
 - all first preference votes are counted for each candidate

- to be elected, a candidate must receive a 'quota', which is calculated by dividing the total number of formal ballot papers by one more than the number of candidates to be elected, and adding one to the result

Example

Where four councillors are to be elected from 5000 formal votes:

$$\text{The quota} = \frac{5000 + 1}{(4+1)} = 1001$$

- each elected candidate's surplus votes (if any) are transferred to the remaining candidates according to the preferences on the ballot papers. Because it is not possible to tell which votes elected the candidate and which are surplus, all the elected candidate's votes are transferred, but at a value less than one
- the value of the transferred votes is worked out by dividing the surplus by the total number of ballot papers for the candidate. Each ballot paper transferred to another candidate has this value

Example

If Candidate X receives 1600 votes when the quota is 1001, that candidate is elected and their surplus votes total 599. Their transfer value is:

$$\frac{599}{1600} = 0.374$$

On transfer of Candidate X's votes, their 1600 ballot papers give 405 ballot papers to Candidate Y.

Candidate Y therefore receives 151 votes (405 x 0.374).

- any candidate who has gained the quota once the surplus votes have been transferred is elected
 - if there are still vacancies to fill once the surplus votes have been distributed, the candidate with the lowest number of votes is excluded and their ballot papers are then transferred to the remaining candidates (at the value they were received) according to the preferences on them
 - a countback is conducted to fill councillor extraordinary vacancies where proportional representation vote counting was used at the previous election. Votes cast for the vacating councillor at the previous election are redistributed to remaining candidates, rather than a by-election being required.
- 4.9. A council with a mix of single- and multi-member wards will use two counting systems: preferential for single-member wards and proportional representation for multi-member wards.
- 4.10. Proportional representation aims to produce 'proportional' election results, where councillors are elected in proportion to the votes cast. It is used in the Senate and in the upper houses of New South Wales, Victoria, South Australia and Western Australia.

OTHER VOTE COUNTING SYSTEMS

- 4.11. There are a number of variations of the proportional representation system used in liberal democracies throughout the world. Australia and a small number of other countries use the ‘single transferable vote’ system, which places emphasis on votes cast for individual candidates. Western Europe generally uses other systems, which operate on the assumption that party lists are important to the electoral process.
- 4.12. The Panel has taken the view that consistency between the voting systems in the Victorian local and state elections and at the federal level is of basic importance. Accordingly, it has not explored in detail the claims made by proponents of variations on these systems, other than looking at the first-past-the-post and optional preferential systems, which were raised by participants in the course of consultations and submissions.
- 4.13. In chapter 3, the Panel concluded that municipalities with mixed structures – non-uniform multi-member wards and/or a mix of single- and multi-member wards – should be removed from the Victorian system (refer to recommendation 2 on page 62). This would remove the requirement for different ballot counting systems to be used in the one municipality: one for elections in multi-member wards and the other for elections in single-member wards.
- 4.14. Two strong themes emerged around voting and ballot counting systems during the public consultation.
- 4.15. The first was support in some quarters for the introduction of simple majoritarian or first-past-the-post voting for elections in single-member wards.
- 4.16. The second was a proposal for the introduction of either optional or partial preferential voting. This proposal is important in the context of the principle of aligning the ballot counting system with higher levels of government, given the interest expressed at federal and state levels in 2014 in expanding optional or partial preferential voting.
- 4.17. The proposals from submitters to introduce first-past-the-post voting and optional or partial preferential voting were tested against their capacity to deliver fairness and consistency, in line with the Panel’s terms of reference.
- 4.18. For the purposes of this discussion, these matters are divided into matters affecting elections in single-member wards and matters affecting elections in multi-member wards.

Elections in single-member wards

FIRST-PAST-THE-POST

- 4.19. First-past-the-post is the most basic voting method. Voters simply indicate which one candidate they prefer and the candidate with the most votes is the winner.
- 4.20. First-past-the-post was identified in several submissions as an alternative to the preferential voting method currently used for elections in single-member wards.

“The current system of preferential voting does not work as preference deals are done and in some cases not the popular person is elected. The system should be a 1st past the post system.”

Strathbogie Shire Council submission

- 4.21. The Panel compared the two methods by looking at the 2012 council elections, where 103 single-member wards had contested elections:
- in 90 wards, the winning candidates received the most first preference votes and would have been elected under either the first-past-the-post or preferential methods. The average first preference votes of the 90 successful candidates was 50.9 per cent¹²⁵
 - in 13 wards, the results would have been different if the elections had been conducted using first-past-the-post.
- 4.22. First-past-the-post is used for Western Australian local government elections, but is no longer used for government elections anywhere else in Australia.

Strengths and weaknesses

- 4.23. The simplicity of first-past-the-post is its chief merit. Given that a voter only needs to indicate a preference for one candidate, voters can indicate their choice with either a number or a mark. This allows voters with minimal numeracy skills to participate in an election. Because it is so simple, it may also help to lower rates of informal voting.
- 4.24. The Panel heard that first-past-the-post might minimise the influence of dummy candidates.

"First past the post would reduce the need of preference cards and dummy candidates."

Greater Dandenong City Council submission

"... I propose that council elections use a first-past-the-post system. While it can be manipulated by introducing extra candidates to weaken another's vote, it is much harder to do so and as such would greatly diminish the use of dummy candidates."

