2025 – Amendments to the Local Government Act 2019

Discussion Paper - Part B

NORTHERN TERRITORY GOVERNMENT

Document title	2025 - Amendments to the Local Government Act 2019
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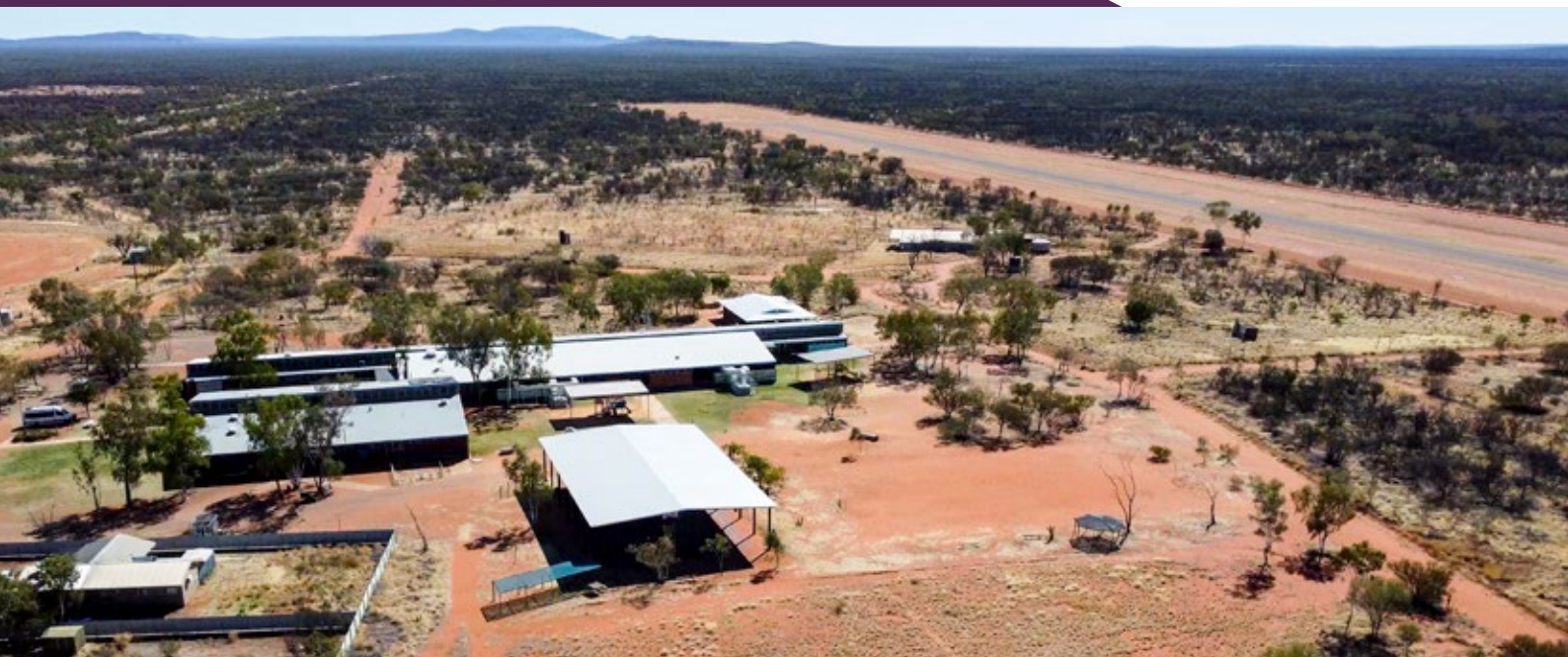
Acronyms	Full form
"The Department"	Department of Housing, Local Government and Community Development
LGA "The Act"	*Local Government Act 2019*
LGANT	Local Government Association of the Northern Territory
LGCDU	Local Government and Community Development Unit
MCoC	Model Code of Conduct
NT	Northern Territory
NTEC	Northern Territory Electoral Commission
SGCC	Standing Governance and Code Committee

Contents



Foreword

The *Local Government Act 2019* provides the legal foundation for how councils operate and make decisions in the Northern Territory. Following ongoing feedback and experience in applying the Act, several areas for improvement have been identified.

In particular, the *Local Government (General) Regulations 2021* and the *Local Government (Electoral) Regulations 2021* have presented challenges that need to be addressed. This paper forms part of a staged approach to strengthen the overall framework, and it represents the second set of proposed amendments.