Cr Andrew Munroe, Whitehorse City Council, submission

- 4.25. This is true to some extent, as dummy candidates are used in the current preferential system to harvest preferences for a more serious candidate. However, it cannot be assumed that first-past-the-post elections would be immune from manipulation. In first-past-the-post elections, for example, a candidate's vote can be significantly reduced if another person, who may attract the same type of voters, is persuaded to nominate.
- 4.26. First-past-the-post has significant disadvantages, which is why all governments in Australia, (except in Western Australia) use preferential voting. The main disadvantage is that a candidate does not need to win a majority of the votes to be elected. A candidate can be elected with much less than half of the vote. In contrast, the preferential system requires a candidate to receive an absolute majority of votes (over 50 per cent) to be elected. Votes earned by candidates with the fewest votes are redistributed progressively to other candidates until one candidate has an absolute majority.
- 4.27. First-past-the-post may also discourage voters from voting for their most preferred candidate if they believe this candidate is unlikely to succeed and their vote would be 'wasted'.
- 4.28. The Panel's conclusion is that the main weakness of first-past-the-post is that it denies voters who hold genuine preferences beyond a first preference an opportunity to express those on the ballot paper. Unlike methods that apply preferences, the ballots cast by voters for unsuccessful candidates are excluded from the counting process immediately, resulting in the effective disenfranchisement of these voters. A candidate may even be elected in circumstances where, if the preferential voting method was used, an absolute majority of voters would have ranked that candidate last. This calls into question the claim that the successful candidate would be representing the will of the majority of voters.

¹²⁵ Calculated by the Local Government Electoral Review secretariat based on data from the VEC website at: <www.vec.vic.gov.au/Results/results-by-muni.html>.

Recommendation

10. The Panel considers it important that the voting and ballot counting systems for local government elections are consistent with those used for federal and state elections to minimise voter confusion. In addition, being elected by the majority is an important feature of a fair electoral system. While first-past-the-post may make it easier for people to vote, it does not ensure that elected councillors in single-member wards have majority voter support.

Accordingly, the Panel does not support the introduction of first-past-the-post for elections in single-member wards.

OPTIONAL OR PARTIAL PREFERENTIAL VOTING FOR ELECTIONS IN SINGLE-MEMBER WARDS

- 4.29. Several submitters suggested that the Panel should consider introducing optional or partial preferential voting for local government elections.
- 4.30. **Optional preferential voting** differs from full (or exhaustive) preferential voting in requiring voters to indicate a first preference only, while still allowing them to indicate more than one preference if they wish.
- 4.31. **Partial preferential voting** requires voters to express a number of preferences equal to the number of councillor vacancies.
- 4.32. The major advantage of optional preferential voting is that it permits voters to express their political opinion, while preserving the voting choices available to them under full preferential voting.
- 4.33. It also reduces the incentives for candidates to engage in preference deals with their competitors in order to maximise their chances of being elected.
- 4.34. Optional preferential voting also reduces voting informality, as Table 13 demonstrates. The Queensland and New South Wales lower houses use optional preferential voting. Using recent comparable elections, their voting informality rates were lower than other representative assemblies.

Jurisdiction	Election year	Rate of informal voting (%)
Western Australia	2013	6.00
Commonwealth	2013	5.92
Victoria	2012	4.96
Tasmania	2014	4.74
Australian Capital Territory	2012	3.50
South Australia	2010	3.30
Northern Territory	2012	3.20
New South Wales	2011	3.20
Queensland	2012	2.20

Table 13: Rate of informal voting in lower house elections (shaded states used optional preferential voting) ¹²⁶

¹²⁶ Victorian Parliamentary Electoral Matters Committee 2014, *Inquiry into the future of Victoria's electoral administration*, pp. 40–45; Tasmanian Electoral Commission; Australian Capital Territory Electoral Commission.

- 4.35. The Victorian Parliament's Electoral Matters Committee recommended in March 2014 that "the Victorian Government amend the *Electoral Act 2002* to introduce a system of optional preferential voting for Victorian Legislative Assembly elections"¹²⁷.
- 4.36. The major risk with optional preferential voting is that it can regress into an effective first-past-the-post method if most voters choose not to exercise their option to include preferences¹²⁸.

Recommendation

11. The Panel believes that, should the State Government adopt the recommendations of the Victorian Electoral Matters Committee and introduce optional preferential voting for Victorian Legislative Assembly elections, it should also introduce it for voting in local government elections in single-member wards.

Optional or partial preferential voting for multi-member elections

- 4.37. During the Panel's public consultation, the introduction of optional or partial preferential voting was advanced for multi-member elections.
- 4.38. The Proportional Representation Society was such an advocate. Its arguments and those of others in support of optional or partial preferential voting were made on the grounds that it would reduce the influence of dummy candidates and raise voting formality rates.

"PRSAV-T Inc. supports replacing Victoria's formality requirement in multi-councillor electoral districts for full marking of all preferences with a partial optional preferential requirement for marking of at least a number of preferences equal to the number of positions to be filled, as has proved satisfactory in NSW, SA and Tasmania for a longer period than Victoria has used proportional representation. The full preferential formality requirement facilitates the present effective use of dummy candidates, whereas a partial optional preferential requirement instead would result in voters being more likely to mark all preferences only when they had formed their own views about the merits of the candidates involved."

Proportional Representation Society – Victoria/Tasmania submission

"A voter should only be required to mark his or her ballot paper for a small number of candidates in order to cast a valid vote. This number could be for one candidate or for the number of candidates to be elected. In the case of the Victorian Legislative Council it is only necessary for a voter to mark his or her ballot paper with five consecutive preferences below the line for the vote to be valid. This contrasts with the present local government position where a valid vote requires a voter to show a consecutive preference for all candidates."