These proposals aim to improve how councils' function and support greater transparency, accountability, and fairness in local government decision-making. The paper invites feedback and input from councils, elected members, stakeholders, and the community.

The key topics covered include:

- Chapter 1 – Delegations
- Chapter 2 – Miscellaneous Amendments to the Local Government Act 2019
- Chapter 3 – Tenders by council or local government subsidiary & procurement exemptions
- Chapter 4 – Amendments to Local Government (Electoral) Regulations 2021
- Chapter 5 – Superannuation Payments for Elected Members
- Chapter 6 – Conditional Rating and Rates Exemptions for social and affordable housing
- Chapter 7 – Appointment of principal member of council
- Chapter 8 – Code of Conduct

To facilitate focused consultation and ensure stakeholders have adequate time to consider and respond to the proposed changes, the amendments will be released across three parts. This structured release recognises the breadth of topics and their varying levels of complexity and significance to councils, elected members, and the broader community.

- Part A covers Chapters 1, 2, 3, and 4, which focus on practical amendments to delegations, procurement, and regulatory improvements.
- Part B includes Chapters 5, 6 and 7, which deals with superannuation payments, rating frameworks and principal member appointment, requiring more in-depth policy consideration.
- Part C will be dedicated to Chapter 8, which addresses the Code of Conduct. Given the foundational role this chapter plays in shaping the integrity and behaviour of elected members, it will be released separately to allow for more detailed feedback and discussion.

We welcome your comments on the issues raised and encourage suggestions that will help improve the legislation and support strong, responsive local government across the Northern Territory.

Roles and Responsibilities

The Department

- Developed the discussion paper.
- Leads the consultation process.
- Organises and hosts community meetings, sector consultations, and online engagement.
- Provides plain English explanations of the proposed changes.
- Receives, collates, and considers all feedback to inform final legislative amendments.
- Administers the email for written submissions: LGLaw.CMC@nt.gov.au

Local Government Councils

- Review the discussion paper.
- Attend briefings and consultation sessions arranged by the Department.
- Provide formal feedback or written submissions.
- Consult internally with elected members and senior staff.
- Encourage participation from community members in their council area.

Local Government Association of the Northern Territory (LGANT)

- Advocate on behalf of its member councils.
- Provide consolidated sector feedback.
- Support education and awareness among elected members and staff about the proposed changes.

Key Stakeholders (e.g., ICAC, NTEC, sector experts)

- Contribute expert views on relevant parts of the legislation (e.g., Code of Conduct, Electoral Regulations).
- Offer advice on feasibility, implementation, and risk.
- Part of meetings contributing to the proposed amendments.

Community Members / General Public

- Participate in consultation via the “Have Your Say” portal (April to June 2025).
- Attend public consultation sessions if available locally.
- Submit feedback, comments, or concerns about the proposed changes.
- Help shape reforms that will affect their local councils.

How to use this paper

The structure of the discussion paper is summarised here. The discussion paper can be read as a whole, or for readers who have a particular interest each chapter largely stands alone.

Chapters reflect the key topics for discussion and review. Each chapter is structured in the following way.

Current Arrangements	The current provisions of the Act are described
Key Issues	An analysis of key issues raised by current arrangements.
Background	This section provides reference to any research, consultation findings, observations and outlines possible ideas form other jurisdictions. These are options for people to think about and discuss. They are not final decisions. They do not reflect the government's position, they are open for debate.
To Consider	Each chapter includes this section to help guide discussion. These proposals encourage readers to think about possible solutions. The aim is to hear from councils, stakeholders, and community members to collectively resolve these issues.

Next Steps

The consultation timeline articulates the broad range of activities scheduled to follow the release of this paper. Please check the Department web pages for further information.

Consultation Timeline

Key Action	Anticipated date of delivery	Lead Party	Comments
Release of Discussion paper – Part B	14 April 2025	Department	The discussion paper sent to all local government councils, LGANT, as well as any identified key stakeholders.
Website information update	14 April 2025	Department	The Discussion Paper is available on to the Department website including information about why the changes are beneficial to the sector.
Information Session – Part B	28 April 2025	Department	Covers Chapters 2, 3 and 4. Introductory workshop to explain changes.
Information Session – Part C	28 April – 20 June 2025	Department	Covers Chapter 1 – Code of Conduct. Introductory workshop to explain changes.
"Have Your Say" commences	21 April – 20 June 2025	Community/ Stakeholders	A "Have your say" questionnaire on Department website for direct feedback on the proposed amendments to the Act. The discussion paper will be available to download on the website.
Sector consultation	20-30 June 2025	Department & Councils	Sector consultation will be conducted concurrently with the online "Have Your Say" consultation. Sector consultation will take the form of a "road-show." The Department will arrange to visit all local government councils in the first instance, where possible. An online consultation will be arranged where an in-person visit is not feasible. Elected members and council officials will have an opportunity to ask any questions to clarify matters that are unclear, as well as to provide feedback on the amendments.
Collation of feedback	20-30 June 2025	Department	Collation of all feedback from the consultation process to inform the drafting of the final amendments.

How to Have Your Say

Your input on the proposed amendments to the LGA can be provided to:

LGLaw.CMC@nt.gov.au

Please check the Department web pages for further information about online information sessions and consultations.

All feedback, written submissions and community consultation will be completed by **30 June 2025**.

CHAPTER 5

The Local Government and Community Development team delivering professional development training to West Arnhem Regional Council elected members.

Superannuation Payments for Elected Members

Current Arrangements

The Northern Territory legislation does not currently require the payment of superannuation to elected members. Some councils have taken up the option to "opt-in" to payment of superannuation through making a unanimous resolution.

Members of a local government council may unanimously resolve that they wish to be subject to PAYG taxation and then be eligible for the superannuation guarantee rate on top of their member allowances.

Member allowances continue to be determined by the Remuneration Tribunal pursuant to the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*.

By unanimously resolving to be subject to the federal legislation, a local government council has resolved to be treated as an eligible local governing body.

Key Issues

LGANT and a number of councils have advocated for improved remuneration and conditions, including payment of superannuation, to support the attraction and retention of elected members.

In Australia, superannuation is regulated by the Commonwealth Government. For a person to be entitled to the superannuation guarantee rate (currently 11%; 12% after July 2025) on their remuneration, they must meet the extended definition of 'employee' under section 12 of the Commonwealth's Superannuation Guarantee (Administration) Act 1992 (SGA Act).

Section 12(9A) of the SGA Act provides that "subject to subsection (10), a person who holds office as a member of a local government council is not an employee of the council".

Section 12(10) provides that a "person covered by paragraph 12-45(1)(e) in Schedule 1 to the *Taxation Administration Act 1953* (about members of local governing bodies subject to PAYG withholding) is an employee of the body mentioned in that paragraph.

This means that unless the Australian Taxation Office (ATO) declares a council as an eligible local governing body, contributions made on behalf of elected members may not qualify for tax concessions.

There are several challenges with the Commonwealth framework as it relates to local government councils including:

- getting a unanimous resolution may be difficult,
- there are political sensitivities around a council resolving to pay itself superannuation contributions,
- entering PAYG withholding arrangements (having taxation taken out of allowances before they are paid) may have implications for other financial arrangements of individual members.

Background

The Australian Local Government Association (ALGA) and jurisdictional counterparts, including LGANT, have advocated about superannuation for council members to the Commonwealth government. The Commonwealth has been asked to consider deeming all council members to be employees for the purposes of the SGA Act, irrespective of whether their council has entered into PAYG arrangements. To date, the Commonwealth has not indicated an intention to do so.

Jurisdictional Comparison

Queensland, New South Wales and Western Australia have amended their local government legislation so that councils may resolve to make contributions into superannuation accounts for elected members. However, there is some doubt whether contributions made by a Queensland or New South Wales council into member superannuation accounts attract the tax concessions (at contribution, accumulation and withdrawal stages) applicable to employer superannuation contributions made under the SGA Act. The Western Australian *Local Government Amendment Act 2024* at section 64(5) expressly states that a superannuation contribution payment paid under that legislation is not salary for the purposes of any written law.

Inserting similar provisions into the Northern Territory legislation would not ensure Northern Territory council members could benefit from all the tax concessions for superannuation, without also seeking the ATO's recognition of Territory local government councils as eligible local governing bodies under the *Taxation Administration Act 1953*.