The present requirement helps dummy candidates, for voters will follow the instructions in a ballot pack or a how to vote card in order to cast a valid vote. It also increases donkey voting, where voters cast a vote from top to bottom (or sometimes reverse donkey voting, from bottom to top) in order of the position of names on the ballot paper, and proximity voting where voters number consecutively above or below their preferred candidate. This can in some circumstances make the result of an election a bit of a lottery."

Lyle Allan, submission

¹²⁷ Victorian Parliamentary Electoral Matters Committee 2014, *Inquiry into the future of Victoria's electoral administration*, p. xii.

¹²⁸ Optional preferential voting was introduced for Queensland Legislative Assembly elections in 1992. In 1992, the percentage of voters marking a '1' only on their ballot paper was 23 per cent. This percentage has increased significantly since then: 60 per cent in 2001 and 69.92 per cent in 2012). In 2012, 3.64 per cent of voters expressed a partial preference (marking some squares on the ballot paper) and 26.44 per cent expressed a full preference (marking all squares). Electoral Commission Queensland 2012, *Queensland state election 2012: statistical returns*, p. 287.

4.39. Partial preferential voting is already used for Victorian Legislative Council elections. In these elections, a voter is only required to mark the ballot paper with five consecutive preferences (the number of vacancies to be filled) below the line for the vote to be valid. Above the line voting is also allowed for Victorian Legislative Council elections.

4.40. The Joint Standing Electoral Matters Committee of the Commonwealth Parliament has also recommended reform of the Senate's voting rules in time for the next federal election to allow for optional and partial preferential voting.

"The Committee recommends that section 273 and other sections relevant to Senate voting of the Commonwealth Electoral Act 1918 be amended to allow for ... 'partial' optional preferential voting below the line with a minimum sequential number of preferences to be completed equal to the number of vacancies:

- a. Six for a half-Senate election;*
- b. Twelve for a double dissolution; or*
- c. Two for any territory Senate election."*¹²⁹

4.41. In the past, the introduction of optional or partial preferential voting for local government elections has been made difficult by the voting systems at higher levels of government. If proposed reforms at the federal and state levels were carried through, it would make the use of partial preferential voting for multi-member elections in local government viable.

Recommendation

- 12. The Panel believes that if the Senate moves to a partial preferential voting system for those voting below the line, thereby making the voting system consistent with that of the Victorian upper house, the State Government should also introduce partial preferential voting for local government elections in multi-member wards and unsubdivided councils.**

¹²⁹ Commonwealth Parliament Joint Standing Committee on Electoral Matters 2014, *Interim report on the inquiry into the conduct of the 2013 Federal Election: Senate voting practices*, p. 53.

Filling casual vacancies

- 4.42. Under existing arrangements, casual vacancies in single-member wards are required to be filled by a by-election. Casual vacancies in multi-member wards and unsubdivided councils are filled by a countback of votes from the original election. The countback process is widely, but not exclusively, used in Australia to fill casual vacancies arising from elections that use proportional representation¹³⁰.
- 4.43. Currently, in a countback in Victorian local government, only the ballots that elected the vacating councillor are counted. These votes (some which may have been originally received at less than full value by the vacating councillor under the proportional representation counting system) are redistributed to the unsuccessful candidates who remain eligible, according to the voters' preferences.
- 4.44. The participating candidates have zero votes at the beginning of the count. Any votes they received in the original election are not counted. A candidate must receive more than 50 per cent of the vote preferences of the vacating councillor to fill the vacancy. If no candidate receives more than 50 per cent of the vote preferences, the candidate with the least votes is excluded and their votes are redistributed. This process continues until a candidate is elected.
- 4.45. For example, if Councillor A has 10 votes and vacates their office, those 10 votes are distributed to candidates B and C. If Candidate B receives six of the 10 votes, then they are elected, regardless of how many votes they received in the original count.
- 4.46. The rationales for holding countbacks to fill casual vacancies in multi-member wards and unsubdivided councils are that they preserve the proportionality of representation achieved at the previous general election and allow casual vacancies to be filled expeditiously and at minimal cost to the community.
- 4.47. A number of submissions to the Panel challenged the existing countback arrangements. Some argued against the practice of countbacks entirely. Others argued in favour of the **practice**, but criticised the **methodology**. These questions are dealt with in the following section.

Criticisms of the practice of conducting countbacks

- 4.48. It was put to the Panel that countbacks should be replaced altogether by by-elections, because countbacks only take account of the electorate at the time of the previous election. By the time the casual vacancy arises, the composition of the electorate may have changed and so may the views of voters.

*"The present countback process rewards an unsuccessful candidate, based on the voters roll **at the time of election**, in all cases a roll that is not accurate, and may not reflect the wishes of the community as of 'today', and raises concerns around contemporary representation. It also selects a 'second best' candidate rather than a candidate 'of choice'."*

Gavin Mahoney, submission

- 4.49. The situation appears to be compounded in instances where there are multiple resignations, or when the next candidate in line for election declines the office. In these situations, the levels of voter support for the replacement councillor are likely to be increasingly tenuous. A low level of voter support may undermine confidence in the fairness, consistency and validity of the election process and in the replacement councillor. Two submissions to the Panel highlighted this issue.

¹³⁰ Countbacks are used for the Western Australian upper house, the lower houses of Tasmania and the Australian Capital Territory and local government in Tasmania and Victoria.