Queensland

In Queensland, the exact policy (including whether additional voluntary contributions are allowed) may vary between different local councils, as each council sets its own remuneration and benefits in line with the Remuneration Procedures prescribed by the Queensland Local Government Remuneration Commission. Councils must resolve unanimously to be an 'eligible local governing body' under section 446-5 of the *Taxation Administration Act 1953* (Cth), councillors are regarded as employees and superannuation guarantee contributions must be paid as a minimum. If a council has not resolved to be an eligible local governing body, it is up to the council to decide whether it will make contributions for the councillor.

A maximum contribution rate of 12% applies (see section 226 of the *Local Government Act 2009* (Qld).

Queensland local government elected members may also enter into agreements with their council to sacrifice some of their remuneration into superannuation, with these contributions treated the same way as employer contributions. This means they are taxed at 15% and count toward the concessional contributions cap.

The costs of paying superannuation to council members is met by each local government out of its existing budget. This may have implications for the setting of future rates.

Western Australia

As part of the 2024 local government reform in Western Australia, councils can now choose to pay superannuation to elected members by an absolute majority decision. Further changes will commence on 19 October 2025, when prescribed classes of council must compulsorily start to pay superannuation to council members. Other smaller prescribed councils will be entitled to 'opt in' to paying superannuation[1].

Superannuation is paid into the members nominated account; if a member does not nominate an account, then it is not paid, thereby creating an 'opt out' option for individual council members.

The costs of paying superannuation for council members is meet by each local government out of its existing budget. This may have implications for the setting of future rates. The cost varies, depending upon what fees and allowances the Western Australia Salaries and Allowances Tribunal, and the council, have determined to pay for the mayor/president and councillors, and how many council members there are.

For these reasons, only councils with an identified capacity to pay superannuation were prescribed as compulsory superannuation councils.

Victoria

The Victorian equivalent of the NT Remuneration Tribunal determined that council members not receiving the superannuation guarantee rate were to receive an additional allowance equivalent to the level of the rate.

It would be possible to enable the Victorian approach by amending the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*, noting that it would still be at the discretion of the Tribunal to increase allowances in that way.

1 https://www.dlgsc.wa.gov.au/department/news/news-article/2025/01/31/new-provisions-for-council-member-superannuation-payments; see also "Superannuation for council members" fact sheet, Department of Local Government, Sport and Cultural Industries (WA) accessed at https://www.dlgsc.wa.gov.au/department/publications/publication/superannuation-for-council-members.

Parity with Members of the NT Legislative Assembly

There is a natural comparison between elected council members and Members of the Legislative Assembly (MLAs). In the Northern Territory, MLAs receive superannuation as a matter of course under a framework established by the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*.

This entitlement is not contingent on council decisions or opt-in processes—it reflects the expectation that public office, regardless of level, involves time, responsibility, and service that warrant a basic retirement benefit. Superannuation arrangements are administered through PAYG taxation and employer contributions, and are set by the independent NT Remuneration Tribunal, providing consistency and transparency across all members.

Distinct Roles and Governance Structures

While comparisons are often drawn between MLAs and local government elected members, it is important to recognise that the two operate in fundamentally different spheres of government. The treatment of MLAs as employees for remuneration and superannuation purposes reflects the legal and institutional arrangements of the parliamentary system.

Local government, by contrast, functions under a distinct governance framework with different powers, responsibilities, and legislative oversight. As a result, entitlements provided to MLAs do not automatically translate to council members, and any reform must acknowledge these structural differences.

To Consider

Given that MLAs are treated as employees for the purpose of superannuation and taxation under a standing legislative framework, should there be broader consideration of whether local government elected members should receive similar treatment—at least in limited respects such as superannuation—through a Territory-wide mechanism to support consistency and clarity?

Given the variation between councils' capacity to pay superannuation to elected members in the Northern Territory, an 'opt in' proposal is suggested, as was implemented for smaller prescribed councils in Western Australia, and largely following the Queensland model.

The compulsory payment of superannuation is not being proposed.

What is being proposed is for the Act to be amended to state that superannuation may be paid to elected members. Councils will also have the option to make a superannuation contribution on behalf of the elected members as a portion of those members' fees.

Prompting Questions for Feedback on Proposed Amendments

For each proposal outlined in the Discussion Paper, please respond to the following questions to help inform the final amendments. Your feedback is essential in shaping a fair and effective local government framework.