"The current count-back system is also reason for concern. As indicated in the discussion paper, count-backs are based on dated nominations and votes. Because they can be conducted at any time during a Council term, they can be up to 3.5 years old. The likelihood is that during the intervening period some candidates have become ineligible (moved out of the area) or are no longer interested. The result can be that a candidate that has had minimal votes is elected. In the case of one count-back at Manningham the successful candidate decided not to accept and a further recount took place. It is considered that count-backs do not reflect the intention of the electorate. Having candidates that may have low levels of votes and who were defeated candidates at the previous election (i.e. not the choice of the voters) being elected on the retirement of an existing Councillor does not seem to be a sound democratic process. The experience at Manningham with one particular count-back illustrates the point. This was the second count-back in that ward because two Councillors had retired at different times during the course of the term. There was 18 candidates in the original election. When the count-back was conducted the successful candidate was a person who had received the third lowest number of primary votes at the election. That is, out of 18 candidates that person was number 16 in order of highest to lowest in primary votes. The successful person chose not to accept election and a further recount was conducted. The successful person in this further recount was very much undecided as to whether or not to accept the position. Ultimately the person accepted the position. That person then resigned as a Councillor within 6 months of the next election and the Council resolved not to fill the position."

Manningham City Council submission

"While I mean no disrespect for one of my council colleagues he was elected midterm after receiving less than three percent of the primary vote."

Cr Andrew Munroe, Whitehorse City Council, submission

Criticisms of the countback methodology

- 4.50. A number of submitters to the review questioned why only the votes for the vacating councillor are considered when conducting a countback to fill a casual vacancy. In its submission, the MAV supported the practice of countbacks in principle, but recommended that the countback process be changed to include all votes.

"We support a countback process being used for vacancies arising in multi-member ward and unsubdivided systems. However, we believe that the current countback system needs to be reformed as follows:

Currently, if a councillor resigns, the only votes that are counted in a countback are the votes forming part of the resigning councillor's quota. Presumably this was designed before the advent of computers to reduce the labour intensiveness of conducting a recount.

The drawback of the current approach is that it does not deliver the most democratic result or reflect the voting intention of all of the electors who cast a vote in the particular contest.

For example, if Councillor X was elected over candidate Y by a small margin (eg. 1 vote) for the last position to be elected in a particular ward at the general election, in a subsequent recount, the only votes which would be counted are those votes which comprised Councillor X's quota. This would almost certainly lead to an outcome where some other less-preferred candidate to candidate Y was elected, despite candidate Y sitting on 99.9% of a quota. I.e. even if candidate Y won 49% of Councillor X's quota compared to candidate Z winning 51%, candidate X would be elected despite candidate's Y original votes (one vote short of a quota) remaining untouched and uncounted on the table. This produces an anomaly where votes for candidate Y are disenfranchised and votes for Councillor X are given a disproportionate and unnecessary influence."

Municipal Association of Victoria submission

- 4.51. Other submitters agreed with this approach.

“A far better system would be continuing with the voting process where it was completed in the original election until the next candidate is declared elected. Such proposed change would simply see the voting process continue from the completed voting election data. The result would more equitably reflect the will of the community in that irrespective of who resigns as Councillor the result would see the voting process of the original election continue.”

Peter Tully, submission

Alternatives to countbacks and by-elections

- 4.52. Finally, the Panel considered alternatives to by-elections and countbacks, including leaving councillor positions vacant and co-option. Neither option was considered superior to existing arrangements.

LEAVING COUNCILLOR POSITIONS VACANT

- 4.53. Leaving councillor positions vacant, except when an election is imminent (within six months) is considered fundamentally undemocratic and unfair. It deprives the electorate of a representative to which it is entitled. It continues to be acceptable only in situations where a general election is to be held within the coming six months.

CO-OPTION

- 4.54. Under co-option, a political appointment is made by a government, minister, mayor or other official to fill a vacancy. Co-option is considered arbitrary, particularly in a non-party-based political contest. It could place any government or council in an untenable position, vulnerable to claims of abuse of executive power for political purposes. This is true regardless of the assertion that the replacement may hold similar views to the vacating councillor.
- 4.55. Many Australian parliaments¹³¹ fill vacancies in their upper houses through appointment of a member by a joint sitting of parliament. The replacement must be a nomination of the party of the vacating senator or member. However, it is not transferrable to the Victorian local government electoral system.

PROPOSED APPROACH

- 4.56. The Panel's view is that the concern that countbacks do not take into account the views or composition of the electorate at the time the vacancy arises is, by itself, insufficient to invalidate countbacks.
- 4.57. Nevertheless, the Panel agrees with the MAV and other submitters that the method for filling a casual vacancy in a multi-member ward or unsubdivided council should be reformed.
- 4.58. Under this reform, valid votes cast by all voters in the relevant election – not just those of the vacating councillor – would be counted to identify the next preferred candidate, chosen from those candidates that had not been elected or excluded at the original election.
- 4.59. This change to the method addresses the objection that the current countback process depends exclusively on the preferences of the vacating councillor and may deny the election of another candidate who received reasonable support from the rest of the electorate. This meets all of the efficiency requirements of the current countback arrangement while reflecting the independence of candidates.

¹³¹ The Commonwealth Parliament and the parliaments of Victoria, New South Wales and South Australia.

4.60. The Panel also concluded that the legitimacy of filling a vacancy through countback is seriously strained when:

- the first replacement candidate declines it or is ineligible
- the vacancy is the second or subsequent since the previous election, necessitating a second or subsequent countback.

Recommendation

13. The Panel recommends that the countback process for multi-member elections be amended to include the valid votes cast by all voters at that election to identify the next candidate to fill a vacancy, should it arise. The exception to this arrangement is the City of Melbourne, where candidates run as part of a team or group.

The legislation should also be amended to provide for a by-election when the replacement candidate declines or is ineligible or the vacancy is the second or subsequent since the previous election.

Councillor allowances

- 4.61. As noted in the Panel's discussion paper, the electoral system must be fair, transparent and encourage participation by voters and candidates¹³². During the Panel's consultations, views were put forward on the adequacy of existing councillor remuneration arrangements and the way they impact on participation by candidates and fairness across the system. This issue was not within the Panel's terms of reference and, as such, was not analysed in detail. The following is a brief report on concerns raised during the public consultations.
- 4.62. Under current arrangements, councils are grouped into three categories for calculating allowances, based on current population and recurrent revenue¹³³. At the beginning of its term, each council must determine the allowance amount to be paid to councillors and the mayor, from a range set by the State Government for their category up to a pre-determined maximum¹³⁴.
- 4.63. The three category model and formula for allowances were established in 2000 following a review of mayoral and councillor remuneration¹³⁵ and confirmed without alteration in a further review in 2008¹³⁶. In 2000, the review panel recommended that for this framework, population size was "a reasonable indicator of the representational workload involved in a councillor's role" and "total revenue is an indicator of the size and complexity of the governance role"¹³⁷. The result of the remuneration structure is that councillors from rural councils with lower revenues are paid less than councillors from larger councils with larger budgets.

132 Local Government Electoral Review Panel 2013, *Local Government Electoral Review Discussion Paper*.

133 The formula for determining which category a council falls under is calculated through a points system, combining population (divided by 1000) plus recurrent revenue (divided by one million and also subject to a discount factor adjusting for inflation). For example, in 2013, Benalla Rural City Council had a total points score of 30.7, made up of 13.6 (from a population of 13,659) plus 17.1 (from recurrent revenue of \$29.8 million multiplied by the current discount factor of 0.5738). Each council is assigned to a category based on the following points ranges:

- category 1: less than 40 points
- category 2: more than 40 points and less than 190 points
- category 3: more than 190 points.

All current category 1 councils are smaller rural councils. All category 3 councils are Melbourne metropolitan councils, plus Greater Geelong City Council, Yarra Ranges Shire Council and Mornington Peninsula Shire Council.

134 The current ranges/limits are:

- category 1: councillors – between \$7730 and \$18,418 per annum. Mayors – up to \$55,026 per annum
- category 2: councillors – between \$9549 and \$22,965 per annum. Mayors – up to \$71,058 per annum
- category 3: councillors – between \$11,484 and \$27,514 per annum. Mayors – up to \$87,884 per annum.

Allowances for Melbourne City Council are currently set as follows:

- Lord Mayor: 200 per cent of the maximum paid to the mayor of a category 3 council, ie \$175,769 per annum
- Deputy Lord Mayor: 100 per cent of the maximum paid to the mayor of a category 3 council, ie \$87,884 per annum
- councillors: 150 per cent of the maximum paid to a category 3 councillor, ie \$41,270 per annum.

Allowances for Greater Geelong City Council are currently set as follows:

- Mayor: 190 per cent of the maximum paid to the mayor of a category 3 council, ie \$166,980 per annum
- Deputy Mayor: 190 per cent of the maximum paid to a category 3 councillor, ie \$52,276 per annum
- councillors: per range for category 3 council.

The equivalent of the Superannuation Guarantee (9.5 per cent from 1 July 2014) is payable on top of these allowances. Councillors must also be paid up to an extra \$40 remote travel allowance for each day they attend authorised meetings or functions that are held more than 50 km from where they live (up to \$5000 per year).

135 Victorian Councillor Allowances Review Panel 2000, *Review of mayoral and councillor allowances in Victoria 2000*.

136 Local Government (Councillor Remuneration Review) Panel 2008, *Local Government (Councillor Remuneration Review) Panel report*.

137 Victorian Councillor Allowances Review Panel 2000, *Review of mayoral and councillor allowances in Victoria 2000*, p. 21.

4.64. The following views on councillor allowances were expressed to the Panel.

“Current payment is based on population and consideration of rate base (ability to pay). We believe that the commitment to council of a person in a rural council or regional council is no different to a person in a larger council. Currently councillors are remunerated dependent on population and ability of the council to pay (financials).

We believe equality in remuneration may:-

- a) Attract different quality of candidates*
- b) Not discriminate against*
 - a. People who have less flexible working arrangements*
 - b. Family Commitments*
 - c. Lower population base to attract quality candidates.”*

Ballarat City Council administration submission

“Councillors workload continues to increase. The current allowance represents a job that takes 10 hours a week, not the 20 plus hours that are needed to do the job properly. Talented people want to do a good job (and consequently put the required hours in) but at \$27,000 a year they won't bother.”

Cr Matthew Kirwan, Greater Dandenong City Council, submission

“To attract and retain quality candidates, Council encourages the panel to support a further review of councillor remuneration levels to recognise the increasing hours of work required for councillors to truly engage and represent their communities as well as to adequately prepare for discussions and inform decision making while not limiting their ability to earn an income to meet personal living needs. When compared to state and federal counterparts, the remuneration for Councillors presents a barrier to greater diverse participation.”

Mitchell Shire Council submission

Recommendation

- 14. In light of the concerns raised around councillor allowances, the Panel believes that the State Government should consider a review of councillor remuneration arrangements.**



Appendices

Appendix 1

Speakers at public hearings of the Local Government Electoral Review Panel

Public hearings were held in 13 locations across Victoria. Speakers are listed in order of appearance.