1. Do you support the proposed change?

- ☐ Keep as is (no change required)
- ☐ Agree with proposed change
- ☐ Other (please specify below)

2. Please explain your selection.

If you selected 'Keep as is', what is your reason for maintaining the current provision?

If you selected 'Agree with proposed change', what aspect do you believe improves the current framework?

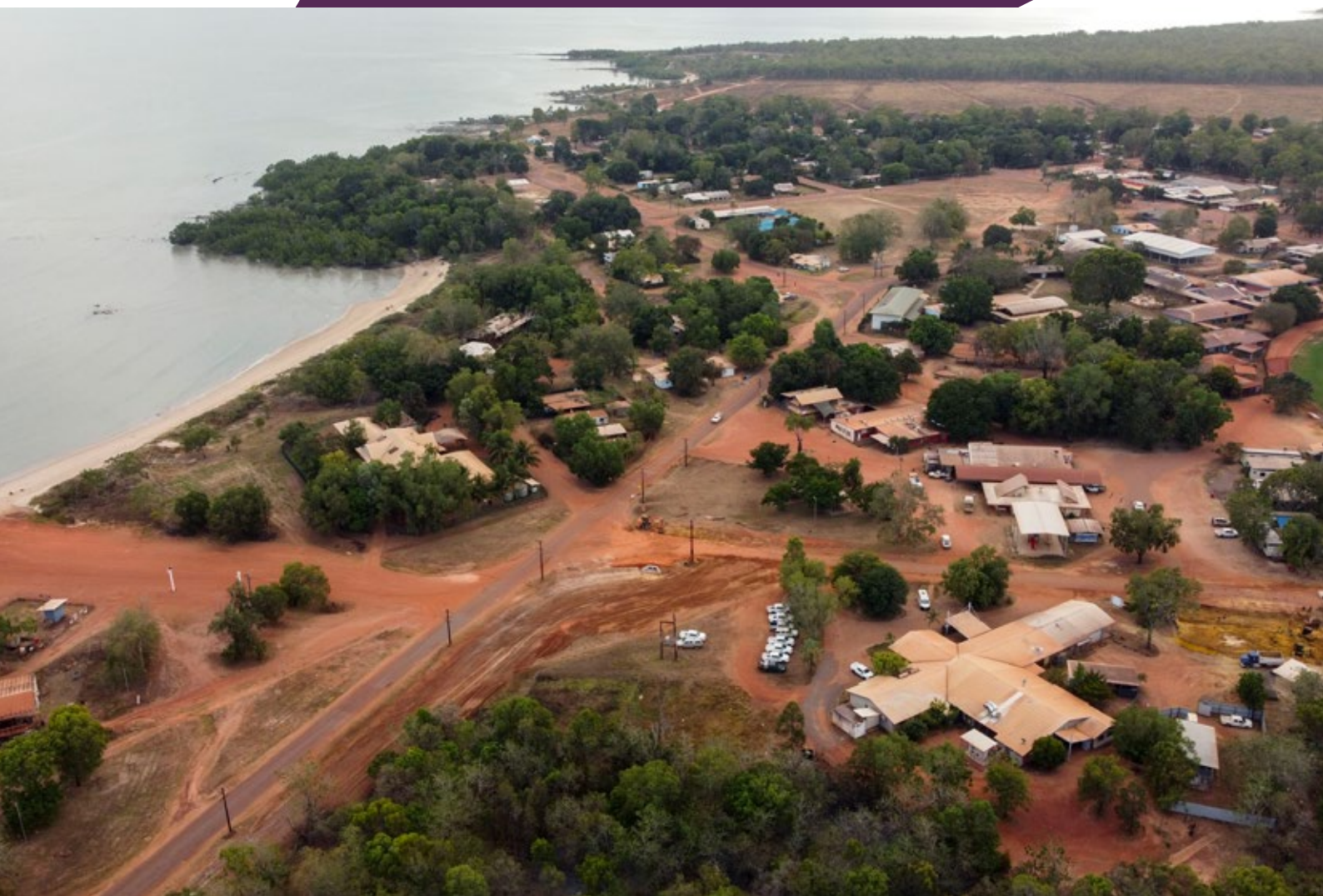
If you selected 'Other', please outline your alternative suggestion or concerns.