Melbourne CBD

Thursday 3 October 2013

Rt Hon. R Doyle
Mr W Gately AM appeared with Ms L Williams
Cr B McArthur appeared with Mr R Spence and Ms A Lyon
Mr D Wolf appeared with Mr R Millard
Cr S Dunn appeared with Ms M McPherson
Mr D Hovenden
Mr J Watson
Cr J Fristacky
Cr A Stevens
Cr A Altair
Cr J Wegman

Geelong

Monday 7 October 2013

Mr T O'Connor
Mr J Burgess
Cr T Ansett
Cr M Heagney
Mr S Wickham
Ms J Brooks
Cr B Harwood
Cr A Richards
Cr J Farrell
Mr C Wallace
Mr P Fox
Mr G McDonald

Horsham

Tuesday 8 October 2013

Mr P Brown
Cr P Clarke
Mr G Baker

Ballarat

Wednesday 9 October 2013

Mr A Schinck appeared with Mrs A De Jong and Mr R Leith
Ms J Verlin AM
Mr D Bateman
Cr D Clark

Bendigo

Thursday 10 October 2013

Ms J Donovan
Cr J Williams
Ms R Manning
Cr L Ruffell
Mr P Hanscha
Mr D McClure

Sunshine

Friday 11 October 2013

Mr B Jaboor
Ms K McAliney
Cr G Gupta
Ms J Nathan
Mr M Kriechbaum

Melbourne CBD**Monday 14 October**

Cr J Hyams
Cr J Mulholland
Cr J Cusack
Cr K Orpen
Cr J Watts
Prof. B Costar
Mr J Mills
Mr A Van Der Craats
Mr J Caputo appeared with Mr M. Assan
Mr G Goode
Ms M Griffin
Mr R Davis
Ms G Bird
Mr A Bonifazio
Mr M Cachia
Cr T Laurence
Cr O Walsh
Mr L Allan
Mr G Page
Dr S Rennie
Mr A Gunter
Mrs J Jacomb

Wantirna South**Tuesday 15 October 2013**

Mr B Harris
Cr A Munroe
Mr P Slattery
Mr P Tully
Mr F Sullivan
Mr P Cole
Mr G Reynolds
Ms C Richards
Mr P Patterson
Cr G Lake
Mr G Page
Ms M McKay

South Morang**Wednesday 16 October 2013**

Cr R Griffin
Cr R Kirkham
Ms L Shnookal
Mr B Mawhinney
Ms B Moss

Mildura**Thursday 17 October 2013**

Mr B Grogan
Mr M Henderson
Mr R Sexton
Ms C Callas
Cr J Harris
Ms P Shugg
Mr T Williams
Mr L O'Connor
Cr K Zanker

Shepparton**Thursday 17 October 2013**

Mr B Hayward
Ms W Clarke
Ms S Still
Cr R Weatherald
Mr J Gray
Mr G Hamilton appeared with Mr K Turnour
Cr C Furlanetto
Cr M Polan
Cr W Buck

Wodonga**Friday 18 October 2013**

Cr M Byatt
Mr K Scully
Mr K Klemm
Ms T Atkins
Mr G Nevin

Traralgon**Monday 21 October 2013**

Mr F Hirst
Mr IB McDonald
Mrs L Beech

Appendix 2

Names of people and organisations that made public submissions to the review¹³⁸

Mr Lyle Allan
 Ms Tammy Atkins
 Ballarat City Council
 Banyule City Council
 Mrs Jan Bauer and Mr Fred Bauer
 Baw Baw Shire Council
 Baw Baw Shire Ratepayers' and Citizens' Association
 Bayside City Council
 Mr Steve Beardon
 Mr Harvey Benton
 Cr Janet Blake
 Boroondara City Council
 The Hon. Ron Bowden J.P. and Mrs Lynne Bowden
 Brimbank City Council
 Mr Lewis Brock
 Mr George Brouwer, Victorian Ombudsman
 Mr Robin Bryant
 Mr Noel Buck
 Cr Mark Byatt
 Cardinia Residents' and Ratepayers' Association
 Carlton Residents Association
 Central Goldfields Shire Council
 Coalition of Resident and Business Associations – Melbourne
 Committee for Geelong
 Committee for Moe
 Mr Louis Cook
 Corangamite Shire Council
 Ms Janet Cropley
 Democratic Audit of Australia
 Docklands Community Association
 Mrs Anna Dominguez Smith
 Mrs Joan Donovan
 Dr Brian and Mrs Nina Earl
 East Gippsland Shire Council

Mr Victor Eddy
 Electoral Regulation Research Network
 Ethnic Communities' Council of Victoria
 Cr Jan Farrell
 Mr Ian Farrow
 Mr Richard Fisher
 Mr Clive Fox
 Cr Hugh Fraser
 Mrs Colleen Furlanetto
 Mr Leo Gamble
 Mr Aldo Gerzino
 Mr John Glazebrook
 Mr Kelvin Goodall
 Mrs Lynley Graham
 Mr John Gray
 Greater Dandenong City Council
 Greater Frankston Business Chamber
 Greater Shepparton Better Local Government Association Inc.
 Greater Shepparton City Council
 Mr Ronald Hards
 Mr Bernard Harris
 Mr Stephen Hart
 Mr Bernie Hoefer
 Horsham Rural City Council
 Indigo Shire Council
 Mr Tom Ingpen
 Mr Adrian Jackson
 Mr Royden James
 Keilor Residents' and Ratepayers' Association Inc.
 Dr Joan Kimm
 Kingston City Council
 Cr Matthew Kirwan
 Knox City Council
 Knox Ratepayers' Association
 Mr Robert Krelle

¹³⁸ A number of people who made submissions to the review requested that their name not be made public.

Cr Geoff Lake
 Mr Roger Lambert
 Mr Warwick Leeson OAM
 Mr Joe Lenzo
 Mr David Madill
 Mr Leonard Mainard
 Manningham City Council
 Cr Sue Marstaeller
 Ms Pam Mcleod
 Ms Janina McMahon
 Cr Jack Medcraft
 Melton City Council
 Mr John Mills
 Mitchell Shire Council
 Monash City Council
 Monash Ratepayers Inc.
 Moonee Valley City Council
 Moorabool Shire Council
 Mornington Peninsula Ratepayers' and Residents'
 Association Inc.
 Mornington Peninsula Shire Council
 Ms Beverley Moss
 Mount Alexander Shire Council
 Cr Jenny Mulholland
 Municipal Association of Victoria
 Ms Angela Munro
 Cr Andrew Munroe
 Mr Anthony Murphy
 Murrindindi Shire Council
 Mr Gary Nevin
 Mrs Peta Nicholls
 North and West Melbourne Association Inc.
 Michael O'Callaghan (Snr)
 Planning Backlash Inc.
 Port Phillip City Council
 Proportional Representation Society of Australia
 (Victoria–Tasmania)

Pyrenees Shire Council
 Ms Leanne Raditsas
 Ratepayers Victoria Inc.
 Residents Ratepayers and Friends of Berwick
 Village Inc.
 Ms Christine Richards
 Mr Brian Robinson
 Mr Gerrit Schorel-Hlvaka
 ScytI Australia Pty Ltd
 Mr Trevor Shewan
 Ms Pam Shugg
 Stonnington City Council
 Strathbogie Shire Council
 Surf Coast Shire Council
 Swan Hill Rural City Council
 Mrs Emily Tang
 Mr Stephen Tuck
 Mr Peter Tully
 Mr Lee Turner
 Victorian Electoral Commission
 Victorian Immigrant and Refugee Women's
 Coalition
 Victorian Local Governance Association
 Dr Jackie Watts
 Mr Robin Weatherald
 Cr Rosemary West
 West of Elgar Residents Association
 Whitehorse City Council
 Mr Stephen Wickham
 Cr James Williams
 Mr Tim Williams
 Mr Alan Witchell
 Wyndham City Council
 Yarra City Council
 Cr David Young
 Mr Karel Zegers

Appendix 3

Movement of councillor numbers from the numbers in the VEC's table of expected number of councillors by type and size of municipality

	Council	Voter numbers 139 140	Year of latest review	Expected number of councillors	Actual number of councillors	Deviation from the expected number of councillors	Voters per councillor (expected)	Voters per councillor (actual)	Change in voters per councillor
Metropolitan - 7 councillors (less than 70,000 voters)									
1	Maribyrnong City Council	52,543	2011	7	7			7506	
2	Hobsons Bay City Council	63,363	2012	7	7			9052	
	Yarra City Council	65,512	2011	7	9				
3	Bayside City Council	67,702	2007	7	7			9672	
4	Port Phillip City Council	69,718	2007	7	7			9960	
5	Banyule City Council	90,094	2007	9	7	- 2	10,010	12,871	-2860
Metropolitan - 9 councillors (70,000-110,000 voters)									
6	Yarra City Council	65,512	2011	7	9	+ 2	9359	7279	2080
7	Stonnington City Council	77,494	2011	9	9			8610	
8	Maroondah City Council	77,739	2007	9	9			8638	
9	Moonee Valley City Council	80,507	2008	9	9			8945	
10	Manningham City Council	85,748	2007	9	9			9528	
	Banyule City Council	90,094	2007	9	7				
	Greater Dandenong City Council	93,970	2008	9	11				
11	Frankston City Council	95,979	2011	9	9			10,664	
12	Darebin City Council	96,334	2007	9	9			10,704	
13	Glen Eira City Council	97,582	2011	9	9			10,842	
	Melbourne City Council	104,929	2012	9	11				
14	Kingston City Council	105,316	2007	9	9			11,702	
15	Knox City Council	108,716	2007	9	9			12,080	
	Moreland City Council	109,744	2011	9	11				
Metropolitan - 10-12 councillors (more than 110,000 voters)									
16	Whitehorse City Council	111,384	2007	10-12	10			11,138	
17	Boroondara City Council	121,009	2007	10-12	10			12,101	
18	Greater Dandenong City Council	93,970	2008	9	11	+ 2	10,441	8543	1898
19	Melbourne City Council	104,929	2012	9	11	+ 2	11,659	9539	2120
20	Moreland City Council	109,744	2011	9	11	+ 2	12,194	9977	2217
21	Monash City Council	120,779	2011	10-12	11			10,980	
22	Brimbank City Council	127,517	2011	10-12	11			11,592	

Where the council would have been located within a group if the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44) had been followed.

Where the council is located within a group due to a deviation from the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44).

139 Table prepared by the Local Government Electoral Review secretariat based on data provided by the VEC. Refer to Table 8 on page 44 for the VEC's table of expected number of councillors by type and size of municipality.

140 The voter numbers in Appendix 3 are from VEC 2013, *Report of local government electoral representation reviews and subdivision reviews conducted by the VEC in 2011 and 2012*, pp. 40–46 and VEC 2009, *Report of local government electoral activity 2008–09, Part III: Report of local government electoral representation reviews conducted by the VEC between 2004 and 2008*, pp. 90–109.