3. How do you think this proposal will impact your council or community in practice? (Open-ended response)

4. Are there any unintended consequences or practical implementation issues you foresee with this change? (Open-ended response)

5. Do you have any additional comments or examples to support your feedback? (Optional – open-ended response)

CHAPTER 6



Conditional Rating and Rates Exemptions for social and affordable housing

Current Arrangements

Chapter 11 of the LGA deals within rates and charges that may be imposed by local councils.

Conditional Rating

Conditionally rateable land refers to land subject to a rating system that falls outside the control of local government. Under the Act, conditional rating refers to the mechanism whereby the appropriate Minister, instead of a council, sets the level of rates for certain types of land located in the Northern Territory.

Section 219(1) of the Act states that conditionally rateable land is:

- Land held under a pastoral lease
- Land occupied under a mining tenement
- Other land prescribed by regulation.

As the Mining Management Act 2001 was repealed in July 2024, section 7 of the Act, which defines "mining tenement," needs to be updated to change the reference from the old *Mining Management Act 2001* to the new *Environment Protection Act 2019*. Part 5A of the Environment Protection Act 2019 now regulates the carrying out of mining activities on mineral titles and requires a person carrying out mining activities to hold an environmental (mining) licence that authorises that activity.

Opportunities to Strengthen the Framework

While the current approach under section 219 of the *Local Government Act 2019* (NT) enables the Minister to determine rates for conditionally rateable land, including pastoral leases and mining tenements, there is scope to explore whether a more contemporary model could apply.

In other jurisdictions such as Western Australia, local governments are empowered to set differential rates for land use types, including mining and pastoral categories, while retaining safeguards through oversight thresholds. A carefully calibrated shift towards greater local government discretion, accompanied by protective mechanisms, could offer a more responsive and regionally tailored approach to rating.

Key Issues

The rating of pastoral leases and mining tenements in the Northern Territory has historically been determined by the Minister. This model recognises the strategic economic significance of these sectors and the need to balance local government revenue with broader industry stability.

In other jurisdictions, such as WA and NSW, local governments have a more direct role in setting rates for these land types, often accompanied by legislative safeguards or oversight mechanisms. A key issue is whether the NT should explore a more flexible approach, allowing for greater regional responsiveness, while maintaining consistency in valuation methods and predictability for landholders.

Any change would need to support long-term financial sustainability for councils and be introduced in a staged, consultative manner that respects the contribution of the mining and pastoral sectors to the Territory economy.

Background

Considerations for a Measured Approach

Any future adjustment to the rating powers over conditionally rateable land must be approached carefully and with regard to the broader economic environment. The mining and pastoral sectors have historically relied on the predictability of Ministerially determined rates under section 219 *Local Government Act 2019*.

If change is considered, it would require clear transitional rules, and staged timeframes. These sectors contribute significantly to regional economies and infrastructure and should be brought along through transparent processes, supported by consistent valuation methods and legislative clarity.

Jurisdictional Comparison

Jurisdictions across Australia have adopted various models to manage the rating of pastoral and mining land. In Western Australia, section 6.33 *Local Government Act 1995* (WA) allows councils to apply differential rates by land use.

In New South Wales, rating categories are prescribed under section 493 of the *Local Government Act 1993* (NSW), including a specific category for mining. In Victoria, under Part 8 of the *Local Government Act 1989* (Vic), valuation for rating purposes generally uses the unimproved capital value (UCV), excluding the value of any extracted resources.

These models reflect a common emphasis on land use-based categories, transparent valuation, and procedural safeguards. Consideration could be given to drawing from these features to support a more regionally responsive and sustainable framework in the Northern Territory.

Mining Tenements

An existing restriction on the conditional rating of mining tenements is found in the conditions of the Gazette notice made by the Minister each year, which is accessible via https://dhlgcd.nt.gov.au/local-government/conditionally-rateable-land. Since conditional rating began in 2008, the notice has always included a restriction in the following (or similar) words:

"contiguous tenements or reasonably adjacent tenements held by the same person are to be rated as if they were a single tenement".

The grouping of contiguous and/or reasonably adjacent tenements as a single tenement can have a significant effect, as most mining tenements are subject to the minimum rate. Currently, when a person owns multiple mining tenements that are connected or close together, they are treated as one property for rate-setting purposes. This reduces the total rates they pay, since most tenements only get charged the minimum rate.

To Consider

- Should a comparable valuation method for pastoral leases and mining tenements be considered to provide clarity and comparability across regions?
- Would introducing a threshold for rate increases during any adjustment period support stability for the mining and pastoral sectors?
- Should local governments be enabled to apply differential rating powers for conditionally rateable land, subject to safeguards similar to other jurisdictions (e.g. Ministerial review if rates exceed a set threshold)?
- How can rating adjustments be phased in to ensure both fiscal sustainability for councils and affordability for ratepayers in the mining and pastoral sectors?

Mining Tenements

In order to address the issue of mining tenements grouped for rating purposes, there is a proposal to gradually phase out this rule over ten years, allowing councils to charge rates on each tenement separately in the future.

A further amendment is proposed to section 224 of the Act to make it clearer that councils may apportion rates on conditionally ratable land. At present there is confusion whether councils can impose rates on a pro-rata basis for land which either becomes or ceases to be rateable during a financial year. The proposed amendment will clarify that councils are permitted to apportion the amount of rates payable to the amount of time the land was rateable.

Prompting Questions for Feedback on Proposed Amendments

For each proposal outlined in the Discussion Paper, please respond to the following questions to help inform the final amendments. Your feedback is essential in shaping a fair and effective local government framework.

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- ☐ Agree with proposed change
- ☐ Other (please specify below)

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If you selected 'Other', please outline your alternative suggestion or concerns.

3. How do you think this proposal will impact your council or community in practice? (Open-ended response)

4. Are there any unintended consequences or practical implementation issues you foresee with this change? (Open-ended response)

5. Do you have any additional comments or examples to support your feedback? (Optional – open-ended response)

Rates Exemptions

Current Arrangements

Section 222 of the Act provides that land used for a non-commercial purpose by a public benevolent institution (PBI), or a public charity is exempt from rates.

Key Issues

1. **Defining "Non-Commercial" Use for Charitable Rate Exemptions**
   Section 222(1)(g) of the Local Government Act 2019 (NT) provides a general exemption from rates for land used for charitable purposes. However, uncertainty remains around what constitutes "non-commercial" use—particularly when charitable organisations, such as community housing providers, charge rent. The tension lies in balancing financial sustainability for providers with the original intent of charitable exemptions.
2. **Clarifying the CEO (Housing)'s Ongoing Liability for Rates**
   Uncertainty exists as to whether the CEO (Housing) is required to pay rates for crown land, in circumstances where the Northern Territory does not occupy the land for the purposes of providing public housing, but a charity or PBI does, and that charity or PBI acts as manager and landlord for the property.
3. **Consistency in Legislative Interpretation**
   A recent NTCAT decision concerning a Community Housing Provider highlighted that charitable status and rental-based housing models can intersect in ways that qualify for rates exemptions under current legislation. While the Tribunal found that the provision of affordable housing at below-market rent served a charitable purpose, the outcome has raised broader questions about how section 222(1)(g) should be interpreted in practice—and whether legislative refinement is required to provide clearer policy intent and consistent application across the sector.

Background

Research has been conducted on approaches taken by other jurisdictions, but consultation with both the community housing sector and councils is also required.

The implications of any amendment for the broader charitable sector also need to be considered.

To Consider

Should section 222(1)(g) be clarified to more explicitly define “non-commercial” use in the context of housing provided by charitable organisations that charge rent?

In relation to the provision of public housing, the intention was, and the position remains, for the CEO (Housing) to pay rates for the land. It has been identified that the Act needs to be amended to clarify that the CEO (Housing) will continue to pay rates even though public housing has been provided.

Would clearer legislative criteria help ensure that rates exemptions are applied consistently across the Territory and aligned with the broader objectives of social and affordable housing policy?

Provide clarification: that the CEO(Housing) will continue to pay rates in instances where the Territory no longer occupies the Crown land, but still owns it.

Prompting Questions for Feedback on Proposed Amendments

For each proposal outlined in the Discussion Paper, please respond to the following questions to help inform the final amendments. Your feedback is essential in shaping a fair and effective local government framework.

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CHAPTER 7

Appointment of principal member of council

Current Arrangements

Under the Act currently, a principal member of a council may be elected or appointed to the office pursuant to section 60 of the Act, depending on a resolution of that particular council.

Section 61 outlines the procedure for electing or appointing the principal member and the deputy principal member. In particular, section 61 (2) states:

"If appointment is the basis of filling the office of the principal member of a council, the council must, at the first meeting of a council after a general election, appoint one of its members to be the principal member."