	Council	Voter numbers	Year of latest review	Expected number of councillors	Actual number of councillors	Deviation from the expected number of councillors	Voters per councillor (expected)	Voters per councillor (actual)	Change in voters per councillor
Metropolitan-rural fringe - 7 councillors (less than 70,000 voters)									
23	Nillumbik Shire Council	45,659	2007	7	7			6523	
	Cardinia Shire Council	53,794	2012	7	9				
24	Melton City Council	60,054	2007	7	7			8579	

Metropolitan-rural fringe - 9 councillors (70,000-110,000 voters)									
25	Cardinia Shire Council	53,794	2012	7	9	+ 2	7685	5977	1708
26	Yarra Ranges Shire Council	103,926	2007	9	9			11,547	
	Wyndham City Council	104,278	2012	9	11				

Metropolitan-rural fringe - 10-12 councillors (more than 110,000 voters)									
27	Wyndham City Council	104,278	2012	9	11	+ 2	11,586	9480	2107
28	Whittlesea City Council	110,011	2012	10-12	11			10,001	
29	Hume City Council	112,157	2012	10-12	11			10,196	
30	Mornington Peninsula Shire Council	144,733	2011	10-12	11			13,158	
31	Casey City Council	165,057	2012	10-12	11			15,005	

	Council	Voter numbers	Year of latest review	Expected number of councillors	Actual number of councillors	Deviation from the expected number of councillors	Voters per councillor (expected)	Voters per councillor (actual)	Change in voters per councillor
Regional with urban areas - 7 councillors (less than 45,000 voters)									
32	Ararat Rural City Council	9141	2007	7	7			1306	
33	Benalla Rural City Council	10,934	2007	7	7			1562	
34	Swan Hill Rural City Council	14,386	2007	7	7			2055	
35	Horsham Rural City Council	14,610	2004	7	7			2087	
36	Wangaratta Rural City Council	20,274	2004	7	7			2896	
37	Warrnambool City Council	23,777	2004	7	7			3397	
38	Wodonga City Council	24,094	2004	7	7			3442	
	Mildura Rural City Council	34,944	2004	7	9				
39	Greater Shepparton City Council	40,176	2004	7	7			5739	

Regional with urban areas - 9 councillors (45,000-80,000 voters)									
40	Mildura Rural City Council	34,944	2004	7	9	+ 2	4992	3883	1109
41	Latrobe City Council	53,817	2012	9	9			5980	
42	Ballarat City Council	64,361	2006	9	9			7151	
43	Greater Bendigo City Council	78,399	2011	9	9			8711	

Regional with urban areas - 10-12 councillors (more than 80,000 voters)									
44	Greater Geelong City Council*	159,993	2007	10-12	12			13,333	

Where the council would have been located within a group if the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44) had been followed.

Where the council is located within a group due to a deviation from the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44).

*Not including directly elected mayor.

	Council	Voter numbers	Year of latest review	Expected number of councillors	Actual number of councillors	Deviation from the expected number of councillors	Voters per councillor (expected)	Voters per councillor (actual)	Change in voters per councillor
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Rural - 5 councillors (less than 8000 voters)

45	Borough of Queenscliffe	4245	2007	5	5			849	
46	West Wimmera Shire Council	4279	2004	5	5			856	
47	Towong Shire Council	5482	2004	5	5			1096	
52	Buloke Shire Council	6149	2006	5	7				
53	Yarriambiack Shire Council	6998	2004	5	7				
48	Pyrenees Shire Council	7120	2011	5	5			1424	
49	Loddon Shire Council	7699	2011	5	5			1540	
50	Mansfield Shire Council	9429	2007	7	5	- 2	1347	1886	-539
	Hindmarsh Shire Council	5306	2004	5	6				
51	Hindmarsh Shire Council	5306	2004	5	6	+ 1	1061	884	177

Rural - 7 councillors (8000-22,000 voters)

52	Buloke Shire Council	6149	2006	5	7	+ 2	1230	878	351
53	Yarriambiack Shire Council	6998	2004	5	7	+ 2	1400	1000	400
54	Gannawarra Shire Council	9263	2004	7	7			1323	
55	Strathbogie Shire Council	9268	2011	7	7			1324	
	Mansfield Shire Council	9429	2007	7	5				
56	Northern Grampians Shire Council	10,540	2006	7	7			1506	
57	Central Goldfields Shire Council	11,017	2011	7	7			1574	
58	Alpine Shire Council	11,198	2004	7	7			1600	
59	Indigo Shire Council	11,553	2004	7	7			1650	
60	Moyn Shire Council	12,420	2007	7	7			1774	
61	Southern Grampians Shire Council	13,151	2006	7	7			1879	
62	Hepburn Shire Council	13,649	2006	7	7			1950	
63	Murrindindi Shire Council	13,727	2007	7	7			1961	
64	Corangamite Shire Council	13,962	2004	7	7			1995	
65	Golden Plains Shire Council	14,228	2007	7	7			2033	
66	Mount Alexander Shire Council	15,410	2011	7	7			2201	
67	Glenelg Shire Council	16,333	2007	7	7			2333	
68	Colac Otway Shire Council	19,198	2007	7	7			2743	
69	Moorabool Shire Council	21,487	2011	7	7			3070	
70	Bass Coast Shire Council	38,488	2008	9	7	- 2	4276	5498	-1222

Rural - 9 councillors (more than 22,000 voters)

71	Moir Shire Council	22,307	2007	9	9			2479	
72	Mitchell Shire Council	26,057	2011	9	9			2895	
73	South Gippsland Shire Council	27,654	2012	9	9			3073	
74	Campaspe Shire Council	28,118	2007	9	9			3124	
75	Surf Coast Shire Council	29,535	2012	9	9			3282	
76	Baw Baw Shire Council	29,772	2007	9	9			3308	
77	Macedon Ranges Shire Council	33,175	2011	9	9			3686	
78	East Gippsland Shire Council	38,318	2007	9	9			4258	
	Bass Coast Shire Council	38,488	2008	9	7				
79	Wellington Shire Council	41,658	2004	9	9			4629	

Where the council would have been located within a group if the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44) had been followed.

Where the council is located within a group due to a deviation from the VEC table of expected number of councillors by type and size of municipality (see Table 8 on page 44).



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