Section 62 of the Act states that the election or appointment of a principal member ends at the conclusion of the next election.

Key Issues

A number of matters arise in relation to the timing and method of appointing the principal member following a general election.

One issue is the requirement for councils that appoint their principal member at the first meeting of the council. While this ensures leadership is in place immediately, it may present challenges for newly elected council particularly where councillors are unfamiliar with each other or there is high turnover. The adequacy of the current timeframe warrants further consideration.

A second issue relates to the broader question of how principal members are selected. In the Northern Territory, some councils appoint their principal member from among the elected members, while others are elected to the role by the community at large. This difference raises questions about consistency, community expectations, and the role of the principal member within council and in the public domain.

Background

Clarifying the Timeframe for Appointment of the Principal Member

Under section 61(2) of the *Local Government Act 2019* (NT), a council that appoints its principal member must do so at its first meeting after a general election. This ensures immediate leadership but may constrain newly elected members—especially where there is significant turnover or limited familiarity among councillors.

Allowing councils until the fourth ordinary meeting to make this decision could provide time to build working relationships and assess leadership strengths, without causing excessive delays. This flexibility would need to be balanced against the importance of early leadership stability in setting council priorities and engaging with the community.

Councillors individually have no powers outside the council as a whole. Councils act as one to make decisions, not individual councillors. Once elected, councillors come together to make decisions collectively on behalf of all the people in the council area.

Jurisdictional Models Across Australia

Jurisdictions across Australia adopt a range of approaches to appointing or electing principal members. In Queensland and Tasmania, all mayors are directly elected, reflecting a strong emphasis on public mandate.

In contrast, Victoria and most of New South Wales rely on internal appointment by councillors, with only limited exceptions (such as the Lord Mayor of Melbourne).

Western Australia and South Australia use mixed models, allowing for both methods depending on population size, council structure, or local preference.

These variations reflect different priorities such as democratic visibility, leadership stability, and council cohesion. They provide useful comparisons for the Northern Territory's consideration.

Standardising the Method of Appointment Across the Sector

Eleven regional and shire councils in the Northern Territory appoint their principal member internally. Seven councils have, by way of special resolution, decided to have their principal member elected.

The proposal to require all councils to appoint their principal member would align the NT with most other jurisdictions, such as New South Wales and Victoria (excluding the Lord Mayor of Melbourne), where internal appointment is the preferred model.

This change would promote consistency and may reduce conflict between elected members and directly elected mayors. However, it also raises questions about leadership legitimacy, particularly in larger or urban councils where the principal member may have served as a high-profile community representative.

Framing the Governance Implications

The proposed shift from optional direct election to universal appointment of principal members would redefine the way community leadership is understood at the local level. While it strengthens internal council accountability and reduces the potential for executive-legislative tension, it may also alter the visibility, symbolic role, and perceived mandate of principal members, especially in councils with a public-facing leadership tradition.

The reform reflects a broader sector trend, but careful attention must be given to how the community interprets this change in terms of democratic representation.

To Consider

Should councils be allowed more time to appoint a principal member following general elections, or is early certainty at the first meeting necessary for effective governance?

It is understood that some councils are not ready to proceed to appointment of a principal member at the first meeting of a council after a general election.

Council members, and particularly those newly elected, may require further time to gauge whether a particular member is suitable for the principal member role.

It is proposed that councils be given until the **fourth** ordinary council meeting after a general election to appoint a principal member. This will enable elected members to properly gauge if a person is suitable.

An interim chair or rotating chair will apply until this time.

Would removing the option for direct election of principal members strengthen consistency?

How would the appointment-only model affect the perceived legitimacy, visibility, and representative role of Principal members in larger municipal councils?

Should there be flexibility to retain direct election in specific urban councils, or is a uniform appointment model more appropriate for sector-wide governance alignment?

Section 62 of the Act states that the election or appointment of a principal member ends at the conclusion of the next election. Amendments are now proposed to change the term of office set out in 62.

Reviewing the fixed-term nature of principal member appointments could improve leadership accountability, particularly if councils are given the option to re-appoint or re-elect mid-way through a term.

No changes are presently proposed to section 61(3) of the Act, as there is no absolute requirement for a council to appoint a deputy principal member.

Prompting Questions for Feedback on Proposed Amendments

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